

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (“Assignment”) is entered into by and between South Plains Wind Energy, LLC, a Delaware limited liability company (“SP-I”) and South Plains Wind Energy II, LLC, a Delaware limited liability company (“SP-II”).

RECITALS

1. SP-I is developing a wind energy facility (the “Project”) in Floyd County, Texas that will have a 308.1MW portion of the Project in the Lockney Independent School District (the “District”).

2. SP-I is party to an Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes with the District dated September 16, 2013 and amended by Amendment No. 1 thereto approved by the Board of Trustees of the District on August 25, 2015, (the “LAVA”) covering the 308.1MW portion of the Project located in the District (the “308.1MW Portion”).

3. SP-I is assigning to SP-II 61.1% (188.1MWs) of the 308.1MW Portion and a corresponding 61.1% (188.1MWs) of SP-I’s interest in the LAVA as provided for in this Assignment. 61.1% is the “pro-rata share” of SP-II. 38.9% is the “pro-rata share” of SP-I.

NOW, THEREFORE, in consideration of the above premises, the mutual promises set forth below, and other good and valuable consideration, the receipt of which is acknowledged, the Parties agree as follows:

AGREEMENT

Article I ASSIGNMENT

1.1 **Assignment.** Subject to the terms of this Assignment, SP-I conveys, assigns, transfers, sells, and grants all its rights, title and interest in 61.1% (188.1MWs) of the 308.1MW Portion and a 61.1% (188.1MWs) of all its rights, title and interest in, under and to the LAVA to SP-II, said 61.1% (188.1MWs) interest being herein after called the “SP-II Ownership”.

1.2 **Assumption.** Subject to the terms of this Assignment, SP-II assumes and agrees to perform and pay all the terms, covenants, obligations, liabilities and conditions under terms of the LAVA associated with the SP-II Ownership. SP-I shall remain responsible for all liabilities, payments and obligations under the LAVA which are not associated with the SP-II Ownership and which are associated with 38.9% (120MWs) of the 308.1MW Portion of the Project.

1.3 **No Defaults.** SP-I and SP-II each covenant that they will not cause a default under the LAVA and, to the extent either of them causes such a default, the other Party shall have the right, but not the obligation, to cure the applicable default and be reimbursed by the other Party for all its costs required to effect the cure. SP-I and SP-II each covenant that they will immediately give the other notice of any default notice received from the District and that in

connection therewith shall provide assurance that the default will be timely cured, or provide notice that the default notice recipient will not cure the noticed default and that the default may be cured by the other Party with the right of reimbursement therefore from the defaulting Party.

1.4 Other Covenants. SP-I and SP-II each covenant that, in accordance with the LAVA and the terms of this Agreement, each shall:

A. Pay when due its pro-rata share of all amounts due to the District or third-parties under the LAVA, including, but not limited to (i) the amount of any loss the District incurs in its Maintenance and Operations Revenue solely as a result of, or on account of entering into the LAVA [the “Revenue Protection Payments”], (ii) the amounts due the District as reimbursement for all of its administrative costs in administering the LAVA, including, but not limited to, an annual fee of up to \$6,500.00 for the first year of the LAVA, and increasing by not more than 5% each subsequent year [the “Administrative Payments”], (iii) the amount due the District as reimbursement for extraordinary education-related expenses related to the project that are not funded by State of Texas aid formulas [the “Extraordinary Education Related Expenses”], (iv) the amount due the District as a payment in lieu of taxation annually [the “Supplemental Payments”], and (v) amounts due the District as the recapture of lost taxes plus interest thereon in the event the District terminates the LAVA for due cause.

B. Pay when due its pro-rata share of all District taxes and all other applicable ad valorem taxes due applicable taxing entities.

C. Pro-rate among themselves, during the first year of this assignment, as appropriate, all amounts due the District based on the effective date of this Assignment.

D. Maintain its pro-rata share of Qualifying Jobs specified in and in the time period specified on Schedule C of SP-I’s Limitation On Appraised Value Application filed with the District.

E. Pay applicable weekly wages for Qualifying Jobs, as required by Chapter 313 of the Texas Tax Code.

F. Maintain a Viable Presence in the District until December 31, 2026.

G. Make a Qualified Investment in the District of at least its pro-rata share of 10 million dollars by December 31, 2015.

H. Claim only its pro-rata share of the 10 million dollar property value limitation as provided for in the LAVA for the years 2016 through 2023.

I. Comply with all terms of the LAVA and the law as applicable to its pro-rata ownership interest in the Project.

Article II
MISCELLANEOUS

2.1 No Assignment. The rights and obligations of this Assignment may not be assigned or transferred by a party without the prior written consent of the other party and without the consent of the District. All assignments of rights are prohibited without said consents, whether they are voluntary or involuntary, by merger, consolidation, dissolution, operation of law, or any other manner and, in the case of a merger, includes any merger in which a party participates, regardless of whether it is the surviving or disappearing entity. No party may delegate any performance under this Assignment. Any purported assignment of this Assignment in the absence of the required consent shall be void.

2.2 Captions. All titles, subject headings, section titles, and similar items are provided for the purpose of reference and convenience and are not intended to be inclusive, definitive or to affect the meaning of the contents or scope of this Assignment.

2.3 Governing Law. This Assignment is made in the State of Texas and shall be interpreted and governed by the laws of the State of Texas without regard to its conflict of laws principles, and/or the laws of the United States, as applicable.

2.4 Cooperation. The parties agree to reasonably cooperate with each other in the implementation and performance of this Assignment.

2.5 Counterparts. This Assignment may be signed in any number of counterparts, and by the Parties in separate counterparts, and each such counterpart shall represent a fully executed original as if signed by all parties, with all such counterparts together consisting one instrument. Signatures delivered by facsimile or electronically shall be considered to have been delivered upon receipt by each party and such delivery shall be effective as though originals were so delivered and received.

(SIGNATURE PAGES TO FOLLOW)

Dated: Oct. 6, 2015

SOUTH PLAINS WIND ENERGY, LLC,
a Delaware limited liability company

By: First Wind Texas Holdings II, LLC,
a Delaware limited liability company, its
Member

By: 

ARTHUR J. SNELL
ASSISTANT SECRETARY

Dated: Oct. 6, 2015

SOUTH PLAINS WIND ENERGY II, LLC,
a Delaware limited liability company

By: First Wind Texas Holdings III, LLC,
a Delaware limited liability company, its
Member

By: 

ARTHUR J. SNELL
ASSISTANT SECRETARY