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

FORM 8-K/A#1

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

Date of report (Date of earliest event reported): March 7, 2019 (March 5, 2019)

TECOGEN INC.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-36103	04-3536131
(Commission File Number)	(IRS Employer Identification No.)
45 First Avenue Waltham, Massachusetts	02451
(Address of Principal Executive Offices)	(Zip Code)

(781) 622-1120
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). 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. ☑

Item 1.01 Entry into a Material Definitive Agreement

On March 5, 2019, Tecogen Inc. (the "Corporation") entered into Amendment No. 2 to, and Waiver No. 3 under, Credit Agreement dated May 4, 2018 (the "Credit Agreement") among the Corporation, American DG Energy Inc. ("ADGE"), and TTcogen LLC (collectively, the "Borrowers") and Webster Business Credit Corporation ("Lender") (the "Amendment and Waiver"). Pursuant to the Amendment and Waiver, the Lender waived restrictions in the Credit Agreement to permit the following transaction which occurred on March 5, 2019:

1) The formation of CogenTwo LLC ("CogenTwo") as a wholly owned subsidiary of ADGE and the contribution by ADGE to CogenTwo of its interests in six agreements and associated assets relating to the generation and sale of energy.

2) The execution by ADGE of a Membership Interest Purchase Agreement dated March 5, 2019 between ADGE and SDCL TG Cogen LLC ("SDCL"), an unrelated third party, pursuant to which all equity interests in CogenTwo were sold to SDCL for $5 million, and the execution by the Corporation of a Guaranty of ADGE's obligations under the Membership Interest Purchase Agreement.

3) The execution by the Corporation of a Billing and Asset Management Agreement with an initial term of 15 years and renewable thereafter as agreed, pursuant to which the Corporation will be responsible for the management and operation of the on-site utilities transferred to CogenTwo, guarantee the payment of certain minimum collections from such on-site utilities, and receive one half of all collections in excess of agreed minimum collections.

Proceeds from the sale of CogenTwo were deposited to ADGE's account with Lender and applied against the outstanding balance under the Credit Agreement.

As previously reported in December 2018, in a similar transaction, ADGE formed CogenOne LLC as a wholly owned subsidiary, contributed its interests in two agreements and associated assets relating to the generation and sale of energy to CogenOne, and sold CogenOne to SDCL for $2 million and the Corporation entered into a Billing and Asset Management Agreement, all as described in the Corporation's Current Report on Form 8-K filed December 17, 2018 as amended and supplemented hereby.

Collection activities under the Billing and Asset Management Agreement dated March 5, 2019 relating to the six energy purchase agreements assigned to CogenTwo will be aggregated with collection activities under the Billing and Asset Management Agreement dated December 14, 2018 relating to the two energy purchase agreements assigned to CogenOne LLC which was amended and restated on March 5, 2019 to provide for such aggregation.

The foregoing description of the Amendment and Waiver, the Membership Interest Purchase Agreement, the Guaranty, and the Billing and Asset Management Agreement for the December 14, 2018 and the March 5, 2019 transactions is a summary, does not purport to be complete, and is qualified in its entirety by reference to the full text of the agreements filed as Exhibits 10.47 through 10.53 to this Current Report on Form 8-K.

On March 7, 2019, the Corporation issued a press release regarding the transactions described in Item 1.01 which is furnished as Exhibit 99.01 to this Current Report on Form 8-K. Pro forma financial statements showing the impact of the two sale transactions described above are filed as Exhibit 99.02 to this Current Report on Form 8-K.

Item 2.01 Completion of Acquisition or Disposition of Assets.

The information set forth in Item 1.01 is hereby incorporated by reference into this Item 2.01.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

The press release dated March 7, 2019 and the Unaudited Pro Forma Financial Condensed Consolidated Financial Statements showing the impact of the sale transactions described in Item 1.01 and furnished with this Current Report on Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall either exhibit be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference to such fling.

Exhibit	Description
99.01	Press Release dated March 7, 2019.
99.02	Unaudited Pro Forma Condensed Consolidated Financial Statements.

The following exhibits relating to Items 1.01 and 2.01 are filed herewith:

Exhibit	Description
10.47	Amendment No. 2 to, and Waiver No. 3 under, Credit Agreement dated as of March 5, 2019.
10.48	Membership Interest Purchase Agreement dated as of December 14, 2018 between American DG Energy, Inc. and SDCL TG Cogen LLC.
10.49	Guaranty Agreement by Tecogen Inc. dated as of December 14, 2018 relating to Membership Interest Purchase Agreement dated December 14, 2018.
10.50	Membership Interest Purchase Agreement dated as of March 5, 2019 between American DG Energy, Inc. and SDCL TG Cogen LLC.
10.51	Guaranty Agreement by Tecogen Inc. dated as of March 5, 2019 relating to Membership Interest Purchase Agreement dated March 5, 2019.
10.52	Billing and Asset Management Agreement dated as of March 5, 2019 by and between Tecogen Inc. and CogenTwo LLC.
10.53	Billing and Asset Management Agreement by and between Tecogen Inc. and CogenOne LLC, as amended and restated as of March 5, 2019.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Corporation has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

TECOGEN INC.

By: /s/ Bonnie Brown

March 7, 2019

Bonnie Brown, Principal Financial & Accounting Officer

AMENDMENT NO. 2 TO, AND WAIVER NO. 3 UNDER,
CREDIT AGREEMENT

AMENDMENT NO. 2 TO, AND WAIVER NO. 3 UNDER, CREDIT AGREEMENT, dated as of March 5, 2019 (this "***Amendment and Waiver***", UNDER, CREDIT AGREEMENT, dated as of May 4, 2018, among TECOGEN INC., a Delaware corporation ("***Tecogen***") AMERICAN DG ENERGY INC., a Delaware corporation (" ***ADGE***") and TTCOGEN LLC, a Delaware corporation ("***TTCogen***", and collectively with Tecogen and ADGE, each, a " ***Borrower***" and, collectively, the "***Borrowers***"), and WEBSTER BUSINESS CREDIT CORPORATION, a New York corporation ("***WBCC***"), individually, as lender hereunder and, collectively, as agent for itself and each other Lender Party (as hereinafter defined) (WBCC, acting in both such capacities, herein called "***Lender***"), as amended by Amendment No 1 to, and Waiver No. 1 under, Credit Agreement, dated as of December 14, 2018 and Waiver No. 2 under Credit Agreement dated as of December 27, 2018 (as so amended, the "***Credit Agreement***").

R E C I T A L S:

I.Capitalized terms used in this Amendment and Waiver that are defined in the Credit Agreement shall have the meanings defined therein.

II.Tecogen and ADGE have advised the Lender that they desire to sell certain Excluded Equipment and related power purchase agreements, which are described in Schedule A hereto (the "***2-2019 Excluded Assets***") and to enter into agreements pursuant to which Tecogen would agree to (a) continue to provide long term operation and maintenance services and billing and asset management services to CogenOne and (b) long term operation and maintenance services and billing and asset management services to a newly formed entity to be named CogenTwo LLC (collectively, the "***2-2019 Transactions***").

III.The Borrowers have advised the Lender that the 2-2019 Transactions will consist of the following:

(a) the formation by ADGE of a wholly owned subsidiary under the name of CogenTwo, LLC ("***CogenTwo***");

(b) the transfer by ADGE to CogenTwo of all of 2-2019 Excluded Assets (other than accounts receivable, which will continue to be owned by ADGE);

(c) the sale by ADGE of the equity interests in CogenTwo to a wholly owned subsidiary of Sustainable Capital Development LLP;

(d) the execution by Tecogen and CogenOne of an Amended and Restated Billing and Asset Management Agreement, dated on or about the date hereof (the "***CogenOne Amended Billing Agreement***"), pursuant to which Tecogen will continue to provide services to CogenOne, as described therein;

(e) the execution by Tecogen and CogenTwo of a Billing and Management Agreement, dated on or about the date hereof (the "***CogenTwo Billing Agreement***"), pursuant to which Tecogen will provide billing and management services to CogenTwo, as described therein;

(f) the execution by Tecogen and CogenTwo of an Operation and Maintenance Service Agreement, dated on or about the date hereof (the "***CogenTwo Service Agreement***"), pursuant to which Tecogen will provide services to CogenTwo, as described therein, and

(g) an undertaking by Tecogen pursuant to Section 7.1 of the Billing and Asset Management Agreement, dated on or about the date hereof, between Tecogen and CogenTwo (the "***CogenTwo Billing Agreement***") to make shortfall payments as described therein.

IV.The Borrowers have requested that the Lender waive any restrictions contained in the Credit Agreement or the other Credit Documents on Borrowers' ability (a) to complete 2-2019 Transactions, including the sale of the 2-2019 Excluded Assets, (b) to enter into an Operation and Maintenance Agreement and a Billing and Asset Management Agreement with CogenTwo, and (c) to enter into an Amended and Restated Billing and Asset Management Agreement with CogenOne, all in the forms previously provided to Lender.

V.The Lender has agreed to grant the Borrowers' requests in Recital IV on the terms and subject to the conditions set forth in this Amendment and Waiver.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. INCORPORATION OF RECITALS

The foregoing Recitals are incorporated herein as if fully set forth herein.

2. DEFINITIONS AND REFERENCES.

From and after the Amendment No. 2 Effective Date (as defined in Section 5.1 of this Amendment and Waiver), all references herein, in the Credit Agreement and in the other Credit Documents to the term "***Credit Documents***" shall be deemed to include a reference to this Amendment and Waiver, and the other documents executed in connection with this Amendment and Waiver.

3. WAIVER.

(a) The Lender waives all restrictions in the Credit Agreement and the other Credit Documents limiting Borrowers' right to carry out the 2-2019 Transactions, provided that the proceeds from the sale of 2-2019 Excluded Assets are deposited to the

Borrowers' concentration account at Webster Bank and used to reduce the amount of Revolving Credit Loans by the amount of such proceeds.

(b) The Borrowers acknowledge and agree that the waivers granted by the Lender under Section 3(a) hereof (i) are limited to the specific matters set forth therein; and (ii) are not and shall not be deemed to constitute a consent or waiver with respect to any other provisions of the Credit Agreement or the other Credit Documents.

4. AMENDMENTS TO CREDIT AGREEMENT.

(a) Section 1.3 of the Credit Agreement is hereby amended to add the following defined terms in appropriate alphabetical order:

"***2-2019 Excluded Assets***" shall have the meaning set forth in the Recitals of Amendment No.2.

"***2019 Tecogen Guaranty Agreement***" shall have the meaning set forth in the Recitals of Amendment No.2.

"***2-2019 Transaction Agreements***" shall mean the agreements for the 2-2019 Transactions including the CogenOne Amended Billing Agreement.

"***2-2019 Transactions***" shall have the meaning set forth in the Recitals of Amendment No.2.

"***Amendment No. 2***" ***or*** "***Amendment and Waiver***" means this Amendment No. 2 to, and Waiver No. 3 under, Credit Agreement among the Borrowers and the Lender.

"***Amendment No. 2 Effective Date***" has the meaning set forth in Section 6.1 of Amendment No. 2.

"***CogenOne Amended Billing Agreement***" shall have the meaning set forth in the Recitals of Amendment No.2.

"***CogenTwo Billing Agreement***" shall have the meaning set forth in the Recitals of Amendment No.2

(b) Section 7.4 of the Credit Agreement is hereby amended by deleting the text thereof and substituting therefor the following:

7.4 ***Guarantees***. Become liable upon the obligations of any Person (including without limitations, any Unrestricted Affiliate or Unrestricted Subsidiary) by assumption, endorsement or guaranty thereof or otherwise (other than to Lender or any Lender Party) in connection with this Agreement and the transactions contemplated herein; except:

(a) guarantees made in the Ordinary Course of Business up to an aggregate amount not exceeding the Materiality Threshold;

(b) the endorsement of checks for collection in the Ordinary Course of Business;

(c) guarantees made by one Loan Party of the Obligations of another Loan Party or Loan Parties;

(d) guarantees made by a Loan Party of Permitted Purchase Money Debt or Permitted Capitalized Lease Obligations;

(e) the Tecogen Guaranty Agreement and the CogenOne Amended Billing Agreement, so long as the minimum revenue guaranteed thereby does not exceed the Minimum Threshold (as defined in the CogenOne Amended Billing Agreement as in effect on the Amendment No. 2 Effective Date) in the aggregate in any Fiscal Year; and

(f) the 2-2019 Tecogen Guaranty Agreement and the CogenTwo Billing Agreement, so long as the minimum revenue guaranteed thereby does not exceed the Minimum Threshold (as defined in the CogenTwo Billing Agreement as in effect on the Amendment No. 2 Effective Date) in the aggregate in any Fiscal Year.

5. REPRESENTATIONS AND WARRANTIES BY THE BORROWERS.

To induce the Lender to enter into this Amendment and Waiver, the Borrowers hereby represent and warrant to the Lender that:

5.1 Power; Authorization; Enforceable Obligations.

(a) The execution, delivery and performance of this Amendment and Waiver and the other documents executed or delivered by each of the Borrowers in connection herewith and the transactions contemplated hereby and thereby (i) are within its corporate or limited liability company authority, as applicable, (ii) have been duly authorized by all necessary corporate or limited liability company action, as applicable, (iii) do not conflict with or result in any material breach or contravention of any provision of law, statute, rule or regulation to which any of the Borrowers is subject or any judgment, order, writ, injunction, license or permit applicable to either of the Borrowers, and (iv) do not conflict with any provision of the Organic Documents of any of the Borrowers or any agreement or other instrument binding upon it.

(b) This Amendment and Waiver and the other documents to which it is a party constitute the valid and legally binding obligations of each of the Borrowers, enforceable against each in accordance with the terms hereof and thereof, except as such

enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and general principles of equity (whether considered in an action of law or in equity).

5.2 Concerning the Transactions.

The Borrowers have heretofore delivered to the Lender true, correct and complete copies of the 2-2019 Transaction Agreements (including all exhibits and schedules thereto). The Borrowers will consummate the 2-2019 Transactions pursuant to the 2-2019 Transaction Agreements and the documents and agreements executed or delivered pursuant thereto, and the 2-2019 Transaction Agreements set forth the entire agreement among the parties thereto with respect to the subject matter thereof. No party to the 2-2019 Transaction Agreements waived the fulfillment of any condition precedent set forth therein to the consummation of the 2-2019 Transactions, no party has failed to perform in any material respect any of its obligations thereunder or under any agreement or document executed and delivered in connection therewith. No consent or approval, authorization or declaration of any Governmental Body was required in connection with the 2-2019 Transactions. Neither the execution and delivery of the 2-2019 Transaction Agreements, nor the performance of the Borrowers' obligations thereunder, violated in any material respect any provision of law or conflicted with or resulted in a material breach of, or created (with or without the giving of notice or lapse of time, or both) a default under, any contracts to which any Borrower is a party or by which such Person is bound or any of such Person's material assets are affected.

6. CLOSING CONDITIONS.

6.1 Effective Date.

This Amendment and Waiver shall be effective as of March 5, 2019 (the " ***Amendment No. 2 Effective Date***"), *provided* that on or before such date the Lender shall have received the following:

(a) a counterpart of this Amendment and Waiver, executed by a Designated Officer of each of the Borrowers and the Lender;

(b) confirmation satisfactory to the Lender that the Borrowers have complied with the requirements of the Credit Agreement with respect to the 2-2019 Transactions as set forth in a certificate signed by a Designated Officer of each of the Borrowers, in all respects satisfactory to the Lender, dated as of the Amendment No. 2 Effective Date (the "***Closing Certificate***"), certifying to the Lender that:

(i) (A) the representations and warranties contained in the 2-2019 Transaction Agreements are true and correct in all material respects, and (B) immediately after giving effect to the 2-2019 Transactions contemplated by the Transaction 2-2019 Agreements and by this Amendment and Waiver, no Default or Event of Default exists or will result therefrom,

(ii) as of the date of the closing of the 2-2019 Transactions, the 2-2019 Transaction Agreements were in full force and effect and had not been amended or modified, and that attached hereto is a copy, certified to be true and complete, of each of the 2-2019 Transaction Agreements (including all exhibits and schedules thereto),

(iii) as of the date of the closing, all conditions precedent of the 2-2019 Transaction Agreements were satisfied, and the Transactions were consummated on the terms of the 2-2019 Transaction Agreements,

(iv) no action or proceeding by or before any Governmental Body has been commenced and is pending or threatened, seeking to prevent or delay the transactions contemplated by this Amendment and Waiver or challenging any other terms and provisions hereof or seeking any damages in connection therewith, and

(v) since December 31, 2017, no Material Adverse Change has occurred.

(c) a certificate from a Designated Officer of the Borrowers, dated as of the Amendment No. 2 Effective Date, attaching:

(i) a certification of the incumbency and signature of the officers (or other representatives) of each Loan Party executing this Amendment and Waiver and the other Credit Documents, and

(ii) the authorizations by the board of directors or members (or other governing body) of such Loan Party to enter into and carry out such transactions as are contemplated pursuant to this Amendment and Waiver and the other Credit Documents and including therewith copies of the Organic Documents of such Loan Party as in effect on the Amendment No. 2 Effective Date;

(d) an opinion of counsel to the Loan Parties, addressed to the Lender, and dated the Amendment No. 2 Effective Date, in form and substance satisfactory to the Lender;

(e) payment to the Lender of a waiver and amendment fee in the amount of $2,500, which shall be fully earned and non-refundable when paid; and

(f) payment or reimbursement by the Borrowers of the reasonable fees and expenses of Emmet, Marvin & Martin, LLP in connection with the preparation, negotiation and closing of this Amendment and Waiver and the other amendment documents, in immediately available funds.

7. MISCELLANEOUS.

7.1 Amendments and Waivers.

None of the terms or provisions of this Amendment and Waiver or the Credit Agreement may be waived, amended, supplemented or otherwise modified except in writing in accordance with Section 16.2 of the Credit Agreement.

7.2 Survival of Representations and Warranties.

All representations and warranties made hereunder, in the other Credit Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Amendment and Waiver.

7.3 Payment of Expenses.

The Borrowers agree to pay or reimburse the Lender for its reasonable fees and expenses in accordance with Section 16.10 of the Credit Agreement.

7.4 Integration.

This Amendment and Waiver, and the other Amendment Documents constitutes the entire agreement of the Borrowers and the Lender with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Lender relative to the subject matter hereof not expressly set forth or referred to herein.

7.5 GOVERNING LAW.

THIS AMENDMENT AND WAIVER AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT AND WAIVER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

7.6 WAIVERS OF JURY TRIAL.

THE BORROWERS AND THE LENDER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AMENDMENT AND WAIVER AND FOR ANY COUNTERCLAIM OR THIRD-PARTY CLAIM THEREIN.

7.7 Credit Documents - Ratification.

The Credit Agreement and the other Credit Documents are hereby ratified and confirmed in all respects and shall continue in full force and effect.

7.8 No Defenses or Offsets.

Each of the Borrowers agrees and admits that it has no defenses to or offsets against any of its obligations to the Lender under the Credit Documents.

7.9 Counterparts.

This Amendment and Waiver may be executed by one or more of the parties to this Amendment and Waiver on one or more counterparts (including by telecopy or email), and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

[The remainder of this page has been intentionally left blank]

IN WITNESS WHEREOF, this Amendment and Waiver has been executed and delivered as of the date and year first above written.

BORROWERS:

TECOGEN INC.

By: /s Benjamin Locke
Name: Benjamin Locke
Title: CEO

AMERICAN DG ENERGY INC.

By: /s Robert A. Panora
Name: Robert A. Panora
Title: Director

TTCOGEN LLC

By: /s Benjamin Locke
Name: Benjamin Locke
Title: CEO

"**LENDER**"

WEBSTER BUSINESS CREDIT CORPORATION

By: /s Thanwantie Somar
Name: Thanwantie Somar
Title: Authorized Signatory

[Signature page to Amendment No. 2 to, and Waiver No. 3 under, Credit Agreement]

MEMBERSHIP INTEREST PURCHASE AGREEMENT

BY AND AMONG

SDCL TG COGEN LLC, AS PURCHASER

AND

AMERICAN DG ENERGY INC., AS SELLER

AND

TECOGEN INC.

DATED AS OF DECEMBER 14, 2018

TABLE OF CONTENTS

MEMBERSHIP INTEREST PURCHASE AGREEMENT

THIS MEMBERSHIP INTEREST PURCHASE AGREEMENT (this "***Agreement***"), dated as of December 14, 2018, is made by and among SDCL TG COGEN LLC, a Delaware limited liability company (the "***Purchaser***"), and AMERICAN DG ENERGY INC., a Delaware corporation ("***ADG***" or the "***Seller***"), and TECOGEN INC., a Delaware corporation ("***Tecogen***" or the "***Guarantor***"). Purchaser, Guarantor and the Seller shall be referred to herein from time to time as a "***Party***" and collectively as the "***Parties***." Capitalized terms used and not otherwise defined herein have the meanings set forth in Article I below.

WHEREAS, Seller owns one hundred percent (100%) of the issued and outstanding membership interests, including all voting and economic rights (the "***Membership Interests***") of CogenOne LLC, a Delaware limited liability company (the "***Company***"), the sole business of which is the ownership, leasing, operation and maintenance of the equipment described on attached Exhibit A (the "***Project***").

WHEREAS, Purchaser desires to acquire from the Seller, and Seller desires to sell to Purchaser, all of the Membership Interests, on the terms and subject to the conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be bound hereby, agree as follows:

Article I

DEFINITIONS

1.01 Definitions. For purposes hereof, the following terms when used herein shall have the respective meanings set forth below:

"Action" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

"Affiliate" of any particular Person means any other Person controlling, controlled by or under common control with such particular Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise.

"Allocation Schedule" is defined in Section 7.08.

"Assignment of Membership Interests" means an Assignment and Assumption of Membership Interests in the form of Exhibit A hereto and in form and substance satisfactory to Purchaser, by the Seller to Purchaser.

"Assumed Liabilities" is defined in Section 2.04(a).

"Billing Agreement" means the Billing and Asset Management Agreement dated as of the Closing Date among the Guarantor and Company.

"Business Day" means a day which is neither a Saturday or Sunday, nor any other day on which banking institutions in New York, New York are authorized or obligated by Law to close.

"Cash" means cash and cash equivalents determined in accordance with GAAP.

"Closing Consideration" means an aggregate amount of cash consideration equal to Two Million Dollars ($2,000,000).

"Code" means the Internal Revenue Code of 1986, as amended.

"Company Inventory" shall mean all of the Company's raw materials, work-in-process, finished goods and merchandise, spare parts, packaging and other supplies related thereto.

"Contract" means any legally binding agreement, contract, arrangement, lease, loan agreement, security agreement, license, indenture or other similar instrument or obligation to which the party in question is a party or by which a party or its assets is bound, whether oral or written.

"Environmental Laws" means all Laws (including all agreements with any Governmental Entity) relating to the protection or preservation of human health, safety or the environment, including, without limitation: (a) all Laws that control, govern, limit, prohibit, regulate or otherwise relate to any hazardous materials or substances; (b) all Laws relating to the protection or preservation of occupational health and safety; and (c) all Laws relating to the labeling, notice or disclosure of hazardous materials or substances. Without limiting the generality of the foregoing, the term Environmental Laws includes, without limitation, each of the following statutes and the regulations promulgated thereunder, as well all similar state, local or foreign Laws, each including all implementing Laws and legal requirements and as may be amended from time to time: the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Resource Recovery and Conservation Act of 1976, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Solid Waste Disposal Act, the Clean Air Act, the Hazardous Materials Transportation Act, and the Clean Water Act.

"Equipment Leases" means the Equipment Lease Agreements described and defined in Schedule 3.09(a) of the Seller Disclosure Schedules.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean each Subsidiary and any person or entity under common control with the Company within the meaning of Section 414(b), (c), (m) or (o) of the Code and the regulations issued thereunder.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Excluded Liabilities" is defined in Section 2.04(b).

"Fundamental Representations" means the representations and warranties of the Seller or Company set forth in Section 3.01 (Organization and Authority), Section 3.03 (No Conflicts; Consents), Section 3.04 (Capitalization), Section 3.08 (Tax Matters), Section 3.10 (Intellectual Property), and Section 3.23 (No Brokers).

"GAAP" means United States generally accepted accounting principles consistently applied.

"Governmental Entity" means any federal, national, state, foreign, provincial, local or other government or any governmental, regulatory, administrative or self-regulatory authority, agency, bureau, board, commission, court, judicial or arbitral body, department, political subdivision, tribunal or other instrumentality thereof.

"Guarantor" means Tecogen Inc., a Delaware corporation.

"Guaranty" means the Guaranty Agreement dated as of the Closing Date made by the Guarantor in favor of the Purchaser and Company.

"Indebtedness" means, with respect to a Person, the indebtedness (including unpaid interest, fees, expenses, prepayment charges or premium thereon), without duplication, (a) in respect of borrowed money or for the deferred purchase price of products or services; (b) as may be evidenced by any note, bond, debenture or other debt security; (c) in respect of obligations for the reimbursement of any obligor for amounts drawn on any letter of credit, banker's acceptance or similar transaction; (d) all obligations arising out of any financial hedging, swap or other similar arrangement; (e) any Unpaid Pre-Closing Taxes; and (f) guarantees of obligations of the type described above.

"Independent Accountant" means the office of an impartial nationally recognized firm of independent certified public accountants other than Seller's accountants or Buyer's accountants which both Purchaser and Seller appoint by mutual written agreement.

"Intellectual Property" means intellectual property rights in any jurisdiction, including, without limitation, all (a) trademarks including but not limited to service marks, logos, trade dress, distinguishing guises, trade names and similar indicators of origin, whether registered or not, and all goodwill associated therewith; (b) active and inactive patents, patents pending, patent applications and statutory invention registrations, including reissues, divisions, continuations, continuations-in-part, substitutions, extensions and reexaminations thereof, all inventions disclosed therein, and all rights therein provided under international treaties and conventions; (c) design patents and industrial designs, whether registered or not; (d) mask works, circuit lay-out designs and integrated circuit topographies, whether registered or not; (e) trade secrets; (f) copyrights in writings, designs, computer software and other works, whether registered or not; (g) domain names; (h) applications and registrations pertaining to any of the foregoing; (i) all claims and causes of action arising out of or related to infringement or misappropriation of any of the foregoing; and (j) any other industrial and intellectual proprietary rights now known or hereafter recognized in any jurisdiction.

"IRS" means the United States Internal Revenue Service.

"knowledge of the Seller" and "the Seller's knowledge" mean the actual knowledge of the Seller and such knowledge that the Seller would reasonably be expected to have after conducting a due and diligent inquiry.

"Law" means any code, decree, directive, guidance, injunction, judgment, law, regulation, rule, statute, treaty or requirement of any Governmental Entity.

"Lessees" mean the "Lessees" identified in Section 3.09(a) of the Seller Disclosure Schedules.

"Liabilities" means all indebtedness, obligations and other liabilities of a Person any nature (including any unknown, undisclosed, unasserted, or contingent), regardless of whether such indebtedness, obligation, or liability would be required to be disclosed on a balance sheet prepared in accordance with generally accepted accounting principles and regardless of whether such debt, obligation, or liability is immediately due and payable.

"Liens" means liens, pledges, mortgages, security interests, attachments, restrictions, levies, encumbrances, and other charges or encumbrances of any kind or character whatsoever.

"Losses" means all losses, liabilities, lost profits, diminutions of value, damages (including incidental and consequential damages), penalties, fines, costs, amounts paid in settlement, Liabilities, Taxes, losses, expenses and fees, including court costs and attorneys' and other professionals' fees and expenses and any other costs of enforcing an Indemnified Party's rights under this Agreement; provided, Losses does not include, and no Indemnified Party shall be entitled to seek or

recover any punitive damages (unless payable to a third-party in connection with a Third-Party Claim).

"Material Adverse Effect" means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the business, results of operations, condition (financial or otherwise) or assets (including the Equipment, Project Contracts and Project) of the Company, or (b) the ability of Seller or Guarantor to consummate the transactions contemplated by the Transaction Documents on a timely basis; provided, that "Material Adverse Effect" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) conditions generally affecting the industries in which the Company operates; (iii) any changes in financial or securities markets in general; (iv) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (v) any action required or permitted by this Agreement, except pursuant to Section 3.03; (vi) any changes in applicable Laws or accounting rules, including GAAP; or (vii) the public announcement, pendency or completion of the transactions contemplated by this Agreement; provided further, that any event, occurrence, fact, condition or change referred to in clauses (i) through (iv) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition or change has a disproportionate effect on the Company compared to other participants in the industries in which the Company conducts its businesses.

"O&M Agreement" means the Operations and Maintenance Services Agreement dated as of the Closing Date among the Guarantor and the Company.

"Organizational Documents" means, with respect to the Company, the certificate of formation and operating agreement of the Company, in each case, as amended.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a Governmental Entity or any other entity.

"Post-Closing Tax Period" means any taxable period beginning after the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period beginning after the Closing Date.

"Post-Closing Taxes" means Taxes of the Company for any Post-Closing Tax Period.

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

"Pre-Closing Taxes" means Taxes of the Company for any Pre-Closing Tax Period.

"Projects" means the combined heat and power generation facilities and assets owned by the Company at the locations described in the Project Contracts.

"Project Contracts" means the Equipment Leases identified in Section 3.09(a) of the Seller Disclosure Schedule and any related agreements as described in Section 3.09(a).

"Purchase Price" means an aggregate amount of cash consideration equal to the Closing Consideration, if, as and when payable and without interest.

"Representative" means, with respect to a Person, such Person's managers, managing members, officers, directors, employees, investment bankers, attorneys, accountants, consultants or other agents or advisors.

"Seller Disclosure Schedules" means the Disclosure Schedules of the Seller.

"Software" means computer software, programs and databases in any form, including Internet web sites, web content and links, source code, executable code, tools, menus, and all versions, updates, corrections, enhancements and modifications thereof, and all related documentation related thereto.

"Standard Software" means non-customized Software that (i) is so licensed solely in executable or object code form pursuant to a nonexclusive, internal use software license; (ii) is not incorporated into, or used directly in the development, manufacturing, or distribution of, the products of the Company; and (iii) is generally available on standard terms for either (A) annual payments by the Company of $25,000 or less or (B) aggregate payments by the Company of $25,000 or less.

"Straddle Period" is defined in Section 7.04.

"Subsidiary" means, with respect to any Person, any corporation of which a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of such Person or a combination thereof, or any partnership, association or other business entity of which a majority of the partnership or other similar ownership interest is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person or a combination thereof.

"Tax" or "Taxes" means (i) any and all U.S. federal, state, local and non-U.S. taxes, assessments, levies, tariffs, duties or other charges or impositions in the nature of a tax (together with any and all interest, penalties, additions to tax and additional amounts, whether disputed or not, imposed with respect thereto) imposed by any Governmental Entity, including net income, estimated income, gross income, gross receipts, profits, business, license, occupation, franchise, capital stock, property (real, tangible or intangible), sales, use, ad valorem, transfer, value added, built-in gain, registration, escheat, employment or unemployment, social security, health, payroll, disability, severance, alternative or add-on minimum, customs, excise, stamp, environmental, windfall profit, commercial rent or withholding taxes, (ii) any liability for the payment of any amounts of the type described in clause (i) of this sentence as a result of being a member of an affiliated, consolidated, combined, unitary or aggregate group for any Tax period, and (iii) any liability for the payment of any amounts of the type described in clause (i) or (ii) of this sentence as a result of being a transferee of or successor to any Person, as a result of any express or implied obligation to assume such Taxes or to indemnify any other Person, or by Contract or operation of Law.

"Tax Claim" has the meaning set forth in Section 7.05.

"Tax Returns" means any return, report, information return or other document (including schedules, attachments or any related or supporting information and amendments) required to be prepared or filed with any Governmental Entity or other authority in connection with the determination, assessment or collection of any Tax or the administration of any Laws or administrative requirements relating to any Tax.

"Transaction Documents" means this Agreement and all other agreements, instruments, certificates and other documents to be entered into or delivered by any Party, pursuant to any of the foregoing, including, but not limited to the Assignment of Membership Interests, the Billing Agreement, the O&M Agreement and the Guaranty.

"Transaction Expenses" means all fees and expenses incurred by the Company or Seller at or prior to the Closing in connection with the preparation, negotiation and execution of this Agreement and the Transaction Documents, and the performance and consummation of the transactions contemplated hereby and thereby.

"Transfer" means any sale, exchange, transfer, gift, encumbrance, assignment, pledge, mortgage, hypothecation or other disposition, whether voluntary or involuntary.

"Unpaid Company Transaction Expenses" means Transaction Expenses, but only to the extent they have not been paid by the Company in Cash on or prior to the Closing Date.

1.02 Other Definitional Provisions.

(a) Accounting Terms. Accounting terms that are not otherwise defined in this Agreement have the meanings given to them under GAAP. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement shall control.

(b) Successor Laws. Any reference to any particular Code section or Law shall be interpreted to include any revision of or successor to that section regardless of how it is numbered or classified.

ARTICLE II

PURCHASE AND SALE OF MEMBERSHIP INTERESTS

2.01 Purchase and Sale. On the terms and subject to the conditions of this Agreement, Seller shall sell, transfer, convey, assign and deliver to Purchaser, and Purchaser shall purchase and acquire, at the Closing (as defined below), the Membership Interests, free and clear of all Liens.

2.02 Closing. The closing of the transactions contemplated by this Agreement (the "***Closing***") shall take place on the first (1st) Business Day following full satisfaction or due waiver of all of the closing conditions set forth in Article V hereof (subject to the satisfaction or waiver of such conditions) or on such other date and/or time as is mutually agreeable to Purchaser and the Seller. The date upon which the Closing occurs is referred to herein as the "***Closing Date***."

2.03 Closing Consideration. At the Closing, as full and complete payment for the purchase of the Membership Interests at Closing, Purchaser shall pay the Closing Consideration, net of any withholding required under applicable law. The Purchase Price shall be paid by wire transfer of immediately available funds pursuant to written instructions delivered by the Seller to Purchaser at least two Business Days prior to the Closing.

2.04 Assumed and Excluded Liabilities.

(a) *Assumed Liabilities*. Subject to the terms and conditions set forth herein, the Company shall assume and agree to pay, perform and discharge only the following Liabilities of the Seller (collectively, the "***Assumed Liabilities***"), and no other Liabilities: all Liabilities in respect of the Equipment Leases but only to the extent that such Liabilities thereunder are required to be performed after the Closing Date, were incurred in the ordinary course of business and do not relate to any failure to perform, improper performance, warranty or other breach, default or violation by Seller or the Company on or prior to the Closing.

(b) *Excluded Liabilities*. Notwithstanding the provisions of Section 2.04(a) or any other provision in this Agreement to the contrary, neither Purchaser nor the Company shall assume and shall not be responsible to pay, perform or discharge any Liabilities of Seller or any of its Affiliates of any kind or nature whatsoever other than the Assumed Liabilities (the "***Excluded Liabilities***"). Without limiting the generality of the foregoing, the Excluded Liabilities shall include, but not be limited to, the following:

(i) any Liabilities of Seller or any of its Affiliates arising or incurred in connection with the negotiation, preparation, investigation and performance of this Agreement, the other Transaction Documents and the transactions contemplated hereby and thereby, including, without limitation, fees and expenses of counsel, accountants, consultants, advisers and others;

(ii) any Liability for (A) Taxes of Seller (or any stockholder or Affiliate of Seller) or relating to the Company, the Equipment, the Project Contracts or the Assumed Liabilities for any Pre-Closing Tax Period; (B) Taxes that arise out of the consummation of the transactions contemplated hereby; or (C) other Taxes of Seller (or any stockholder or Affiliate of Seller) of any kind or description (including any Liability for Taxes of Seller (or any stockholder or Affiliate of Seller) that becomes a Liability of the Purchaser under any common law doctrine of de facto merger or transferee or successor liability or otherwise by operation of contract or Law);

(iii) any Liabilities relating to or arising out of the Applicable Permits and Permit Applications;

(iv) any Liabilities in respect of any pending or threatened Action arising out of, relating to or otherwise in respect of the operation of the Company or the Equipment or Project Contracts to the extent such Action relates to such operation on or prior to the Closing Date;

(v) any product Liability or similar claim for injury to a Person or property which arises out of or is based upon any express or implied representation, warranty, agreement or guaranty made by Seller or any of its Affiliates, or by reason of the improper performance or malfunctioning of a product, improper design or manufacture, failure to adequately package, label or warn of hazards or other related product defects of any products at any time manufactured or sold or any service performed by Seller or any of its Affiliates;

(vi) any recall, design defect or similar claims of any products manufactured or sold or any service performed by Seller or any of its Affiliates;

(vii) any Liabilities of Seller for any present or former employees, officers, directors, retirees, independent contractors or consultants of Seller, including, without limitation, any Liabilities associated with any claims for wages or other benefits, bonuses, accrued vacation, workers' compensation, severance, retention, termination or other payments;

(viii) any Environmental Claims, or Liabilities under Environmental Laws, to the extent arising out of or relating to facts, circumstances or conditions existing on or prior to the Closing or otherwise to the extent arising out of any actions or omissions of Seller;

(ix) any trade accounts payable of Seller or the Company (A) which constitute intercompany payables owing to Affiliates of Seller; (B) which constitute debt, loans or credit facilities to financial institutions; or (C) which did not arise in the ordinary course of business;

(x) any Liabilities to indemnify, reimburse or advance amounts to any present or former officer, director, employee or agent of Seller (including with respect to any breach of fiduciary obligations by same), except for indemnification of same pursuant to Section 6.03 as Seller Indemnified Parties;

(xi) any Liabilities associated with debt, loans or credit facilities of Seller and/or the Guarantor owing to financial institutions; and

(xii) any Liabilities arising out of, in respect of or in connection with the failure by Seller or any of its Affiliates to comply with any Law or governmental order.

2.05 NYSERDA Incentive Payments. Notwithstanding anything to the contrary herein, any incentive payments paid by NYSERDA with respect to the Projects shall be retained by Seller or its affiliate, except to the extent that any such incentive payments are required to be paid to a Lessee under a Project Contract. Seller or its affiliate shall be responsible for applying for such incentive payments and, except to the extent that any such incentive payments are required to be paid to a Lessee under a Project Contract, shall be entitled to retain the proceeds of any such incentive payments. At the Seller's cost and reasonable request, and provided neither the Seller nor Guarantor is in default under this Agreement or any Transaction Document, the Company and Purchaser shall use their commercially reasonable efforts to cooperate with the Seller as reasonably necessary in order to permit Seller to apply for and seek payment of such NYSERDA incentives.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller represents and warrants to Purchaser, subject to such exceptions as are specifically set forth in the correspondingly numbered Section of the Seller Disclosure Schedules, on the date hereof and (except where a representation or warranty is made herein as of a specified date) as of the Closing, as though made at the Closing, as follows:

3.01 Organization and Authority.

(a) Seller is a corporation duly incorporated, validly existing and in good standing under the Laws of the state of Delaware. Seller has all requisite corporate power and authority to enter into this Agreement and the Transaction Documents to which Seller is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller of this Agreement and any Transaction Document to which Seller is a party, the performance by Seller of its obligations hereunder and thereunder, and the consummation by Seller of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of Seller. This Agreement has been duly executed and delivered by Seller, and (assuming due authorization, execution, and delivery by Purchaser) this Agreement constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, subject to the Enforceability Exceptions. When each Transaction Document to which Seller is or will be a party has been duly executed and delivered by Seller, such Transaction Document will constitute a legal and binding obligation of Seller, enforceable against it in accordance with its terms, subject to the Enforceability Exceptions. The Seller has delivered to counsel for Purchaser a true and correct copy of the Organizational Documents of the Company.

(b) The Company is a limited liability company duly formed, validly existing and in good standing under the Laws of the state of Delaware and has all requisite limited liability company power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. The Company has all requisite limited liability company power and authority to execute and deliver this Agreement and the Transaction Documents to which it is a party and to perform its obligations hereunder and thereunder. All limited liability company actions taken by the Company in connection with this Agreement and the other Transaction Documents will be duly authorized on or prior to the Closing. The operations now being conducted by the Company are not now and have never been conducted by the Company under any other name.

(c) Section 3.01(c) of the Seller Disclosure Schedules lists every state or foreign jurisdiction in which the Company (i) is licensed or qualified to do business, and (ii) has facilities or otherwise conducts business.

(d) Section 3.01(d) of the Seller Disclosure Schedules lists the sole managing member of the Company as of the date hereof. The Company does not have any directors or officers as of the date hereof.

3.02 Subsidiaries. The Company does not have, and has never had, any Subsidiary or any equity or ownership interest (or any interest convertible or exchangeable or exercisable for any equity or ownership interest), whether direct or indirect, in any Person and is not, and has never been, a participant in any joint venture, partnership or similar arrangement and the Company is not obligated to make nor is it bound by any Contract to make any investment in or capital contribution in or on behalf of any other Person.

3.03 No Conflicts; Consents.

(a) The execution, delivery and performance by Seller of this Agreement and the Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (i) conflict with or result in a violation or breach of, or default under, any provision of the Organizational Documents of Seller or Company; (ii) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Seller or the Company or their properties; (iii) except as set forth in Section 3.03(a) of the Seller Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration or mandatory prepayment of or create in any party the right to accelerate, terminate, prepay, modify or cancel any Contract to which Seller, Guarantor or the Company is a party or by which Seller, Guarantor or the Company is bound or to which any of their respective properties and assets are subject (including any Project Contract) or any Permit affecting the properties, assets or business of the Seller, Guarantor or Company; or (iv) result in the creation or imposition of any Lien on any properties or assets of the Company. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Entity is required by or with respect to Seller, Guarantor or the Company in connection with the execution and delivery of this Agreement and the Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

(b) The Company is not in breach of, or in default under, any of its organizational documents, and no event has occurred that, with the giving of notice or the passage of time, or both, would constitute a default by the Company under any of its organizational documents, and the Company has not given written notice to, or received any written notice that, any member is in breach of, or in default under, any of its obligations under the Company's organizational documents. The only business activity that has been carried on or is currently carried on by the Company is the ownership, leasing, operation and maintenance of the Projects.

(c) Section 3.03(c) of the Seller Disclosure Schedule sets forth all necessary consents, waivers and approvals of parties to any Contracts as are required thereunder in connection with the transactions contemplated by this Agreement, or for any such Contract to remain in full force and effect without limitation, modification or alteration after the Closing so as to preserve all

rights of, and benefits to, the Company under such Contracts from and after the Closing.

(d) This Agreement, and the Transaction Documents to which the Company is a party, has been duly executed and delivered by the Company and, assuming that this Agreement and such Transaction Documents are a valid and binding obligation of the other parties hereto and thereto, each of this Agreement and such Transaction Documents constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy Laws, other similar Laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies (collectively, the "***Enforceability Exceptions***").

3.04 Capitalization.

(a) Seller is the direct record owner of and has good and valid title to the Membership Interests, free and clear of all Liens. The Membership Interests constitute 100% of the total issued and outstanding membership interests in the Company. The Membership Interests have been duly authorized and are validly issued, fully-paid and non-assessable. Upon consummation of the transactions contemplated by this Agreement, Purchaser shall own all of the Membership Interests, free and clear of all Liens.

(b) The Membership Interests were issued in compliance with applicable Laws. The Membership Interests were not issued in violation of the Organizational Documents of the Company or any other agreement, arrangement, or commitment to which Seller, Guarantor or the Company is a party and are not subject to or in violation of any preemptive or similar rights of any Person.

(c) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any membership interests in the Company or obligating Seller or the Company to issue or sell any membership interests (including the Membership Interests), or any other interest, in the Company. Other than the Organizational Documents, there are no voting trusts, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Membership Interests.

(d) The Company has never adopted, sponsored or maintained any option plan, membership interest or incentive purchase plan, or similar plan providing for the equity compensation of any Person. There are no outstanding or authorized incentive or profit participation or other similar rights with respect to the Company.

(e) There are no outstanding loans made by the Company to the Seller, Guarantor or any Affiliate thereof.

3.05 Financial Statements. As of the Closing Date, the Company does not have and has not had any financial statements, balance sheet, or related statements of income and retained earnings, members' equity and cash flow prepared.

3.06 Undisclosed Liabilities; Absence of Certain Developments.

(a) The Company has no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise ("***Liabilities***"), which are, individually or in the aggregate, material in amount.

(b) Through the date hereof, there has not been any:

(i) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(ii) amendment of the Organizational Documents of the Company;

(iii) split, combination or reclassification of any membership interests in the Company;

(iv) issuance, sale or other disposition of, or creation of any Lien on, any membership interests in the Company, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any membership interests in the Company;

(v) declaration or payment of any distributions on or in respect of any membership interests in the Company or redemption, purchase or acquisition of any of the Company's outstanding membership interests;

(vi) material change in any method of accounting or accounting practice of the Company, except as required by GAAP;

(vii) entry into any Contract that would constitute a Material Contract;

(viii) incurrence, assumption or guarantee by the Company of any indebtedness for borrowed money;

(ix) transfer, assignment, sale or other disposition of any of the assets used in connection with the Project Contracts or Projects;

(x) transfer or assignment of or grant of any license or sublicense under or with respect to any Intellectual Property required by the Company to perform its obligations under the Project Contracts;

(xi) material damage, destruction or loss (whether or not covered by insurance) to the Company's property;

(xii) any capital investment in, or any loan to, any other Person by the Company;

(xiii) acceleration, termination, material modification to or cancellation of any material Contract (including, but not limited to, any Project Contract) to which the Company is a party or by which it is bound;

(xiv) any material capital expenditures by or on behalf of the Company;

(xv) imposition of any Lien upon any of the Company's properties or assets, tangible or intangible;

(xvi) hiring or promoting any person as or to (as the case may be) an employee, officer, director, consultant, independent contractor, advisor or manager;

(xvii) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of the Company's members or current or former managers, officers and employees;

(xviii) with respect to the Company, entry into a new line of business or abandonment or discontinuance of existing lines of business;

(xix) with respect to the Company, adoption of any plan of merger, consolidation, reorganization, liquidation or dissolution or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;

(xx) with respect to the Company, purchase, lease or other acquisition of the right to own, use or lease any property or assets except for property and assets contributed by the Seller to the Company immediately prior to the Closing and the Project Contracts;

(xxi) with respect to the Company, acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets, stock or other equity of, or by any other manner, any business or any Person or any division thereof;

(xxii) action by the Company to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Purchaser in respect of any Post-Closing Tax Period; or

(xxiii) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

3.07 Real Property; Title of Properties.

(a) The Company is not party to any leases, licenses, subleases or occupancy agreements, other than the Project Contracts. The Company has good and valid title to the Projects and Project Contracts, free and clear of all Liens. The Company does not own and has never owned any real property.

(b) The plants, structures, furniture, fixtures, machinery, equipment and other items of tangible personal property of the Company are structurally sound, are in good operating condition and repair, except for ordinary wear and tear, and are adequate for the uses to which they are being put, and none of such plants, structures, furniture, fixtures, machinery, equipment and other items of tangible personal property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost or which are covered by the O&M Agreement. The plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property currently owned or leased by the Company, together with all other properties and assets of the Company, are sufficient for the continued conduct of the Company's business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property and assets necessary to conduct the business of the Company as currently conducted, subject to Seller's undertaking to complete the [Projects], at Seller's cost, contemplated by the Project Contracts.

(c) The Company has good and valid title to, or, in the case of leased properties and assets, valid leasehold interests in, all of its properties and assets, real, personal and mixed, used or held for use in their businesses, free and clear of all Liens.

(d) All equipment owned or leased by the Company is listed in Section 3.07(d) of the Seller Disclosure Schedules. All machinery, equipment, fixtures and vehicles owned, leased, or used by the Company are in good operating condition taking into account their age, except for ordinary wear and tear, and are in a reasonable state of repair and condition for the purposes for

which they are being used.

3.08 Tax Matters.

(a) The Company is not required to file any Tax Returns on or before the Closing Date. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been, or will be, timely paid.

(b) The Company is not and has not been required to withhold or pay any Tax in connection with amounts paid or owing to any employee, independent contractor, creditor, customer, member or other party, and the Company has complied with all information reporting and backup withholding provisions of applicable Law.

(c) No claim has been made by any taxing authority in any jurisdiction where the Company does not file Tax Returns that it is, or may be, subject to Tax by that jurisdiction.

(d) No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company.

(e) The Company has no Liability for unpaid Taxes for all periods ending on or before the Closing Date.

(f) No deficiencies have been asserted, and no assessments have been made, against the Company as a result of any examinations by any taxing authority.

(g) The Company is not a party to any Action by any taxing authority. There are no pending or threatened Actions by any taxing authority.

(h) There are no federal, state, local, and foreign income, franchise or similar Tax Returns, examination reports, or statements of deficiencies assessed against, or agreed to by, the Company for all Tax periods ending after the date of the Company's formation.

(i) There are no Liens for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company.

(j) The Company is not a party to, or bound by, any Tax indemnity, Tax sharing or Tax allocation agreement.

(k) No private letter rulings, technical advice memoranda or similar agreement or rulings have been requested, entered into, or issued by any taxing authority with respect to the Company.

(l) The Company has not been a member of an affiliated, combined, consolidated or unitary Tax group for Tax purposes. The Company has no Liability for Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any corresponding provision of state, local or foreign Law), as transferee or successor, by contract or otherwise.

(m) The Company has been treated as a disregarded entity for U.S. federal, state and local income tax purposes since its formation.

(n) Seller is not a "foreign person" as that term is used in Treasury Regulations Section 1.1445-2.

(o) Neither the Company nor a predecessor has been a "distributing corporation" or a "controlled corporation" in connection with a distribution described in Section 355 of the Code.

(p) The Company is not, and has not been, a party to, or a promoter of, a "reportable transaction" within the meaning of Section 6707A(c)(1) of the Code and Treasury Regulations Section 1.6011-4(b).

(q) No property owned by the Company is (i) required to be treated as being owned by another person pursuant to the so-called "safe harbor lease" provisions of former Section 168(f)(8) of the Internal Revenue Code of 1954, as amended, (ii) subject to Section 168(g)(1)(A) of the Code, or (iii) subject to a disqualified leaseback or long-term agreement as defined in Section 467 of the Code.

3.09 Project Contracts; Permits.

(a) Section 3.09(a) of the Seller Disclosure Schedules sets forth a complete and accurate list of all of the contracts that the Company is party to or that Seller or any of its Affiliates is party to in respect of any Project or Equipment (collectively, the "***Project Contracts***"). Each Project Contract has been duly authorized, executed, and delivered as applicable by the Company, Seller and their Affiliates party thereto. The Company, Guarantor or Seller (as applicable) and, to the knowledge of Seller, each other party thereto, is not in breach or default under any such contract or agreement. No event has occurred with respect to the Seller, Guarantor or the Company or, to the knowledge of Seller, with respect to any other party to any of the Project Contracts which with the passage of time or giving of notice or both would constitute such a default, result in a loss of rights or permit termination or acceleration under, or result in the creation of any Lien under any Project Contract. Seller has provided to Purchaser true and complete copies of each Project Contract.

(b) Each Project Contract is valid and binding on the Company, Seller or Guarantor, as applicable, and, to the knowledge of the Seller, on each other Person that is a party to such Project Contract and each Project Contract is in full force and effect, subject to the Enforceability Exceptions. There are no pending, or to the best knowledge of the Seller, threatened disputes or disagreements with respect to any Project Contract. None of the Seller, Guarantor or the Company has received any notice of any termination, suspension, force majeure event, violation, breach or default under or in respect of any Project Contract.

(c) The Company has or will obtain all licenses, permits, consents, authorizations, approvals, ratifications, certifications, registrations, exemptions, variances, exceptions and similar consents of governmental authorities (collectively, "***Permits***") that are required (i) for the installation, construction, commissioning, ownership, leasing, operation and maintenance of the Projects and to conduct the business of the Company pursuant to the Project Contracts, Billing Agreement and O&M Agreement, and (ii) to generate, supply and qualify any environmental attributes from the Project. Each such Permit is validly issued and in full force and effect and not subject to appeal. Section 3.09(c) of the Seller Disclosure Schedules sets forth a complete and accurate list of all such required Permits (the "***Applicable Permits***"). Seller has provided to Purchaser true and complete copies of each such Applicable Permit and any applications or submissions made in respect of obtaining the Applicable Permits (collectively, "***Permit Applications***").

3.10 Intellectual Property.

(a) As of the Closing Date, the Company does not own, license or use any Intellectual Property other than the Licensed Intellectual Property.

(b) The Seller or Guarantor owns or licenses and has the right to sublicense all Intellectual Property that is used in the business of the Company as currently conducted free and clear of any Liens (the "***Owned Intellectual Property***"), and each of Seller and Guarantor hereby grants to the Company a fully paid up, nonexclusive, irrevocable and non-transferable license to use all Intellectual Property that is required to be used in the business of the Company as contemplated by the Project Contracts (the "***Licensed Intellectual Property***").

(c) Neither the Seller nor Guarantor nor the Company has received any written notices of infringement, violation or misappropriation from any third party with respect to any third party Intellectual Property, or that challenge the Seller's or Guarantor's ownership, or the Company's use, of the Licensed Intellectual Property.

(d) Neither the Seller nor Guarantor nor the Company has received any written notice of any inventorship challenges or any interference having been declared or threatened with respect to any Licensed Intellectual Property, and neither the Seller nor Guarantor nor the Company has knowledge of a material fact that would reasonably be expected to result in any inventorship challenge or interference with respect to such Licensed Intellectual Property.

(e) Neither the Seller nor Guarantor nor the Company has infringed, violated or misappropriated, and neither the Seller nor the Company is currently infringing, violating or misappropriating, the Intellectual Property rights of any other Person. There is no Action pending against the Seller, Tecogen or the Company (i) alleging any infringement, violation or misappropriation by the Seller, Tecogen or Company of any third party Intellectual Property; or (ii) challenging the Seller's or Guarantor's ownership, or the Company's license, or the validity or enforceability, of any Licensed Intellectual Property, and there is no basis for any such Action.

(f) No Licensed Intellectual Property is subject to any proceeding or outstanding decree, order, judgment, or stipulation or Contract restricting in any material manner, the use, enforcement, transfer, or licensing thereof by the Company or Seller or Guarantor, or which may materially affect the validity, use or enforceability of such Licensed Intellectual Property. All Licensed Intellectual Property is licensable by the Company without restriction and without payment of any kind to any Person.

(g) The Seller and Guarantor take commercially reasonable steps to maintain the confidentiality of their trade secrets and confidential information. To the Seller's and Guarantor's knowledge, the Seller's and Guarantor's trade secrets or confidential information have not been disclosed to any Person, except pursuant to written confidentiality obligations. Without limiting the foregoing, the Seller and Guarantor have required each employee, contractor and service provider to execute confidentiality and invention disclosure and assignment agreements protecting such trade secrets and confidential information and obligating such employee or contract to assign to the Seller or Guarantor all rights, title and interest in and to any inventions and Intellectual Property developed by such employee or contractor in the course of his or her employment or work for the Seller or Guarantor.

(h) Section 3.10(i)(i) of the Seller Disclosure Schedules sets forth a correct and complete list of all material Software owned, controlled, in-licensed or used in the business of the Company as currently conducted by the Company other than Standard Software (the "***Proprietary Software***"). Except as set forth on Section 3.10(i)(ii) of the Seller Disclosure Schedules, no Person has been granted any right to use any Proprietary Software.

(i) The Company has not (i) incorporated Open Source Material into, or combined Open Source Material with, any Proprietary Software or Licensed Intellectual Property, or used Open Source Material to develop or provide any product of the Company or Licensed Intellectual Property, (ii) distributed Open Source Material in conjunction with or for use with any product of the Company, Proprietary Software or Licensed Intellectual Property, or (iii) otherwise used Open Source Material, in each

case, in a manner that purportedly (1) imposes or could impose a requirement or condition that such product of the Company, Proprietary Software or Licensed Intellectual Property (or any portion thereof) (A) be disclosed or distributed in source code form, (B) be licensed for the purpose of making modifications or derivative works, or (C) be redistributable at no charge, or (2) grants or would require the grant of a license to any Person of any Proprietary Software or Licensed Intellectual Property. For purposes of this Agreement, "***Open Source Material***" shall mean any software or other Intellectual Property that is distributed or made available as "open source software" or "free software" or without a fee, or is otherwise publicly distributed or made generally available in source code or equivalent form under terms that permit modification and redistribution of such software or Intellectual Property. Open Source Material includes, without limitation, software that is licensed under the GNU General Public License, GNU Lesser General Public License, Mozilla License, Common Public License, Apache License and BSD License and materials and/or content made available under a Creative Commons license.

(j) The Licensed Intellectual Property are sufficient for the conduct of the business of the Company as conducted as of the Closing, and as reasonably anticipated to be conducted, as if by the Company, after the Closing Date. To the knowledge of the Seller, no Person has infringed or misappropriated, or is infringing or misappropriating, any Licensed Intellectual Property. All Licensed Intellectual Property incorporated into or embodied in any product of the Seller or Guarantor was developed solely by either (1) employees of the Seller or Guarantor acting during the term and within the scope of their employment or (2) by third parties who validly and irrevocably assigned all of their rights, including all Licensed Intellectual Property rights therein, to the Seller or Guarantor in writing, and the Seller or Guarantor obtained any third party consents required to effect such assignment. No employee, contractor or consultant of the Seller or Guarantor who was engaged in the development of any Licensed Intellectual Property incorporated or embodied in any product of the Seller or Guarantor, was an employee of, or engaging in services for, a third party during such time that he or she was engaged by the Seller or Guarantor. To the extent any such Licensed Intellectual Property relates to Registered Intellectual Property, to the maximum extent provided for by, and in accordance with, applicable laws and regulations, the Seller or Guarantor has recorded each such assignment with the relevant Governmental Entity.

(k) No government funding, facilities of a university, college, other medical or educational institution or research center or funding from third parties was used in the development of any Licensed Intellectual Property. No current or former employee, consultant or independent contractor of the Company, who was involved in, or who contributed to, the creation or development of any Licensed Intellectual Property, was employed by or has performed services for the government, university, college, or other medical or educational institution or research center during a period of time during which such employee, consultant or independent contractor was also performing services for the Seller or Guarantor. No university, college or other medical or educational institution or research center has any rights whatsoever in any Licensed Intellectual Property.

3.11 Equipment and Projects.

(a) All Equipment and all products and services of the Company that have been manufactured, distributed, leased, sold or provided were merchantable, free from defects in design, specifications, processing, manufacture, material or workmanship, and suitable for the purpose for which they were leased or sold at the time at which they were leased or sold and during any applicable warranty period. None of the Seller, Guarantor or the Company has incurred any uninsured or insured defective product or service liability, or received a claim based upon allegedly defective product or service liability, in each case with respect to the Equipment or Projects, and, to the knowledge of the Seller, no basis for any such claim exists.

(b) Except for the warranties contained in the Seller's (or its applicable Affiliate's) standard warranties in respect of the Equipment and Projects, none of the Seller, Guarantor or the Company has given any warranties relating to the Equipment or Projects. The Seller has provided Purchaser with a true and accurate copy of its and its Affiliates' standard warranties for the Equipment, services and products of the Seller used for the Projects.

(c) No royalties, fees, honoraria, volume-based, milestone or other payments are payable by the Company to any Person by reason of the ownership, use, sale, licensing, distribution or other exploitation of any Licensed Intellectual Property relating to the conduct or operation of the business of the Company or the delivery or provision of any Equipment or any product or service of the Company.

3.12 Litigation. There is no Action pending, at Law or in equity, or before or by any Governmental Entity, or threatened (a) against or by the Company affecting any of its properties or assets (or by or against Seller or any Affiliate thereof and relating to the Company); or (b) against or by the Company, Seller or any Affiliate of Seller that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action. The Company and its properties are not subject to any settlement, stipulation, order, writ, judgment, injunction, decree, ruling, determination or award of any court or of any Governmental Entity ("***Order***"). There is no investigation or other proceeding pending or, to the knowledge of the Company, threatened, against the Company, any of its properties (tangible or intangible) or any of its officers or directors in its capacity as such by or before any Governmental Entity, nor to the knowledge of the Seller is there any reasonable basis therefor.

3.13 Governmental Consents. The Company is not required to submit any notice, report or other filing with any Governmental Entity in connection with the execution, delivery or performance by it of this Agreement or any Transaction Documents to which the Company is a party or the consummation of the transactions contemplated hereby and thereby. No consent, approval or authorization of any Governmental Entity is required to be obtained by the Company in connection with its execution, delivery or performance of this Agreement or any Transaction Documents to which the Company is a party or the consummation by the Company of the transactions contemplated hereby or thereby.

3.14 Customers and Suppliers.

(a) None of the Company, Seller or Guarantor has received any notice, or has any reason to believe, that any party to a Project Contract has terminated or materially reduced, or intends to terminate or materially reduce after the Closing, its relationship with the Company, Seller or Guarantor in respect of a Project or Project Contract.

(b) Section 3.14(b) of the Seller Disclosure Schedules sets forth (i) each supplier to whom the Seller or the Company has paid consideration for goods or services rendered in connection with the Projects and/or Project Contracts in an amount greater than or equal to $50,000 for each of the two most recent fiscal years (collectively, the "***Material Suppliers***"); and (ii) the amount of purchases from each Material Supplier during such periods. None of the Company, Seller or Guarantor has received any notice, or has any reason to believe, that any Material Supplier has ceased, or intends to cease, to supply goods or services to the Company, Seller or Guarantor or to otherwise terminate or materially reduce its relationship with the Company in respect of a Project or a Project Contract.

3.15 Insurance. Section 3.15 of the Seller Disclosure Schedules lists each insurance policy maintained by Seller or its Affiliates (including the Company) and relating to the assets, business and operations conducted pursuant to the Project Contracts and in respect of the Projects (collectively, the "***Insurance Policies***"). All of such Insurance Policies are in full force and effect, and there is no existing or threatened breach or default with respect to any obligations under any of such Insurance Policies. Neither the Seller nor any of its Affiliates (including the Company) has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have either been paid or, if due and payable prior to Closing, will be paid prior to Closing in accordance with the payment terms of each Insurance Policy. The Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of the Company. All such Insurance Policies (a) are valid and binding in accordance with their terms; (b) are provided by carriers who are financially solvent; and (c) have not been subject to any lapse in coverage. There are no claims related to the business of the Company pending under any such Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. None of Seller or any of its Affiliates (including the Company) is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound.

3.16 Compliance with Laws.

(a) Each of the Company and each Project is, and has been, in compliance in all material respects with all applicable laws. None of the Seller, Company or Guarantor has received any written notice of violation of any applicable law from any Governmental Entity in respect of the Equipment, Projects, Project Contracts or Company.

(b) All Applicable Permits are being, and have been, complied with in all material respects. All fees and charges with respect to Applicable Permits as of the Closing Date have been paid in full. No suspension, cancellation, modification, revocation or nonrenewal of any Applicable Permit is pending or, to the knowledge of the Seller, threatened. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Applicable Permit.

3.17 Regulatory Status. The Company is not subject to regulation by any Governmental Entity as a "public utility", "electric utility" or similar designation under any law.

3.18 Environmental Laws.

(a) The Company is currently and has been in compliance with all Environmental Laws and has not, and the Seller has not, received from any Person any: (i) Environmental Notice or Environmental Claim; or (ii) written request for information pursuant to Environmental Law, which, in each case, either remains pending or unresolved, or is the source of ongoing obligations or requirements as of the Closing Date.

(b) The Company has obtained and is in material compliance with all Environmental Permits (each of which is disclosed in Section 3.09(c) of the Seller Disclosure Schedules) necessary for the ownership, lease, operation or use of the business or assets of the Company and all such Environmental Permits are in full force and effect. Seller or Guarantor shall maintain such Environmental Permits in full force and effect throughout the term of the Billing Agreement in accordance with Environmental Law, and neither Seller nor the Company is aware of any condition, event or circumstance that might prevent or impede, after the Closing Date, the ownership, lease, operation or use of the business or assets of the Company as currently carried out. With respect to any such Environmental Permits, Seller has undertaken, or will undertake prior to the Closing Date, all measures necessary to facilitate transferability of the same to the Company, and neither the Company nor the Seller is aware of any condition, event or circumstance that might prevent or impede the transferability of the same to the Company or Purchaser, nor have they received any Environmental Notice or written communication regarding any material adverse change in the status or terms and conditions of the same.

(c) The Company does not currently operate or lease (and has not formerly operated or leased) any real property that is listed on, or has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA, or any similar state list.

(d) There has been no Release of Hazardous Materials in contravention of Environmental Law with respect to the Projects, the Project Contracts, the business or assets of the Company or any real property currently or formerly operated or leased by the Company, and neither the Company nor Seller has received an Environmental Notice that any real property currently or formerly operated or leased in connection with the business of the Company (including soils, groundwater, surface water, buildings and other structure located on any such real property) has been contaminated with any Hazardous Material which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by, Seller or the Company.

(e) Neither the Seller nor the Company owns or operates any active or abandoned aboveground or underground storage tanks in connection with the Projects or Project Contracts.

(f) None of the Company or any predecessors as to which the Company may retain liability use or have used any off-site Hazardous Materials treatment, storage, or disposal facilities or locations in connection with any Project or Project Contract. Section 3.18(f) of the Seller Disclosure Schedules contains a complete and accurate list of any off-site Hazardous Materials treatment, storage, or disposal facilities or locations used in connection with any Project or Project Contract by the Seller and any predecessors as to which the Seller may retain liability, and none of these facilities or locations has been placed or proposed for placement on the National Priorities List (or CERCLIS) under CERCLA, or any similar state list. Neither Seller nor the Company has received any Environmental Notice regarding potential liabilities with respect to any off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company or Seller in connection with any Project or Project Contract.

(g) Neither Seller nor the Company has retained or assumed, by contract or operation of Law, any liabilities or obligations of third parties under Environmental Law.

(h) Seller has provided or otherwise made available to Purchaser before the Closing Date any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models and other similar documents with respect to each Project, each Project Contract, the business or assets of the Company, or any currently or formerly owned, operated or leased real property in connection with any Project or Project Contract, which are in the possession or control of the Seller or Company related to compliance with Environmental Laws, Environmental Claims or an Environmental Notice or the Release of Hazardous Materials in connection with any Project or Project Contract; and (ii) any and all material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution and/or emissions, manage waste or otherwise ensure compliance with current or future Environmental Laws (including, without limitation, costs of remediation, pollution control equipment and operational changes) in connection with any Project or Project Contract.

(i) Neither the Seller nor the Company is aware of or reasonably anticipates, as of the Closing Date, any condition, event or circumstance concerning the Release or regulation of Hazardous Materials that might, after the Closing Date, prevent, impede or materially increase the costs associated with the ownership, lease, operation, performance or use of the business or assets of the Company in connection with any Project or Project Contract.

3.19 Employees. The Company does not have, nor has it ever had, any employees and does not maintain and has never maintained any employee benefit plans or employee benefit arrangements, nor has the Company ever paid any wages within the meaning of Section 3401(a) of the Code (determined without regard to any of the exceptions set forth therein). The Company does not have any liability or obligation in respect of any employees or any employee benefit plan under the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"), or the Internal Revenue Code of 1986, as amended ("***Code***") and has not incurred any liability, nor will the Company incur any liability, by virtue of having been a member of a controlled group of corporations that are treated as a single employer within the meaning of Section 4001 of ERISA or Section 414 of the Code.

3.20 Restrictions on Business Activities. There is no Contract (non-competition, field of use, "most favored nation," or otherwise), judgment, injunction, order, or decree to which the Company is a party, or otherwise binding on the Company, which has or would be expected to have the effect of prohibiting or impairing any business practice of the Company, any acquisition of property (whether tangible or intangible) by the Company, or the conduct of business by the Company. Without limiting the foregoing, the Company is not (a) restricted from selling, licensing, or otherwise distributing any products or services to any class of customers, in any geographic area, during any period of time, or in any segment of the market or (b) is required to offer or sell any products or services to any Person on terms that are not less favorable than the terms under which such products or services may be offered or sold to other parties.

3.21 Accounts Receivable; Inventory.

(a) The Company has made available to Purchaser a list of all accounts receivable, whether billed or unbilled, of the Company as of the Closing Date, together with an aging schedule (of only billed accounts receivable) indicating a range of days elapsed since invoice.

(b) All of the accounts receivable, if any, whether billed or unbilled, of the Company have arisen from bona fide transactions entered into by the Company (as the assignee of the Seller under the Project Contracts) involving the sale of equipment or the rendering of services in the ordinary course of business consistent with past practice, are carried at values

determined in accordance with GAAP consistently applied, constitute only valid, undisputed claims of the Company not subject to claims of set-off or other defenses or counterclaims, and are collectible in the ordinary course consistent with past practice. No person has any Lien on any accounts receivable of the Company and no request or agreement for deduction or discount has been made with respect to any accounts receivable of the Company.

(c) The Company has no accounts payable as of the Closing Date.

(d) The Company has no Inventory as of the Closing Date.

3.22 Corporate Records. The minute books of the Company have been made available to Purchaser, are complete and correct, and have been maintained in accordance with sound business practices. The minute books of the Company contain accurate and complete records of all Organizational Documents, meetings, and actions taken by written consent of, the members and the managers, and no meeting, or action taken by written consent, of any such members or managers has been held for which minutes have not been prepared and are not contained in such minute books. At the Closing, all of those books and records will be delivered to the Purchaser.

3.23 No Brokers. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any Contract made by or on behalf of the Company, Seller or Guarantor for which Purchaser or the Company would be liable following the Closing.

3.24 Bank Accounts. Section 3.24 of the Seller Disclosure Schedules constitutes a full and complete list of all the bank, investment, securities, and deposit accounts and safe deposits or similar accounts held with other financial institutions of the Company (collectively, the "***Company Bank Accounts***")), the number of each such account or box, the names of the Persons authorized to draw on such accounts or to access such boxes, and the balances on such accounts as of a most recent practicable date. All cash in such accounts is held in demand deposits and is not subject to any restriction or documentation as to withdrawal.

3.25 Representations Complete. None of the representations or warranties made by the Seller in this Agreement, and none of the statements made in any exhibit, schedule or certificate furnished by the Seller pursuant to this Agreement contains, or will contain at the Closing, any untrue statement of a material fact, or omits or will omit at the Closing to state any material fact necessary in order to make the statements contained herein or therein, in the light of the circumstances under which made, not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to the Company, on the date hereof and (except where a representation or warranty is made herein as of a specified date) as of the Closing Date, as though made at the Closing Date, as follows:

4.01 Organization and Power. Purchaser is a limited liability company duly formed, validly existing and in good standing under the Laws of the state of Delaware.

4.02 Authorization. Purchaser has all requisite limited liability company power and authority to enter into this Agreement and the Transaction Documents to which Purchaser is a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Purchaser of this Agreement and any Transaction Document to which Purchaser is a party, the performance by Purchaser of its obligations hereunder and thereunder and the consummation by Purchaser of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action on the part of Purchaser. This Agreement and the Transaction Documents to which Purchaser is a party have been duly executed and delivered by Purchaser and, assuming that this Agreement and such Transaction Documents are valid and binding obligations of the other parties thereto, this Agreement and such Transaction Documents constitute valid and binding obligations of Purchaser, enforceable in accordance with their respective terms, subject to the Enforceability Exceptions.

4.03 No Violation. The execution, delivery, performance and compliance with the terms and conditions of this Agreement by Purchaser and the Transaction Documents to which Purchaser is a party and the consummation of the transactions contemplated hereby do not and will not (i) violate, conflict with, result in any breach of, or constitute a default under any of the provisions of the certificate of formation or operating agreement of Purchaser; (ii) violate or result in a breach of or constitute a violation or default under any material Contract to which Purchaser is a party or is otherwise bound; or (iii) violate any Law to which Purchaser is subject.

4.04 Governmental Consents. (a) Purchaser is not required to submit any notice, report or other filing with any Governmental Entity in connection with the execution, delivery or performance by it of this Agreement or the consummation of the transactions contemplated hereby and (b) no consent, approval or authorization of any Governmental Entity is required to be obtained by Purchaser in connection with its execution, delivery and performance of this Agreement or the consummation by Purchaser of the transactions contemplated hereby.

4.05 Brokerage. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any Contract made by or on behalf of Purchaser.

ARTICLE V

CONDITIONS TO CLOSING

5.01 Conditions to Purchaser's Obligations. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or, if permitted by applicable Law, waiver by Purchaser) of the following conditions as of the Closing Date:

(a) All representations and warranties of the Seller contained in Article III of this Agreement and in each Transaction Document to which the Seller is party shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth therein) at and as of the Closing Date as though made at and as of the Closing Date (except to the extent expressly made as of an earlier date, in which case only as of such date).

(b) All representations and warranties of the Guarantor contained in each Transaction Document to which the Guarantor is party shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth therein) at and as of the Closing Date as though made at and as of the Closing Date (except to the extent expressly made as of an earlier date, in which case only as of such date).

(c) The Company, Guarantor and the Seller shall have performed and complied with, in all material respects, all of the covenants and agreements required to be performed by it under this Agreement at or prior to the Closing.

(d) No Law shall be in effect and no Order shall have been entered, in each case, which would prevent the performance of this Agreement or any Transaction Document or the consummation of any of the transactions contemplated hereby or thereby, declare unlawful the transactions contemplated by this Agreement or any Transaction Document or cause such transactions to be rescinded.

(e) Purchaser shall have received the following, each in form and substance satisfactory to Purchaser:

(i) All of the certificates, if any, representing the Membership Interests accompanied by duly executed transfer powers executed in favor of Purchaser.

(ii) Resignation letters duly executed by all managers, directors and officers (if any) of the Company, in form and substance reasonably satisfactory to Purchaser.

(iii) Executed copies of the third party consents, in form and substance satisfactory to Purchaser, set forth on Schedule 5.01(e)(iii).

(iv) The Assignment of Membership Interests, duly executed and delivered by the Seller.

(v) The Billing Agreement, duly executed and delivered by the parties thereto.

(vi) The O&M Agreement, duly executed and delivered by the parties thereto.

(vii) The Guaranty, duly executed and delivered by the parties thereto.

(f) Purchaser shall also have received the following:

(i) a certificate of an authorized officer of the Seller in his or her capacity as such, dated as of the Closing Date, certifying that the conditions specified in Sections 5.01(a) and 5.01(c) have been satisfied;

(ii) a certificate of an authorized officer of the Guarantor in his or her capacity as such, dated as of the Closing Date, certifying that the conditions specified in Sections 5.01(b) and 5.01(c) have been satisfied;

(iii) a certificate of an authorized officer of the Seller in his or her capacity as such, dated as of the Closing Date, certifying as to (i) the terms and effectiveness of the Organizational Documents, and (ii) the valid adoption of resolutions of the managing member of the Company with respect to the transactions contemplated by this Agreement;

(iv) a certificate of good standing from the Secretary of State of the State of Delaware which is dated within a recent date prior to Closing with respect to each of the Company, Seller and Guarantor; and

(v) a certificate of good standing and qualification to do business (or equivalent document) with respect to the Guarantor from the applicable Governmental Entity in Massachusetts, dated within a recent date prior to the Closing.

(g) Purchaser shall have received a statement, issued pursuant to Treasury Regulation sections 1.897-2(h) and 1.1445-2(c)(3)(i) and in form and substance reasonably satisfactory to Purchaser, certifying that the Membership Interests are not a United States real property interest within the meaning of section 897 of the Code (the Parties intend that such statement be considered to be voluntarily provided by the Company in response to a request from Purchaser pursuant to Treasury Regulation section 1.1445-2(c)(3)(i)).

(h) No Material Adverse Effect shall have occurred and be continuing.

(i) There shall be no action, suit, claim, order, injunction or proceeding of any nature pending, or overtly threatened, against Purchaser or the Company, Seller, Guarantor, or their respective properties, officers, directors or Subsidiaries (i) by any Person arising out of, or in any way connected with, the Closing or the other transactions contemplated by this Agreement or any Transaction Document or (ii) by any Governmental Entity arising out of, or in any way connected with, the Closing or the other transactions contemplated by this Agreement and the Transaction Documents.

If the Closing occurs, all Closing conditions set forth in this Section 5.01 which have not been fully satisfied as of the Closing shall be deemed to have been waived by Purchaser.

5.02 Conditions to the Seller's Obligations. The obligation of the Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or, if permitted by applicable Law, waiver by the Company) of the following conditions as of the Closing Date:

(a) All representations and warranties contained in Article IV of this Agreement and in the Transaction Documents shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" set forth therein) at and as of the Closing Date as though made at and as of the Closing Date (except to the extent expressly made as of an earlier date, in which case only as of such date).

(b) Purchaser shall have performed and complied with, in all material respects, all the covenants and agreements required to be performed by it under this Agreement at or prior to the Closing.

(c) No Law shall be in effect and no Order shall have been entered, in each case, which would prevent the performance of this Agreement or Transaction Documents or the consummation of any of the transactions contemplated hereby or thereby, declare unlawful the transactions contemplated by this Agreement or the Transaction Documents or cause such transactions to be rescinded.

(d) Purchaser shall have delivered to the Seller a certificate of an authorized officer of Purchaser in his or her capacity as such, dated as of the Closing Date, stating that the conditions specified in Sections 5.02(a) and 5.02(b) have been satisfied, and evidencing the authorization of Purchaser to enter into the Transaction Documents.

(e) Seller and Guarantor shall have received the following, each in form and substance satisfactory to Seller and Guarantor:

(i) The Billing Agreement, duly executed and delivered by the parties thereto.

(ii) The O&M Agreement, duly executed and delivered by the parties thereto.

(iii) The Guaranty, duly executed and delivered by the parties thereto.

(f) Purchaser shall simultaneously transfer the Closing Consideration to Seller.

If the Closing occurs, all closing conditions set forth in this Section 5.02 which have not been fully satisfied as of the Closing shall be deemed to have been waived by the Seller.

ARTICLE VI

INDEMNIFICATION

6.01 Survival of Representations, Warranties, Covenants, Agreements and Other Provisions.

The representations and warranties of the Seller contained in Article III (other than any representations or warranties contained in Section 3.08 which are subject to Article VII) shall survive the Closing and shall terminate on the date which is twelve (12) months after the Closing Date; provided, that (i) the Fundamental Representations shall survive the Closing and shall terminate on the sixtieth (60^{th}) day after the expiration of the applicable statute of limitations and (ii) Section 3.10(b) shall survive the Closing and shall not terminate before the last day of the Term (as such term is defined in the Billing Agreement) of the Billing Agreement. No claim for indemnification hereunder for breach of any such representations and warranties may be made after the expiration of such survival period; provided, that all representations and warranties of the Seller contained in Article III shall survive beyond the survival periods specified above with respect to any inaccuracy therein or breach thereof if a claim is made hereunder prior to the expiration of the survival period for such representation and warranty, in which case such

representation and warranty shall survive as to such claim until such claim has been finally resolved.

(a) The representations and warranties of Purchaser contained in Article IV shall survive the Closing and shall terminate on the date which is twelve (12) months after the Closing Date. No claim for indemnification hereunder for breach of any such representations and warranties may be made after the expiration of such survival period; provided, that all representations and warranties of Purchaser contained in Article IV shall survive beyond the survival periods specified above with respect to any inaccuracy therein or breach thereof if a claim is made hereunder prior to the expiration of the survival period for such representation and warranty, in which case such representation and warranty shall survive as to such claim until such claim has been finally resolved.

(b) The agreements, covenants and other obligations of the parties hereto shall survive the Closing in accordance with its terms.

6.02 Indemnification for the Benefit of Purchaser Indemnified Parties. Subject to the limitations set forth in this Article VI, from and after the Closing, the Seller shall indemnify Purchaser and its Affiliates (including the Company) and its and their respective officers, directors, agents, stockholders, members, attorneys and other Representatives (collectively, the "***Purchaser Indemnified Parties***") and hold them harmless against any Losses paid, incurred, suffered or sustained by Purchaser Indemnified Parties, or any of them (regardless of whether or not such Losses relate to any Third Party Claims), directly or indirectly, resulting from, arising out of, or relating to any of the following:

(a) any breach of any representation or warranty of the Seller contained in Article III or any certificate delivered hereunder by the Company or the Seller (other than in respect of Section 3.08, it being understood that the sole remedy for any such inaccuracy in or breach thereof shall be pursuant to Article VII);

(b) any non-fulfillment or breach by the Company, the Seller or the Guarantor of any covenant or agreement contained in this Agreement (other than any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in Article VII, it being understood that the sole remedy for any such breach, violation or failure shall be pursuant to Article VII);

(c) any Unpaid Pre-Closing Taxes; and/or

(d) any fraud with respect to this Agreement, any Transaction Document or any certificates or other instruments required to be delivered pursuant to this Agreement on the part of the Company or the Seller.

6.03 Indemnification by Purchaser for the Benefit of the Seller. Subject to the limitations set forth in this Article VI, from and after the Closing, Purchaser shall indemnify the Seller and its Affiliates, officers, directors, agents, attorneys and other Representatives (collectively, the "***Seller Indemnified Parties***") and hold them harmless against any Losses paid, incurred, suffered or sustained by the Seller Indemnified Parties, or any of them (regardless of whether or not such Losses relate to any Third Party Claims), directly or indirectly, resulting from, arising out of, or relating to any of the following: (a) any breach of any representation or warranty of Purchaser contained in Article IV or any certificate delivered hereunder by Purchaser, and (b) any non-fulfillment or breach by Purchaser of any covenant or agreement contained in this Agreement (other than Article VII, it being understood that the sole remedy for any such breach thereof shall be pursuant to Article VII).

6.04 Limitations on Indemnification. The rights of Purchaser Indemnified Parties and the Seller Indemnified Parties to indemnification pursuant to the provisions of this Article VI are subject to the following limitations:

(a) Notwithstanding anything to the contrary contained herein, except for claims in respect of the breach of any Fundamental Representation or for claims in respect of fraud by the Company or the Seller, no claims for indemnification by any Purchaser Indemnified Party pursuant to Section 6.02(a) shall be so asserted, and no Purchaser Indemnified Party shall be entitled to recover Losses, (1) unless any individual Loss or group or series of related Losses exceeds $25,000 (the "***Mini-Basket***") and (2) until the aggregate amount of Losses (which shall not include for such purposes any individual Loss or group or series of related Losses that do not exceed the Mini-Basket) that would otherwise be payable hereunder exceeds on a cumulative basis an amount equal to $100,000 (the "***Deductible***"), and to the extent such Losses exceed the Deductible, such Purchaser Indemnified Party shall be entitled to recover all such Losses in excess of the Deductible.

(b) Notwithstanding anything to the contrary contained herein, except for claims in respect of fraud by Purchaser, no claims for indemnification by the Seller Indemnified Party pursuant to Section 6.04(a) shall be so asserted, and no Seller Indemnified Party shall be entitled to recover Losses, (1) unless any individual Loss or group or series of related Losses exceeds the Mini-Basket and (2) until the aggregate amount of Losses (which shall not include for such purposes any individual Loss or group or series of related Losses that do not exceed the Mini-Basket) that would otherwise be payable hereunder exceeds on a cumulative basis an amount equal to the Deductible, and to the extent such Losses exceed the Deductible, such Seller Indemnified Party shall be entitled to recover all such Losses in excess of the Deductible.

(c) Notwithstanding anything to the contrary contained herein, except for claims in respect of the breach of Section 3.03(a) or Section 3.03(c) and except in the case of fraud by the Company or the Seller, in no event shall the Seller have any liability under this Agreement in excess of the Purchase Price received by the Seller pursuant to this Agreement.

(d) Notwithstanding anything to the contrary contained herein, except in the case of fraud by Purchaser, in no event

shall Purchaser have any liability under this Agreement in excess of the Purchase Price.

(e) Notwithstanding anything to the contrary contained herein, the amount of any Losses subject to recovery under this Article VI by Purchaser Indemnified Parties shall be calculated net of any amounts (A) actually received from any third party insurance policy of Purchaser or its Affiliates with respect to Losses for which any such Person has received indemnity payments hereunder (net of any (x) premium increases or retroactive premium adjustments and (y) any costs and expenses incurred by Purchaser or its Affiliates in connection with such recovery) and (B) any Tax benefits realized by Purchaser Indemnified Parties from such Losses (net of any costs and expenses incurred by Purchaser or its Affiliates in connection with such recovery).

(f) An Indemnified Party shall use commercially reasonable efforts to mitigate Losses suffered, incurred or sustained by such Indemnified Party arising out of any matter for which such Indemnified Party has sought indemnification hereunder; provided that no such Indemnified Party shall be required to take any action or refrain from taking any action that is contrary to any applicable Contract or Law binding on such Indemnified Party or any Affiliate thereof.

6.05 Indemnification Procedures.

(a) Any Purchaser Indemnified Party or Seller Indemnified Party making a claim for indemnification under Sections 6.02 or 6.03 (an "***Indemnified Party***") shall promptly notify the indemnifying party (an "***Indemnifying Party***") and the Seller, if applicable, in writing (each, an "***Indemnification Claim Notice***"), describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or demand. An Indemnified Party shall have the right to update an Indemnification Claim Notice from time to time to reflect any change in circumstances following the date hereof.

(b) If an Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) does not object in writing within the 30-day period after receipt of an Indemnification Claim Notice by delivery of a written notice of objection containing a reasonably detailed description of the facts supporting an objection to the applicable indemnification claim (the "***Indemnification Claim Objection Notice***"), such failure to so object shall be an irrevocable acknowledgment by the Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) that the Indemnified Party is entitled to the full amount of the claim for Losses set forth in such Indemnification Claim Notice.

(c) If an Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) objects in writing within the 30-day period after receipt of an Indemnification Claim Notice by delivery of an Indemnification Claim Objection Notice, such Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) and Indemnified Party shall attempt in good faith to agree upon the rights of the respective parties with respect to each of such claims. If the Indemnifying Party (or in the case of any Indemnification Claim Objection Notice given by a Purchaser Indemnified Party, the Seller) and Indemnified Party should so agree, a memorandum setting forth such agreement shall be prepared and signed by both parties. If no such agreement can be reached after good faith negotiation within 30 days after the receipt of an Indemnification Claim Objection, the claim shall be resolved pursuant to Section 8.15.

6.06 Third Party Claims.

(a) In the event that any Indemnified Party desires to make a claim against an Indemnifying Party (which term shall be deemed to include all Indemnifying Parties if more than one) in connection with any third-party Action for which it may seek indemnification hereunder (a "***Third-Party Claim***"), the Indemnified Party will promptly notify the Indemnifying Party of such Third-Party Claim and of its claims of indemnification with respect thereto; provided, that failure to promptly give such notice will not relieve the Indemnifying Party of its indemnification obligations under this Article VI, except to the extent, if any, that the Indemnifying Party has actually been materially prejudiced thereby.

(b) Subject to paragraph (e) below, the Indemnifying Party will, upon its written confirmation of its obligation to indemnify the Indemnified Party in full with respect to such Third-Party Claim, have the right to assume the defense of the Third-Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party by written notice to the Indemnified Party within twenty (20) calendar days after the Indemnifying Party has received notice of the Third-Party Claim; provided, however, that the Indemnifying Party must conduct the defense of the Third-Party Claim actively and diligently thereafter in order to preserve its rights in this regard; and provided, further, that the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third-Party Claim.

(c) The Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnified Party unless the judgment or proposed settlement (i) includes an unconditional release of all Liability of each Indemnified Party with respect to such Third-Party Claim, (ii) involves only the payment of money damages that are fully covered by the Indemnifying Party, and (iii) does not impose an injunction or other equitable relief upon the Indemnified Party. So long as the Indemnifying Party has assumed and is conducting the defense of the Third-Party Claim in accordance with Section 6.06(b) above, the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnifying Party (which consent will not be unreasonably conditioned, withheld or delayed by the Indemnifying Party).

(d) In the event that the Indemnifying Party fails to assume the defense of the Third-Party Claim in accordance with Section 6.06(b) above, (i) the Indemnified Party may defend against, and consent to the entry of any judgment or enter in to any

settlement with respect to, the Third-Party Claim in any manner it reasonably may deem appropriate (and the Indemnified Party need not consult with, or obtain any consent from, the Indemnifying Party in connection therewith) and (ii) the Indemnifying Party will remain responsible for any Losses of the Indemnified Party as a result of such Third-Party Claim to the extent subject to indemnification under this Article VI.

(e) Notwithstanding the foregoing, to the extent that a Purchaser Indemnified Party is the Indemnified Party, then Purchaser and the Company shall have the right, in its sole discretion, to participate in the defense, at Purchaser's and /or Company's expense, with respect to any claim (i) relating to the Licensed Intellectual Property, (ii) involving criminal liability or in which equitable relief is sought against any Indemnified Party, (iii) that relates to or involves any then current customer, supplier or other business partner of Purchaser or the Company or which is brought by a Governmental Entity, or (iv) that involves any Tax Matter of the Company (collectively, the "***Purchaser-Handled Claims***"). The Indemnifying Party will remain responsible for any Losses of Purchaser and the Company as a result of such Purchaser-Handled Claims to the extent subject to indemnification under this Article VI, and Purchaser and the Company shall retain all remedies to which they are entitled under this Article VI.

6.07 Remedies. Except for fraud, the indemnification provisions described in this Article VI provide the sole and exclusive remedy following the Closing as to all Losses any Indemnified Party may incur, suffer or sustain arising from this Agreement.

6.08 Tax Treatment; Tax Claims.

(a) Any payment under this Article VI shall be treated by the parties for U.S. federal, state, local and non-U.S. income Tax purposes as a purchase price adjustment unless otherwise required by applicable Law.

(b) Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in Section 3.08 or any breach or violation of or failure to fully perform any covenant, agreement, undertaking or obligation in Article VII) shall be governed exclusively by Article VII.

ARTICLE VII

TAX MATTERS

7.01 Tax Covenants.

(a) Without the prior written consent of Purchaser, Seller (and, prior to the Closing, the Company, its Affiliates and their respective Representatives) shall not, to the extent it may affect, or relate to, the Company, make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Purchaser or the Company in respect of any Post-Closing Tax Period. Seller agrees that Purchaser is to have no liability for any Tax resulting from any action of Seller, the Company, its Affiliates or any of their respective Representatives, and agrees to indemnify and hold harmless Purchaser (and, after the Closing Date, the Company) against any such Tax or reduction of any Tax asset.

(b) All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the Transaction Documents (including any real property transfer Tax and any other similar Tax) shall be borne and paid by Seller when due. Seller shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Purchaser shall cooperate with respect thereto as necessary).

(c) Purchaser shall prepare, or cause to be prepared, all Tax Returns required to be filed by the Company after the Closing Date with respect to a Pre-Closing Tax Period. Any such Tax Return shall be prepared in a manner consistent with past practice (unless otherwise required by Law) and without a change of any election or any accounting method and shall be submitted by Purchaser to Seller (together with schedules, statements and, to the extent requested by Seller, supporting documentation) at least 45 days prior to the due date (including extensions) of such Tax Return. If Seller objects to any item on any such Tax Return, it shall, within ten days after delivery of such Tax Return, notify Purchaser in writing that it so objects, specifying with particularity any such item and stating the specific factual or legal basis for any such objection. If a notice of objection shall be duly delivered, Purchaser and Seller shall negotiate in good faith and use their reasonable best efforts to resolve such items. If Purchaser and Seller are unable to reach such agreement within ten days after receipt by Purchaser of such notice, the disputed items shall be resolved by the Independent Accountant and any determination by the Independent Accountant shall be final. The Independent Accountant shall resolve any disputed items within twenty days of having the item referred to it pursuant to such procedures as it may require. If the Independent Accountant is unable to resolve any disputed items before the due date for such Tax Return, the Tax Return shall be filed as prepared by Purchaser and then amended to reflect the Independent Accountant's resolution. The costs, fees and expenses of the Independent Accountant shall be borne equally by Purchaser and Seller. The preparation and filing of any Tax Return of the Company that does not relate to a Pre-Closing Tax Period shall be exclusively within the control of Purchaser.

7.02 Termination of Existing Tax Sharing Agreements. Any and all existing Tax sharing agreements (whether written or not) binding upon the Company shall be terminated as of the Closing Date. After such date none of the Company, none of

Seller nor any of Seller's Affiliates and their respective Representatives shall have any further rights or liabilities thereunder.

7.03 Tax Indemnification. Seller shall indemnify the Company, Purchaser, and each Purchaser Indemnitee and hold them harmless from and against (a) any Loss attributable to any breach of or inaccuracy in any representation or warranty made in Section 3.08; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in Article VII; (c) all Taxes of the Company or relating to the business of the Company for all Pre-Closing Tax Periods; (d) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Closing Date by reason of a liability under Treasury Regulation Section 1.1502-6 or any comparable provisions of foreign, state or local Law; and (e) any and all Taxes of any person imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Closing Date. In each of the above cases, together with any out-of-pocket fees and expenses (including attorneys' and accountants' fees) incurred in connection therewith. Seller shall reimburse Purchaser for any Taxes of the Company that are the responsibility of Seller pursuant to this Section 7.03 within ten Business Days after payment of such Taxes by Purchaser or the Company.

7.04 Straddle Period. In the case of Taxes that are payable with respect to a taxable period that begins before and ends after the Closing Date (each such period, a "***Straddle Period***"), the portion of any such Taxes that are treated as Pre-Closing Taxes for purposes of this Agreement shall be:

(a) in the case of Taxes (i) based upon, or related to, income, receipts, profits, wages, capital or net worth, (ii) imposed in connection with the sale, transfer or assignment of property, or (iii) required to be withheld, deemed equal to the amount which would be payable if the taxable year ended with the Closing Date; and

(b) in the case of other Taxes, deemed to be the amount of such Taxes for the entire period multiplied by a fraction the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire period.

7.05 Contests. Purchaser agrees to give written notice to Seller of the receipt of any written notice by the Company, Purchaser or any of Purchaser's Affiliates which involves the assertion of any claim, or the commencement of any Action, in respect of which an indemnity may be sought by Purchaser pursuant to this Article VII (a "***Tax Claim***"); provided, that failure to comply with this provision shall not affect Purchaser's right to indemnification hereunder. Purchaser shall control the contest or resolution of any Tax Claim; provided, however, that Purchaser shall obtain the prior written consent of Seller (which consent shall not be unreasonably withheld or delayed) before entering into any settlement of a claim or ceasing to defend such claim; and, provided further, that Seller shall be entitled to participate in the defense of such claim and to employ counsel of its choice for such purpose, the fees and expenses of which separate counsel shall be borne solely by Seller.

7.06 Cooperation and Exchange of Information. Seller and Purchaser shall provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return pursuant to this Article VII or in connection with any audit or other proceeding in respect of Taxes of the Company. Such cooperation and information shall include providing copies of relevant Tax Returns or portions thereof, together with accompanying schedules, related work papers and documents relating to rulings or other determinations by tax authorities. Each of Seller and Purchaser shall retain all Tax Returns, schedules and work papers, records and other documents in its possession relating to Tax matters of the Company for any taxable period beginning before the Closing Date until the expiration of the statute of limitations of the taxable periods to which such Tax Returns and other documents relate, without regard to extensions except to the extent notified by the other party in writing of such extensions for the respective Tax periods. Prior to transferring, destroying or discarding any Tax Returns, schedules and work papers, records and other documents in its possession relating to Tax matters of the Company for any taxable period beginning before the Closing Date, Seller or Purchaser (as the case may be) shall provide the other party with reasonable written notice and offer the other party the opportunity to take custody of such materials.

7.07 Tax Treatment. Seller and Purchaser agree that the transactions contemplated hereby will be treated for U.S. federal income Tax purposes and applicable state income Tax purposes as a taxable sale by Seller and a purchase by Purchaser of the assets of the Company.

7.08 Tax Allocation . Seller and Purchaser agree that the Purchase Price shall be allocated among the assets of the Company for U.S. federal and applicable state and local income tax purposes as shown on the allocation schedule (the "***Allocation Schedule***"). A draft of the Allocation Schedule shall be prepared by Purchaser and delivered to Seller within ninety days following the Closing Date. If Seller notifies Purchaser in writing that Seller objects to one or more items reflected in the Allocation Schedule, Seller and Purchaser shall negotiate in good faith to resolve such dispute; provided, however, that if Seller and Purchaser are unable to resolve any dispute with respect to the Allocation Schedule within 90 days following the Closing Date, such dispute shall be resolved by the Independent Accountant. The fees and expenses of such accounting firm shall be borne equally by Seller and Purchaser. Purchaser and Seller shall file all Tax Returns (including amended returns and claims for refund) and information reports in a manner consistent with the Allocation Schedule.

7.09 Payments to Purchaser. Any amounts payable to Purchaser pursuant to this Article VII shall be satisfied from Seller.

7.10 Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of Section 3.08 and this Article VII shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or

extension thereof) plus 60 days.

7.11 Overlap. To the extent that any obligation or responsibility pursuant to Article VI may overlap with an obligation or responsibility pursuant to this Article VII, the provisions of this Article VII shall govern.

ARTICLE VIII

MISCELLANEOUS

8.01 Press Releases and Communications. No Party hereto shall issue any press release or make any public announcement primarily relating to this Agreement or the transactions contemplated hereby, except for any press release or public announcement as agreed to by Purchaser and the Seller or as otherwise may be required by Law, court process or applicable stock exchange rules and regulations.

8.02 Expenses. Except as otherwise expressly provided herein, each Party shall pay all of such Party's own fees and expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement, including the fees and disbursements of counsel, financial advisors and accountants.

8.03 Notices. All notices and other communications among the Parties shall be in writing and shall be deemed to have been duly given (a) when delivered in person, (b) when delivered after posting in the United States mail having been sent registered or certified mail return receipt requested, postage prepaid, (c) when delivered by FedEx or other nationally recognized overnight delivery service or (d) when delivered by facsimile or email (in each case in this clause (d), solely if receipt is confirmed), addressed as follows:

Notices to Purchaser:

SDCL TG COGEN LLC
c/o Sustainable Development Capital LLP
1120 Avenue of the Americas, 4th Floor
New York, NY 10036
Attn: David Maxwell and Vassos Kyprianou
Telephone: 1-212 626 6855 and 646 380 3294
E-Mail: david.maxwell@sdcl-ee.com and vassos.kyprianou@sdcl-ee.com

with a copy to (which shall not constitute notice):

Wilson Sonsini Goodrich & Rosati, P.C.:
1301 Avenue of the Americas
New York, New York 10019
Attention: Charlotte Kim
Facsimile No.: (212) 999-5899
Email: ckim@wsgr.com

Notices to the Seller:

American DG Energy Inc.
45 First Ave.
Waltham, MA 02451
Attn: Robert Panora, President
Facsimile No.: (781) 522-6050
Email: robert.panora@tecogen.com

Notices to Guarantor:

Tecogen Inc.
45 First Ave.
Waltham, MA 02451
Attn: Benjamin Locke, CEO
Facsimile No.: (781) 522-6050
Email: benjamin.locke@tecogen.com

8.04 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and its successors and permitted assigns, except that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned or delegated by any of the Parties without the prior written consent of the non-assigning Parties; except that Purchaser may assign this Agreement and its rights and obligations hereunder to an Affiliate of Purchaser without the other Parties' consent so long as Purchaser remains liable for its obligations under this Agreement.

8.05 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any

jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

8.06 Interpretation.

(a) The words "hereof," "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified.

(c) All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement.

(d) Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular, and words denoting either gender shall include both genders as the context requires. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(e) Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," whether or not they are in fact followed by those words or words of like import.

(f) The use of the word "or" shall not be exclusive.

(g) A reference to any legislation or to any provision of any legislation shall include any modification, amendment, re-enactment thereof, any legislative provision substituted therefore and all rules, regulations and statutory instruments issued or related to such legislation.

(h) Unless otherwise specifically indicated, all references to "dollars" or "$" shall refer to the lawful currency of the United States.

(i) A document shall be deemed to have been "delivered," "provided," "furnished," or "made available" to Purchaser to the extent that such document has been (i) made available in the data room established by the Company for the purposes of the transactions contemplated by this Agreement or (ii) delivered to Purchaser or its Representatives via electronic mail, in each case, no later than three (3) Business Days prior to the date hereof.

(j) Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. No prior draft of this Agreement nor any course of performance or course of dealing shall be used in the interpretation or construction of this Agreement. No parol evidence shall be introduced in the construction or interpretation of this Agreement unless the ambiguity or uncertainty in issue is plainly discernible from a reading of this Agreement without consideration of any extrinsic evidence. Although the same or similar subject matters may be addressed in different provisions of this Agreement, the Parties intend that, except as reasonably apparent on the face of the Agreement or as expressly provided in this Agreement, each such provision shall be read separately, be given independent significance and not be construed as limiting any other provision of this Agreement (whether or not more general or more specific in scope, substance or content). The doctrine of election of remedies shall not apply in constructing or interpreting the remedies provisions of this Agreement or the equitable power of a court considering this Agreement or the transactions contemplated hereby.

8.07 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Person. The specification of any dollar amount or the inclusion of any item in the representations and warranties contained in this Agreement or the Seller Disclosure Schedules or Exhibits attached hereto is not intended to imply that the amounts, or higher or lower amounts, or the items so included, or other items, are or are not required to be disclosed (including whether such amounts or items are required to be disclosed as material or threatened) or are within or outside of the ordinary course of business, and no Party shall use the fact of the setting of the amounts or the fact of the inclusion of any item in this Agreement or the Seller Disclosure Schedules or Exhibits in any dispute or controversy between the Parties as to whether any obligation, item or matter not described or included in this Agreement or in any Schedule or Exhibit is or is not required to be disclosed (including whether the amount or items are required to be disclosed as material or threatened) or is within or outside of the ordinary course of business for purposes of this Agreement. The information contained in this Agreement and in the Seller Disclosure Schedules and Exhibits hereto is disclosed solely for purposes of this Agreement, and no information contained herein or therein shall be deemed to be an admission by any Party to any third party of any matter whatsoever (including any violation of Law or breach of contract).

8.08 Amendment and Waiver. Any provision of this Agreement or the Seller Disclosure Schedules hereto may be amended or waived only in a writing signed by Purchaser and the Seller and, solely with respect to Section 3.10(b), the Guarantor. No waiver of any provision hereunder or any breach or default thereof shall extend to or affect in any way any other provision or prior or subsequent breach or default.

8.09 Complete Agreement. This Agreement and the documents referred to herein contain the complete agreement between the Parties and supersede any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way, including any data room agreements, bid letters, term sheets, summary issues lists or other agreements.

8.10 Third Party Beneficiaries. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties and its successors and assigns. Nothing expressed or referred to in this Agreement shall be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

8.11 WAIVER OF TRIAL BY JURY. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) 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 (B) 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.

8.12 Delivery by Facsimile or Email. This Agreement and any signed agreement entered into in connection herewith or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or scanned pages via electronic mail, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any Party hereto or to any such contract, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other Parties. No Party hereto or to any such contract shall raise the use of a facsimile machine or email to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine or email as a defense to the formation of a contract and each such Party forever waives any such defense.

8.13 Counterparts. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one (1) Party, but all such counterparts taken together shall constitute one and the same instrument.

8.14 Governing Law. All issues and questions concerning the construction, validity, interpretation and enforceability of this Agreement and the Exhibits and Schedules hereto shall be governed by, and construed in accordance with, the Laws of the State of New York, without giving effect to any choice of Law or conflict of Law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of New York.

8.15 Jurisdiction.

(a) Each of the Parties hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any Transaction Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Purchaser or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court. Each of the Parties agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any Transaction Document shall affect any right that the Purchaser may otherwise have to bring any action or proceeding relating to this Agreement against the Seller, Company or Guarantor or their properties in the courts of any jurisdiction.

(b) Each of the Parties hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any Transaction Document in any court referred to in paragraph (a) of this Section. Each of the Parties hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each Party irrevocably consents to service of process in the manner provided for notices in Section 8.03. Nothing in this Agreement will affect the right of any Party to serve process in any other manner permitted by law.

8.16 Remedies Cumulative. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party shall be deemed cumulative with, and not exclusive of, any other remedy conferred hereby, or by Law or equity upon such Party, and the exercise by a Party of any one remedy shall not preclude the exercise of any other remedy.

8.17 Specific Performance. Each of the Parties acknowledges that the rights of each Party to consummate the transactions contemplated hereby are unique and recognizes and affirms that in the event of a breach of this Agreement by any Party, money damages may be inadequate and the non-breaching Party may have no adequate remedy at Law. Accordingly, the Parties agree that prior to a valid termination of this Agreement in accordance with this Agreement, such non-breaching Party may have the right, in addition to any other rights and remedies existing in its favor at Law or in equity, to enforce its rights and the other Party's obligations hereunder not only by an Action or Actions for damages but also by an Action or Actions for specific performance, injunctive and/or other equitable relief (without posting of bond or other security). Each of the Parties agrees that it shall not oppose the granting of an injunction, specific performance and other equitable relief when expressly available pursuant to the terms of this Agreement, and hereby waives (a) any defenses in any Action for an injunction, specific performance or other equitable relief, including the defense that the other Parties have an adequate remedy at Law or an award of specific performance is not an appropriate remedy for any reason at Law or equity; and (b) any requirement under Law to post a bond, undertaking or other security as a prerequisite to obtaining equitable relief.

(*Signature Page Follows*)

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

SDCL TG COGEN LLC

By: /s David Maxwell

Name: David Maxwell

Its: Director

AMERICAN DG ENERGY INC.

By: /s Robert A. Panora

Name: Robert A. Panora

Its: Director

TECOGEN INC.

By: /s Benjamin Locke

Name: Benjamin Locke

Its: CEO

GUARANTY AGREEMENT

This Guaranty Agreement (this "Agreement"), dated as of December 14, 2018, is made by TECOGEN INC., a Delaware corporation (the "Guarantor"), in favor of each of COGENONE LLC, a Delaware limited liability company (the "Company"), and SDCL TG COGEN LLC, a Delaware limited liability company (the "Purchaser", and together with the Company, the "SDCL Parties"). Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to them by the Billing Agreement dated as of the date hereof (as amended from time to time, the "Billing Agreement") among the Guarantor and Company, and the rules of usage set forth in the Billing Agreement shall apply to this Agreement.

RECITALS

This Agreement is given in consideration of the Purchaser entering into that certain Membership Interest Purchase Agreement, dated as of the date hereof (as amended, restated, or otherwise modified from time to time, the "Purchase Agreement"), with American DG Energy Inc., a Delaware corporation ("ADG", and together with the Guarantor, the "Tecogen Parties") and the Guarantor, providing, subject to the terms and conditions set forth therein, for the purchase by the Purchaser from ADG of all of the membership interests of the Company.

ADG is a wholly-owned subsidiary of the Guarantor, and the Guarantor will receive substantial and direct benefits from the transactions contemplated by the Purchase Agreement and Transaction Documents. The Guarantor has agreed to enter into this Agreement to provide assurance for the obligations of ADG in connection with the Purchase Agreement and to induce the Purchaser and Company to enter into the Purchase Agreement and related agreements including the Billing Agreement and other Transaction Documents.

It is a condition precedent to the Purchaser entering into the Purchase Agreement and Transaction Documents to which the Purchaser is party, and a condition precedent to the Company entering into the Transaction Documents to which the Company is party, that the Guarantor shall have executed and delivered this Agreement and the other Transaction Documents.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree, and the Guarantor hereby furnishes its guarantee of the Guaranteed Obligations (as hereinafter defined), as follows:

1. Guaranty. To induce the SDCL Parties to make and perform the Purchase Agreement and Transaction Documents, the Guarantor hereby absolutely and unconditionally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment and performance when due, whether at stated maturity, by required prepayment, upon acceleration, termination, demand or otherwise, and at all times thereafter, of any and all existing and future obligations, indebtedness and liabilities of every kind, nature and character, direct or indirect, absolute or contingent, liquidated or unliquidated, voluntary or involuntary and whether for purchase consideration, interest, fees, indemnities, damages, costs, expenses or otherwise, of ADG to the Purchaser and the Company arising under the Purchase Agreement, and any instruments, agreements or other documents of any kind or nature now or hereafter executed by ADG in connection with the Purchase Agreement, whenever created, arising, evidenced or acquired (including all renewals, extensions, amendments, refinancings and other modifications thereof and all costs, attorneys' fees and expenses incurred by the Purchaser or the Company in connection with the collection or enforcement thereof), and whether recovery upon such obligations, indebtedness and liabilities may be or hereafter become unenforceable or shall be an allowed or disallowed claim under any proceeding or case commenced by or against any of the Tecogen Parties under the Bankruptcy Code (Title 11, United States Code), any successor statute or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally (collectively, "Debtor Relief Laws"), and including interest that accrues after the commencement by or against any of the Tecogen Parties of any proceeding under any Debtor Relief Laws (collectively, the "Guaranteed Obligations").

2. No Discharge or Diminishment of Guaranty.

(a) The obligations of the Guarantor hereunder shall not be affected by the genuineness, validity, regularity or enforceability of the Guaranteed Obligations or any instrument or agreement evidencing any Guaranteed Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Guaranteed Obligations which might otherwise constitute a defense to the obligations of the Guarantor under this Agreement, and the Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing. The obligations of the Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the payment in full in cash of the Guaranteed Obligations), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of ADG liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Tecogen Party or its assets or any resulting release or discharge of any obligation of any Tecogen Party; or (iv) the existence of any claim, setoff or other rights which the Guarantor may have at any time against ADG, any SDCL Party or any other Person, whether in connection herewith or in any unrelated transactions. The obligations of the Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law

or regulation purporting to prohibit payment by ADG, of the Guaranteed Obligations or any part thereof.

(b) Further, the obligations of the Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of any SDCL Party to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection or invalidity of any indirect or direct security for the obligations of ADG for all or any part of the Guaranteed Obligations; (iv) any action or failure to act by any SDCL Party with respect to any collateral (if any) securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or to the fullest extent permitted under applicable law, any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of the Guarantor or that would otherwise operate as a discharge of the Guarantor as a matter of law or equity (other than the payment in full in cash of the Guaranteed Obligations).

3. No Setoff or Deductions; Taxes; Payments. The Guarantor shall make all payments hereunder in immediately available funds in U.S. dollars without setoff or counterclaim and free and clear of and without deduction for any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, compulsory loans, restrictions or conditions of any nature now or hereafter imposed or levied by any jurisdiction or any political subdivision thereof or taxing or other authority therein unless the Guarantor is compelled by law to make such deduction or withholding. If any such obligation (other than one arising with respect to taxes based on or measured by the income or profits of the Purchaser or Company) is imposed upon the Guarantor with respect to any amount payable by it hereunder, the Guarantor will pay to the Purchaser, on the date on which such amount is due and payable hereunder, such additional amount in U.S. dollars as shall be necessary to enable the Purchaser to receive the same net amount which the Purchaser would have received on such due date had no such obligation been imposed upon the Guarantor. The Guarantor will deliver promptly to the Purchaser certificates or other valid vouchers for all taxes or other charges deducted from or paid with respect to payments made by the Guarantor hereunder. The obligations of the Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Agreement.

4. Rights of Purchaser. The Guarantor consents and agrees that the Purchaser or Company may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Guaranteed Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security (if any) for the payment of this Agreement or any Guaranteed Obligations; (c) apply such security (if any) and direct the order or manner of sale thereof as the Purchaser in its sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Guaranteed Obligations. Without limiting the generality of the foregoing, the Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of the Guarantor under this Agreement or which, but for this provision, might operate as a discharge of the Guarantor.

5. Certain Waivers. The Guarantor waives (a) any defense arising by reason of any disability or other defense of ADG or any other guarantor, or the cessation from any cause whatsoever (including any act or omission of the Purchaser or Company) of the liability of ADG; (b) any defense based on any claim that the Guarantor's obligations exceed or are more burdensome than those of ADG; (c) the benefit of any statute of limitations affecting the Guarantor's liability hereunder; (d) any right to require the Purchaser or Company to proceed against ADG, proceed against or exhaust any security (if any) for the Guaranteed Obligations, or pursue any other remedy in the Purchaser's or Company's power whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by the Purchaser or Company; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. The Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Guaranteed Obligations, and all notices of acceptance of this Agreement or of the existence, creation or incurrence of the Guaranteed Obligations.

6. Obligations Independent. The obligations of the Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Guaranteed Obligations and the obligations of any other guarantor, and a separate action may be brought against the Guarantor to enforce this Agreement whether or not ADG or any other person or entity is joined as a party.

7. Subrogation. The Guarantor shall not exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Agreement until all of the Guaranteed Obligations and any amounts payable under this Agreement have been paid and performed in full in cash. If any amounts are paid to the Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Purchaser and shall forthwith be paid to the Purchaser to reduce the amount of the Guaranteed Obligations, whether matured or unmatured.

8. Termination; Reinstatement. This Agreement is a continuing and irrevocable guaranty of all Guaranteed Obligations now or hereafter existing and shall remain in full force and effect until the Discharge Date. Notwithstanding the foregoing, this Agreement shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of ADG or the Guarantor is made, or the Purchaser or Company exercises its right of setoff, in respect of the Guaranteed Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Purchaser in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Purchaser or Company is in possession of or has released this Agreement and regardless of any prior revocation, rescission, termination or reduction. The obligations of the Guarantor under this paragraph shall survive termination of this Agreement.

9. Subordination. The Guarantor hereby subordinates the payment of all obligations and indebtedness of ADG owing to the Guarantor, whether now existing or hereafter arising, including but not limited to any obligation of ADG to the Guarantor as subrogee of the Purchaser or Company or resulting from the Guarantor's performance under this Agreement, to the payment in full in cash of all Guaranteed Obligations. If the Purchaser so requests, any such obligation or indebtedness of ADG to the Guarantor shall be enforced and performance received by the Guarantor as trustee for the Purchaser and the proceeds thereof shall be paid over to the Purchaser on account of the Guaranteed Obligations, but without reducing or affecting in any manner the liability of the Guarantor under this Agreement.

10. Stay of Acceleration. In the event that acceleration of the time for payment of any of the Guaranteed Obligations is stayed, in connection with any case commenced by or against the Guarantor or ADG under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by the Guarantor immediately upon demand by the Purchaser.

11. Expenses. The Guarantor shall pay on demand all reasonable out-of-pocket expenses (including attorneys' fees and expenses) in any way relating to the enforcement or protection of the Purchaser's or Company's rights under this Agreement or in respect of the Guaranteed Obligations, including any incurred during any "workout" or restructuring in respect of the Guaranteed Obligations and any incurred in the preservation, protection or enforcement of any rights of the Purchaser or Company in any proceeding under any Debtor Relief Laws. The obligations of the Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Agreement.

12. Miscellaneous. No provision of this Agreement may be waived, amended, supplemented or modified, except by a written instrument executed by the parties hereto. No failure by the Purchaser or Company to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy or power hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein provided are cumulative and not exclusive of any remedies provided by law or in equity. The unenforceability or invalidity of any provision of this Agreement shall not affect the enforceability or validity of any other provision herein. The section and other headings contained in this Agreement are for reference purposes only and shall not affect interpretation of this Agreement in any respect. This Agreement has been fully negotiated between the applicable parties, each party having the benefit of legal counsel, and accordingly neither any doctrine of construction of guaranties or suretyships in favor of the guarantor or surety, nor any doctrine of construction of ambiguities in agreement or instruments against the party controlling the drafting thereof, shall apply to this Agreement.

13. Condition of ADG. The Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from ADG and any other guarantor such information concerning the financial condition, business and operations of ADG and any such other guarantor as the Guarantor requires, and that neither the Purchaser nor Company has any duty, and the Guarantor is not relying on the Purchaser or Company at any time, to disclose to the Guarantor any information relating to the business, operations or financial condition of ADG or any other guarantor (the Guarantor waiving any duty on the part of the Purchaser or Company to disclose such information and any defense relating to the failure to provide the same).

14. Setoff. If and to the extent any payment is not made when due hereunder, the Purchaser and Company may set off against and apply to such due and payable amount any obligation of any nature of any SDCL Party to any Tecogen Party, including but not limited to any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held by an SDCL Party to or for the credit or the account of any Tecogen Party, irrespective of whether or not the SDCL Parties shall have made any demand under this Agreement, any other Transaction Document or the Purchase Agreement and although such obligations of any Tecogen Party may be contingent or unmatured. The rights of each SDCL Party under this Section are in addition to other rights and remedies (including other rights of setoff) that the SDCL Parties may have. Each SDCL Party agrees to notify the Tecogen Parties promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

15. Representations and Warranties. The Guarantor represents and warrants to each SDCL Party that:

(a) The Guarantor is duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation (to the extent good standing is applicable under the relevant corporate law), and has all requisite corporate power and authority to conduct its business as it is now being conducted.

(b) The Guarantor has all requisite power and authority to execute and deliver this Agreement and each other Transaction Document to which it is party and has taken all necessary action to authorize the execution and delivery of this Agreement and each other Transaction Document to which it is party.

(c) This Agreement and each other Transaction Document to which the Guarantor is party has been duly and validly executed and delivered by the Guarantor and constitutes its legal, valid and binding obligation, enforceable in accordance with their respective terms, except as the same may be subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally, or by general equity principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(d) The execution, delivery and performance by the Guarantor of this Agreement and each other Transaction Document to which it is party, and the consummation of the transactions contemplated hereunder and thereunder, do not or will not: (i) violate its organizational documents; (ii) violate any provision or requirement of any Applicable Law; or (iii) violate in any material respect, result in a breach of, constitute (with due notice or lapse of time or both) a default or cause any obligation, penalty, premium or right of termination to arise or accrue under, any material contract to which it is a party.

(e) All third party consents which are required for the execution, delivery and performance by the Guarantor of this Agreement and each other Transaction Document to which it is party and the consummation of the transactions contemplated hereunder and thereunder have been obtained and are in full force and effect.

(f) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Guarantor, threatened by or against the Guarantor or against any of its properties or revenues with respect to this Agreement, any other Transaction Document to which it is party or any of the transactions contemplated hereby or thereby.

(g) The Guarantor is not, nor has it ever been the subject of an Insolvency Proceeding. Each Tecogen Party is solvent and the transactions and obligations hereunder do not and will not render such Tecogen Party not solvent. Such Tecogen Party has adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations. Such Tecogen Party is generally able to pay, and as of the date hereof is paying, its debts as they come due.

(h) The Guarantor hereby acknowledges, represents, and warrants that it receives direct and indirect benefits by virtue of its affiliation with ADG and that the Guarantor will receive direct and indirect benefits from the arrangements contemplated by the Purchase Agreement and Transaction Documents and that such benefits, together with the rights of subrogation that may arise in connection herewith, are a reasonably equivalent exchange of value in return for providing the guarantee under this Agreement.

16. Indemnification and Survival. Without limiting any other obligations of the Guarantor or ADG or remedies of the Purchaser or Company under the Purchase Agreement or any Transaction Document, the Guarantor shall, to the fullest extent permitted by law, indemnify, defend and save and hold harmless each of the Purchaser and Company from and against, and shall pay on demand, any and all damages, losses, liabilities and expenses (including reasonable attorneys' fees and expenses) incurred by the Purchaser or Company in connection with or as a result of any failure of any Guaranteed Obligations to be the legal, valid and binding obligations of ADG, enforceable against ADG in accordance with their terms. The obligations of the Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Agreement.

17. Assignment. This Agreement shall (a) bind the Guarantor and its successors and assigns, provided that the Guarantor may not assign its rights or obligations under this Agreement without the prior written consent of the Purchaser and Company (and any attempted assignment without such consent shall be null and void), and (b) inure to the benefit of the Purchaser, the Company and their respective successors and assigns, and the Purchaser or Company may, without notice to the Guarantor and without affecting the Guarantor's obligations hereunder, assign or sell the Guaranteed Obligations and this Agreement, in whole or in part. The Guarantor agrees that the Purchaser or Company may disclose to any assignee of or investor in, or any prospective assignee of or investor in, any of the Purchaser's or Company's rights or obligations of all or part of the Guaranteed Obligations any and all information in the Purchaser's or Company's possession concerning the Tecogen Parties, this Agreement and Guaranteed Obligations.

18. GOVERNING LAW; Jurisdiction.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, REGARDLESS OF ANY CONFLICTS OF LAW PRINCIPLES WHICH WOULD RESULT IN THE APPLICATION OF THE LAW OF A DIFFERENT STATE.

(b) The Guarantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County, Borough of Manhattan, and of the United States District Court for the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Transaction Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in any Transaction Document shall affect any right that any SDCL Party may otherwise have to bring any action or proceeding relating to any Transaction Document against any Tecogen Party or its properties in the courts of any jurisdiction.

(c) The Guarantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to any Transaction Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 19. Nothing in any Transaction Document will affect the right of any party to any Transaction Document to serve process in any other manner permitted by law.

19. Notices. All notices and other communications to any party hereto under this Agreement shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile to such at its address set forth in Schedule 1 hereto or at such other address in the United States as may be specified by such party in a

written notice delivered to the other parties hereto at such office as a party hereto may designate for such purpose from time to time in a written notice to the other parties hereto.

20. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PURCHASE AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) 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 (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE PURCHASE AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

FINAL AGREEMENT. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS AMONG THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

IN WITNESS WHEREOF, the Guarantor has caused this Agreement to be executed as of the date first above written.

GUARANTOR

TECOGEN INC.

By: /s Benjamin Locke
Name: Benjamin Locke
Title: CEO

SCHEDULE 1

ADDRESS FOR NOTICES

To the Guarantor:

Tecogen, Inc.
45 First Avenue
Waltham, MA 02451
Attn: Robert Panora and Benjamin Locke
Email: Robert.Panora@tecogen.com and Benjamin.Locke@tecogen.com
Tel.: 1-781-522-6000

To either SDCL Party:

c/o Sustainable Development Capital LLP
1120 Avenue of the Americas, 4th Floor
New York, NY 10036
Attn: David Maxwell and Vassos Kyprianou
Telephone: 1-212 626 6855 and 646 380 3294
E-Mail: david.maxwell@sdcl-ee.com and vassos.kyprianou@sdcl-ee.com

with copies to (which shall not constitute notice):

Wilson Sonsini Goodrich & Rosati PC
1301 Avenue of the Americas
New York, NY 10019
Attn: Charlotte J. Kim
Telephone: (212) 453-2888

E-Mail: ckim@wsgr.com

MEMBERSHIP INTEREST PURCHASE AGREEMENT

BY AND AMONG

SDCL TG COGEN LLC, AS PURCHASER

AND

AMERICAN DG ENERGY INC., AS SELLER

AND

TECOGEN INC.

DATED AS OF MARCH 5, 2019

TABLE OF CONTENTS

MEMBERSHIP INTEREST PURCHASE AGREEMENT

THIS MEMBERSHIP INTEREST PURCHASE AGREEMENT (this "***Agreement***"), dated as of March 5, 2019, is made by and among SDCL TG COGEN LLC, a Delaware limited liability company (the "***Purchaser***"), and AMERICAN DG ENERGY INC., a Delaware corporation ("***ADG***" or the "***Seller***"), and TECOGEN INC., a Delaware corporation ("***Tecogen***" or the "***Guarantor***"). Purchaser, Guarantor and the Seller shall be referred to herein from time to time as a "***Party***" and collectively as the "***Parties***." Capitalized terms used and not otherwise defined herein have the meanings set forth in Article I below.

WHEREAS, Seller owns one hundred percent (100%) of the issued and outstanding membership interests, including all voting and economic rights (the "***Membership Interests***") of CogenTwo LLC, a Delaware limited liability company (the "***Company***"), the sole business of which is the ownership, leasing, operation and maintenance of the equipment described on attached Exhibit A (the "***Projects***").

WHEREAS, Purchaser desires to acquire from the Seller, and Seller desires to sell to Purchaser, all of the Membership Interests, on the terms and subject to the conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be bound hereby, agree as follows:

Article I

DEFINITIONS

1.01 Definitions. For purposes hereof, the following terms when used herein shall have the respective meanings set forth below:

"Action" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

"Affiliate" of any particular Person means any other Person controlling, controlled by or under common control with such particular Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, contract or otherwise.

"Allocation Schedule" is defined in Section 7.08.

"Amended CogenOne Billing Agreement" means the Amended and Restated Billing and Asset Management Agreement, dated as of the Closing Date, between CogenOne LLC and Tecogen.

"Assignment of Membership Interests" means an Assignment and Assumption of Membership Interests in the form of Exhibit B hereto and in form and substance satisfactory to Purchaser, by the Seller to Purchaser.

"Assumed Liabilities" is defined in Section 2.04(a).

"Billing Agreement" means the Billing and Asset Management Agreement dated as of the Closing Date among the Guarantor and Company.

"Business Day" means a day which is neither a Saturday or Sunday, nor any other day on which banking institutions in New York, New York are authorized or obligated by Law to close.

"Cash" means cash and cash equivalents determined in accordance with GAAP.

"Closing Consideration" means an aggregate amount of cash consideration equal to Five Million Dollars ($5,000,000).

"Code" means the Internal Revenue Code of 1986, as amended.

"Company Inventory" shall mean all of the Company's raw materials, work-in-process, finished goods and merchandise, spare parts, packaging and other supplies related thereto.

"Contract" means any legally binding agreement, contract, arrangement, lease, loan agreement, security agreement, license, indenture or other similar instrument or obligation to which the party in question is a party or by which a party or its assets is bound, whether oral or written.

"Environmental Laws" means all Laws (including all agreements with any Governmental Entity) relating to the protection or preservation of human health, safety or the environment, including, without limitation: (a) all Laws that control, govern, limit, prohibit, regulate or otherwise relate to any hazardous materials or substances; (b) all Laws relating to the protection or preservation of occupational health and safety; and (c) all Laws relating to the labeling, notice or disclosure of hazardous materials or substances. Without limiting the generality of the foregoing, the term Environmental Laws includes, without limitation, each of the following statutes and the regulations promulgated thereunder, as well all similar state, local or foreign Laws, each including all implementing Laws and legal requirements and as may be amended from time to time: the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, the Resource Recovery and Conservation Act of 1976, the Federal Water Pollution Control Act, the Safe Drinking Water Act, the Solid Waste Disposal Act, the Clean Air Act, the Hazardous Materials Transportation Act, and the Clean Water Act.

"Equipment Leases" means the Equipment Lease Agreements described and defined in Schedule 3.09(a) of the Seller Disclosure Schedules.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean each Subsidiary and any person or entity under common control with the Company within the meaning of Section 414(b), (c), (m) or (o) of the Code and the regulations issued thereunder.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Excluded Liabilities" is defined in Section 2.04(b).

"Fundamental Representations" means the representations and warranties of the Seller or Company set forth in Section 3.01 (Organization and Authority), Section 3.03 (No Conflicts; Consents), Section 3.04 (Capitalization), Section 3.08 (Tax Matters), Section 3.10 (Intellectual Property), and Section 3.23 (No Brokers).

"GAAP" means United States generally accepted accounting principles consistently applied.

"Governmental Entity" means any federal, national, state, foreign, provincial, local or other government or any governmental, regulatory, administrative or self-regulatory authority, agency, bureau, board, commission, court, judicial or arbitral body, department, political subdivision, tribunal or other instrumentality thereof.

"Guarantor" means Tecogen Inc., a Delaware corporation.

"Guaranty" means the Guaranty Agreement dated as of the Closing Date made by the Guarantor in favor of the Purchaser and Company.

"Indebtedness" means, with respect to a Person, the indebtedness (including unpaid interest, fees, expenses, prepayment charges or premium thereon), without duplication, (a) in respect of borrowed money or for the deferred purchase price of products or services; (b) as may be evidenced by any note, bond, debenture or other debt security; (c) in respect of obligations for the reimbursement of any obligor for amounts drawn on any letter of credit, banker's acceptance or similar transaction; (d) all obligations arising out of any financial hedging, swap or other similar arrangement; (e) any Unpaid Pre-Closing Taxes; and (f) guarantees of obligations of the type described above.

"Independent Accountant" means the office of an impartial nationally recognized firm of independent certified public accountants other than Seller's accountants or Buyer's accountants which both Purchaser and Seller appoint by mutual written agreement.

"Intellectual Property" means intellectual property rights in any jurisdiction, including, without limitation, all (a) trademarks including but not limited to service marks, logos, trade dress, distinguishing guises, trade names and similar indicators of origin, whether registered or not, and all goodwill associated therewith; (b) active and inactive patents, patents pending, patent applications and statutory invention registrations, including reissues, divisions, continuations, continuations-in-part, substitutions, extensions and reexaminations thereof, all inventions disclosed therein, and all rights therein provided under international treaties and conventions; (c) design patents and industrial designs, whether registered or not; (d) mask works, circuit lay-out designs and integrated circuit topographies, whether registered or not; (e) trade secrets; (f) copyrights in writings, designs, computer software and other works, whether registered or not; (g) domain names; (h) applications and registrations pertaining to any of the foregoing; (i) all claims and causes of action arising out of or related to infringement or misappropriation of any of the foregoing; and (j) any other industrial and intellectual proprietary rights now known or hereafter recognized in any jurisdiction.

"IRS" means the United States Internal Revenue Service.

"knowledge of the Seller" and "the Seller's knowledge" mean the actual knowledge of the Seller and such knowledge that the Seller would reasonably be expected to have after conducting a due and diligent inquiry.

"Law" means any code, decree, directive, guidance, injunction, judgment, law, regulation, rule, statute, treaty or requirement of any Governmental Entity.

"Lessees" mean the "Lessees" identified in Section 3.09(a) of the Seller Disclosure Schedules.

"Liabilities" means all indebtedness, obligations and other liabilities of a Person any nature (including any unknown, undisclosed, unasserted, or contingent), regardless of whether such indebtedness, obligation, or liability would be required to be disclosed on a balance sheet prepared in accordance with generally accepted accounting principles and regardless of whether such debt, obligation, or liability is immediately due and payable.

"Liens" means liens, pledges, mortgages, security interests, attachments, restrictions, levies, encumbrances, and other charges or encumbrances of any kind or character whatsoever.

"Losses" means all losses, liabilities, lost profits, diminutions of value, damages (including incidental and

consequential damages), penalties, fines, costs, amounts paid in settlement, Liabilities, Taxes, losses, expenses and fees, including court costs and attorneys' and other professionals' fees and expenses and any other costs of enforcing an Indemnified Party's rights under this Agreement; provided, Losses does not include, and no Indemnified Party shall be entitled to seek or recover any punitive damages (unless payable to a third-party in connection with a Third-Party Claim).

"Material Adverse Effect" means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the business, results of operations, condition (financial or otherwise) or assets (including the Equipment, Project Contracts and Projects) of the Company, or (b) the ability of Seller or Guarantor to consummate the transactions contemplated by the Transaction Documents on a timely basis; provided, that "Material Adverse Effect" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or political conditions; (ii) conditions generally affecting the industries in which the Company operates; (iii) any changes in financial or securities markets in general; (iv) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (v) any action required or permitted by this Agreement, except pursuant to Section 3.03; (vi) any changes in applicable Laws or accounting rules, including GAAP; or (vii) the public announcement, pendency or completion of the transactions contemplated by this Agreement; provided further, that any event, occurrence, fact, condition or change referred to in clauses (i) through (iv) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition or change has a disproportionate effect on the Company compared to other participants in the industries in which the Company conducts its businesses.

"O&M Agreement" means the Operations and Maintenance Services Agreement dated as of the Closing Date among the Guarantor and the Company.

"Organizational Documents" means, with respect to the Company, the certificate of formation and operating agreement of the Company, in each case, as amended.

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a Governmental Entity or any other entity.

"Post-Closing Tax Period" means any taxable period beginning after the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period beginning after the Closing Date.

"Post-Closing Taxes" means Taxes of the Company for any Post-Closing Tax Period.

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

"Pre-Closing Taxes" means Taxes of the Company for any Pre-Closing Tax Period.

"Projects" means the combined heat and power generation facilities and assets owned by the Company at the locations described in the Project Contracts.

"Project Contracts" means the Equipment Leases identified in Section 3.09(a) of the Seller Disclosure Schedule and any related agreements as described in Section 3.09(a).

"Purchase Price" means an aggregate amount of cash consideration equal to the Closing Consideration, if, as and when payable and without interest.

"Representative" means, with respect to a Person, such Person's managers, managing members, officers, directors, employees, investment bankers, attorneys, accountants, consultants or other agents or advisors.

"Seller Disclosure Schedules" means the Disclosure Schedules of the Seller.

"Software" means computer software, programs and databases in any form, including Internet web sites, web content and links, source code, executable code, tools, menus, and all versions, updates, corrections, enhancements and modifications thereof, and all related documentation related thereto.

"Standard Software" means non-customized Software that (i) is so licensed solely in executable or object code form pursuant to a nonexclusive, internal use software license; (ii) is not incorporated into, or used directly in the development, manufacturing, or distribution of, the products of the Company; and (iii) is generally available on standard terms for either (A) annual payments by the Company of $25,000 or less or (B) aggregate payments by the Company of $25,000 or less.

"Straddle Period" is defined in Section 7.04.

"Subsidiary" means, with respect to any Person, any corporation of which a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries

of such Person or a combination thereof, or any partnership, association or other business entity of which a majority of the partnership or other similar ownership interest is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person or a combination thereof.

"Tax" or "Taxes" means (i) any and all U.S. federal, state, local and non-U.S. taxes, assessments, levies, tariffs, duties or other charges or impositions in the nature of a tax (together with any and all interest, penalties, additions to tax and additional amounts, whether disputed or not, imposed with respect thereto) imposed by any Governmental Entity, including net income, estimated income, gross income, gross receipts, profits, business, license, occupation, franchise, capital stock, property (real, tangible or intangible), sales, use, ad valorem, transfer, value added, built-in gain, registration, escheat, employment or unemployment, social security, health, payroll, disability, severance, alternative or add-on minimum, customs, excise, stamp, environmental, windfall profit, commercial rent or withholding taxes, (ii) any liability for the payment of any amounts of the type described in clause (i) of this sentence as a result of being a member of an affiliated, consolidated, combined, unitary or aggregate group for any Tax period, and (iii) any liability for the payment of any amounts of the type described in clause (i) or (ii) of this sentence as a result of being a transferee of or successor to any Person, as a result of any express or implied obligation to assume such Taxes or to indemnify any other Person, or by Contract or operation of Law.

"Tax Claim" has the meaning set forth in Section 7.05.

"Tax Returns" means any return, report, information return or other document (including schedules, attachments or any related or supporting information and amendments) required to be prepared or filed with any Governmental Entity or other authority in connection with the determination, assessment or collection of any Tax or the administration of any Laws or administrative requirements relating to any Tax.

"Transaction Documents" means this Agreement and all other agreements, instruments, certificates and other documents to be entered into or delivered by any Party, pursuant to any of the foregoing, including, but not limited to the Assignment of Membership Interests, the Billing Agreement, the O&M Agreement and the Guaranty.

"Transaction Expenses" means all fees and expenses incurred by the Company or Seller at or prior to the Closing in connection with the preparation, negotiation and execution of this Agreement and the Transaction Documents, and the performance and consummation of the transactions contemplated hereby and thereby.

"Transfer" means any sale, exchange, transfer, gift, encumbrance, assignment, pledge, mortgage, hypothecation or other disposition, whether voluntary or involuntary.

"Unpaid Company Transaction Expenses" means Transaction Expenses, but only to the extent they have not been paid by the Company in Cash on or prior to the Closing Date.

1.02 Other Definitional Provisions.

(a) Accounting Terms. Accounting terms that are not otherwise defined in this Agreement have the meanings given to them under GAAP. To the extent that the definition of an accounting term defined in this Agreement is inconsistent with the meaning of such term under GAAP, the definition set forth in this Agreement shall control.

(b) Successor Laws. Any reference to any particular Code section or Law shall be interpreted to include any revision of or successor to that section regardless of how it is numbered or classified.

ARTICLE II

PURCHASE AND SALE OF MEMBERSHIP INTERESTS

2.01 Purchase and Sale. On the terms and subject to the conditions of this Agreement, Seller shall sell, transfer, convey, assign and deliver to Purchaser, and Purchaser shall purchase and acquire, at the Closing (as defined below), the Membership Interests, free and clear of all Liens.

2.02 Closing. The closing of the transactions contemplated by this Agreement (the "***Closing***") shall take place on the first (1st) Business Day following full satisfaction or due waiver of all of the closing conditions set forth in Article V hereof (subject to the satisfaction or waiver of such conditions) or on such other date and/or time as is mutually agreeable to Purchaser and the Seller. The date upon which the Closing occurs is referred to herein as the "***Closing Date***."

2.03 Closing Consideration. At the Closing, as full and complete payment for the purchase of the Membership Interests at Closing, Purchaser shall pay the Closing Consideration, net of any withholding required under applicable law. The Purchase Price shall be paid by wire transfer of immediately available funds pursuant to written instructions delivered by the Seller to Purchaser at least two Business Days prior to the Closing.

2.04 Assumed and Excluded Liabilities.

(a) *Assumed Liabilities*. Subject to the terms and conditions set forth herein, the Company shall assume and agree to pay, perform and discharge only the following Liabilities of the Seller (collectively, the "***Assumed Liabilities***"), and no other

Liabilities: all Liabilities in respect of the Equipment Leases but only to the extent that such Liabilities thereunder are required to be performed after the Closing Date, were incurred in the ordinary course of business and do not relate to any failure to perform, improper performance, warranty or other breach, default or violation by Seller or the Company on or prior to the Closing.

(b) *Excluded Liabilities*. Notwithstanding the provisions of Section 2.04(a) or any other provision in this Agreement to the contrary, neither Purchaser nor the Company shall assume and shall not be responsible to pay, perform or discharge any Liabilities of Seller or any of its Affiliates of any kind or nature whatsoever other than the Assumed Liabilities (the "***Excluded Liabilities***"). Without limiting the generality of the foregoing, the Excluded Liabilities shall include, but not be limited to, the following:

(i) any Liabilities of Seller or any of its Affiliates arising or incurred in connection with the negotiation, preparation, investigation and performance of this Agreement, the other Transaction Documents and the transactions contemplated hereby and thereby, including, without limitation, fees and expenses of counsel, accountants, consultants, advisers and others;

(ii) any Liability for (A) Taxes of Seller (or any stockholder or Affiliate of Seller) or relating to the Company, the Equipment, the Project Contracts or the Assumed Liabilities for any Pre-Closing Tax Period; (B) Taxes that arise out of the consummation of the transactions contemplated hereby; or (C) other Taxes of Seller (or any stockholder or Affiliate of Seller) of any kind or description (including any Liability for Taxes of Seller (or any stockholder or Affiliate of Seller) that becomes a Liability of the Purchaser under any common law doctrine of de facto merger or transferee or successor liability or otherwise by operation of contract or Law);

(iii) any Liabilities relating to or arising out of the Applicable Permits and Permit Applications;

(iv) any Liabilities in respect of any pending or threatened Action arising out of, relating to or otherwise in respect of the operation of the Company or the Equipment or Project Contracts to the extent such Action relates to such operation on or prior to the Closing Date;

(v) any product Liability or similar claim for injury to a Person or property which arises out of or is based upon any express or implied representation, warranty, agreement or guaranty made by Seller or any of its Affiliates, or by reason of the improper performance or malfunctioning of a product, improper design or manufacture, failure to adequately package, label or warn of hazards or other related product defects of any products at any time manufactured or sold or any service performed by Seller or any of its Affiliates;

(vi) any recall, design defect or similar claims of any products manufactured or sold or any service performed by Seller or any of its Affiliates;

(vii) any Liabilities of Seller for any present or former employees, officers, directors, retirees, independent contractors or consultants of Seller, including, without limitation, any Liabilities associated with any claims for wages or other benefits, bonuses, accrued vacation, workers' compensation, severance, retention, termination or other payments;

(viii) any Environmental Claims, or Liabilities under Environmental Laws, to the extent arising out of or relating to facts, circumstances or conditions existing on or prior to the Closing or otherwise to the extent arising out of any actions or omissions of Seller;

(ix) any trade accounts payable of Seller or the Company (A) which constitute intercompany payables owing to Affiliates of Seller; (B) which constitute debt, loans or credit facilities to financial institutions; or (C) which did not arise in the ordinary course of business;

(x) any Liabilities to indemnify, reimburse or advance amounts to any present or former officer, director, employee or agent of Seller (including with respect to any breach of fiduciary obligations by same), except for indemnification of same pursuant to Section 6.03 as Seller Indemnified Parties;

(xi) any Liabilities associated with debt, loans or credit facilities of Seller and/or the Guarantor owing to financial institutions; and

(xii) any Liabilities arising out of, in respect of or in connection with the failure by Seller or any of its Affiliates to comply with any Law or governmental order.

2.05 NYSERDA Incentive Payments. Notwithstanding anything to the contrary herein, any incentive payments paid by NYSERDA with respect to the Projects shall be retained by Seller or its affiliate, except to the extent that any such incentive payments are required to be paid to a Lessee under a Project Contract. Seller or its affiliate shall be responsible for applying for such incentive payments and, except to the extent that any such incentive payments are required to be paid to a Lessee under a Project Contract, shall be entitled to retain the proceeds of any such incentive payments. At the Seller's cost and reasonable request, and provided neither the Seller nor Guarantor is in default under this Agreement or any Transaction Document, the Company and Purchaser shall use their commercially reasonable efforts to cooperate with the Seller as reasonably necessary in order to permit Seller to apply for and seek payment of such NYSERDA incentives.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE SELLER

The Seller represents and warrants to Purchaser, subject to such exceptions as are specifically set forth in the correspondingly numbered Section of the Seller Disclosure Schedules, on the date hereof and (except where a representation or warranty is made herein as of a specified date) as of the Closing, as though made at the Closing, as follows:

3.01 Organization and Authority.

(a) Seller is a corporation duly incorporated, validly existing and in good standing under the Laws of the state of Delaware. Seller has all requisite corporate power and authority to enter into this Agreement and the Transaction Documents to which Seller is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Seller of this Agreement and any Transaction Document to which Seller is a party, the performance by Seller of its obligations hereunder and thereunder, and the consummation by Seller of the transactions contemplated hereby and thereby have been duly authorized by all requisite action on the part of Seller. This Agreement has been duly executed and delivered by Seller, and (assuming due authorization, execution, and delivery by Purchaser) this Agreement constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, subject to the Enforceability Exceptions. When each Transaction Document to which Seller is or will be a party has been duly executed and delivered by Seller, such Transaction Document will constitute a legal and binding obligation of Seller, enforceable against it in accordance with its terms, subject to the Enforceability Exceptions. The Seller has delivered to counsel for Purchaser a true and correct copy of the Organizational Documents of the Company.

(b) The Company is a limited liability company duly formed, validly existing and in good standing under the Laws of the state of Delaware and has all requisite limited liability company power and authority to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. The Company has all requisite limited liability company power and authority to execute and deliver this Agreement and the Transaction Documents to which it is a party and to perform its obligations hereunder and thereunder. All limited liability company actions taken by the Company in connection with this Agreement and the other Transaction Documents will be duly authorized on or prior to the Closing. The operations now being conducted by the Company are not now and have never been conducted by the Company under any other name.

(c) Section 3.01(c) of the Seller Disclosure Schedules lists every state or foreign jurisdiction in which the Company (i) is licensed or qualified to do business, and (ii) has facilities or otherwise conducts business.

(d) Section 3.01(d) of the Seller Disclosure Schedules lists the sole managing member of the Company as of the date hereof. The Company does not have any directors or officers as of the date hereof.

3.02 Subsidiaries. The Company does not have, and has never had, any Subsidiary or any equity or ownership interest (or any interest convertible or exchangeable or exercisable for any equity or ownership interest), whether direct or indirect, in any Person and is not, and has never been, a participant in any joint venture, partnership or similar arrangement and the Company is not obligated to make nor is it bound by any Contract to make any investment in or capital contribution in or on behalf of any other Person.

3.03 No Conflicts; Consents.

(a) The execution, delivery and performance by Seller of this Agreement and the Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (i) conflict with or result in a violation or breach of, or default under, any provision of the Organizational Documents of Seller or Company; (ii) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Seller or the Company or their properties; (iii) except as set forth in Section 3.03(a) of the Seller Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration or mandatory prepayment of or create in any party the right to accelerate, terminate, prepay, modify or cancel any Contract to which Seller, Guarantor or the Company is a party or by which Seller, Guarantor or the Company is bound or to which any of their respective properties and assets are subject (including any Project Contract) or any Permit affecting the properties, assets or business of the Seller, Guarantor or Company; or (iv) result in the creation or imposition of any Lien on any properties or assets of the Company. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Entity is required by or with respect to Seller, Guarantor or the Company in connection with the execution and delivery of this Agreement and the Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

(b) The Company is not in breach of, or in default under, any of its organizational documents, and no event has occurred that, with the giving of notice or the passage of time, or both, would constitute a default by the Company under any of its organizational documents, and the Company has not given written notice to, or received any written notice that, any member is in breach of, or in default under, any of its obligations under the Company's organizational documents. The only business activity that has been carried on or is currently carried on by the Company is the ownership, leasing, operation and maintenance of the Projects.

(c) Section 3.03(c) of the Seller Disclosure Schedule sets forth all necessary consents, waivers and approvals of parties to any Contracts as are required thereunder in connection with the transactions contemplated by this Agreement, or for any such Contract to remain in full force and effect without limitation, modification or alteration after the Closing so as to preserve all rights of, and benefits to, the Company under such Contracts from and after the Closing.

(d) This Agreement, and the Transaction Documents to which the Company is a party, has been duly executed and delivered by the Company and, assuming that this Agreement and such Transaction Documents are a valid and binding obligation of the other parties hereto and thereto, each of this Agreement and such Transaction Documents constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy Laws, other similar Laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies (collectively, the "***Enforceability Exceptions***").

3.04 Capitalization.

(a) Seller is the direct record owner of and has good and valid title to the Membership Interests, free and clear of all Liens. The Membership Interests constitute 100% of the total issued and outstanding membership interests in the Company. The Membership Interests have been duly authorized and are validly issued, fully-paid and non-assessable. Upon consummation of the transactions contemplated by this Agreement, Purchaser shall own all of the Membership Interests, free and clear of all Liens.

(b) The Membership Interests were issued in compliance with applicable Laws. The Membership Interests were not issued in violation of the Organizational Documents of the Company or any other agreement, arrangement, or commitment to which Seller, Guarantor or the Company is a party and are not subject to or in violation of any preemptive or similar rights of any Person.

(c) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any membership interests in the Company or obligating Seller or the Company to issue or sell any membership interests (including the Membership Interests), or any other interest, in the Company. Other than the Organizational Documents, there are no voting trusts, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Membership Interests.

(d) The Company has never adopted, sponsored or maintained any option plan, membership interest or incentive purchase plan, or similar plan providing for the equity compensation of any Person. There are no outstanding or authorized incentive or profit participation or other similar rights with respect to the Company.

(e) There are no outstanding loans made by the Company to the Seller, Guarantor or any Affiliate thereof.

3.05 Financial Statements. As of the Closing Date, the Company does not have and has not had any financial statements, balance sheet, or related statements of income and retained earnings, members' equity and cash flow prepared.

3.06 Undisclosed Liabilities; Absence of Certain Developments.

(a) The Company has no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise ("***Liabilities***"), which are, individually or in the aggregate, material in amount.

(b) Through the date hereof, there has not been any:

(i) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(ii) amendment of the Organizational Documents of the Company;

(iii) split, combination or reclassification of any membership interests in the Company;

(iv) issuance, sale or other disposition of, or creation of any Lien on, any membership interests in the Company, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any membership interests in the Company;

(v) declaration or payment of any distributions on or in respect of any membership interests in the Company or redemption, purchase or acquisition of any of the Company's outstanding membership interests;

(vi) material change in any method of accounting or accounting practice of the Company, except as required by GAAP;

(vii) entry into any Contract that would constitute a Material Contract;

(viii) incurrence, assumption or guarantee by the Company of any indebtedness for borrowed money;

(ix) transfer, assignment, sale or other disposition of any of the assets used in connection with the Project Contracts or Projects;

(x) transfer or assignment of or grant of any license or sublicense under or with respect to any Intellectual Property required by the Company to perform its obligations under the Project Contracts;

(xi) material damage, destruction or loss (whether or not covered by insurance) to the Company's property;

(xii) any capital investment in, or any loan to, any other Person by the Company;

(xiii) acceleration, termination, material modification to or cancellation of any material Contract (including, but not limited to, any Project Contract) to which the Company is a party or by which it is bound;

(xiv) any material capital expenditures by or on behalf of the Company;

(xv) imposition of any Lien upon any of the Company's properties or assets, tangible or intangible;

(xvi) hiring or promoting any person as or to (as the case may be) an employee, officer, director, consultant, independent contractor, advisor or manager;

(xvii) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of the Company's members or current or former managers, officers and employees;

(xviii) with respect to the Company, entry into a new line of business or abandonment or discontinuance of existing lines of business;

(xix) with respect to the Company, adoption of any plan of merger, consolidation, reorganization, liquidation or dissolution or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;

(xx) with respect to the Company, purchase, lease or other acquisition of the right to own, use or lease any property or assets except for property and assets contributed by the Seller to the Company immediately prior to the Closing and the Project Contracts;

(xxi) with respect to the Company, acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets, stock or other equity of, or by any other manner, any business or any Person or any division thereof;

(xxii) action by the Company to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Purchaser in respect of any Post-Closing Tax Period; or

(xxiii) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

3.07 Real Property; Title of Properties.

(a) The Company is not party to any leases, licenses, subleases or occupancy agreements, other than the Project Contracts. The Company has good and valid title to the Projects and Project Contracts, free and clear of all Liens. The Company does not own and has never owned any real property.

(b) The plants, structures, furniture, fixtures, machinery, equipment and other items of tangible personal property of the Company are structurally sound, are in good operating condition and repair, except for ordinary wear and tear, and are adequate for the uses to which they are being put, and none of such plants, structures, furniture, fixtures, machinery, equipment and other items of tangible personal property is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost or which are covered by the O&M Agreement. The plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property currently owned or leased by the Company, together with all other properties and assets of the Company, are sufficient for the continued conduct of the Company's business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property and assets necessary to conduct the business of the Company as currently conducted.

(c) The Company has good and valid title to, or, in the case of leased properties and assets, valid leasehold interests in, all of its properties and assets, real, personal and mixed, used or held for use in their businesses, free and clear of all Liens.

(d) All equipment owned or leased by the Company is listed in Section 3.07(d) of the Seller Disclosure Schedules. All

machinery, equipment, fixtures and vehicles owned, leased, or used by the Company are in good operating condition taking into account their age, except for ordinary wear and tear, and are in a reasonable state of repair and condition for the purposes for which they are being used.

3.08 Tax Matters.

(a) The Company is not required to file any Tax Returns on or before the Closing Date. All Taxes due and owing by the Company (whether or not shown on any Tax Return) have been, or will be, timely paid.

(b) The Company is not and has not been required to withhold or pay any Tax in connection with amounts paid or owing to any employee, independent contractor, creditor, customer, member or other party, and the Company has complied with all information reporting and backup withholding provisions of applicable Law.

(c) No claim has been made by any taxing authority in any jurisdiction where the Company does not file Tax Returns that it is, or may be, subject to Tax by that jurisdiction.

(d) No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company.

(e) The Company has no Liability for unpaid Taxes for all periods ending on or before the Closing Date.

(f) No deficiencies have been asserted, and no assessments have been made, against the Company as a result of any examinations by any taxing authority.

(g) The Company is not a party to any Action by any taxing authority. There are no pending or threatened Actions by any taxing authority.

(h) There are no federal, state, local, and foreign income, franchise or similar Tax Returns, examination reports, or statements of deficiencies assessed against, or agreed to by, the Company for all Tax periods ending after the date of the Company's formation.

(i) There are no Liens for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company.

(j) The Company is not a party to, or bound by, any Tax indemnity, Tax sharing or Tax allocation agreement.

(k) No private letter rulings, technical advice memoranda or similar agreement or rulings have been requested, entered into, or issued by any taxing authority with respect to the Company.

(l) The Company has not been a member of an affiliated, combined, consolidated or unitary Tax group for Tax purposes. The Company has no Liability for Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any corresponding provision of state, local or foreign Law), as transferee or successor, by contract or otherwise.

(m) The Company has been treated as a disregarded entity for U.S. federal, state and local income tax purposes since its formation.

(n) Seller is not a "foreign person" as that term is used in Treasury Regulations Section 1.1445-2.

(o) Neither the Company nor a predecessor has been a "distributing corporation" or a "controlled corporation" in connection with a distribution described in Section 355 of the Code.

(p) The Company is not, and has not been, a party to, or a promoter of, a "reportable transaction" within the meaning of Section 6707A(c)(1) of the Code and Treasury Regulations Section 1.6011-4(b).

(q) No property owned by the Company is (i) required to be treated as being owned by another person pursuant to the so-called "safe harbor lease" provisions of former Section 168(f)(8) of the Internal Revenue Code of 1954, as amended, (ii) subject to Section 168(g)(1)(A) of the Code, or (iii) subject to a disqualified leaseback or long-term agreement as defined in Section 467 of the Code.

3.09 Project Contracts; Permits.

(a) Section 3.09(a) of the Seller Disclosure Schedules sets forth a complete and accurate list of all of the contracts that the Company is party to or that Seller or any of its Affiliates is party to in respect of any Project or Equipment (collectively, the "***Project Contracts***"). Each Project Contract has been duly authorized, executed, and delivered as applicable by the Company, Seller and their Affiliates party thereto. The Company, Guarantor or Seller (as applicable) and, to the knowledge of Seller, each other party thereto, is not in breach or default under any such contract or agreement. No event has occurred with respect to the Seller, Guarantor or the Company or, to the knowledge of Seller, with respect to any other party to any of the Project Contracts which with the passage of time or giving of notice or both would constitute such a default, result in a loss of rights or permit

termination or acceleration under, or result in the creation of any Lien under any Project Contract. Seller has provided to Purchaser true and complete copies of each Project Contract.

(b) Each Project Contract is valid and binding on the Company, Seller or Guarantor, as applicable, and, to the knowledge of the Seller, on each other Person that is a party to such Project Contract and each Project Contract is in full force and effect, subject to the Enforceability Exceptions. There are no pending, or to the best knowledge of the Seller, threatened disputes or disagreements with respect to any Project Contract. None of the Seller, Guarantor or the Company has received any notice of any termination, suspension, force majeure event, violation, breach or default under or in respect of any Project Contract.

(c) The Company has or will obtain all licenses, permits, consents, authorizations, approvals, ratifications, certifications, registrations, exemptions, variances, exceptions and similar consents of governmental authorities (collectively, "***Permits***") that are required (i) for the installation, construction, commissioning, ownership, leasing, operation and maintenance of the Projects and to conduct the business of the Company pursuant to the Project Contracts, Billing Agreement and O&M Agreement, and (ii) to generate, supply and qualify any environmental attributes from the Project. Each such Permit is validly issued and in full force and effect and not subject to appeal. Section 3.09(c) of the Seller Disclosure Schedules sets forth a complete and accurate list of all such required Permits (the "***Applicable Permits***"). Seller has provided to Purchaser true and complete copies of each such Applicable Permit and any applications or submissions made in respect of obtaining the Applicable Permits (collectively, "***Permit Applications***").

3.10 Intellectual Property.

(a) As of the Closing Date, the Company does not own, license or use any Intellectual Property other than the Licensed Intellectual Property.

(b) The Seller or Guarantor owns or licenses and has the right to sublicense all Intellectual Property that is used in the business of the Company as currently conducted free and clear of any Liens (the "***Owned Intellectual Property***"), and each of Seller and Guarantor hereby grants to the Company a fully paid up, nonexclusive, irrevocable and non-transferable license to use all Intellectual Property that is required to be used in the business of the Company as contemplated by the Project Contracts (the "***Licensed Intellectual Property***").

(c) Neither the Seller nor Guarantor nor the Company has received any written notices of infringement, violation or misappropriation from any third party with respect to any third party Intellectual Property, or that challenge the Seller's or Guarantor's ownership, or the Company's use, of the Licensed Intellectual Property.

(d) Neither the Seller nor Guarantor nor the Company has received any written notice of any inventorship challenges or any interference having been declared or threatened with respect to any Licensed Intellectual Property, and neither the Seller nor Guarantor nor the Company has knowledge of a material fact that would reasonably be expected to result in any inventorship challenge or interference with respect to such Licensed Intellectual Property.

(e) Neither the Seller nor Guarantor nor the Company has infringed, violated or misappropriated, and neither the Seller nor the Company is currently infringing, violating or misappropriating, the Intellectual Property rights of any other Person. There is no Action pending against the Seller, Tecogen or the Company (i) alleging any infringement, violation or misappropriation by the Seller, Tecogen or Company of any third party Intellectual Property; or (ii) challenging the Seller's or Guarantor's ownership, or the Company's license, or the validity or enforceability, of any Licensed Intellectual Property, and there is no basis for any such Action.

(f) No Licensed Intellectual Property is subject to any proceeding or outstanding decree, order, judgment, or stipulation or Contract restricting in any material manner, the use, enforcement, transfer, or licensing thereof by the Company or Seller or Guarantor, or which may materially affect the validity, use or enforceability of such Licensed Intellectual Property. All Licensed Intellectual Property is licensable by the Company without restriction and without payment of any kind to any Person.

(g) The Seller and Guarantor take commercially reasonable steps to maintain the confidentiality of their trade secrets and confidential information. To the Seller's and Guarantor's knowledge, the Seller's and Guarantor's trade secrets or confidential information have not been disclosed to any Person, except pursuant to written confidentiality obligations. Without limiting the foregoing, the Seller and Guarantor have required each employee, contractor and service provider to execute confidentiality and invention disclosure and assignment agreements protecting such trade secrets and confidential information and obligating such employee or contract to assign to the Seller or Guarantor all rights, title and interest in and to any inventions and Intellectual Property developed by such employee or contractor in the course of his or her employment or work for the Seller or Guarantor.

(h) Section 3.10(i)(i) of the Seller Disclosure Schedules sets forth a correct and complete list of all material Software owned, controlled, in-licensed or used in the business of the Company as currently conducted by the Company other than Standard Software (the "***Proprietary Software***"). Except as set forth on Section 3.10(i)(ii) of the Seller Disclosure Schedules, no Person has been granted any right to use any Proprietary Software.

(i) The Company has not (i) incorporated Open Source Material into, or combined Open Source Material with, any Proprietary Software or Licensed Intellectual Property, or used Open Source Material to develop or provide any product of the

Company or Licensed Intellectual Property, (ii) distributed Open Source Material in conjunction with or for use with any product of the Company, Proprietary Software or Licensed Intellectual Property, or (iii) otherwise used Open Source Material, in each case, in a manner that purportedly (1) imposes or could impose a requirement or condition that such product of the Company, Proprietary Software or Licensed Intellectual Property (or any portion thereof) (A) be disclosed or distributed in source code form, (B) be licensed for the purpose of making modifications or derivative works, or (C) be redistributable at no charge, or (2) grants or would require the grant of a license to any Person of any Proprietary Software or Licensed Intellectual Property. For purposes of this Agreement, "***Open Source Material***" shall mean any software or other Intellectual Property that is distributed or made available as "open source software" or "free software" or without a fee, or is otherwise publicly distributed or made generally available in source code or equivalent form under terms that permit modification and redistribution of such software or Intellectual Property. Open Source Material includes, without limitation, software that is licensed under the GNU General Public License, GNU Lesser General Public License, Mozilla License, Common Public License, Apache License and BSD License and materials and/or content made available under a Creative Commons license.

(j) The Licensed Intellectual Property are sufficient for the conduct of the business of the Company as conducted as of the Closing, and as reasonably anticipated to be conducted, as if by the Company, after the Closing Date. To the knowledge of the Seller, no Person has infringed or misappropriated, or is infringing or misappropriating, any Licensed Intellectual Property. All Licensed Intellectual Property incorporated into or embodied in any product of the Seller or Guarantor was developed solely by either (1) employees of the Seller or Guarantor acting during the term and within the scope of their employment or (2) by third parties who validly and irrevocably assigned all of their rights, including all Licensed Intellectual Property rights therein, to the Seller or Guarantor in writing, and the Seller or Guarantor obtained any third party consents required to effect such assignment. No employee, contractor or consultant of the Seller or Guarantor who was engaged in the development of any Licensed Intellectual Property incorporated or embodied in any product of the Seller or Guarantor, was an employee of, or engaging in services for, a third party during such time that he or she was engaged by the Seller or Guarantor. To the extent any such Licensed Intellectual Property relates to Registered Intellectual Property, to the maximum extent provided for by, and in accordance with, applicable laws and regulations, the Seller or Guarantor has recorded each such assignment with the relevant Governmental Entity.

(k) No government funding, facilities of a university, college, other medical or educational institution or research center or funding from third parties was used in the development of any Licensed Intellectual Property. No current or former employee, consultant or independent contractor of the Company, who was involved in, or who contributed to, the creation or development of any Licensed Intellectual Property, was employed by or has performed services for the government, university, college, or other medical or educational institution or research center during a period of time during which such employee, consultant or independent contractor was also performing services for the Seller or Guarantor. No university, college or other medical or educational institution or research center has any rights whatsoever in any Licensed Intellectual Property.

3.11 Equipment and Projects.

(a) All Equipment and all products and services of the Company that have been manufactured, distributed, leased, sold or provided were merchantable, free from defects in design, specifications, processing, manufacture, material or workmanship, and suitable for the purpose for which they were leased or sold at the time at which they were leased or sold and during any applicable warranty period. None of the Seller, Guarantor or the Company has incurred any uninsured or insured defective product or service liability, or received a claim based upon allegedly defective product or service liability, in each case with respect to the Equipment or Projects, and, to the knowledge of the Seller, no basis for any such claim exists.

(b) Except for the warranties contained in the Seller's (or its applicable Affiliate's) standard warranties in respect of the Equipment and Projects, none of the Seller, Guarantor or the Company has given any warranties relating to the Equipment or Projects. The Seller has provided Purchaser with a true and accurate copy of its and its Affiliates' standard warranties for the Equipment, services and products of the Seller used for the Projects.

(c) No royalties, fees, honoraria, volume-based, milestone or other payments are payable by the Company to any Person by reason of the ownership, use, sale, licensing, distribution or other exploitation of any Licensed Intellectual Property relating to the conduct or operation of the business of the Company or the delivery or provision of any Equipment or any product or service of the Company.

3.12 Litigation. There is no Action pending, at Law or in equity, or before or by any Governmental Entity, or threatened (a) against or by the Company affecting any of its properties or assets (or by or against Seller or any Affiliate thereof and relating to the Company); or (b) against or by the Company, Seller or any Affiliate of Seller that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action. The Company and its properties are not subject to any settlement, stipulation, order, writ, judgment, injunction, decree, ruling, determination or award of any court or of any Governmental Entity ("***Order***"). There is no investigation or other proceeding pending or, to the knowledge of the Company, threatened, against the Company, any of its properties (tangible or intangible) or any of its officers or directors in its capacity as such by or before any Governmental Entity, nor to the knowledge of the Seller is there any reasonable basis therefor.

3.13 Governmental Consents. The Company is not required to submit any notice, report or other filing with any Governmental Entity in connection with the execution, delivery or performance by it of this Agreement or any Transaction Documents to which the Company is a party or the consummation of the transactions contemplated hereby and thereby. No consent, approval or authorization of any Governmental Entity is required to be obtained by the Company in connection with its

execution, delivery or performance of this Agreement or any Transaction Documents to which the Company is a party or the consummation by the Company of the transactions contemplated hereby or thereby.

3.14 Customers and Suppliers.

(a) None of the Company, Seller or Guarantor has received any notice, or has any reason to believe, that any party to a Project Contract has terminated or materially reduced, or intends to terminate or materially reduce after the Closing, its relationship with the Company, Seller or Guarantor in respect of a Project or Project Contract.

(b) Section 3.14(b) of the Seller Disclosure Schedules sets forth (i) each supplier to whom the Seller or the Company has paid consideration for goods or services rendered in connection with the Projects and/or Project Contracts in an amount greater than or equal to $50,000 for each of the two most recent fiscal years (collectively, the "***Material Suppliers***"); and (ii) the amount of purchases from each Material Supplier during such periods. None of the Company, Seller or Guarantor has received any notice, or has any reason to believe, that any Material Supplier has ceased, or intends to cease, to supply goods or services to the Company, Seller or Guarantor or to otherwise terminate or materially reduce its relationship with the Company in respect of a Project or a Project Contract.

3.15 Insurance. Section 3.15 of the Seller Disclosure Schedules lists each insurance policy maintained by Seller or its Affiliates (including the Company) and relating to the assets, business and operations conducted pursuant to the Project Contracts and in respect of the Projects (collectively, the "***Insurance Policies***"). All of such Insurance Policies are in full force and effect, and there is no existing or threatened breach or default with respect to any obligations under any of such Insurance Policies. Neither the Seller nor any of its Affiliates (including the Company) has received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have either been paid or, if due and payable prior to Closing, will be paid prior to Closing in accordance with the payment terms of each Insurance Policy. The Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of the Company. All such Insurance Policies (a) are valid and binding in accordance with their terms; (b) are provided by carriers who are financially solvent; and (c) have not been subject to any lapse in coverage. There are no claims related to the business of the Company pending under any such Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. None of Seller or any of its Affiliates (including the Company) is in default under, or has otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy. The Insurance Policies are of the type and in the amounts customarily carried by Persons conducting a business similar to the Company and are sufficient for compliance with all applicable Laws and Contracts to which the Company is a party or by which it is bound.

3.16 Compliance with Laws.

(a) Each of the Company and each Project is, and has been, in compliance in all material respects with all applicable laws. None of the Seller, Company or Guarantor has received any written notice of violation of any applicable law from any Governmental Entity in respect of the Equipment, Projects, Project Contracts or Company.

(b) All Applicable Permits are being, and have been, complied with in all material respects. All fees and charges with respect to Applicable Permits as of the Closing Date have been paid in full. No suspension, cancellation, modification, revocation or nonrenewal of any Applicable Permit is pending or, to the knowledge of the Seller, threatened. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Applicable Permit.

3.17 Regulatory Status. The Company is not subject to regulation by any Governmental Entity as a "public utility", "electric utility" or similar designation under any law.

3.18 Environmental Laws.

(a) The Company is currently and has been in compliance with all Environmental Laws and has not, and the Seller has not, received from any Person any: (i) Environmental Notice or Environmental Claim; or (ii) written request for information pursuant to Environmental Law, which, in each case, either remains pending or unresolved, or is the source of ongoing obligations or requirements as of the Closing Date.

(b) The Company has obtained and is in material compliance with all Environmental Permits (each of which is disclosed in Section 3.09(c) of the Seller Disclosure Schedules) necessary for the ownership, lease, operation or use of the business or assets of the Company and all such Environmental Permits are in full force and effect. Seller or Guarantor shall maintain such Environmental Permits in full force and effect throughout the term of the Billing Agreement in accordance with Environmental Law, and neither Seller nor the Company is aware of any condition, event or circumstance that might prevent or impede, after the Closing Date, the ownership, lease, operation or use of the business or assets of the Company as currently carried out. With respect to any such Environmental Permits, Seller has undertaken, or will undertake prior to the Closing Date, all measures necessary to facilitate transferability of the same to the Company, and neither the Company nor the Seller is aware of any condition, event or circumstance that might prevent or impede the transferability of the same to the Company or Purchaser, nor have they received any Environmental Notice or written communication regarding any material adverse change in the status or terms and conditions of the same.

(c) The Company does not currently operate or lease (and has not formerly operated or leased) any real property that is listed on, or has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA, or any similar state list.

(d) There has been no Release of Hazardous Materials in contravention of Environmental Law with respect to the Projects, the Project Contracts, the business or assets of the Company or any real property currently or formerly operated or leased by the Company, and neither the Company nor Seller has received an Environmental Notice that any real property currently or formerly operated or leased in connection with the business of the Company (including soils, groundwater, surface water, buildings and other structure located on any such real property) has been contaminated with any Hazardous Material which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by, Seller or the Company.

(e) Neither the Seller nor the Company owns or operates any active or abandoned aboveground or underground storage tanks in connection with the Projects or Project Contracts.

(f) None of the Company or any predecessors as to which the Company may retain liability use or have used any off-site Hazardous Materials treatment, storage, or disposal facilities or locations in connection with any Project or Project Contract. Section 3.18(f) of the Seller Disclosure Schedules contains a complete and accurate list of any off-site Hazardous Materials treatment, storage, or disposal facilities or locations used in connection with any Project or Project Contract by the Seller and any predecessors as to which the Seller may retain liability, and none of these facilities or locations has been placed or proposed for placement on the National Priorities List (or CERCLIS) under CERCLA, or any similar state list. Neither Seller nor the Company has received any Environmental Notice regarding potential liabilities with respect to any off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company or Seller in connection with any Project or Project Contract.

(g) Neither Seller nor the Company has retained or assumed, by contract or operation of Law, any liabilities or obligations of third parties under Environmental Law.

(h) Seller has provided or otherwise made available to Purchaser before the Closing Date any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models and other similar documents with respect to each Project, each Project Contract, the business or assets of the Company, or any currently or formerly owned, operated or leased real property in connection with any Project or Project Contract, which are in the possession or control of the Seller or Company related to compliance with Environmental Laws, Environmental Claims or an Environmental Notice or the Release of Hazardous Materials in connection with any Project or Project Contract; and (ii) any and all material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution and/or emissions, manage waste or otherwise ensure compliance with current or future Environmental Laws (including, without limitation, costs of remediation, pollution control equipment and operational changes) in connection with any Project or Project Contract.

(i) Neither the Seller nor the Company is aware of or reasonably anticipates, as of the Closing Date, any condition, event or circumstance concerning the Release or regulation of Hazardous Materials that might, after the Closing Date, prevent, impede or materially increase the costs associated with the ownership, lease, operation, performance or use of the business or assets of the Company in connection with any Project or Project Contract.

3.19 Employees. The Company does not have, nor has it ever had, any employees and does not maintain and has never maintained any employee benefit plans or employee benefit arrangements, nor has the Company ever paid any wages within the meaning of Section 3401(a) of the Code (determined without regard to any of the exceptions set forth therein). The Company does not have any liability or obligation in respect of any employees or any employee benefit plan under the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"), or the Internal Revenue Code of 1986, as amended ("***Code***") and has not incurred any liability, nor will the Company incur any liability, by virtue of having been a member of a controlled group of corporations that are treated as a single employer within the meaning of Section 4001 of ERISA or Section 414 of the Code.

3.20 Restrictions on Business Activities. There is no Contract (non-competition, field of use, "most favored nation," or otherwise), judgment, injunction, order, or decree to which the Company is a party, or otherwise binding on the Company, which has or would be expected to have the effect of prohibiting or impairing any business practice of the Company, any acquisition of property (whether tangible or intangible) by the Company, or the conduct of business by the Company. Without limiting the foregoing, the Company is not (a) restricted from selling, licensing, or otherwise distributing any products or services to any class of customers, in any geographic area, during any period of time, or in any segment of the market or (b) is required to offer or sell any products or services to any Person on terms that are not less favorable than the terms under which such products or services may be offered or sold to other parties.

3.21 Accounts Receivable; Inventory.

(a) The Company has made available to Purchaser a list of all accounts receivable, whether billed or unbilled, of the Company as of the Closing Date, together with an aging schedule (of only billed accounts receivable) indicating a range of days elapsed since invoice.

(b) All of the accounts receivable, if any, whether billed or unbilled, of the Company have arisen from bona fide transactions entered into by the Company (as the assignee of the Seller under the Project Contracts) involving the sale of equipment or the rendering of services in the ordinary course of business consistent with past practice, are carried at values determined in accordance with GAAP consistently applied, constitute only valid, undisputed claims of the Company not subject to claims of set-off or other defenses or counterclaims, and are collectible in the ordinary course consistent with past practice. No person has any Lien on any accounts receivable of the Company and no request or agreement for deduction or discount has been made with respect to any accounts receivable of the Company.

(c) The Company has no accounts payable as of the Closing Date.

(d) The Company has no Inventory as of the Closing Date.

3.22 Corporate Records. The minute books of the Company have been made available to Purchaser, are complete and correct, and have been maintained in accordance with sound business practices. The minute books of the Company contain accurate and complete records of all Organizational Documents, meetings, and actions taken by written consent of, the members and the managers, and no meeting, or action taken by written consent, of any such members or managers has been held for which minutes have not been prepared and are not contained in such minute books. At the Closing, all of those books and records will be delivered to the Purchaser.

3.23 No Brokers. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any Contract made by or on behalf of the Company, Seller or Guarantor for which Purchaser or the Company would be liable following the Closing.

3.24 Bank Accounts. Section 3.24 of the Seller Disclosure Schedules constitutes a full and complete list of all the bank, investment, securities, and deposit accounts and safe deposits or similar accounts held with other financial institutions of the Company (collectively, the "***Company Bank Accounts***")), the number of each such account or box, the names of the Persons authorized to draw on such accounts or to access such boxes, and the balances on such accounts as of a most recent practicable date. All cash in such accounts is held in demand deposits and is not subject to any restriction or documentation as to withdrawal.

3.25 Representations Complete. None of the representations or warranties made by the Seller in this Agreement, and none of the statements made in any exhibit, schedule or certificate furnished by the Seller pursuant to this Agreement contains, or will contain at the Closing, any untrue statement of a material fact, or omits or will omit at the Closing to state any material fact necessary in order to make the statements contained herein or therein, in the light of the circumstances under which made, not misleading.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to the Company, on the date hereof and (except where a representation or warranty is made herein as of a specified date) as of the Closing Date, as though made at the Closing Date, as follows:

4.01 Organization and Power. Purchaser is a limited liability company duly formed, validly existing and in good standing under the Laws of the state of Delaware.

4.02 Authorization. Purchaser has all requisite limited liability company power and authority to enter into this Agreement and the Transaction Documents to which Purchaser is a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Purchaser of this Agreement and any Transaction Document to which Purchaser is a party, the performance by Purchaser of its obligations hereunder and thereunder and the consummation by Purchaser of the transactions contemplated hereby and thereby have been duly authorized by all requisite limited liability company action on the part of Purchaser. This Agreement and the Transaction Documents to which Purchaser is a party have been duly executed and delivered by Purchaser and, assuming that this Agreement and such Transaction Documents are valid and binding obligations of the other parties thereto, this Agreement and such Transaction Documents constitute valid and binding obligations of Purchaser, enforceable in accordance with their respective terms, subject to the Enforceability Exceptions.

4.03 No Violation. The execution, delivery, performance and compliance with the terms and conditions of this Agreement by Purchaser and the Transaction Documents to which Purchaser is a party and the consummation of the transactions contemplated hereby do not and will not (i) violate, conflict with, result in any breach of, or constitute a default under any of the provisions of the certificate of formation or operating agreement of Purchaser; (ii) violate or result in a breach of or constitute a violation or default under any material Contract to which Purchaser is a party or is otherwise bound; or (iii) violate any Law to which Purchaser is subject.

4.04 Governmental Consents. (a) Purchaser is not required to submit any notice, report or other filing with any Governmental Entity in connection with the execution, delivery or performance by it of this Agreement or the consummation of the transactions contemplated hereby and (b) no consent, approval or authorization of any Governmental Entity is required to be

obtained by Purchaser in connection with its execution, delivery and performance of this Agreement or the consummation by Purchaser of the transactions contemplated hereby.

4.05 Brokerage. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any Contract made by or on behalf of Purchaser.

ARTICLE V

CONDITIONS TO CLOSING

5.01 Conditions to Purchaser's Obligations. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or, if permitted by applicable Law, waiver by Purchaser) of the following conditions as of the Closing Date:

(a) All representations and warranties of the Seller contained in Article III of this Agreement and in each Transaction Document to which the Seller is party shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth therein) at and as of the Closing Date as though made at and as of the Closing Date (except to the extent expressly made as of an earlier date, in which case only as of such date).

(b) All representations and warranties of the Guarantor contained in each Transaction Document to which the Guarantor is party and in the Amended CogenOne Billing Agreement shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth therein) at and as of the Closing Date as though made at and as of the Closing Date (except to the extent expressly made as of an earlier date, in which case only as of such date).

(c) The Company, Guarantor and the Seller shall have performed and complied with, in all material respects, all of the covenants and agreements required to be performed by it under this Agreement at or prior to the Closing.

(d) No Law shall be in effect and no Order shall have been entered, in each case, which would prevent the performance of this Agreement, any Transaction Document or the Amended CogenOne Billing Agreement or the consummation of any of the transactions contemplated hereby or thereby, declare unlawful the transactions contemplated by this Agreement, any Transaction Document or the Amended CogenOne Billing Agreement or cause such transactions to be rescinded.

(e) Purchaser shall have received the following, each in form and substance satisfactory to Purchaser:

(i) All of the certificates, if any, representing the Membership Interests accompanied by duly executed transfer powers executed in favor of Purchaser.

(ii) Resignation letters duly executed by all managers, directors and officers (if any) of the Company, in form and substance reasonably satisfactory to Purchaser.

(iii) Executed copies of the third party consents, in form and substance satisfactory to Purchaser, set forth on Schedule 5.01(e)(iii).

(iv) The Assignment of Membership Interests, duly executed and delivered by the Seller.

(v) The Amended CogenOne Billing Agreement, duly executed and delivered by the parties thereto.

(vi) The Billing Agreement, duly executed and delivered by the parties thereto.

(vii) The O&M Agreement, duly executed and delivered by the parties thereto.

(viii) The Guaranty, duly executed and delivered by the parties thereto.

(f) Purchaser shall also have received the following:

(i) a certificate of an authorized officer of the Seller in his or her capacity as such, dated as of the Closing Date, certifying that the conditions specified in Sections 5.01(a) and 5.01(c) have been satisfied;

(ii) a certificate of an authorized officer of the Guarantor in his or her capacity as such, dated as of the Closing Date, certifying that the conditions specified in Sections 5.01(b) and 5.01(c) have been satisfied;

(iii) a certificate of an authorized officer of the Seller in his or her capacity as such, dated as of the Closing Date, certifying as to (i) the terms and effectiveness of the Organizational Documents, and (ii) the valid adoption of resolutions of the managing member of the Company with respect to the transactions contemplated by this Agreement;

(iv) a certificate of good standing from the Secretary of State of the State of Delaware which is dated

within a recent date prior to Closing with respect to each of the Company, Seller and Guarantor;

(v) a certificate of good standing and qualification to do business (or equivalent document) with respect to the Guarantor from the applicable Governmental Entity in Massachusetts, dated within a recent date prior to the Closing; and

(vi) a metering report, in form and substance satisfactory to the Purchaser, for the Projects.

(g) Purchaser shall have received a statement, issued pursuant to Treasury Regulation sections 1.897-2(h) and 1.1445-2(c)(3)(i) and in form and substance reasonably satisfactory to Purchaser, certifying that the Membership Interests are not a United States real property interest within the meaning of section 897 of the Code (the Parties intend that such statement be considered to be voluntarily provided by the Company in response to a request from Purchaser pursuant to Treasury Regulation section 1.1445-2(c)(3)(i)).

(h) No Material Adverse Effect shall have occurred and be continuing.

(i) There shall be no action, suit, claim, order, injunction or proceeding of any nature pending, or overtly threatened, against Purchaser or the Company, Seller, Guarantor, or their respective properties, officers, directors or Subsidiaries (i) by any Person arising out of, or in any way connected with, the Closing or the other transactions contemplated by this Agreement, any Transaction Document or the Amended CogenOne Billing Agreement or (ii) by any Governmental Entity arising out of, or in any way connected with, the Closing or the other transactions contemplated by this Agreement, any Transaction Document and the Amended CogenOne Billing Agreement.

If the Closing occurs, all Closing conditions set forth in thisSection 5.01 which have not been fully satisfied as of the Closing shall be deemed to have been waived by Purchaser.

5.02 Conditions to the Seller's Obligations. The obligation of the Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or, if permitted by applicable Law, waiver by the Company) of the following conditions as of the Closing Date:

(a) All representations and warranties contained in Article IV of this Agreement and in the Transaction Documents shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" set forth therein) at and as of the Closing Date as though made at and as of the Closing Date (except to the extent expressly made as of an earlier date, in which case only as of such date).

(b) Purchaser shall have performed and complied with, in all material respects, all the covenants and agreements required to be performed by it under this Agreement at or prior to the Closing.

(c) No Law shall be in effect and no Order shall have been entered, in each case, which would prevent the performance of this Agreement, any Transaction Document or the Amended CogenOne Billing Agreement or the consummation of any of the transactions contemplated hereby or thereby, declare unlawful the transactions contemplated by this Agreement, any Transaction Document or the Amended CogenOne Billing Agreement or cause such transactions to be rescinded.

(d) Purchaser shall have delivered to the Seller a certificate of an authorized officer of Purchaser in his or her capacity as such, dated as of the Closing Date, stating that the conditions specified in Sections 5.02(a) and 5.02(b) have been satisfied, and evidencing the authorization of Purchaser to enter into the Transaction Documents.

(e) Seller and Guarantor shall have received the following, each in form and substance satisfactory to Seller and Guarantor:

(i) The Amended CogenOne Billing Agreement, duly executed and delivered by the parties thereto.

(ii) The Billing Agreement, duly executed and delivered by the parties thereto.

(iii) The O&M Agreement, duly executed and delivered by the parties thereto.

(iv) The Guaranty, duly executed and delivered by the parties thereto.

(f) Purchaser shall simultaneously transfer the Closing Consideration to Seller.

If the Closing occurs, all closing conditions set forth in thisSection 5.02 which have not been fully satisfied as of the Closing shall be deemed to have been waived by the Seller.

ARTICLE VI

INDEMNIFICATION

6.01 Survival of Representations, Warranties, Covenants, Agreements and Other Provisions.

The representations and warranties of the Seller contained in Article III (other than any representations or warranties contained in Section 3.08 which are subject to Article VII) shall survive the Closing and shall terminate on the date which is twelve (12) months after the Closing Date; provided, that (i) the Fundamental Representations shall survive the Closing and shall terminate on the sixtieth (60^{th}) day after the expiration of the applicable statute of limitations and (ii) Section 3.10(b) shall survive the Closing and shall not terminate before the last day of the Term (as such term is defined in the Billing Agreement) of the Billing Agreement. No claim for indemnification hereunder for breach of any such representations and warranties may be made after the expiration of such survival period; provided, that all representations and warranties of the Seller contained in Article III shall survive beyond the survival periods specified above with respect to any inaccuracy therein or breach thereof if a claim is made hereunder prior to the expiration of the survival period for such representation and warranty, in which case such representation and warranty shall survive as to such claim until such claim has been finally resolved.

(a) The representations and warranties of Purchaser contained in Article IV shall survive the Closing and shall terminate on the date which is twelve (12) months after the Closing Date. No claim for indemnification hereunder for breach of any such representations and warranties may be made after the expiration of such survival period; provided, that all representations and warranties of Purchaser contained in Article IV shall survive beyond the survival periods specified above with respect to any inaccuracy therein or breach thereof if a claim is made hereunder prior to the expiration of the survival period for such representation and warranty, in which case such representation and warranty shall survive as to such claim until such claim has been finally resolved.

(b) The agreements, covenants and other obligations of the parties hereto shall survive the Closing in accordance with its terms.

6.02 Indemnification for the Benefit of Purchaser Indemnified Parties. Subject to the limitations set forth in this Article VI, from and after the Closing, the Seller shall indemnify Purchaser and its Affiliates (including the Company) and its and their respective officers, directors, agents, stockholders, members, attorneys and other Representatives (collectively, the "***Purchaser Indemnified Parties***") and hold them harmless against any Losses paid, incurred, suffered or sustained by Purchaser Indemnified Parties, or any of them (regardless of whether or not such Losses relate to any Third Party Claims), directly or indirectly, resulting from, arising out of, or relating to any of the following:

(a) any breach of any representation or warranty of the Seller contained in Article III or any certificate delivered hereunder by the Company or the Seller (other than in respect of Section 3.08, it being understood that the sole remedy for any such inaccuracy in or breach thereof shall be pursuant to Article VII);

(b) any non-fulfillment or breach by the Company, the Seller or the Guarantor of any covenant or agreement contained in this Agreement (other than any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in Article VII, it being understood that the sole remedy for any such breach, violation or failure shall be pursuant to Article VII);

(c) any Unpaid Pre-Closing Taxes; and/or

(d) any fraud with respect to this Agreement, any Transaction Document or any certificates or other instruments required to be delivered pursuant to this Agreement on the part of the Company or the Seller.

6.03 Indemnification by Purchaser for the Benefit of the Seller. Subject to the limitations set forth in this Article VI, from and after the Closing, Purchaser shall indemnify the Seller and its Affiliates, officers, directors, agents, attorneys and other Representatives (collectively, the "***Seller Indemnified Parties***") and hold them harmless against any Losses paid, incurred, suffered or sustained by the Seller Indemnified Parties, or any of them (regardless of whether or not such Losses relate to any Third Party Claims), directly or indirectly, resulting from, arising out of, or relating to any of the following: (a) any breach of any representation or warranty of Purchaser contained in Article IV or any certificate delivered hereunder by Purchaser, and (b) any non-fulfillment or breach by Purchaser of any covenant or agreement contained in this Agreement (other than Article VII, it being understood that the sole remedy for any such breach thereof shall be pursuant to Article VII).

6.04 Limitations on Indemnification. The rights of Purchaser Indemnified Parties and the Seller Indemnified Parties to indemnification pursuant to the provisions of this Article VI are subject to the following limitations:

(a) Notwithstanding anything to the contrary contained herein, except for claims in respect of the breach of any Fundamental Representation or for claims in respect of fraud by the Company or the Seller (or, for avoidance of doubt, for claims under Section 8.18), no claims for indemnification by any Purchaser Indemnified Party pursuant to Section 6.02(a) shall be so asserted, and no Purchaser Indemnified Party shall be entitled to recover Losses, (1) unless any individual Loss or group or series of related Losses exceeds $25,000 (the "***Mini-Basket***") and (2) until the aggregate amount of Losses (which shall not include for such purposes any individual Loss or group or series of related Losses that do not exceed the Mini-Basket) that would otherwise be payable hereunder exceeds on a cumulative basis an amount equal to $100,000 (the "***Deductible***"), and to the extent such Losses exceed the Deductible, such Purchaser Indemnified Party shall be entitled to recover all such Losses in excess of the Deductible.

(b) Notwithstanding anything to the contrary contained herein, except for claims in respect of fraud by Purchaser, no claims for indemnification by the Seller Indemnified Party pursuant to Section 6.04(a) shall be so asserted, and no Seller

Indemnified Party shall be entitled to recover Losses, (1) unless any individual Loss or group or series of related Losses exceeds the Mini-Basket and (2) until the aggregate amount of Losses (which shall not include for such purposes any individual Loss or group or series of related Losses that do not exceed the Mini-Basket) that would otherwise be payable hereunder exceeds on a cumulative basis an amount equal to the Deductible, and to the extent such Losses exceed the Deductible, such Seller Indemnified Party shall be entitled to recover all such Losses in excess of the Deductible.

(c) Notwithstanding anything to the contrary contained herein, except for claims in respect of the breach of Section 3.03(a) or Section 3.03(c) and except in the case of fraud by the Company or the Seller (or, for avoidance of doubt, for claims under Section 8.18), in no event shall the Seller have any liability under this Agreement in excess of the Purchase Price received by the Seller pursuant to this Agreement.

(d) Notwithstanding anything to the contrary contained herein, except in the case of fraud by Purchaser, in no event shall Purchaser have any liability under this Agreement in excess of the Purchase Price.

(e) Notwithstanding anything to the contrary contained herein, the amount of any Losses subject to recovery under this Article VI by Purchaser Indemnified Parties shall be calculated net of any amounts (A) actually received from any third party insurance policy of Purchaser or its Affiliates with respect to Losses for which any such Person has received indemnity payments hereunder (net of any (x) premium increases or retroactive premium adjustments and (y) any costs and expenses incurred by Purchaser or its Affiliates in connection with such recovery) and (B) any Tax benefits realized by Purchaser Indemnified Parties from such Losses (net of any costs and expenses incurred by Purchaser or its Affiliates in connection with such recovery).

(f) An Indemnified Party shall use commercially reasonable efforts to mitigate Losses suffered, incurred or sustained by such Indemnified Party arising out of any matter for which such Indemnified Party has sought indemnification hereunder; provided that no such Indemnified Party shall be required to take any action or refrain from taking any action that is contrary to any applicable Contract or Law binding on such Indemnified Party or any Affiliate thereof.

6.05 Indemnification Procedures.

(a) Any Purchaser Indemnified Party or Seller Indemnified Party making a claim for indemnification under Sections 6.02 or 6.03 (an "***Indemnified Party***") shall promptly notify the indemnifying party (an "***Indemnifying Party***") and the Seller, if applicable, in writing (each, an "***Indemnification Claim Notice***"), describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim or demand. An Indemnified Party shall have the right to update an Indemnification Claim Notice from time to time to reflect any change in circumstances following the date hereof.

(b) If an Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) does not object in writing within the 30-day period after receipt of an Indemnification Claim Notice by delivery of a written notice of objection containing a reasonably detailed description of the facts supporting an objection to the applicable indemnification claim (the "***Indemnification Claim Objection Notice***"), such failure to so object shall be an irrevocable acknowledgment by the Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) that the Indemnified Party is entitled to the full amount of the claim for Losses set forth in such Indemnification Claim Notice.

(c) If an Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) objects in writing within the 30-day period after receipt of an Indemnification Claim Notice by delivery of an Indemnification Claim Objection Notice, such Indemnifying Party (or in the case of any Indemnification Claim Notice given by a Purchaser Indemnified Party, the Seller) and Indemnified Party shall attempt in good faith to agree upon the rights of the respective parties with respect to each of such claims. If the Indemnifying Party (or in the case of any Indemnification Claim Objection Notice given by a Purchaser Indemnified Party, the Seller) and Indemnified Party should so agree, a memorandum setting forth such agreement shall be prepared and signed by both parties. If no such agreement can be reached after good faith negotiation within 30 days after the receipt of an Indemnification Claim Objection, the claim shall be resolved pursuant to Section 8.15.

6.06 Third Party Claims.

(a) In the event that any Indemnified Party desires to make a claim against an Indemnifying Party (which term shall be deemed to include all Indemnifying Parties if more than one) in connection with any third-party Action for which it may seek indemnification hereunder (a "***Third-Party Claim***"), the Indemnified Party will promptly notify the Indemnifying Party of such Third-Party Claim and of its claims of indemnification with respect thereto; provided, that failure to promptly give such notice will not relieve the Indemnifying Party of its indemnification obligations under this Article VI, except to the extent, if any, that the Indemnifying Party has actually been materially prejudiced thereby.

(b) Subject to paragraph (e) below, the Indemnifying Party will, upon its written confirmation of its obligation to indemnify the Indemnified Party in full with respect to such Third-Party Claim, have the right to assume the defense of the Third-Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party by written notice to the Indemnified Party within twenty (20) calendar days after the Indemnifying Party has received notice of the Third-Party Claim; provided, however, that the Indemnifying Party must conduct the defense of the Third-Party Claim actively and diligently thereafter in order to preserve its rights in this regard; and provided, further, that the Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in the defense of the Third-Party Claim.

(c) The Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnified Party unless the judgment or proposed settlement (i) includes an unconditional release of all Liability of each Indemnified Party with respect to such Third-Party Claim, (ii) involves only the payment of money damages that are fully covered by the Indemnifying Party, and (iii) does not impose an injunction or other equitable relief upon the Indemnified Party. So long as the Indemnifying Party has assumed and is conducting the defense of the Third-Party Claim in accordance with Section 6.06(b) above, the Indemnified Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnifying Party (which consent will not be unreasonably conditioned, withheld or delayed by the Indemnifying Party).

(d) In the event that the Indemnifying Party fails to assume the defense of the Third-Party Claim in accordance with Section 6.06(b) above, (i) the Indemnified Party may defend against, and consent to the entry of any judgment or enter in to any settlement with respect to, the Third-Party Claim in any manner it reasonably may deem appropriate (and the Indemnified Party need not consult with, or obtain any consent from, the Indemnifying Party in connection therewith) and (ii) the Indemnifying Party will remain responsible for any Losses of the Indemnified Party as a result of such Third-Party Claim to the extent subject to indemnification under this Article VI.

(e) Notwithstanding the foregoing, to the extent that a Purchaser Indemnified Party is the Indemnified Party, then Purchaser and the Company shall have the right, in its sole discretion, to participate in the defense, at Purchaser's and /or Company's expense, with respect to any claim (i) relating to the Licensed Intellectual Property, (ii) involving criminal liability or in which equitable relief is sought against any Indemnified Party, (iii) that relates to or involves any then current customer, supplier or other business partner of Purchaser or the Company or which is brought by a Governmental Entity, or (iv) that involves any Tax Matter of the Company (collectively, the "***Purchaser-Handled Claims***"). The Indemnifying Party will remain responsible for any Losses of Purchaser and the Company as a result of such Purchaser-Handled Claims to the extent subject to indemnification under this Article VI, and Purchaser and the Company shall retain all remedies to which they are entitled under this Article VI.

6.07 Remedies. Except for fraud, the indemnification provisions described in this Article VI provide the sole and exclusive remedy following the Closing as to all Losses any Indemnified Party may incur, suffer or sustain arising from this Agreement.

6.08 Tax Treatment; Tax Claims.

(a) Any payment under this Article VI shall be treated by the parties for U.S. federal, state, local and non-U.S. income Tax purposes as a purchase price adjustment unless otherwise required by applicable Law.

(b) Notwithstanding any other provision of this Agreement, the control of any claim, assertion, event or proceeding in respect of Taxes of the Company (including, but not limited to, any such claim in respect of a breach of the representations and warranties in Section 3.08 or any breach or violation of or failure to fully perform any covenant, agreement, undertaking or obligation in Article VII) shall be governed exclusively by Article VII.

ARTICLE VII

TAX MATTERS

7.01 Tax Covenants.

(a) Without the prior written consent of Purchaser, Seller (and, prior to the Closing, the Company, its Affiliates and their respective Representatives) shall not, to the extent it may affect, or relate to, the Company, make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset of Purchaser or the Company in respect of any Post-Closing Tax Period. Seller agrees that Purchaser is to have no liability for any Tax resulting from any action of Seller, the Company, its Affiliates or any of their respective Representatives, and agrees to indemnify and hold harmless Purchaser (and, after the Closing Date, the Company) against any such Tax or reduction of any Tax asset.

(b) All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the Transaction Documents (including any real property transfer Tax and any other similar Tax) shall be borne and paid by Seller when due. Seller shall, at its own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and Purchaser shall cooperate with respect thereto as necessary).

(c) Purchaser shall prepare, or cause to be prepared, all Tax Returns required to be filed by the Company after the Closing Date with respect to a Pre-Closing Tax Period. Any such Tax Return shall be prepared in a manner consistent with past practice (unless otherwise required by Law) and without a change of any election or any accounting method and shall be submitted by Purchaser to Seller (together with schedules, statements and, to the extent requested by Seller, supporting documentation) at least 45 days prior to the due date (including extensions) of such Tax Return. If Seller objects to any item on any such Tax Return, it shall, within ten days after delivery of such Tax Return, notify Purchaser in writing that it so objects, specifying with particularity any such item and stating the specific factual or legal basis for any such objection. If a notice of

objection shall be duly delivered, Purchaser and Seller shall negotiate in good faith and use their reasonable best efforts to resolve such items. If Purchaser and Seller are unable to reach such agreement within ten days after receipt by Purchaser of such notice, the disputed items shall be resolved by the Independent Accountant and any determination by the Independent Accountant shall be final. The Independent Accountant shall resolve any disputed items within twenty days of having the item referred to it pursuant to such procedures as it may require. If the Independent Accountant is unable to resolve any disputed items before the due date for such Tax Return, the Tax Return shall be filed as prepared by Purchaser and then amended to reflect the Independent Accountant's resolution. The costs, fees and expenses of the Independent Accountant shall be borne equally by Purchaser and Seller. The preparation and filing of any Tax Return of the Company that does not relate to a Pre-Closing Tax Period shall be exclusively within the control of Purchaser.

7.02 Termination of Existing Tax Sharing Agreements. Any and all existing Tax sharing agreements (whether written or not) binding upon the Company shall be terminated as of the Closing Date. After such date none of the Company, none of Seller nor any of Seller's Affiliates and their respective Representatives shall have any further rights or liabilities thereunder.

7.03 Tax Indemnification. Seller shall indemnify the Company, Purchaser, and each Purchaser Indemnitee and hold them harmless from and against (a) any Loss attributable to any breach of or inaccuracy in any representation or warranty made in Section 3.08; (b) any Loss attributable to any breach or violation of, or failure to fully perform, any covenant, agreement, undertaking or obligation in Article VII; (c) all Taxes of the Company or relating to the business of the Company for all Pre-Closing Tax Periods; (d) all Taxes of any member of an affiliated, consolidated, combined or unitary group of which the Company (or any predecessor of the Company) is or was a member on or prior to the Closing Date by reason of a liability under Treasury Regulation Section 1.1502-6 or any comparable provisions of foreign, state or local Law; and (e) any and all Taxes of any person imposed on the Company arising under the principles of transferee or successor liability or by contract, relating to an event or transaction occurring before the Closing Date. In each of the above cases, together with any out-of-pocket fees and expenses (including attorneys' and accountants' fees) incurred in connection therewith. Seller shall reimburse Purchaser for any Taxes of the Company that are the responsibility of Seller pursuant to this Section 7.03 within ten Business Days after payment of such Taxes by Purchaser or the Company.

7.04 Straddle Period. In the case of Taxes that are payable with respect to a taxable period that begins before and ends after the Closing Date (each such period, a "***Straddle Period***"), the portion of any such Taxes that are treated as Pre-Closing Taxes for purposes of this Agreement shall be:

(a) in the case of Taxes (i) based upon, or related to, income, receipts, profits, wages, capital or net worth, (ii) imposed in connection with the sale, transfer or assignment of property, or (iii) required to be withheld, deemed equal to the amount which would be payable if the taxable year ended with the Closing Date; and

(b) in the case of other Taxes, deemed to be the amount of such Taxes for the entire period multiplied by a fraction the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire period.

7.05 Contests. Purchaser agrees to give written notice to Seller of the receipt of any written notice by the Company, Purchaser or any of Purchaser's Affiliates which involves the assertion of any claim, or the commencement of any Action, in respect of which an indemnity may be sought by Purchaser pursuant to this Article VII (a "***Tax Claim***"); provided, that failure to comply with this provision shall not affect Purchaser's right to indemnification hereunder. Purchaser shall control the contest or resolution of any Tax Claim; provided, however, that Purchaser shall obtain the prior written consent of Seller (which consent shall not be unreasonably withheld or delayed) before entering into any settlement of a claim or ceasing to defend such claim; and, provided further, that Seller shall be entitled to participate in the defense of such claim and to employ counsel of its choice for such purpose, the fees and expenses of which separate counsel shall be borne solely by Seller.

7.06 Cooperation and Exchange of Information. Seller and Purchaser shall provide each other with such cooperation and information as either of them reasonably may request of the other in filing any Tax Return pursuant to this Article VII or in connection with any audit or other proceeding in respect of Taxes of the Company. Such cooperation and information shall include providing copies of relevant Tax Returns or portions thereof, together with accompanying schedules, related work papers and documents relating to rulings or other determinations by tax authorities. Each of Seller and Purchaser shall retain all Tax Returns, schedules and work papers, records and other documents in its possession relating to Tax matters of the Company for any taxable period beginning before the Closing Date until the expiration of the statute of limitations of the taxable periods to which such Tax Returns and other documents relate, without regard to extensions except to the extent notified by the other party in writing of such extensions for the respective Tax periods. Prior to transferring, destroying or discarding any Tax Returns, schedules and work papers, records and other documents in its possession relating to Tax matters of the Company for any taxable period beginning before the Closing Date, Seller or Purchaser (as the case may be) shall provide the other party with reasonable written notice and offer the other party the opportunity to take custody of such materials.

7.07 Tax Treatment. Seller and Purchaser agree that the transactions contemplated hereby will be treated for U.S. federal income Tax purposes and applicable state income Tax purposes as a taxable sale by Seller and a purchase by Purchaser of the assets of the Company.

7.08 Tax Allocation. Seller and Purchaser agree that the Purchase Price shall be allocated among the assets of the Company for U.S. federal and applicable state and local income tax purposes as shown on the allocation schedule (the "***Allocation Schedule***"). A draft of the Allocation Schedule shall be prepared by Purchaser and delivered to Seller within ninety

days following the Closing Date. If Seller notifies Purchaser in writing that Seller objects to one or more items reflected in the Allocation Schedule, Seller and Purchaser shall negotiate in good faith to resolve such dispute; provided, however, that if Seller and Purchaser are unable to resolve any dispute with respect to the Allocation Schedule within 90 days following the Closing Date, such dispute shall be resolved by the Independent Accountant. The fees and expenses of such accounting firm shall be borne equally by Seller and Purchaser. Purchaser and Seller shall file all Tax Returns (including amended returns and claims for refund) and information reports in a manner consistent with the Allocation Schedule.

7.09 Payments to Purchaser. Any amounts payable to Purchaser pursuant to this Article VII shall be satisfied from Seller.

7.10 Survival. Notwithstanding anything in this Agreement to the contrary, the provisions of Section 3.08 and this Article VII shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days.

7.11 Overlap. To the extent that any obligation or responsibility pursuant to Article VI may overlap with an obligation or responsibility pursuant to this Article VII, the provisions of this Article VII shall govern.

ARTICLE VIII

MISCELLANEOUS

8.01 Press Releases and Communications. No Party hereto shall issue any press release or make any public announcement primarily relating to this Agreement or the transactions contemplated hereby, except for any press release or public announcement as agreed to by Purchaser and the Seller or as otherwise may be required by Law, court process or applicable stock exchange rules and regulations.

8.02 Expenses. Except as otherwise expressly provided herein, each Party shall pay all of such Party's own fees and expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement, including the fees and disbursements of counsel, financial advisors and accountants.

8.03 Notices. All notices and other communications among the Parties shall be in writing and shall be deemed to have been duly given (a) when delivered in person, (b) when delivered after posting in the United States mail having been sent registered or certified mail return receipt requested, postage prepaid, (c) when delivered by FedEx or other nationally recognized overnight delivery service or (d) when delivered by facsimile or email (in each case in this clause (d), solely if receipt is confirmed), addressed as follows:

Notices to Purchaser:

SDCL TG COGEN LLC
c/o Sustainable Development Capital LLP
1120 Avenue of the Americas, 4th Floor
New York, NY 10036
Attn: David Maxwell and Vassos Kyprianou
Telephone: **Error! Bookmark not defined.**-212 626 6855 and 646 380 3294
E-Mail: david.maxwell@sdcl-ee.com and vassos.kyprianou@sdcl-ee.com

with a copy to (which shall not constitute notice):

Wilson Sonsini Goodrich & Rosati, P.C.:
1301 Avenue of the Americas
New York, New York 10019
Attention: Charlotte Kim
Facsimile No.: (212) 999-5899
Email: ckim@wsgr.com

Notices to the Seller:

American DG Energy Inc.
45 First Ave.
Waltham, MA 02451
Attn: Robert Panora, President
Facsimile No.: (781) 522-6050
Email: robert.panora@tecogen.com

Notices to Guarantor:

Tecogen Inc.
45 First Ave.

Waltham, MA 02451
Attn: Benjamin Locke, CEO
Facsimile No.: (781) 522-6050
Email: benjamin.locke@tecogen.com

8.04 Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and its successors and permitted assigns, except that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned or delegated by any of the Parties without the prior written consent of the non-assigning Parties; except that Purchaser may assign this Agreement and its rights and obligations hereunder to an Affiliate of Purchaser without the other Parties' consent so long as Purchaser remains liable for its obligations under this Agreement.

8.05 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the Parties agree that the court making the determination of invalidity or unenforceability shall have the power to reduce the scope, duration or area of the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified after the expiration of the time within which the judgment may be appealed.

8.06 Interpretation.

(a) The words "hereof," "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits and Schedules are to Articles, Sections, Exhibits and Schedules of this Agreement unless otherwise specified.

(c) All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement.

(d) Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular, and words denoting either gender shall include both genders as the context requires. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(e) Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation," whether or not they are in fact followed by those words or words of like import.

(f) The use of the word "or" shall not be exclusive.

(g) A reference to any legislation or to any provision of any legislation shall include any modification, amendment, re-enactment thereof, any legislative provision substituted therefore and all rules, regulations and statutory instruments issued or related to such legislation.

(h) Unless otherwise specifically indicated, all references to "dollars" or "$" shall refer to the lawful currency of the United States.

(i) A document shall be deemed to have been "delivered," "provided," "furnished," or "made available" to Purchaser to the extent that such document has been (i) made available in the data room established by the Company for the purposes of the transactions contemplated by this Agreement or (ii) delivered to Purchaser or its Representatives via electronic mail, in each case, no later than three (3) Business Days prior to the date hereof.

(j) Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. No prior draft of this Agreement nor any course of performance or course of dealing shall be used in the interpretation or construction of this Agreement. No parol evidence shall be introduced in the construction or interpretation of this Agreement unless the ambiguity or uncertainty in issue is plainly discernible from a reading of this Agreement without consideration of any extrinsic evidence. Although the same or similar subject matters may be addressed in different provisions of this Agreement, the Parties intend that, except as reasonably apparent on the face of the Agreement or as expressly provided in this Agreement, each such provision shall be read separately, be given independent significance and not be construed as limiting any other provision of this Agreement (whether or not more general or more specific in scope, substance or content). The doctrine of election of remedies shall not apply in constructing or interpreting the remedies provisions of this Agreement or the equitable power of a court considering this Agreement or the transactions contemplated hereby.

8.07 Construction. The language used in this Agreement shall be deemed to be the language chosen by the Parties to

express their mutual intent, and no rule of strict construction shall be applied against any Person. The specification of any dollar amount or the inclusion of any item in the representations and warranties contained in this Agreement or the Seller Disclosure Schedules or Exhibits attached hereto is not intended to imply that the amounts, or higher or lower amounts, or the items so included, or other items, are or are not required to be disclosed (including whether such amounts or items are required to be disclosed as material or threatened) or are within or outside of the ordinary course of business, and no Party shall use the fact of the setting of the amounts or the fact of the inclusion of any item in this Agreement or the Seller Disclosure Schedules or Exhibits in any dispute or controversy between the Parties as to whether any obligation, item or matter not described or included in this Agreement or in any Schedule or Exhibit is or is not required to be disclosed (including whether the amount or items are required to be disclosed as material or threatened) or is within or outside of the ordinary course of business for purposes of this Agreement. The information contained in this Agreement and in the Seller Disclosure Schedules and Exhibits hereto is disclosed solely for purposes of this Agreement, and no information contained herein or therein shall be deemed to be an admission by any Party to any third party of any matter whatsoever (including any violation of Law or breach of contract).

8.08 Amendment and Waiver. Any provision of this Agreement or the Seller Disclosure Schedules hereto may be amended or waived only in a writing signed by Purchaser and the Seller and, solely with respect to Section 3.10(b), the Guarantor. No waiver of any provision hereunder or any breach or default thereof shall extend to or affect in any way any other provision or prior or subsequent breach or default.

8.09 Complete Agreement. This Agreement and the documents referred to herein contain the complete agreement between the Parties and supersede any prior understandings, agreements or representations by or between the Parties, written or oral, which may have related to the subject matter hereof in any way, including any data room agreements, bid letters, term sheets, summary issues lists or other agreements.

8.10 Third Party Beneficiaries. The provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties and its successors and assigns. Nothing expressed or referred to in this Agreement shall be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy or claim under or with respect to this Agreement or any provision of this Agreement.

8.11 WAIVER OF TRIAL BY JURY. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) 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 (B) 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.

8.12 Delivery by Facsimile or Email. This Agreement and any signed agreement entered into in connection herewith or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or scanned pages via electronic mail, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any Party hereto or to any such contract, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other Parties. No Party hereto or to any such contract shall raise the use of a facsimile machine or email to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine or email as a defense to the formation of a contract and each such Party forever waives any such defense.

8.13 Counterparts. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one (1) Party, but all such counterparts taken together shall constitute one and the same instrument.

8.14 Governing Law. All issues and questions concerning the construction, validity, interpretation and enforceability of this Agreement and the Exhibits and Schedules hereto shall be governed by, and construed in accordance with, the Laws of the State of New York, without giving effect to any choice of Law or conflict of Law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of New York.

8.15 Jurisdiction.

(a) Each of the Parties hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the United States District Court for the Southern District of New York sitting in the Borough of Manhattan (or if such court lacks subject matter jurisdiction, the Supreme Court of the State of New York sitting in the Borough of Manhattan), and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any Transaction Document or the transactions relating hereto or thereto, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may (and any such claims, cross-claims or third party claims brought against the Purchaser or any of its Related Parties may only) be heard and determined in such Federal (to the extent permitted by law) or New York State court. Each of the Parties agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by

suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any Transaction Document shall affect any right that the Purchaser may otherwise have to bring any action or proceeding relating to this Agreement against the Seller, Company or Guarantor or their properties in the courts of any jurisdiction.

(b) Each of the Parties hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any Transaction Document in any court referred to in paragraph (a) of this Section. Each of the Parties hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each Party irrevocably consents to service of process in the manner provided for notices in Section 8.03. Nothing in this Agreement will affect the right of any Party to serve process in any other manner permitted by law.

8.16 Remedies Cumulative. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party shall be deemed cumulative with, and not exclusive of, any other remedy conferred hereby, or by Law or equity upon such Party, and the exercise by a Party of any one remedy shall not preclude the exercise of any other remedy.

8.17 Specific Performance. Each of the Parties acknowledges that the rights of each Party to consummate the transactions contemplated hereby are unique and recognizes and affirms that in the event of a breach of this Agreement by any Party, money damages may be inadequate and the non-breaching Party may have no adequate remedy at Law. Accordingly, the Parties agree that prior to a valid termination of this Agreement in accordance with this Agreement, such non-breaching Party may have the right, in addition to any other rights and remedies existing in its favor at Law or in equity, to enforce its rights and the other Party's obligations hereunder not only by an Action or Actions for damages but also by an Action or Actions for specific performance, injunctive and/or other equitable relief (without posting of bond or other security). Each of the Parties agrees that it shall not oppose the granting of an injunction, specific performance and other equitable relief when expressly available pursuant to the terms of this Agreement, and hereby waives (a) any defenses in any Action for an injunction, specific performance or other equitable relief, including the defense that the other Parties have an adequate remedy at Law or an award of specific performance is not an appropriate remedy for any reason at Law or equity; and (b) any requirement under Law to post a bond, undertaking or other security as a prerequisite to obtaining equitable relief.

8.18 PPA Amendment. Tecogen will endeavor to correct the error described in Section 3.06 of the Seller Disclosure Schedules through discussions with the applicable Lessee prior to June 1, 2019, and will indemnify and hold the Company harmless with respect to any liability resulting from such error.

(*Signature Page Follows*)

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

SDCL TG COGEN LLC

By: s/ David Maxwell

Name: David Maxwell

Its: Director

AMERICAN DG ENERGY INC.

By: /s Robert A. Panora

Name: Robert A. Panora

Its: Director

TECOGEN INC.

By: /s Benjamin Locke

Name: Benjamin Locke

Its: CEO

GUARANTY AGREEMENT

This Guaranty Agreement (this "Agreement"), dated as of March 5, 2019, is made by TECOGEN INC., a Delaware corporation (the "Guarantor"), in favor of each of COGENTWO LLC, a Delaware limited liability company (the "Company"), and SDCL TG COGEN LLC, a Delaware limited liability company (the "Purchaser", and together with the Company, the "SDCL Parties"). Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to them by the Billing Agreement dated as of the date hereof (as amended from time to time, the "Billing Agreement") among the Guarantor and Company, and the rules of usage set forth in the Billing Agreement shall apply to this Agreement.

RECITALS

This Agreement is given in consideration of the Purchaser entering into that certain Membership Interest Purchase Agreement, dated as of the date hereof (as amended, restated, or otherwise modified from time to time, the "Purchase Agreement"), with American DG Energy Inc., a Delaware corporation ("ADG", and together with the Guarantor, the "Tecogen Parties") and the Guarantor, providing, subject to the terms and conditions set forth therein, for the purchase by the Purchaser from ADG of all of the membership interests of the Company.

ADG is a wholly-owned subsidiary of the Guarantor, and the Guarantor will receive substantial and direct benefits from the transactions contemplated by the Purchase Agreement and Transaction Documents. The Guarantor has agreed to enter into this Agreement to provide assurance for the obligations of ADG in connection with the Purchase Agreement and to induce the Purchaser and Company to enter into the Purchase Agreement and related agreements including the Billing Agreement and other Transaction Documents.

It is a condition precedent to the Purchaser entering into the Purchase Agreement and Transaction Documents to which the Purchaser is party, and a condition precedent to the Company entering into the Transaction Documents to which the Company is party, that the Guarantor shall have executed and delivered this Agreement and the other Transaction Documents.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree, and the Guarantor hereby furnishes its guarantee of the Guaranteed Obligations (as hereinafter defined), as follows:

1. Guaranty. To induce the SDCL Parties to make and perform the Purchase Agreement and Transaction Documents, the Guarantor hereby absolutely and unconditionally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment and performance when due, whether at stated maturity, by required prepayment, upon acceleration, termination, demand or otherwise, and at all times thereafter, of any and all existing and future obligations, indebtedness and liabilities of every kind, nature and character, direct or indirect, absolute or contingent, liquidated or unliquidated, voluntary or involuntary and whether for purchase consideration, interest, fees, indemnities, damages, costs, expenses or otherwise, of ADG to the Purchaser and the Company arising under the Purchase Agreement, and any instruments, agreements or other documents of any kind or nature now or hereafter executed by ADG in connection with the Purchase Agreement, whenever created, arising, evidenced or acquired (including all renewals, extensions, amendments, refinancings and other modifications thereof and all costs, attorneys' fees and expenses incurred by the Purchaser or the Company in connection with the collection or enforcement thereof), and whether recovery upon such obligations, indebtedness and liabilities may be or hereafter become unenforceable or shall be an allowed or disallowed claim under any proceeding or case commenced by or against any of the Tecogen Parties under the Bankruptcy Code (Title 11, United States Code), any successor statute or any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally (collectively, "Debtor Relief Laws"), and including interest that accrues after the commencement by or against any of the Tecogen Parties of any proceeding under any Debtor Relief Laws (collectively, the "Guaranteed Obligations").

2. No Discharge or Diminishment of Guaranty.

(a) The obligations of the Guarantor hereunder shall not be affected by the genuineness, validity, regularity or enforceability of the Guaranteed Obligations or any instrument or agreement evidencing any Guaranteed Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Guaranteed Obligations which might otherwise constitute a defense to the obligations of the Guarantor under this Agreement, and the Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing. The obligations of the Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the payment in full in cash of the Guaranteed Obligations), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of ADG liable for any of the Guaranteed Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Tecogen Party or its assets or any resulting release or discharge of any obligation of any Tecogen Party; or (iv) the existence of any claim, setoff or other rights which the Guarantor may have at any time against ADG, any SDCL Party or any other Person, whether in connection herewith or in any unrelated transactions. The obligations of the Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law

or regulation purporting to prohibit payment by ADG, of the Guaranteed Obligations or any part thereof.

(b) Further, the obligations of the Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of any SDCL Party to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection or invalidity of any indirect or direct security for the obligations of ADG for all or any part of the Guaranteed Obligations; (iv) any action or failure to act by any SDCL Party with respect to any collateral (if any) securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or to the fullest extent permitted under applicable law, any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of the Guarantor or that would otherwise operate as a discharge of the Guarantor as a matter of law or equity (other than the payment in full in cash of the Guaranteed Obligations).

3. No Setoff or Deductions; Taxes; Payments. The Guarantor shall make all payments hereunder in immediately available funds in U.S. dollars without setoff or counterclaim and free and clear of and without deduction for any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, compulsory loans, restrictions or conditions of any nature now or hereafter imposed or levied by any jurisdiction or any political subdivision thereof or taxing or other authority therein unless the Guarantor is compelled by law to make such deduction or withholding. If any such obligation (other than one arising with respect to taxes based on or measured by the income or profits of the Purchaser or Company) is imposed upon the Guarantor with respect to any amount payable by it hereunder, the Guarantor will pay to the Purchaser, on the date on which such amount is due and payable hereunder, such additional amount in U.S. dollars as shall be necessary to enable the Purchaser to receive the same net amount which the Purchaser would have received on such due date had no such obligation been imposed upon the Guarantor. The Guarantor will deliver promptly to the Purchaser certificates or other valid vouchers for all taxes or other charges deducted from or paid with respect to payments made by the Guarantor hereunder. The obligations of the Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Agreement.

4. Rights of Purchaser. The Guarantor consents and agrees that the Purchaser or Company may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Guaranteed Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security (if any) for the payment of this Agreement or any Guaranteed Obligations; (c) apply such security (if any) and direct the order or manner of sale thereof as the Purchaser in its sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Guaranteed Obligations. Without limiting the generality of the foregoing, the Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of the Guarantor under this Agreement or which, but for this provision, might operate as a discharge of the Guarantor.

5. Certain Waivers. The Guarantor waives (a) any defense arising by reason of any disability or other defense of ADG or any other guarantor, or the cessation from any cause whatsoever (including any act or omission of the Purchaser or Company) of the liability of ADG; (b) any defense based on any claim that the Guarantor's obligations exceed or are more burdensome than those of ADG; (c) the benefit of any statute of limitations affecting the Guarantor's liability hereunder; (d) any right to require the Purchaser or Company to proceed against ADG, proceed against or exhaust any security (if any) for the Guaranteed Obligations, or pursue any other remedy in the Purchaser's or Company's power whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by the Purchaser or Company; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. The Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Guaranteed Obligations, and all notices of acceptance of this Agreement or of the existence, creation or incurrence of the Guaranteed Obligations.

6. Obligations Independent. The obligations of the Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Guaranteed Obligations and the obligations of any other guarantor, and a separate action may be brought against the Guarantor to enforce this Agreement whether or not ADG or any other person or entity is joined as a party.

7. Subrogation. The Guarantor shall not exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Agreement until all of the Guaranteed Obligations and any amounts payable under this Agreement have been paid and performed in full in cash. If any amounts are paid to the Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Purchaser and shall forthwith be paid to the Purchaser to reduce the amount of the Guaranteed Obligations, whether matured or unmatured.

8. Termination; Reinstatement. This Agreement is a continuing and irrevocable guaranty of all Guaranteed Obligations now or hereafter existing and shall remain in full force and effect until the Discharge Date. Notwithstanding the foregoing, this Agreement shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of ADG or the Guarantor is made, or the Purchaser or Company exercises its right of setoff, in respect of the Guaranteed Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Purchaser in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Purchaser or Company is in possession of or has released this Agreement and regardless of any prior revocation, rescission, termination or reduction. The obligations of the Guarantor under this paragraph shall survive termination of this Agreement.

9. Subordination. The Guarantor hereby subordinates the payment of all obligations and indebtedness of ADG owing to the Guarantor, whether now existing or hereafter arising, including but not limited to any obligation of ADG to the Guarantor as subrogee of the Purchaser or Company or resulting from the Guarantor's performance under this Agreement, to the payment in full in cash of all Guaranteed Obligations. If the Purchaser so requests, any such obligation or indebtedness of ADG to the Guarantor shall be enforced and performance received by the Guarantor as trustee for the Purchaser and the proceeds thereof shall be paid over to the Purchaser on account of the Guaranteed Obligations, but without reducing or affecting in any manner the liability of the Guarantor under this Agreement.

10. Stay of Acceleration. In the event that acceleration of the time for payment of any of the Guaranteed Obligations is stayed, in connection with any case commenced by or against the Guarantor or ADG under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by the Guarantor immediately upon demand by the Purchaser.

11. Expenses. The Guarantor shall pay on demand all reasonable out-of-pocket expenses (including attorneys' fees and expenses) in any way relating to the enforcement or protection of the Purchaser's or Company's rights under this Agreement or in respect of the Guaranteed Obligations, including any incurred during any "workout" or restructuring in respect of the Guaranteed Obligations and any incurred in the preservation, protection or enforcement of any rights of the Purchaser or Company in any proceeding under any Debtor Relief Laws. The obligations of the Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Agreement.

12. Miscellaneous. No provision of this Agreement may be waived, amended, supplemented or modified, except by a written instrument executed by the parties hereto. No failure by the Purchaser or Company to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy or power hereunder preclude any other or further exercise thereof or the exercise of any other right, power or remedy. The remedies herein provided are cumulative and not exclusive of any remedies provided by law or in equity. The unenforceability or invalidity of any provision of this Agreement shall not affect the enforceability or validity of any other provision herein. The section and other headings contained in this Agreement are for reference purposes only and shall not affect interpretation of this Agreement in any respect. This Agreement has been fully negotiated between the applicable parties, each party having the benefit of legal counsel, and accordingly neither any doctrine of construction of guaranties or suretyships in favor of the guarantor or surety, nor any doctrine of construction of ambiguities in agreement or instruments against the party controlling the drafting thereof, shall apply to this Agreement.

13. Condition of ADG. The Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from ADG and any other guarantor such information concerning the financial condition, business and operations of ADG and any such other guarantor as the Guarantor requires, and that neither the Purchaser nor Company has any duty, and the Guarantor is not relying on the Purchaser or Company at any time, to disclose to the Guarantor any information relating to the business, operations or financial condition of ADG or any other guarantor (the Guarantor waiving any duty on the part of the Purchaser or Company to disclose such information and any defense relating to the failure to provide the same).

14. Setoff. If and to the extent any payment is not made when due hereunder, the Purchaser and Company may set off against and apply to such due and payable amount any obligation of any nature of any SDCL Party to any Tecogen Party, including but not limited to any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held by an SDCL Party to or for the credit or the account of any Tecogen Party, irrespective of whether or not the SDCL Parties shall have made any demand under this Agreement, any other Transaction Document or the Purchase Agreement and although such obligations of any Tecogen Party may be contingent or unmatured. The rights of each SDCL Party under this Section are in addition to other rights and remedies (including other rights of setoff) that the SDCL Parties may have. Each SDCL Party agrees to notify the Tecogen Parties promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

15. Representations and Warranties. The Guarantor represents and warrants to each SDCL Party that:

(a) The Guarantor is duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation (to the extent good standing is applicable under the relevant corporate law), and has all requisite corporate power and authority to conduct its business as it is now being conducted.

(b) The Guarantor has all requisite power and authority to execute and deliver this Agreement and each other Transaction Document to which it is party and has taken all necessary action to authorize the execution and delivery of this Agreement and each other Transaction Document to which it is party.

(c) This Agreement and each other Transaction Document to which the Guarantor is party has been duly and validly executed and delivered by the Guarantor and constitutes its legal, valid and binding obligation, enforceable in accordance with their respective terms, except as the same may be subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally, or by general equity principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(d) The execution, delivery and performance by the Guarantor of this Agreement and each other Transaction Document to which it is party, and the consummation of the transactions contemplated hereunder and thereunder, do not or will not: (i) violate its organizational documents; (ii) violate any provision or requirement of any Applicable Law; or (iii) violate in any material respect, result in a breach of, constitute (with due notice or lapse of time or both) a default or cause any obligation, penalty, premium or right of termination to arise or accrue under, any material contract to which it is a party.

(e) All third party consents which are required for the execution, delivery and performance by the Guarantor of this Agreement and each other Transaction Document to which it is party and the consummation of the transactions contemplated hereunder and thereunder have been obtained and are in full force and effect.

(f) No litigation, investigation or proceeding of or before any arbitrator or Governmental Authority is pending or, to the knowledge of the Guarantor, threatened by or against the Guarantor or against any of its properties or revenues with respect to this Agreement, any other Transaction Document to which it is party or any of the transactions contemplated hereby or thereby.

(g) The Guarantor is not, nor has it ever been the subject of an Insolvency Proceeding. Each Tecogen Party is solvent and the transactions and obligations hereunder do not and will not render such Tecogen Party not solvent. Such Tecogen Party has adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations. Such Tecogen Party is generally able to pay, and as of the date hereof is paying, its debts as they come due.

(h) The Guarantor hereby acknowledges, represents, and warrants that it receives direct and indirect benefits by virtue of its affiliation with ADG and that the Guarantor will receive direct and indirect benefits from the arrangements contemplated by the Purchase Agreement and Transaction Documents and that such benefits, together with the rights of subrogation that may arise in connection herewith, are a reasonably equivalent exchange of value in return for providing the guarantee under this Agreement.

16. Indemnification and Survival. Without limiting any other obligations of the Guarantor or ADG or remedies of the Purchaser or Company under the Purchase Agreement or any Transaction Document, the Guarantor shall, to the fullest extent permitted by law, indemnify, defend and save and hold harmless each of the Purchaser and Company from and against, and shall pay on demand, any and all damages, losses, liabilities and expenses (including reasonable attorneys' fees and expenses) incurred by the Purchaser or Company in connection with or as a result of any failure of any Guaranteed Obligations to be the legal, valid and binding obligations of ADG, enforceable against ADG in accordance with their terms. The obligations of the Guarantor under this paragraph shall survive the payment in full of the Guaranteed Obligations and termination of this Agreement.

17. Assignment. This Agreement shall (a) bind the Guarantor and its successors and assigns, provided that the Guarantor may not assign its rights or obligations under this Agreement without the prior written consent of the Purchaser and Company (and any attempted assignment without such consent shall be null and void), and (b) inure to the benefit of the Purchaser, the Company and their respective successors and assigns, and the Purchaser or Company may, without notice to the Guarantor and without affecting the Guarantor's obligations hereunder, assign or sell the Guaranteed Obligations and this Agreement, in whole or in part. The Guarantor agrees that the Purchaser or Company may disclose to any assignee of or investor in, or any prospective assignee of or investor in, any of the Purchaser's or Company's rights or obligations of all or part of the Guaranteed Obligations any and all information in the Purchaser's or Company's possession concerning the Tecogen Parties, this Agreement and Guaranteed Obligations.

18. GOVERNING LAW; Jurisdiction.

(a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, REGARDLESS OF ANY CONFLICTS OF LAW PRINCIPLES WHICH WOULD RESULT IN THE APPLICATION OF THE LAW OF A DIFFERENT STATE.

(b) The Guarantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County, Borough of Manhattan, and of the United States District Court for the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Transaction Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in any Transaction Document shall affect any right that any SDCL Party may otherwise have to bring any action or proceeding relating to any Transaction Document against any Tecogen Party or its properties in the courts of any jurisdiction.

(c) The Guarantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to any Transaction Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 19. Nothing in any Transaction Document will affect the right of any party to any Transaction Document to serve process in any other manner permitted by law.

19. Notices. All notices and other communications to any party hereto under this Agreement shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile to such at its address set forth in Schedule 1 hereto or at such other address in the United States as may be specified by such party in a

written notice delivered to the other parties hereto at such office as a party hereto may designate for such purpose from time to time in a written notice to the other parties hereto.

20. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PURCHASE AGREEMENT OR ANY OTHER TRANSACTION DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) 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 (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT, THE PURCHASE AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

FINAL AGREEMENT. THIS AGREEMENT REPRESENTS THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS AMONG THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

IN WITNESS WHEREOF, the Guarantor has caused this Agreement to be executed as of the date first above written.

GUARANTOR

TECOGEN INC.

By: /s Benjamin Locke
Name: Benjamin Locke
Title: CEO

SCHEDULE 1

ADDRESS FOR NOTICES

To the Guarantor:

Tecogen, Inc.
45 First Avenue
Waltham, MA 02451
Attn: Robert Panora and Benjamin Locke
Email: Robert.Panora@tecogen.com and Benjamin.Locke@tecogen.com
Tel.: 1-781-522-6000

To either SDCL Party:

c/o Sustainable Development Capital LLP
1120 Avenue of the Americas, 4th Floor
New York, NY 10036
Attn: David Maxwell and Vassos Kyprianou
Telephone: 1-212 626 6855 and 646 380 3294
E-Mail: david.maxwell@sdcl-ee.com and vassos.kyprianou@sdcl-ee.com

with copies to (which shall not constitute notice):

Wilson Sonsini Goodrich & Rosati PC
1301 Avenue of the Americas
New York, NY 10019
Attn: Charlotte J. Kim
Telephone: (212) 453-2888

E-Mail: ckim@wsgr.com

BILLING AND ASSET MANAGEMENT AGREEMENT

THIS BILLING AND ASSET MANAGEMENT AGREEMENT (as amended, restated, modified or otherwise supplemented from time to time, this "Agreement") is made as of March 5, 2019, by and among COGENTWO LLC, a Delaware limited liability company (the "Company"), and TECOGEN INC., a Delaware corporation (the "Asset Manager"). Each of the Company, and the Asset Manager shall be referred to herein as a "Party" and together, the "Parties".

W I T N E S S E T H:

WHEREAS, the Asset Manager desires to provide the Services to the Company with respect to the operating combined heat and power generation projects and assets owned by the Company, as more particularly described on Schedule I (the "Projects"); and

WHEREAS, the Company desires the Asset Manager to provide such aforementioned services pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Parties hereto, intending to be legally bound, hereby agree as follows:

Article 1
DEFINITIONS AND USAGE

1.1 Definitions. As used in this Agreement, the following capitalized terms shall have the following meanings. Capitalized terms used but not defined herein are used as defined in the Project Contracts.

"AAA" is defined in Section 8.1(c).

"Additional Events of Default" is defined in Section 10.1(b).

"Affiliate" means with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person.

"Agreement" is defined in the preamble.

"AM Default" means any AM Event of Default or any event or condition which, with notice or passage of time or both, would become an AM Event of Default.

"AM Events of Default" means, collectively, Events of Default by the Asset Manager and Additional Events of Default.

"Applicable Fee" means, for any Measurement Period, an amount equal to forty percent (40%) of the positive amount (if any) by which (a) the aggregate Combined Qualifying Net Receivables received by the Company in such Measurement Period or within forty-five (45) days after such Measurement Period (provided that any such payments received by the Company during such 45-day period were invoiced to the applicable Lessees during such Measurement Period and shall not be double-counted or included for any other Measurement Period, whether under this Agreement or under the CogenOne Billing Agreement), exceed (b) the Combined Minimum Threshold.

"Applicable Laws" shall mean all applicable federal, national, regional, state, local or foreign law, including any common law, civil law, statute, treaty, rule, regulation, ordinance, order, code, judgment, decree, injunction, writ or similar action or decision of the foregoing by any Governmental Authority (and includes all applicable Governmental Approvals) applicable to the Projects, the Company, the Asset Manager, this Agreement, or the services performed by the Asset Manager for the Company under this Agreement.

"Asset Manager" is defined in the preamble.

"Asset Manager Representative" is defined in Section 2.8.

"Assignment of Membership Interests" means the Assignment of the Membership Interests dated as of the date hereof, by the Seller to Purchaser.

"Business Day" means any day other than a Saturday, Sunday or any day on which state banks in New York are authorized to be closed.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases or financing leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"Change of Control" means (a) any "person" or "group" (within the meaning of Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of more than 50% of the outstanding voting securities of the Asset Manager having the right to vote for the election of members of the Board of Directors, (b) any reorganization, merger or consolidation of the Asset Manager, other than a transaction or series of related transactions in which the holders of the voting securities of the Asset Manager outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Asset Manager or such other surviving or resulting entity; (c) a sale, lease or other disposition of all or substantially all of the assets of the Asset Manager; or (d) any Equity Interests of the Asset Manager is, or becomes the subject of, any consensual Lien.

"Claims" means all claims or actions, threatened or filed, and whether groundless, false or fraudulent, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys' fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement or any Project Contract.

"CogenOne Billing Agreement" means the Amended and Restated Billing and Asset Management Agreement, dated as of the date hereof, among CogenOne LLC, a Delaware limited liability company, and the Asset Manager.

"CogenOne Minimum Threshold" means the "CogenOne Minimum Threshold" as such term is defined in the CogenOne Billing Agreement.

"CogenOne Qualifying Net Receivables" means the "Qualifying Net Receivables" as such term is defined in the CogenOne Billing Agreement.

"CogenTwo Minimum Threshold" means, for any Measurement Period ending on a date set forth in Schedule V hereto, the aggregate sum of all amounts set forth in the column below such date for all Projects for which the Company has *not* received, as of such date, an Early Termination Payment for a terminated Project Contract under and in compliance with Section 7.2(a).

"Combined Minimum Threshold" means the sum of (a) the CogenTwo Minimum Threshold *plus* (b) the CogenOne Minimum Threshold.

"Combined Qualifying Net Receivables" means, for any Measurement Period, the sum of (a) the aggregate Qualifying Net Receivables in such Measurement Period *plus* (b) the aggregate CogenOne Qualifying Net Receivables in such Measurement Period.

"Commencement Date" is defined in Section 9.1.

"Company" is defined in the preamble.

"Company Representative" is defined in Section 4.2.

"Control" means the control by one Person of another Person in accordance with the following: a Person ("A") controls another Person ("B") where A has the power to directly or indirectly direct or cause the direction of management or policies of B whether through ownership of securities or any partnership or other ownership interest,

by contract or otherwise; and, for certainty and without limitation, if A owns or has control over shares to which are attached more than fifty percent (50%) of the votes permitted to be cast in the election of directors to the Person of B or A is the general partner of B, a limited partnership, then in each case A Controls B for this purpose, and the terms "Controlling," "Controlled by" and "under common Control with" have the corresponding meaning.

"Decommissioning" is defined in Section 9.4.

"Default" means any Event of Default or any event or condition which, with notice or passage of time or both, would become an Event of Default.

"Discharge Date" means the earliest to occur of: (i) February 28, 2034, provided that any and all Shortfall amounts due and payable under Article 7 have been paid in full in cash, and (ii) the date on which the Company receives payment of Early Termination Payments for all Project Contracts in cash under and in accordance with Section 7.2(a).

"Early Payment" is defined in Section 7.3.

"Early Termination Payment" is defined in Section 7.2(a).

"Events of Default" is defined in Section 10.1(a).

"Fiscal Year" means the calendar year and in the case of the initial Fiscal Year the period beginning on the date hereof and ending on December 31.

"GAAP" means generally accepted United States accounting principles, consistently applied.

"Governmental Approvals" means all franchises, registrations, certificates, consents, permits, licenses, approvals and authorizations of any Governmental Authority.

"Governmental Authority" means any national, provincial, regional, municipal or local authority, body, agency, ministry, court, judicial or administrative body, taxing authority, regulatory authority or other governmental organization, or quasi-governmental organization acting under authority delegated by a governmental organization, having jurisdiction or effective control over the Company, its Affiliates or the Projects.

"Government Official" means (a) an officer or employee of a Governmental Authority or (b) an officer or employee of a government- owned or controlled entity.

"Guaranty" means the Guaranty Agreement dated as of the date hereof made by the Asset Manager in favor of the SDCL Parties.

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Capital Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, and (j) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Initial Term" is defined in Section 9.2.

"Luna Park Commencement Date" means the latest to occur of (a) the first anniversary of the Commencement Date and (b) the date on which the "Commencement Date" (as such term is defined in the Luna Park

Project Contract) occurs for all five cogeneration modules.

"Luna Park Project Contract" means the Equipment Lease Agreement dated as of July 18, 2012, between Luna Park Housing Corporation, a New York corporation, and the Company (as assignee of the Seller).

"Material Indebtedness" means Indebtedness, or obligations in respect of one or more Swap Agreements, of the Asset Manager and its Subsidiaries in an aggregate principal amount exceeding $1,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of the Asset Manager or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Asset Manager or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

"Measurement Period" means:

(a) the period beginning on the Commencement Date and ending on June 30, 2019; and

(b) thereafter, each six-month period ending on every December 31 and June 30.

"Membership Interest Purchase Agreement" means the Membership Interest Purchase Agreement among the Seller and Purchaser, dated as of the date hereof.

"Monthly Service Fee" is defined in Section 6.1(a).

"Multiplier" means:

Multiplier = 1 – [CogenOne Minimum Threshold / Combined Minimum Threshold]

"O&M Agreement" means the Operations and Maintenance Agreement dated as of the date hereof among the Company and the Operator.

"O&M Fee" is defined in Section 6.1(b).

"Operator" has the meaning assigned thereto in the O&M Agreement.

"Party" is defined in the preamble.

"Person" means any individual, corporation, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or Governmental Authority.

"Project Contracts" means the contracts identified on Schedule III relating to the purchase and sale of energy for the Projects.

"Project Documents" means, collectively, (a) the documents identified as Project Contracts on Part A of Schedule III hereto; (b) those documents identified as Applicable Permits and Permit Applications on Part B of Schedule III hereto; and (c) any other agreement or permit entered into by the Company after the date hereof; in each case, as may be amended, restated, modified or otherwise supplemented or modified from time to time.

"Projects" is defined in the recitals.

"Prudent Industry Practices" means those standards of care and diligence and those practices, methods and acts that would be implemented and normally practiced or followed by prudent asset management firms in performing Services for combined heat and power generation facilities of a similar nature and geographic location as the Projects and in accordance with which practices, methods and acts, in the exercise of professional judgment by those experienced in the industry in light of the facts known (or that reasonably should have been known) at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good asset management practices and Applicable Laws. Prudent Industry Practices is not intended to be limited to the optimum practice, method, standard of care or act, to the exclusion of all others, but rather is a spectrum of possible practices, methods, standard of care or acts generally accepted.

"Purchaser" has the meaning set forth in the Membership Interest Purchase Agreement.

"Purchaser Indemnitees" has the meaning set forth in the Membership Interest Purchase Agreement.

"Qualifying Net Receivables" means, for any Measurement Period, the aggregate amount of all Equipment Rental Payments, and of all demand side benefit payments under Section 8 of the Project Contracts, in each case, actually received by the Company from all Lessees under all Project Contracts in such Measurement Period or within forty-five (45) days after such Measurement Period (provided that any such payments received by the Company during such 45-day period were invoiced to the applicable Lessees during such Measurement Period and shall not be double-counted or included for any other Measurement Period), *minus* (1) the aggregate amount of all fuel related costs, insurance costs, costs relating to Governmental Approvals, and operation and maintenance costs (including all Monthly Service Fees and amounts owing by the Company to the Asset Manager under the O&M Agreement) paid by the Company or Asset Manager in respect of all the Project Contracts and Equipment for such Measurement Period, and (2) the aggregate amount of all rebates, refunds, allowances, discounts or other credit adjustments in respect of such Project Contracts made or paid by or on behalf of the Company to such Lessees for such Measurement Period.

"Reference Rate" means the rate as published from time to time in the Wall Street Journal as the "prime rate" or "prime lending rate", plus three percent (3%).

"Renewal Term" is defined in Section 9.2.

"SDCL Parties" means the Company and the Purchaser.

"SEC" means the Securities and Exchange Commission of the United States of America.

"Seller" has the meaning set forth in the Membership Interest Purchase Agreement.

"Service Providers" means any independent third party Person acting in any other capacity as a provider of goods or services to the Projects or to the Company.

"Services" means the responsibilities of the Asset Manager under Article 2 of this Agreement as set forth in Schedule II.

"Shortfall" is defined in Section 7.1.

"Stipulated Termination Charges" has the meaning assigned to such term in the applicable Project Contract.

"Subcontractor" means any independent third party Person hired by the Asset Manager to perform any Services, including Persons at any tier with whom any Subcontractor has further subcontracted the Services or any part thereof, and the legal or personal representatives, successors and assigns of such Persons.

"Subsidiary" means, with respect to any Person, any corporation, general or limited partnership, joint venture, limited liability company, limited liability partnership or other Person that is a legal entity, trust or estate of which such Person has a direct or indirect equity or ownership interest in excess of fifty percent (50%) or which such Person otherwise Controls.

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

"Tecogen Parties" means the Asset Manager and Seller.

"Term" is defined in Section 9.2.

"Transaction Documents" means this Agreement, the Assignment of Membership Interests, the O&M Agreement and the Guaranty.

ARTICLE 2
ASSET MANAGER'S RESPONSIBILITIES

2.1 Performance of Services. Commencing on the Commencement Date and continuing through the remainder of the Term, unless this Agreement is terminated pursuant to Section 9.3 or 10.3, the Company appoints and retains

Asset Manager to perform the Services on behalf of the Company as set forth in Schedule II. Asset Manager hereby accepts such appointment and agrees to perform the Services in accordance with the terms and conditions of this Agreement.

2.2 Other. The Asset Manager shall take such other and further actions as may be consistent with the Services, to the extent such services are not limited by this Agreement, including under Article 3, including the satisfaction of requirements imposed by Applicable Laws.

2.3 Use of Third Persons. Notwithstanding any other provision herein to the contrary, Asset Manager shall not be obligated or authorized hereunder to conduct any procurement or contracting in its own name on behalf of the Company, or to incur directly any obligations to third parties on behalf of the Company (other than Lessee Natural Gas Operating Costs incurred pursuant to the Equipment Leases), unless, in each case, the Company has provided an express written direction and authorization therefor. With respect to the selection of any such Subcontractor for the performance of any of the Services, Asset Manager shall exercise reasonable and due care to select reasonably well-qualified Persons based on their experience, availability and reputation.

2.4 General Responsibilities. The Asset Manager shall timely fulfill its obligations hereunder and shall be in regular communication with the Company, including notifying the Company whenever the Asset Manager observes or otherwise becomes aware of an event or circumstance that has, or is likely to have, a material and adverse effect on any Project.

2.5 Cooperation. The Asset Manager agrees to cooperate with the Company and to provide such assistance as the Company may reasonably request in the performance of its obligations hereunder.

2.6 Information and Audit Rights.

(a) The Asset Manager shall furnish, or cause to be furnished, to the Company such information, documentation, services and materials reasonably requested by the Company, including any amendments, modifications or supplements to, and any notices or other communications received by the Asset Manager pursuant to, any Project Document.

(b) At the reasonable prior request of the Company, the Company or its designated representative may audit or inspect the Asset Manager's books and records related to the Services provided hereunder. The Asset Manager agrees to cooperate in good faith with any such audit or investigation, including by making its officers, employees, representatives, contractors, and agents available to the Company and its representatives at such reasonable times and locations as the Company may reasonably request.

2.7 Regulatory Compliance. The Asset Manager shall be responsible for ensuring that the Company is in compliance in all material respects with all requirements of Applicable Laws with respect to its ownership, operation and maintenance of the Projects, as applicable.

2.8 Asset Manager Representative. The Company's primary point of communication with the Asset Manager regarding all Services shall be the Asset Manager Representative. The Company shall be free to communicate with and obtain information from other employees of the Asset Manager (including, but not limited to, the officers of the Asset Manager), Service Providers and Subcontractors at reasonable times and to the extent not disruptive of the Asset Manager work processes and the Asset Manager will use its commercially reasonable efforts to cause such employees and other persons to be available upon the request of the Company. The Asset Manager hereby appoints Robert Panora as the primary Asset Manager representative and Abinand Rangesh as the secondary Asset Manager representative should the Company be unable to reach the primary Asset Manager representative within a reasonable period (collectively, the "Asset Manager Representative"). The Asset Manager Representative is authorized to act on behalf of and as agent for the Company consistent with the authorizations set forth in this Agreement or any other authorization established by the Company from time to time. Whenever this Agreement requires the approval, consent or some other action of the Asset Manager, the Company may rely on the approval, consent or other action of the Asset Manager Representative. The Asset Manager may change the individual appointed as Asset Manager Representative at any time by giving written notice to the Company.

2.9 Conditions. If the Asset Manager becomes aware of any event or circumstance which could prevent its

performance of any of its obligations under this Agreement, the Asset Manager shall give prompt written notice thereof to the Company. The Asset Manager shall attempt in good faith to minimize any such delay; *provided* that the Asset Manager shall not be obligated to undertake or perform any actions which are prohibited by Applicable Law.

ARTICLE 3
LIMITS ON ASSET MANAGER'S AUTHORITY AND RESPONSIBILITIES

3.1 Actions Requiring the Company's Approval . Notwithstanding anything to the contrary contained herein, without the prior written consent of the Company or as permitted by the Company through a written delegation of authority to the Asset Manager, the Asset Manager is not authorized, for any purpose or in any manner whatsoever, to bind the Company. Without limiting the generality of the foregoing, the Asset Manager shall not, without the prior written approval of the Company:

(a) declare an event of force majeure, default or event of default with respect to the Projects, or portion thereof, under any Project Document;

(b) amend, modify, suspend, terminate or waive any provision of any Project Document;

(c) suspend performance of any Service Provider, except to the extent necessary to avoid immediate danger to Persons or property, or to comply with any Applicable Law;

(d) (i) initiate any action against any Service Provider or any Lessee under any Project Document or (ii) settle, compromise, assign, pledge, transfer, release (or agree to do any of the foregoing), any action involving the Company, any Lessee or any Project; provided that, so long as no AM Default has occurred and is continuing, and without limiting Asset Manager's obligations under Article 5, the Company's consent shall not be unreasonably withheld, delayed or conditioned with respect to Asset Manager's activities to collect any Stipulated Termination Charge due and payable by a Lessee, including the initiation of legal action relating thereto;

(e) initiate, agree to or implement any change order, waiver, compromise or settlement with respect to any Project Document or other agreement related to any Project or the Company, or enter into any other agreement with respect to the Projects or the Company; provided, that such prior written approval of the Company shall not be required for the Asset Manager to initiate, agree to or implement any change order, waiver, compromise or settlement with any of its Subcontractors with respect to the completion of the construction of cogeneration systems under the Project Contracts, so long as (i) such approval of the Company is not required under any other provision of a Transaction Document, (ii) such change order, waiver, compromise or settlement could not reasonably be expected to adversely affect any Project Document, any Project or the Company and (iii) the Asset Manager continues to comply with its obligations under Section 2.3, Article 5 and the other provisions of this Agreement;

(f) execute, acknowledge or deliver (on behalf of itself or the Company) any agreement, contract, document, consents, Liens, indebtedness, waivers or other documents obligating, assigning, transferring, granting any interest in, or otherwise encumbering the Company or any asset of the Company;

(g) consent to, approve or ratify any action taken by any Lessee to modify any Project;

(h) consent to, approve or ratify any action taken by any Service Provider to modify the equipment or services provided by any of them if such action could reasonably be expected to materially affect the Company's continued use and enjoyment of, or the performance, value or useful life of, the Projects;

(i) hire one or more Service Providers for an aggregate compensation (as to all Service Providers) of more than $50,000 in any calendar year;

(j) enter into agreements with any bank, finance or lending institution in relation to any Project;

(k) make any sale, transfer, mortgage, assignment, conveyance or disposition of any property or assets of the Company; or

(l) amend or terminate any Governmental Approvals of the Company.

ARTICLE 4

THE COMPANY'S RESPONSIBILITIES

4.1 Cooperation.

(a) The Company agrees to cooperate with the Asset Manager and to provide such assistance (other than the Services) as the Asset Manager may reasonably request in the performance of its obligations hereunder.

(b) The Company will use its commercially reasonable efforts to support the collection by the Asset Manager on behalf of the Company of any Stipulated Termination Charges due and payable by a Lessee under a Project Contract.

(c) So long as (i) no AM Default, or other default or suspension under a Project Contract, has occurred and is continuing and (ii) the Lessee party to such Project Contract has not given a notice of termination or suspension under such Project Contract, and in all cases subject to the limitations contained in Article 3 and the terms governing the Services, (i) the Asset Manager shall be the primary point of contact with Lessees and shall be responsible for all communications with Lessees, and (ii) the Company shall not contact Lessees without the prior written consent of Asset Manager (such consent not to be unreasonably withheld, delayed, or conditioned); *provided*, that without the prior written consent of the Company (such consent not to be unreasonably withheld, delayed, or conditioned), the Asset Manager shall not, at any time, contact a Lessee regarding, or discuss with a Lessee, a modification, (other than a renewal of a Project Contract during the final year of the stated term of such Project Contract) renewal, suspension or termination of a Project Contract, or any other matter that could reasonably be expected to affect a Project Contract, a Project or the Company in any material respect.

4.2 Company Representative. The Asset Manager's primary point of communication with the Company regarding all Services shall be the Company Representative and any other parties or people requested by the Company. The Asset Manager shall be free to communicate with and obtain information from other representatives of the Company (including, but not limited to, the officers of the Company) at reasonable times and to the extent not disruptive of the Company work processes and the Company will use its commercially reasonable efforts to cause such representatives to be available upon the request of the Asset Manager. The Company hereby appoints David Maxwell as the primary Company representative and Vassos Kyprianou as the secondary Company representative should the Asset Manager be unable to reach the primary Company representative within a reasonable period (collectively, the "Company Representative"). Whenever this Agreement requires the approval, consent or some other action of the Company, the Asset Manager may rely on the approval, consent or other action of the Company Representative or one or more of his designees. The Company may change the individual appointed as the Company Representative at any time by giving written notice to the Asset Manager.

4.3 Amendments to Project Contracts. So long as no AM Default has occurred and is continuing and no default by a Lessee under a Project Contract exists, the Company shall not (a) decrease the amount of Stipulated Termination Charges or (b) amend such Project Contract in any material respect without the Asset Manager's prior written consent (such consent not to be unreasonably withheld, delayed or conditioned).

ARTICLE 5
STANDARD OF PERFORMANCE

5.1 Performance Standards. The Asset Manager shall perform the Services in accordance with (a) all Applicable Laws, (b) Prudent Industry Practices, (c) this Agreement, (d) the Project Documents and (e) the reasonable instructions of the Company. The Asset Manager shall take all commercially reasonable actions necessary or appropriate to protect the interests of the Company and the Projects in connection with the exercise of any authority or power granted pursuant to this Agreement.

ARTICLE 6
COMPENSATION AND PAYMENT

6.1 Asset Manager Service Fees. Following the Commencement Date until termination or expiration of this Agreement, the Company shall pay to the Asset Manager the following fees for the Services:

(a) So long as no AM Default has occurred and is continuing, and to the extent that the Company has

received such amount from the Lessees, within fifteen (15) calendar days after the end of each calendar month, commencing with the month ending on March 31, 2019, in arrears, the Company shall pay the Asset Manager an amount (the "Monthly Service Fee") equal to the "Monthly Service Fee" described in Schedule V during (i) the period beginning on the Commencement Date and ending on March 31, 2019 and (ii) thereafter, such calendar month, in consideration of the Asset Manager's performance of its obligations under this Agreement, including the Services. To the extent that the first Monthly Service Fee is with respect to a period less than a full calendar month, such Monthly Service Fee shall be pro-rated for such month. The Asset Manager shall be responsible for the payment of any and all taxes with respect to its receipt of the Monthly Service Fees.

(b) So long as no AM Default has occurred and is continuing, and to the extent that the Company has received such amount from the Lessees, within fifteen (15) calendar days after the end of each calendar month, commencing with the month ending on March 31, 2019, in arrears, the Company shall pay the Asset Manager the amount of monthly service charges due and payable by the Company under the O&M Agreement (the "O&M Fee") during (i) the period beginning on the Commencement Date and ending on March 31, 2019 and (ii) thereafter, such calendar month, in consideration of the Asset Manager's performance of its obligations under the O&M Agreement. To the extent that the first O&M Fee is with respect to a period less than a full calendar month, such monthly O&M Fee shall be pro-rated for such month. The Asset Manager shall be responsible for the payment of any and all taxes with respect to its receipt of all service charges under the O&M Agreement.

(c) So long as no AM Default has occurred and is continuing, the Company shall pay the Asset Manager the Applicable Fee (if any) within forty-five (45) calendar days after the end of each Measurement Period, commencing with the Measurement Period ending on June 30, 2019, in arrears, in consideration of the Asset Manager's performance of its obligations under this Agreement, including the Services. To the extent that any payment of any Applicable Fee is with respect to a period less than a full six-month period, the Applicable Fee shall be pro-rated for such period. The Asset Manager shall be responsible for the payment of any and all taxes with respect to its receipt of any Applicable Fees.

6.2 Billing and Payment. The Asset Manager will invoice the Company monthly for the Monthly Service Fee and O&M Fee and quarterly or semiannually, as applicable, for the relevant Applicable Fee, in each case, for the relevant Project. Within fifteen (15) Business Days following the Asset Manager's submission of an invoice to the Company (which shall occur no more than once per calendar month for the Monthly Service Fee and O&M Fee, and once per Measurement Period for the Applicable Fee) reflecting the Applicable Fee, O&M Fee and/or Monthly Service Fee, as applicable, due and payable by the Company (and including supporting documentation in reasonable detail), the Company shall:

(a) With respect to any disputed portion of such invoice, provide the Asset Manager with a written statement explaining, in reasonable detail, the basis for such dispute. The Parties shall attempt to resolve any such disputed portion in accordance with Article 8 hereof; and

(b) Any undisputed amount owed hereunder which remains unpaid more than thirty (30) days after the date such amount is due and payable under this Agreement shall accrue interest at the Default Rate beginning on the first (1st) day after such amount became due and payable.

The Company shall have the right to offset any amounts due to the Company by the Seller or Asset Manager under this Agreement, any other Transaction Document or the Membership Interest Purchase Agreement against any amounts owed by the Company to the Asset Manager under this Agreement.

6.3 Records. The Asset Manager shall retain copies of all accounting records produced or maintained by it under Schedule II and invoices submitted by it under Section 6.2, and of any third party accounting records, invoices or similar documentation contained or reflected therein, for a minimum period of fifteen (15) years or such longer period to the extent required by Applicable Laws. Records maintained by the Asset Manager pursuant to this Section 6.3 shall be the property of the Company and shall not be destroyed, unless the Company shall have consented to such destruction in writing or declined in writing to accept possession of the records after the Asset Manager has advised the Company that the records will be destroyed.

6.4 Credit Default Insurance. The Asset Manager shall pay to the Company, within fifteen (15) calendar days

of receipt of an invoice therefor from the Company, 50% of the cost of credit default insurance, if any, in respect of the Project Contracts and/or the Asset Manager obtained by the Company or an Affiliate of the Company.

ARTICLE 7
MINIMUM THRESHOLD GUARANTY

7.1 Shortfall Payments. Until the Discharge Date occurs, if the aggregate Combined Qualifying Net Receivables in a Measurement Period, commencing with the Measurement Period ending on June 30, 2019, are less than the Combined Minimum Threshold, then the Asset Manager shall pay to the Company, in cash and within forty-five (45) calendar days after the end of such Measurement Period, an amount (the "Shortfall") equal to:

(a) the difference between (i) the Combined Minimum Threshold *minus* (ii) the aggregate Combined Qualifying Net Receivables received by the Company for such Measurement Period; *multiplied by*

(b) the Multiplier.

7.2 Early Termination of Minimum Threshold Guaranty .

(a) If any one or more Project Contracts terminates or is terminated prior to its stated expiry date (unless such termination is solely caused by a material breach after the Effective Date by the Company of the Company's obligations under such terminated Project Contract(s), and not by the Asset Manager's breach, negligence, gross negligence or willful misconduct under any Transaction Document or in respect of such terminated Project Contract(s)), or if the transactions contemplated by the Membership Interest Purchase Agreement are determined by a court of competent jurisdiction to be in violation of any agreement with or restriction applicable to Seller or the Company, then the Asset Manager shall pay to the Company an amount (the "Early Termination Payment") in cash equal to (1) for each such terminated Project Contract, the amount set forth opposite such terminated Project Contract under the column for the Measurement Period in which such termination occurs in Schedule 7.2(a) hereto, *plus* (2) all unpaid interest (if any) accrued under the Transaction Documents through the date of such termination, *plus* (3) all outstanding and unpaid costs and other amounts (if any) payable to the SDCL Parties under the Membership Interest Purchase Agreement and Transaction Documents through the date of such termination, *minus* (4) the aggregate amount of any Stipulated Termination Charges in respect of such terminated Project Contracts actually received by the Company, *minus* (5) the aggregate amount of any net cash proceeds of credit default swap insurance in respect of such terminated Project Contracts actually received by the Company. The Company shall take all reasonable steps required in the Company's reasonable business judgment to collect and/or support the collection by Asset Manager on behalf of the Company of any Stipulated Termination Charges due to the Company in accordance with the Project Contracts. In the event that both the Company and Asset Manager agree to initiate legal action by or on behalf of the Company against a Lessee to collect any Stipulated Termination Charges due and payable from such Lessee, the Company and Asset Manager will each pay 50% of all reasonable and documented costs (provided, that the Company shall not be required to pay any costs, fees or expenses of any counsel that has not been retained by the Company in its sole discretion) incurred by the Company and Asset Manager in connection with such collection efforts. The Asset Manager shall pay any Early Termination Payments to the Company within 180 calendar days after the Company's notice to the Asset Manager thereof; *provided*, so long as the Asset Manager continues to make all payments as and when due and payable under Section 7.1 and no AM Default has occurred and is continuing, the Company and the Asset Manager will enter into good faith negotiations with each other during such 180-day period with respect to substituting other replacement projects and project contracts in lieu of paying such Early Termination Payments, increasing the CogenTwo Minimum Threshold and/or Combined Minimum Threshold by an amount as the Parties may mutually agree in writing, and/or permitting a grace period or revised payment schedule, in each case pursuant to documentation in form and substance satisfactory to the Parties, and in all cases, subject to the prior written approval of the SDCL Parties' investment committee and of the Asset Manager's Board of Directors of any such agreement (which approvals shall be in the sole discretion of each of the SDCL Parties' investment committee and the Asset Manager's Board of Directors). For avoidance of doubt, (x) the Asset Manager shall continue to pay any and all Shortfalls payable pursuant to Section 7.1 and all amounts payable under Section 7.1 of the CogenOne Billing Agreement during such 180-day period and (y) if the Parties fail to reach an agreement by the end of such 180-day period, the Asset Manager shall pay any and all Early Termination Payments to the Company on such 180th day.

(b) Without limiting or prejudice to the Asset Manager's payment and other obligations under Sections

7.1 and 7.2(a), and so long as (i) no AM Default has occurred and is continuing, (ii) Section 7.2(a) is not applicable and (iii) no default or event of default under a Project Contract has occurred and is continuing, upon notice as provided below, the Asset Manager may request that the Company release the Asset Manager from its obligations under Section 7.1 in respect of any Project Contract, by offering to pay an amount in cash to the Company in an amount to be negotiated in good faith by both Parties. Any such written request for such early termination under this paragraph shall be provided by the Asset Manager to the Company not less than 30 days and not more than 60 days prior to the date requested for such early termination (unless the SDCL Parties agree to another time period in their sole discretion). Such request shall specify the proposed early termination date (which shall be a Business Day) and proposed early termination payment amount (and may include a proposed percentage sharing of the Qualifying Net Receivables under the applicable Project Contract), and shall be accompanied by a senior officer's certificate of the Asset Manager certifying as to no AM Default having occurred and continuing. For avoidance of doubt, the SDCL Parties' receipt and negotiation of such request or offer shall not constitute acceptance of, approval of or agreement with, such request or offer in any way whatsoever, and the Asset Manager shall remain obligated to, and shall continue to, make all payments required under Sections 7.1 and 7.2(a), throughout any negotiation of any such offer or request, regardless of the outcome of such negotiations. Nothing in this paragraph shall constitute any commitment whatsoever by any SDCL Party to accept or agree to any request or offer by the Asset Manager under or arising out of this paragraph, which shall in all circumstances be subject to the prior written approval of the SDCL Parties' investment committee and of the Asset Manager's Board of Directors (which approvals shall be in the sole discretion of each of the SDCL Parties' investment committee and the Asset Manager's Board of Directors).

7.3 Early Payments. Any Early Termination Payment, payment under Section 7.2(b) and Termination for Convenience Payment (collectively, "Early Payments") shall be presumed to be equal to the liquidated damages sustained by the SDCL Parties as the result of the occurrence of the applicable termination event and the Asset Manager agrees that it is reasonable under the circumstances currently existing. The Asset Manager acknowledges that the Early Payments represent a reasonable and fair estimate for the loss that the SDCL Parties may sustain from the early termination of the applicable Project Contract(s), and further acknowledges that except as specifically provided herein the Asset Manager does not have any right to terminate this Article in whole or in part without paying the applicable Early Payments. THE ASSET MANAGER EXPRESSLY WAIVES THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF ANY EARLY PAYMENT IN CONNECTION WITH ANY SUCH TERMINATION OF THIS ARTICLE, THIS AGREEMENT OR ANY PROJECT CONTRACT. The Asset Manager expressly agrees that (i) each Early Payment is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel, (ii) the Early Payments shall be payable notwithstanding the then prevailing market rates at the time payment is made, (iii) there has been a course of conduct between the Tecogen Parties and the SDCL Parties giving specific consideration in this transaction for such agreement to pay each Early Payment, (iv) the Tecogen Parties shall be estopped hereafter from claiming differently than as agreed to in this Section 7.3, (v) the Asset Manager's agreement to pay Early Payments is a material inducement to the SDCL Parties to consummate the transactions contemplated by the Membership Interest Purchase Agreement and Transaction Documents, and (vi) the Early Payments represent a good faith, reasonable estimate and calculation of the lost profits or damages of the SDCL Parties and that it would be impractical and extremely difficult to ascertain the actual amount of damages to the SDCL Parties or profits lost by the SDCL Parties as a result of such termination of this Article, this Agreement or any Project Contract. Any and all Early Payments shall be fully earned and non-refundable when made.

7.4 Obligations Absolute. With respect to the Asset Manager's obligations under this Article 7:

(a) The obligations of the Asset Manager under this Article 7 shall not be affected by the genuineness, validity, regularity or enforceability of any Lessee's obligations under the Project Contracts (the "Lessee Obligations") or any instrument or agreement evidencing any Lessee Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Lessee Obligations which might otherwise constitute a defense to the obligations of the Asset Manager under this Article 7, and the Asset Manager hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing. The obligations of the Asset Manager under this Article 7 are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration or compromise of any of the Lessee Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of the Company or

any Lessee liable for any of the Lessee Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Lessee or its assets or any resulting release or discharge of any obligation of any Lessee; or (iv) the existence of any claim, setoff or other rights which the Asset Manager may have at any time against any Lessee, any SDCL Party or any other Person, whether in connection herewith or in any unrelated transactions. The obligations of the Asset Manager under this Article 7 are not subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of any of the Lessee Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by a Lessee, of the Lessee Obligations or any part thereof.

(b) Further, the obligations of the Asset Manager under this Article 7 are not discharged or impaired or otherwise affected by: (i) the failure of any SDCL Party to assert any claim or demand or to enforce any remedy with respect to all or any part of the Lessee Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Lessee Obligations; (iii) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Lessee Obligations; or (iv) to the fullest extent permitted by applicable law, any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of the Asset Manager or that would otherwise operate as a discharge of the Asset Manager as a matter of law or equity.

(c) The Asset Manager shall make all payments under this Article 7 in immediately available funds in U.S. dollars without setoff or counterclaim and free and clear of and without deduction for any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, compulsory loans, restrictions or conditions of any nature now or hereafter imposed or levied by any jurisdiction or any political subdivision thereof or taxing or other authority therein unless the Asset Manager is compelled by law to make such deduction or withholding. If any such obligation (other than one arising with respect to taxes based on or measured by the income or profits of the Purchaser or Company) is imposed upon the Asset Manager with respect to any amount payable by it under this Article 7, the Asset Manager will pay to the Company, on the date on which such amount is due and payable hereunder, such additional amount in U.S. dollars as shall be necessary to enable the Company to receive the same net amount which the Company would have received on such due date had no such obligation been imposed upon the Asset Manager. The Asset Manager will deliver promptly to the Company certificates or other valid vouchers for all taxes or other charges deducted from or paid with respect to payments made by the Asset Manager under this Article 7. The obligations of the Asset Manager under this paragraph shall survive the payment in full of the Lessee Obligations and termination of this Agreement.

(d) Subject to Section 4.3, the Asset Manager consents and agrees that the Purchaser or Company may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness of this Article 7: (1) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Lessee Obligations or any part thereof; (2) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security (if any) for the payment of any Shortfalls or any Qualifying Net Receivables; (3) apply such security (if any) and direct the order or manner of sale thereof as the Purchaser or Company in its sole discretion may determine; and (4) release or substitute one or more of any endorsers or other guarantors of any of the Lessee Obligations.

(e) The Asset Manager waives (1) any defense arising by reason of any disability or other defense of a Lessee, or the cessation from any cause whatsoever (including any act or omission of the Purchaser or Company) of the liability of a Lessee; (2) any defense based on any claim that the Asset Manager's obligations exceed or are more burdensome than those of a Lessee; (3) any right to require the Purchaser or Company to proceed against a Lessee, proceed against or exhaust any security (if any) for the Lessee Obligations, or pursue any other remedy in the Purchaser's or Company's power whatsoever; (4) any benefit of and any right to participate in any security now or hereafter held by the Purchaser or Company; and (5) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. The Asset Manager expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Lessee Obligations, and all notices of acceptance of this Agreement or of the existence, creation or incurrence of the Lessee Obligations.

(f) The obligations of the Asset Manager under this Article 7 are those of primary obligor, and not merely as

surety, and are independent of the Lessee Obligations, and a separate action may be brought against the Asset Manager to enforce this Article 7 whether or not a Lessee or any other person or entity is joined as a party.

(g) This Article 7 shall remain in full force and effect until the Discharge Date. Notwithstanding the foregoing, this Article 7 shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf the Asset Manager is made, or the Purchaser or Company exercises its right of setoff, in respect of the Shortfalls and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Purchaser or Company in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Purchaser or Company is in possession of or has released this Agreement and regardless of any prior revocation, rescission, termination or reduction. The obligations of the Asset Manager under this paragraph shall survive termination of this Agreement.

(h) In the event that acceleration of the time for payment of any of the Lessee Obligations is stayed, in connection with any case commenced by or against the Asset Manager or a Lessee under any Debtor Relief Laws, or otherwise, all Shortfalls due and payable shall nonetheless be payable by the Asset Manager immediately upon demand by the Company.

(i) The Asset Manager acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from a Lessee such information concerning the financial condition, business and operations of such Lessee as the Asset Manager requires, and that neither the Purchaser nor Company has any duty, and the Asset Manager is not relying on the Purchaser or Company at any time, to disclose to the Asset Manager any information relating to the business, operations or financial condition of a Lessee (the Asset Manager waiving any duty on the part of the Purchaser or Company to disclose such information and any defense relating to the failure to provide the same).

7.5 Supremacy. The provisions expressed in this Article 7 shall prevail over any conflicting or inconsistent provisions contained elsewhere in this Agreement or other Transaction Documents and, except to the extent expressly set forth in Section 7.2, shall survive the expiration or earlier termination of the other Articles of this Agreement or of the other Transaction Documents.

ARTICLE 8
DISPUTE RESOLUTION

8.1 Dispute Resolution Procedures.

(a) Subject to Article 11, resolution of disputes, controversies and claims shall be governed by the procedures set forth in this Section 8.1.

(b) In the event a dispute, controversy or claim arises hereunder or under the O&M Agreement, the aggrieved Party shall, prior to pursuing any other remedies, provide written notification of the dispute to the other Party. Within twenty (20) days of the date on which the notice of the dispute was sent, a meeting will be held between the Parties, attended by representatives of the Parties with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute.

(c) If the Parties cannot agree on a settlement of the dispute, controversy or claim within ten (10) days after the date on which the meeting described in Section 8.1(b) takes place, then a Party may refer the dispute to binding arbitration, which shall then be the exclusive method of dispute resolution. Arbitration shall take place in New York City, and be conducted by the American Arbitration Association (" AAA"). All procedural matters relating to the arbitration shall be decided by the commercial arbitration rules of the AAA, with the exception that discovery of evidence is strictly limited to any document relating to the dispute in the possession of either Party. Neither Party shall be permitted access to the electronic data storage systems of the other Party or to conduct depositions.

(d) Prior to an arbitral award or court judgment, each Party shall bear its own costs for the dispute, plus one-half of any costs imposed by AAA rules, if applicable. The arbitral award or court judgment shall include a specific sum awarded to the prevailing Party as compensation for attorney fees and costs of the dispute.

(e) If the award or judgment grants the prevailing Party a sum fixed or readily ascertainable amount by the terms of this Agreement, the arbitrator or court shall also award the prevailing Party interest on that sum compounded monthly from the date the sum was due at the Reference Rate. The entire arbitral award or judgment shall then bear interest compounded monthly at the same rate until it is paid in full.

(f) The decision of the arbitrator shall be final and binding upon the Parties, and not subject to challenge in any court. Judgment on an arbitral award may be entered in all courts having jurisdiction over the award, one of the Parties or any of their assets. Other than as necessary to enforce the award in a court, the Parties shall treat the terms of the award as Confidential Information in accordance with Section 13.10.

8.2 Continuation of Work . Pending final resolution of any dispute, the Parties shall continue to fulfill their respective obligations under this Agreement and O&M Agreement; *provided* that the Company may withhold any amount which is the subject of dispute from any payment otherwise due hereunder during the pendency of any dispute resolution proceeding. If the Asset Manager prevails in such dispute, the Company shall promptly pay to the Asset Manager the unpaid amount in dispute with interest thereon, which interest shall accrue, at the Reference Rate, for each day from and including the date on which such amount was originally due to, but excluding, the date of actual payment thereof.

ARTICLE 9
COMMENCEMENT AND TERMINATION

9.1 Commencement Date. Except as may otherwise be provided herein, this Agreement shall commence on the date hereof (the "Commencement Date").

9.2 Term. This Agreement shall remain in full force and effect following the Commencement Date until February 28, 2034 (the "Initial Term"). Thereafter, the Parties may elect to renew this Agreement for a successive term (a "Renewal Term") on such terms and conditions as the Parties may mutually agree in writing. Together, the Initial Term and any Renewal Term (if any) shall be the "Term". In connection with the expiration of the Term or any termination pursuant to Section 9.3 , the Asset Manager shall (a) cooperate with all reasonable requests of the Company in connection with the transition of the Services performed by the Asset Manager (including the transferring of the records in the Asset Manager's possession) to the Person selected by the Company to undertake the Services hereunder; (b) deliver to the Company all books, records, contracts, plans, specifications, reports, studies, leases, rent rolls, receipts for deposits, unpaid bills, and other papers, materials, supplies, documents or properties (including advertising materials, keys, combinations to locks, equipment and supplies) and other information (including information stored in a computer), if any, which are in the Asset Manager's possession and which relate to the Company or the Projects; and (c) to the extent that the Asset Manager has executed any agreements with any Service Provider or Subcontractor, assist the Company in the assignment of such agreements to the Company or its Affiliates, as reasonably requested by the Company. In the event of termination by the Company under Section 10.3, the Asset Manager shall be responsible for all costs and expenses incurred in connection with clause (b) above. Upon expiration of the Term, the Asset Manager shall assist the Company with its transition to the new asset manager, including but not limited to, assisting with data transfers and meeting with the new asset manager to explain all Services performed through the Term.

9.3 Early Termination. Subject to Section 9.2, this Agreement may not be terminated except:

(a) by mutual agreement of the Parties;

(b) pursuant to the remedy provisions of Section 10.3; or

(c) by the Company at any time, if all Project Contracts are in default or have terminated (unless such termination is solely caused by a material breach by the Company of the Company's obligations under the Project Contracts, and not by the Asset Manager's breach, negligence, gross negligence or willful misconduct under any Transaction Document or in respect of the Project Contracts).

In the event of such termination, the Company will pay the Asset Manager any undisputed amounts in accordance with Article 6 (with the monthly fees prorated on a per day basis to reflect Services performed during any partial month) through the effective date of termination.

9.4 Expiration of Project Contracts. Subject to Sections 9.2 and 9.3, upon expiration of a Project Contract at its stated expiry date, if a Lessee under a Project Contract requires the Company to remove the Equipment and/or return the site to a reasonably original state (collectively, "Decommissioning"), then (a) the Asset Manager shall remove such Equipment and (if required by such Lessee) return the site to a reasonably original state in accordance with such Project Contract, and (b) the Company shall, within thirty (30) days of the Company's receipt from the Asset Manager of an invoice therefor together with reasonably detailed documentation thereof, reimburse the Asset Manager for (i) with respect to the Tracey Towers and Linden Plaza Projects, up to $15,000 in aggregate Decommissioning costs for each CHP system, (ii) with respect to the other Projects, up to $20,000 in aggregate Decommissioning costs for each CHP system, (iii) with respect to the Tracey Towers and Linden Plaza Projects, up to $15,000 in aggregate Decommissioning costs for each gas engine driven chiller, (iv) with respect to the other Projects, up to $20,000 in aggregate Decommissioning costs for each gas engine driven chiller, and (v) with respect to all Projects, up to $10,000 in aggregate Decommissioning costs for each electric chiller. For avoidance of doubt, any Project Decommissioning costs in excess of the thresholds described in Section 9.4(b) shall be for account of the Asset Manager.

ARTICLE 10
DEFAULT

10.1 Events of Default.

(a) Except as provided for in Article 8, the following events shall be deemed to be events of default ("Events of Default") by any Party under this Agreement regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceeding which has or might have the effect of preventing such Party from complying with the terms of this Agreement:

(i) Failure by a Party hereto to make any payment required to be made hereunder (including, for the avoidance of doubt, payments to be made by such Party to a third party), if such failure shall continue for thirty (30) days after written notice thereof has been given to the non-paying Party; or

(ii) Failure to comply in any material respect with any material term, provision or covenant of this Agreement (other than the payment of sums to be paid by a Party hereunder (including, for the avoidance of doubt, payments to be made by such Party to a third party)), if such failure continues for thirty (30) days after written notice thereof has been given to the non-performing Party; *provided* that if such failure cannot reasonably be cured within such thirty (30) days and the non-performing Party has commenced, and is diligently pursuing in good faith, to cure such failure, such thirty (30) day period shall be extended for such longer period as shall be necessary for such Party to cure the failure, but in no event shall be extended for more than sixty (60) additional days without the prior written mutual agreement of the non-defaulting Party.

(b) Except as provided for in Article 8, the following events shall be deemed to be events of default ("Additional Events of Default") by Asset Manager under this Agreement regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceeding which has or might have the effect of preventing the Asset Manager or Asset Manager from complying with the terms of this Agreement or other Transaction Document:

(i) The Asset Manager shall fail to make any payment under the Guaranty when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(ii) the Asset Manager shall fail to observe or perform any covenant, condition or agreement contained in the Guaranty (other than those specified in clause (i) of this Section 10.1(b)), and such failure shall continue unremedied for a period of 30 days after notice thereof from the Company to the Asset Manager;

(iii) any default or event of default under and as defined in any other Transaction Document (other than those specified in clause (i) of this Section 10.1(b)) shall exist;

(iv) any representation or warranty made or deemed made by or on behalf of the Asset Manager in or in connection with this Agreement, any other Transaction Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement, any other Transaction Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(v) the Seller or Asset Manager shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable (after giving effect to any applicable cure or grace periods under such Material Indebtedness);

(vi) any event or condition occurs that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity, and such event or condition shall continue unremedied for a period of six months;

(vii) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity, or the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf cause any Material Indebtedness to become due, or require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity;

(viii) one or more judgments for the payment of money in an aggregate amount in excess of $1,000,000 (excluding any amounts covered by insurance as to which the applicable carrier has accepted coverage) shall be rendered against the Seller, Asset Manager, any Subsidiary thereof or any combination thereof and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Seller or Asset Manager to enforce any such judgment;

(ix) any material provision of any Transaction Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder, ceases to be in full force and effect; or the Asset Manager, Seller or any other Person contests in writing the validity or enforceability of any provision of any Transaction Document or the Membership Interest Purchase Agreement; or the Asset Manager or Seller denies in writing that it has any or further liability or obligation under any Transaction Document to which it is party or the Membership Interest Purchase Agreement; or the Asset Manager or Seller purports in writing to revoke, terminate or rescind the Guaranty or the Membership Interest Purchase Agreement; or

(x) the O&M Agreement shall have been terminated.

10.2 Bankruptcy; Change of Control .

(a) Subject to the rights or remedies it may have, any Party shall have the right to terminate this Agreement, effective immediately, if, at any time, (i) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (A) liquidation, reorganization or other relief in respect of the other Party or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (B) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the other Party or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 30 days or an order or decree approving or ordering any of the foregoing shall be entered; or (ii) the other Party shall (A) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law

now or hereafter in effect, (B) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (i) of this paragraph, (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the other Party or for a substantial part of its assets, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors or (F) take any action for the purpose of effecting any of the foregoing; or (iv) the other Party or any Subsidiary thereof shall become unable, admit in writing its inability or fail generally to pay its debts as they become due; *provided*, notwithstanding the foregoing or any provision of any Transaction Document to the contrary, (x) the Asset Manager shall not have the right to terminate Article 7 or the Asset Manager's obligations arising out of Article 7 and (y) any partial termination of the Services or this Agreement by the Company shall not affect or prejudice Article 7 in any way whatsoever.

(b) Subject to the rights or remedies it may have, the Company shall have the right to terminate this Agreement, effective immediately, if, at any time, (i) a Change of Control shall occur; (ii) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (A) liquidation, reorganization or other relief in respect of the Asset Manager or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (B) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Asset Manager or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 30 days or an order or decree approving or ordering any of the foregoing shall be entered; (iii) the Asset Manager shall (A) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (B) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (ii) of this paragraph, (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Asset Manager or for a substantial part of its assets, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors or (F) take any action for the purpose of effecting any of the foregoing; or (iv) the Seller, Asset Manager or any Subsidiary thereof shall become unable, admit in writing its inability or fail generally to pay its debts as they become due.

10.3 Remedies.

(a) If (i) an Event of Default occurs and is continuing, or (ii) an event described in Section 10.2(a) occurs and such event, if curable, is not cured in accordance with Section 10.2(a), then the non-defaulting Party may terminate this Agreement immediately; *provided*, notwithstanding the foregoing or any provision of any Transaction Document to the contrary, (x) the Asset Manager shall not have the right to terminate Article 7 or the Asset Manager's obligations arising out of Article 7 and (y) any partial termination of the Services or this Agreement by the Company shall not affect or prejudice Article 7 in any way whatsoever.

(b) If an Additional Event of Default occurs and is continuing, then the Company may terminate this Agreement immediately, without obligation to or recourse by the Asset Manager or Seller; *provided*, notwithstanding the foregoing or any provision of any Transaction Document to the contrary, (x) the Asset Manager shall not have the right to terminate Article 7 or the Asset Manager's obligations arising out of Article 7 and (y) any partial termination of the Services or this Agreement by the Company shall not affect or prejudice Article 7 in any way whatsoever.

(c) If a termination pursuant to this Section 10.3 occurs, the terminating Party shall have all rights and remedies allowed at law or in equity, subject however, to the specific limitations of liability set forth in Article 11 and subject to Article 7.

ARTICLE 11
INDEMNIFICATION AND LIMITATION OF DAMAGES

11.1 Indemnification.

(a) The Company shall indemnify and hold the Asset Manager, its directors, officers, members and employees harmless from any damage, loss, liability or expense (including reasonable attorneys' fees but subject to the limitations of Section 11.2) incurred by the Asset Manager with respect to any Claims for personal injury to or death of and for loss or damage to any property as a result of the Company's willful misconduct, gross negligence, or breach of

its obligations under this Agreement or the O&M Agreement, except (i) to the extent such damage, loss, liability or expense results from the Asset Manager's willful misconduct, gross negligence or breach of its obligations under this Agreement or the O&M Agreement, and (ii) in each case, to the extent the Asset Manager shall in fact receive insurance proceeds with respect thereto.

(b) The Asset Manager shall indemnify and hold the Company, its directors, officers, members and employees harmless from any damage, loss, liability or expense (including reasonable attorneys' fees but subject to the limitations of Section 11.2) incurred by the Company with respect to any Claims for personal injury to or death of and for loss or damage to any property as a result of the Asset Manager's willful misconduct, gross negligence, or breach of its obligations under this Agreement or the O&M Agreement, except (i) to the extent such damage, loss, liability or expense results from the Company's willful misconduct, gross negligence or breach of its obligations (other than payment obligations) under this Agreement, and (ii) in each case, to the extent the Company shall in fact receive insurance proceeds with respect thereto.

11.2 Aggregate Limitation of Liability. Except in the case of gross negligence, fraud or willful misconduct or in connection with a Claim pursuant to Section 11.1(b), the Asset Manager's aggregate liability to the Company during the Term of this Agreement for all claims of any kind, whether based on contract, indemnity, warranty, strict liability or otherwise, for all losses or damages arising out of this Agreement or the O&M Agreement or from the performance or breach thereof, or from any Services covered by or furnished during the Term of this Agreement, shall in no event exceed the aggregate amount actually paid by the Company to the Asset Manager for Services under Section 6.1; *provided* that the amount of any insurance proceeds received by the Company shall not be limited by the foregoing limitation of liability. Except in the case of gross negligence, fraud or willful misconduct or in connection with a Claim pursuant to Section 11.1(a), the Company's aggregate liability to the Asset Manager during the Term of this Agreement for all claims of any kind, whether based on contract, indemnity, warranty, strict liability or otherwise, for all losses or damages arising out of this Agreement or the O&M Agreement or from the performance or breach thereof, shall in no event exceed the aggregate amount actually paid by the Company to the Asset Manager for Services under Section 6.1.

11.3 Exclusion of Consequential Damages. EXCEPT IN THE CASE OF AN INDEMNITY FOR THIRD PARTY CLAIMS OR IN THE CASE OF A PARTY'S GROSS NEGLIGENCE, FRAUD OR WILLFUL MISCONDUCT, NONE OF THE COMPANY, THE ASSET MANAGER, NOR THEIR RESPECTIVE OFFICERS, MEMBERS AND EMPLOYEES SHALL BE LIABLE HEREUNDER OR UNDER ANY OTHER TRANSACTION DOCUMENT FOR PUNITIVE, CONSEQUENTIAL OR INTANGIBLE DAMAGES OF ANY NATURE REGARDLESS OF WHETHER ANY CLAIM IS BASED UPON CONTRACT, WARRANTY, OR OTHER THEORY OF LAW.

11.4 Supremacy. The provisions expressed in this Article 11 shall prevail over any conflicting or inconsistent provisions contained elsewhere in this Agreement or other Transaction Documents and shall survive the expiration or earlier termination of this Agreement or O&M Agreement.

11.5 Right to Set-Off. If (x) Seller or Asset Manager breaches its obligation to pay any indemnification amounts under the Membership Interest Purchase Agreement or (y) Seller or Asset Manager breaches its obligation to pay any amounts due under any Transaction Document, the Company shall be entitled to set off any and all fees or other amounts owed to Asset Manager or any of its Affiliates under this Agreement or any other Transaction Document; provided, that any such amounts set-off shall be deemed a payment to (i) the applicable Purchaser Indemnitees satisfying such indemnification amounts due under the Membership Interest Purchase Agreement or (ii) to the Company under the applicable Transaction Document.

ARTICLE 12
TITLE

12.1 Title Warranty. The Asset Manager warrants and guarantees that title to all services and other work provided by the Asset Manager hereunder shall pass to the Company as set forth in Section 12.2 free and clear of all liens, and that no services or other work, materials or equipment shall have been acquired by the Asset Manager and passed to the Company subject to any agreement by the Asset Manager under which an interest therein or encumbrance thereon is retained by any Person.

12.2 Title to the Company. Title to the services and other, including all materials, supplies and equipment provided by the Asset Manager or purchased by the Asset Manager on behalf of the Company, shall at all times remain with the Company.

ARTICLE 13
MISCELLANEOUS

13.1 Representations Regarding this Agreement. By their execution hereof, each Party represents and warrants to the other as follows:

(a) It is duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation (to the extent good standing is applicable under the relevant corporate law), and has all requisite corporate or limited liability company power and authority to conduct its business as it is now being conducted.

(b) It has all requisite power and authority to execute and deliver this Agreement and has taken all necessary action to authorize the execution and delivery of this Agreement.

(c) This Agreement has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except as the same may be subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally, or by general equity principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(d) The execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereunder do not or will not: (i) violate its organizational documents; (ii) violate any provision or requirement of any Applicable Law; or (iii) violate in any material respect, result in a breach of, constitute (with due notice or lapse of time or both) a default or cause any obligation, penalty, premium or right of termination to arise or accrue under, any material contract to which it is a party.

(e) All third party consent requirements which are a condition to the execution, delivery and performance by it of this Agreement and the consummation of the transactions contemplated hereunder and thereunder have been obtained.

13.2 Assignment.

(a) Neither Party may assign its rights or obligations under this Agreement or any other Transaction Document without the prior written consent of the other Party; provided, the Company may assign its rights and obligations under this Agreement and the other Transaction Documents to an Affiliate of the Company without the prior written consent of the Asset Manager so long as such assignment by the Company is in conjunction with an assignment by the Company of its rights and obligations under the other Transaction Documents.

13.3 Authorization. Except as expressly authorized in writing by the Company, the Asset Manager shall not have the right or the obligation to create any obligation or to make any representation on behalf of the Company.

13.4 Governing Law, Jurisdiction, Venue. THIS AGREEMENT SHALL BE IN ALL RESPECTS GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE (WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PROVISIONS THEREOF, OTHER THAN NEW YORK GENERAL OBLIGATIONS LAW SECTION 5-1401 AND SECTION 5-1402).

13.5 Independent Contractor. Nothing contained in this Agreement and no action taken by any Party to this Agreement shall be (a) deemed to constitute any Party or any of such Party's employees, agents or representatives to be an employee, agent or representative of any other Party; (b) deemed to create any company, partnership, joint venture, association or syndicate among or between any of the Parties; or (c) except as contemplated under the Services, deemed to confer on any Party any expressed or implied right, power or authority to enter into any agreement or commitment, express or implied, or to incur any obligation or liability on behalf of any other Party, except as expressly authorized in writing.

13.6 Notice. All notices, requests, consents, demands and other communications (collectively "notices") required or permitted to be given under this Agreement shall be in writing signed by the Party giving such notice and shall be given to each Party at its address or fax number set forth in this Section 13.6 or at such other address or fax number as such Party may hereafter specify for the purpose by notice to the other Party and shall be either delivered personally or sent by fax or telegraph or registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier service. A notice shall be deemed to have been given (i) when transmitted if given by fax or telegraph or (ii) when delivered, if given by any other means. Notices shall be sent to the following addresses:

To the Asset Manager:

Tecogen, Inc.
45 First Avenue
Waltham, MA 02451
Attn: Robert Panora and Abinand Rangesh
Email: Robert.Panora@tecogen.com and Abinand.Rangesh@tecogen.com
Tel.: 1-781-522-6000

To the Company:

c/o Sustainable Development Capital LLP
1120 Avenue of the Americas, 4th Floor
New York, NY 10036
Attn: David Maxwell and Vassos Kyprianou
Telephone: 1-212 626 6855 and 646 380 3294
E-Mail: david.maxwell@sdcl-ee.com and vassos.kyprianou@sdcl-ee.com

with copies to (which shall not constitute notice):

Wilson Sonsini Goodrich & Rosati PC
1301 Avenue of the Americas
New York, NY 10019
Attn: Charlotte J. Kim
Telephone: (212) 453-2888
E-Mail: ckim@wsgr.com

13.7 Usage. This Agreement shall be governed by the following rules of usage: (i) a reference in this Agreement to a Person includes, unless the context otherwise requires, such Person's successors and permitted assignees; (ii) a reference in this Agreement to a law, license, or permit includes any amendment, modification or replacement to such law, license or permit; (iii) accounting terms used in this Agreement shall have the meanings assigned to them by GAAP; (iv) a reference in this Agreement to an article, section, exhibit, schedule or appendix is to an article, section, exhibit, schedule or appendix of this Agreement unless otherwise stated; (v) a reference in this Agreement to any document, instrument or agreement shall be deemed to include all appendices, exhibits, schedules and other attachments thereto and all documents, instruments or agreements issued or executed in substitution thereof, and shall mean such document, instrument or agreement, or replacement thereof, as amended, modified and supplemented from time to time in accordance with its terms and as the same is in effect at any given time; (vi) unless otherwise specified, the words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; and (vii) the words "include" and "including" and words of similar import used in this Agreement are not limiting and shall be construed to be followed by the words "without limitation", whether or not they are in fact followed by such words.

13.8 Entire Agreement. This Agreement (including all appendices and exhibits thereto) constitutes the entire agreement and understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior written and oral agreements and understandings with respect to such subject matter.

13.9 Amendment. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, but only by a document in writing signed by the Party against which the enforcement of such termination, amendment, supplement, waiver or modification is sought.

13.10 Confidential Information; Public Announcements .

(a) Except as required by Applicable Law or explicitly required or permitted by this Agreement, no Party shall, without the prior written consent of the other parties, disclose any confidential information obtained from the other Party to any third parties, other than to consultants or to employees who have agreed to keep such information confidential as contemplated by this Agreement and who are reasonably believed to need the information to assist such Party with the exercise or performance of any rights and obligations provided to, or imposed upon, such Party in such document; *provided* that the Company shall not be restricted from disclosing any information regarding the Projects.

(b) This Section 13.10 does not apply to information that the receiving Party can demonstrate is presently a matter of public knowledge or which is or becomes available as a matter of public knowledge from a source which is not known to be prohibited from disclosing such information. In the event that a Party is requested or required by legal or regulatory authority to disclose any confidential information, the Party shall promptly notify the disclosing Party of such request or requirement prior to disclosure so that the disclosing Party may seek an appropriate protective order. Notwithstanding any other provision of this Agreement, the receiving Party shall have the right to disclose only so much of the confidential information as, in the advice of its legal counsel, the receiving Party is legally required to disclose. In such an event, the receiving Party agrees to use good faith efforts to ensure that all confidential information that is so disclosed will be accorded confidential treatment.

(c) Except to the extent required by securities laws, the Asset Manager will not issue or make any reports, statements or releases to the public with respect to this Agreement or the performance of any Services without the prior consent of the Company. If the Asset Manager is unable to timely obtain the approval of its public report, statement or release from the Company and such report, statement or release is, in the reasonable opinion of legal counsel to the Asset Manager, required by Applicable Law in order to discharge the Asset Manager's disclosure obligations, then the Asset Manager may make or issue the legally required report, statement or release and promptly furnish the Company with a copy thereof.

13.11 Discharge of Obligations. With respect to any duties or obligations discharged hereunder by the Asset Manager, the Asset Manager may discharge such duties or obligations through the personnel of an affiliate of the Asset Manager; *provided* that, notwithstanding the foregoing, the Asset Manager shall remain fully liable hereunder for such discharged duties and obligations.

13.12 Third Party Beneficiaries . Except as otherwise expressly stated herein, this Agreement is intended to be solely for the benefit of the Parties hereto and their permitted assignees and is not intended to and shall not confer any rights or benefits to the general public or any other third party not a signatory thereto.

13.13 Severability. Any provision of this Agreement that 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 any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by Applicable Law, the Parties hereto hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

13.14 Binding Effect. The terms of this Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their successors and permitted assigns. Subject to Section 13.11, nothing in this Agreement, whether express or implied, shall be construed to give any Person other than a Party hereto any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

13.15 Counterparts. This Agreement may be executed by one or more of the Parties hereto on any number of separate counterparts, by facsimile or electronic mail, and all of said counterparts taken together shall be deemed to constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same document. A facsimile or portable document format ("pdf") signature page shall constitute an original for purposes hereof.

[REST OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company and the Asset Manager have caused this Agreement to be executed as of the date first above written.

COGENTWO LLC

By: /s David Maxwell
Name: David Maxwell
Title: Director

TECOGEN INC.

By: /s Benjamin Locke
Name: Benjamin Locke
Title: CEO

AMENDED AND RESTATED
BILLING AND ASSET MANAGEMENT AGREEMENT

THIS AMENDED AND RESTATED BILLING AND ASSET MANAGEMENT AGREEMENT (as amended, restated, modified or otherwise supplemented from time to time, this "Agreement") is made as of March 5, 2019 (the "Amendment Date"), by and among COGENONE LLC, a Delaware limited liability company (the "Company"), and TECOGEN INC., a Delaware corporation (the "Asset Manager"). Each of the Company, and the Asset Manager shall be referred to herein as a "Party" and together, the "Parties".

W I T N E S S E T H:

WHEREAS, the Asset Manager and the Company have previously entered into that certain Billing and Asset Management Agreement dated as of December 14, 2018 (as the same has been amended, modified, supplemented or restated, the "Existing Billing Agreement"), pursuant to which the Asset Manager provides the Services to the Company with respect to the operating combined heat and power generation projects and assets owned by the Company, as more particularly described on Schedule I (the "Projects"); and

WHEREAS, the Parties have agreed to amend and restate the Existing Billing Agreement in its entirety. The Parties hereby agree that the Existing Billing Agreement is amended and restated in its entirety as follows.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Parties hereto, intending to be legally bound, hereby agree as follows:

Article 1
DEFINITIONS AND USAGE

1.1 Definitions. As used in this Agreement, the following capitalized terms shall have the following meanings. Capitalized terms used but not defined herein are used as defined in the Project Contracts.

"AAA" is defined in Section 8.1(c).

"Additional Events of Default" is defined in Section 10.1(b).

"Affiliate" means with respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with such Person.

"Agreement" is defined in the preamble.

"AM Default" means any AM Event of Default or any event or condition which, with notice or passage of time or both, would become an AM Event of Default.

"AM Events of Default" means, collectively, Events of Default by the Asset Manager and Additional Events of Default.

"Applicable Fee" means:

(a) for the Measurement Periods ending on December 31, 2018 and on March 31, 2019, an amount equal to fifty percent (50%) of the positive amount (if any) by which (i) the aggregate Qualifying Net Receivables received by the Company in such Measurement Period or within forty-five (45) days after such Measurement Period (provided that any such payments received by the Company during such 45-day period were invoiced to the applicable Lessees during such Measurement Period and shall not be double-counted or included for any other Measurement Period, whether under this Agreement or under the CogenTwo Billing Agreement), exceed (ii) the CogenOne Minimum Threshold; and

(b) for any Measurement Period ending on June 30, 2019 or thereafter, an amount equal to ten percent (10%) of the positive amount (if any) by which (a) the aggregate Combined Qualifying Net Receivables received by the Company in such Measurement Period or within forty-five (45) days after such Measurement Period (provided that any such payments received by the Company during such 45-day period were invoiced to the applicable Lessees during

such Measurement Period and shall not be double-counted or included for any other Measurement Period, whether under this Agreement or under the CogenTwo Billing Agreement), exceed (b) the Combined Minimum Threshold; provided, that the amount of the Applicable Fee (if any) due and payable in respect of the Measurement Period ending on March 31, 2019 shall be subtracted from the amount of the Applicable Fee (if any) due and payable in respect of the Measurement Period ending on June 30, 2019.

"Applicable Laws" shall mean all applicable federal, national, regional, state, local or foreign law, including any common law, civil law, statute, treaty, rule, regulation, ordinance, order, code, judgment, decree, injunction, writ or similar action or decision of the foregoing by any Governmental Authority (and includes all applicable Governmental Approvals) applicable to the Projects, the Company, the Asset Manager, this Agreement, or the services performed by the Asset Manager for the Company under this Agreement.

"Asset Manager" is defined in the preamble.

"Asset Manager Representative" is defined in Section 2.8.

"Assignment of Membership Interests" means the Assignment of the Membership Interests dated as of the Commencement Date, by the Seller to Purchaser.

"Business Day" means any day other than a Saturday, Sunday or any day on which state banks in New York are authorized to be closed.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases or financing leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"Change of Control" means (a) any "person" or "group" (within the meaning of Section 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934, as amended), directly or indirectly, of more than 50% of the outstanding voting securities of the Asset Manager having the right to vote for the election of members of the Board of Directors, (b) any reorganization, merger or consolidation of the Asset Manager, other than a transaction or series of related transactions in which the holders of the voting securities of the Asset Manager outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Asset Manager or such other surviving or resulting entity; (c) a sale, lease or other disposition of all or substantially all of the assets of the Asset Manager; or (d) any Equity Interests of the Asset Manager is, or becomes the subject of, any consensual Lien.

"Claims" means all claims or actions, threatened or filed, and whether groundless, false or fraudulent, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys' fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement or any Project Contract.

"CogenOne Minimum Threshold" means, (a) for any Measurement Period described in clause (a) of the definition of "Measurement Period", $71,250.00 and (b) for any Measurement Period described in clause (b) of the definition of "Measurement Period", $142,500.00 in the aggregate for all of the Project Contracts; *provided*, that (i) for any shorter period at the beginning of this Agreement, such amount shall be prorated based on the percentage that the total Qualifying Net Receivables under such shorter period represent of the Qualifying Net Receivables of all Project Contracts as of the Commencement Date, and (ii) if the Company has received an Early Termination Payment for a terminated Project Contract under and in compliance with Section 7.2(a), then the CogenOne Minimum Threshold shall be reduced as described in Schedule 7.2(a).

"CogenTwo Billing Agreement" means the Billing and Asset Management Agreement, dated as of the date hereof, among CogenTwo LLC, a Delaware limited liability company, and the Asset Manager.

"CogenTwo Qualifying Net Receivables" means the "Qualifying Net Receivables" as such term is defined in the CogenTwo Billing Agreement.

"Combined Minimum Threshold" has the meaning assigned thereto in the CogenTwo Billing Agreement.

"Combined Qualifying Net Receivables" means, for any Measurement Period, the sum of (a) the aggregate Qualifying Net Receivables in such Measurement Period *plus* (b) the aggregate CogenTwo Qualifying Net Receivables in such Measurement Period.

"Combined Shortfall" is defined in Section 7.1(b).

"Commencement Date" means December 14, 2018.

"Company" is defined in the preamble.

"Company Representative" is defined in Section 4.2.

"Control" means the control by one Person of another Person in accordance with the following: a Person ("A") controls another Person ("B") where A has the power to directly or indirectly direct or cause the direction of management or policies of B whether through ownership of securities or any partnership or other ownership interest, by contract or otherwise; and, for certainty and without limitation, if A owns or has control over shares to which are attached more than fifty percent (50%) of the votes permitted to be cast in the election of directors to the Person of B or A is the general partner of B, a limited partnership, then in each case A Controls B for this purpose, and the terms "Controlling," "Controlled by" and "under common Control with" have the corresponding meaning.

"Decommissioning" is defined in Section 9.4(b).

"Default" means any Event of Default or any event or condition which, with notice or passage of time or both, would become an Event of Default.

"Discharge Date" means the earliest to occur of: (i) February 28, 2034, provided that any and all Shortfall amounts due and payable under Article 7 have been paid in full in cash, and (ii) the date on which the Company receives payment of Early Termination Payments for all Project Contracts in cash under and in accordance with Section 7.2(a).

"Early Payment" is defined in Section 7.3.

"Early Termination Payment" is defined in Section 7.2(a).

"Events of Default" is defined in Section 10.1(a).

"Fiscal Year" means the calendar year and in the case of the initial Fiscal Year the period beginning on the Commencement Date and ending on December 31.

"GAAP" means generally accepted United States accounting principles, consistently applied.

"Governmental Approvals" means all franchises, registrations, certificates, consents, permits, licenses, approvals and authorizations of any Governmental Authority.

"Governmental Authority" means any national, provincial, regional, municipal or local authority, body, agency, ministry, court, judicial or administrative body, taxing authority, regulatory authority or other governmental organization, or quasi-governmental organization acting under authority delegated by a governmental organization, having jurisdiction or effective control over the Company, its Affiliates or the Projects.

"Government Official" means (a) an officer or employee of a Governmental Authority or (b) an officer or employee of a government- owned or controlled entity.

"Guaranty" means the Guaranty Agreement dated as of the Commencement Date made by the Asset Manager in favor of the SDCL Parties.

"Indebtedness" of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are

customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Capital Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty, and (j) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such Person is not liable therefor.

"Initial Term" is defined in Section 9.2.

"Luna Park Commencement Date" means the latest to occur of (a) the first anniversary of the Commencement Date and (b) the date on which the "Commencement Date" (as such term is defined in the Luna Park Project Contract) occurs for all five cogeneration modules.

"Luna Park Project Contract" means the Equipment Lease Agreement dated as of July 18, 2012, between Luna Park Housing Corporation, a New York corporation, and the Company (as assignee of the Seller).

"Material Indebtedness" means Indebtedness, or obligations in respect of one or more Swap Agreements, of the Asset Manager and its Subsidiaries in an aggregate principal amount exceeding $1,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of the Asset Manager or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Asset Manager or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

"Measurement Period" means:

(a) (i) the period beginning on the Commencement Date and ending on December 31, 2018, (ii) the period beginning on January 1, 2019 and ending on March 31, 2019, and (iii) the period beginning on April 1, 2019 and ending on June 30, 2019; and

(b) thereafter, each six-month period ending on every December 31 and June 30.

"Membership Interest Purchase Agreement" means the Membership Interest Purchase Agreement among the Seller and Purchaser, dated as of the Commencement Date.

"Monthly Service Fee" is defined in Section 6.1(a).

"Multiplier" means a fraction, the numerator of which is the CogenOne Minimum Threshold, and the denominator of which is the Combined Minimum Threshold:

Multiplier = CogenOne Minimum Threshold ÷ Combined Minimum Threshold

"O&M Agreement" means the Operations and Maintenance Agreement dated as of the Commencement Date among the Company and the Operator.

"O&M Fee" is defined in Section 6.1(b).

"Operator" has the meaning assigned thereto in the O&M Agreement.

"Party" is defined in the preamble.

"Person" means any individual, corporation, joint venture, association, limited liability company, joint stock company, trust, unincorporated organization or Governmental Authority.

"Project Contracts" means the contracts identified on Schedule III relating to the purchase and sale of energy for the Projects.

"Project Documents" means, collectively, (a) the documents identified as Project Contracts on Part A of Schedule III hereto; (b) those documents identified as Applicable Permits and Permit Applications on Part B of Schedule III hereto; and (c) any other agreement or permit entered into by the Company after the Commencement Date; in each case, as may be amended, restated, modified or otherwise supplemented or modified from time to time.

"Projects" is defined in the recitals.

"Prudent Industry Practices" means those standards of care and diligence and those practices, methods and acts that would be implemented and normally practiced or followed by prudent asset management firms in performing Services for combined heat and power generation facilities of a similar nature and geographic location as the Projects and in accordance with which practices, methods and acts, in the exercise of professional judgment by those experienced in the industry in light of the facts known (or that reasonably should have been known) at the time the decision was made, could reasonably have been expected to accomplish the desired result consistent with good asset management practices and Applicable Laws. Prudent Industry Practices is not intended to be limited to the optimum practice, method, standard of care or act, to the exclusion of all others, but rather is a spectrum of possible practices, methods, standard of care or acts generally accepted.

"Purchaser" has the meaning set forth in the Membership Interest Purchase Agreement.

"Purchaser Indemnitees" has the meaning set forth in the Membership Interest Purchase Agreement.

"Qualifying Net Receivables" means, for any Measurement Period, the aggregate amount of all Equipment Rental Payments, and of all demand side benefit payments under Section 8 of the Project Contracts, in each case, actually received by the Company from all Lessees under all Project Contracts in such Measurement Period or within forty-five (45) days after such Measurement Period (provided that any such payments received by the Company during such 45-day period were invoiced to the applicable Lessees during such Measurement Period and shall not be double-counted or included for any other Measurement Period), *minus* (1) the aggregate amount of all fuel related costs, insurance costs, costs relating to Governmental Approvals, and operation and maintenance costs (including all Monthly Service Fees and amounts owing by the Company to the Asset Manager under the O&M Agreement) paid by the Company or Asset Manager in respect of all the Project Contracts and Equipment for such Measurement Period, and (2) the aggregate amount of all rebates, refunds, allowances, discounts or other credit adjustments in respect of such Project Contracts made or paid by or on behalf of the Company to such Lessees for such Measurement Period, each as calculated in accordance with GAAP, consistently applied; *provided*, that for the period commencing on the Commencement Date and ending on December 31, 2018, such amounts shall be prorated on a day-for-day basis.

"Reference Rate" means the rate as published from time to time in the Wall Street Journal as the "prime rate" or "prime lending rate", plus three percent (3%).

"Renewal Term" is defined in Section 9.2.

"SDCL Parties" means the Company and the Purchaser.

"SEC" means the Securities and Exchange Commission of the United States of America.

"Seller" has the meaning set forth in the Membership Interest Purchase Agreement.

"Service Providers" means any independent third party Person acting in any other capacity as a provider of goods or services to the Projects or to the Company.

"Services" means the responsibilities of the Asset Manager under Article 2 of this Agreement as set forth in Schedule II.

"Shortfalls" means, collectively, any and all T1 Shortfalls and Combined Shortfalls.

"Stipulated Termination Charges" has the meaning assigned to such term in the applicable Project Contract.

"Subcontractor" means any independent third party Person hired by the Asset Manager to perform any Services, including Persons at any tier with whom any Subcontractor has further subcontracted the Services or any part

thereof, and the legal or personal representatives, successors and assigns of such Persons.

"Subsidiary" means, with respect to any Person, any corporation, general or limited partnership, joint venture, limited liability company, limited liability partnership or other Person that is a legal entity, trust or estate of which such Person has a direct or indirect equity or ownership interest in excess of fifty percent (50%) or which such Person otherwise Controls.

"Swap Agreement" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

"T1 Shortfall" is defined in Section 7.1(a).

"Tecogen Parties" means the Asset Manager and Seller.

"Term" is defined in Section 9.2.

"Transaction Documents" means this Agreement, the Assignment of Membership Interests, the O&M Agreement and the Guaranty.

ARTICLE 2
ASSET MANAGER'S RESPONSIBILITIES

2.1 Performance of Services. Commencing on the Commencement Date and continuing through the remainder of the Term, unless this Agreement is terminated pursuant to Section 9.3 or 10.3, the Company appoints and retains Asset Manager to perform the Services on behalf of the Company as set forth in Schedule II. Asset Manager hereby accepts such appointment and agrees to perform the Services in accordance with the terms and conditions of this Agreement.

2.2 Other. The Asset Manager shall take such other and further actions as may be consistent with the Services, to the extent such services are not limited by this Agreement, including under Article 3, including the satisfaction of requirements imposed by Applicable Laws.

2.3 Use of Third Persons . Notwithstanding any other provision herein to the contrary, Asset Manager shall not be obligated or authorized hereunder to conduct any procurement or contracting in its own name on behalf of the Company, or to incur directly any obligations to third parties on behalf of the Company (other than Lessee Natural Gas Operating Costs incurred pursuant to the Equipment Leases), unless, in each case, the Company has provided an express written direction and authorization therefor. With respect to the selection of any such Subcontractor for the performance of any of the Services, Asset Manager shall exercise reasonable and due care to select reasonably well-qualified Persons based on their experience, availability and reputation.

2.4 General Responsibilities. The Asset Manager shall timely fulfill its obligations hereunder and shall be in regular communication with the Company, including notifying the Company whenever the Asset Manager observes or otherwise becomes aware of an event or circumstance that has, or is likely to have, a material and adverse effect on any Project.

2.5 Cooperation. The Asset Manager agrees to cooperate with the Company and to provide such assistance as the Company may reasonably request in the performance of its obligations hereunder.

2.6 Information and Audit Rights .

(a) The Asset Manager shall furnish, or cause to be furnished, to the Company such information, documentation, services and materials reasonably requested by the Company, including any amendments, modifications or supplements to, and any notices or other communications received by the Asset Manager pursuant to, any Project Document.

(b) At the reasonable prior request of the Company, the Company or its designated representative may audit or inspect the Asset Manager's books and records related to the Services provided hereunder. The Asset Manager

agrees to cooperate in good faith with any such audit or investigation, including by making its officers, employees, representatives, contractors, and agents available to the Company and its representatives at such reasonable times and locations as the Company may reasonably request.

2.7 Regulatory Compliance. The Asset Manager shall be responsible for ensuring that the Company is in compliance in all material respects with all requirements of Applicable Laws with respect to its ownership, operation and maintenance of the Projects, as applicable.

2.8 Asset Manager Representative. The Company's primary point of communication with the Asset Manager regarding all Services shall be the Asset Manager Representative. The Company shall be free to communicate with and obtain information from other employees of the Asset Manager (including, but not limited to, the officers of the Asset Manager), Service Providers and Subcontractors at reasonable times and to the extent not disruptive of the Asset Manager work processes and the Asset Manager will use its commercially reasonable efforts to cause such employees and other persons to be available upon the request of the Company. The Asset Manager hereby appoints Robert Panora as the primary Asset Manager representative and Abinand Rangesh as the secondary Asset Manager representative should the Company be unable to reach the primary Asset Manager representative within a reasonable period (collectively, the "Asset Manager Representative"). The Asset Manager Representative is authorized to act on behalf of and as agent for the Company consistent with the authorizations set forth in this Agreement or any other authorization established by the Company from time to time. Whenever this Agreement requires the approval, consent or some other action of the Asset Manager, the Company may rely on the approval, consent or other action of the Asset Manager Representative. The Asset Manager may change the individual appointed as Asset Manager Representative at any time by giving written notice to the Company.

2.9 Conditions. If the Asset Manager becomes aware of any event or circumstance which could prevent its performance of any of its obligations under this Agreement, the Asset Manager shall give prompt written notice thereof to the Company. The Asset Manager shall attempt in good faith to minimize any such delay; *provided* that the Asset Manager shall not be obligated to undertake or perform any actions which are prohibited by Applicable Law.

ARTICLE 3
LIMITS ON ASSET MANAGER'S AUTHORITY AND RESPONSIBILITIES

3.1 Actions Requiring the Company's Approval . Notwithstanding anything to the contrary contained herein, without the prior written consent of the Company or as permitted by the Company through a written delegation of authority to the Asset Manager, the Asset Manager is not authorized, for any purpose or in any manner whatsoever, to bind the Company. Without limiting the generality of the foregoing, the Asset Manager shall not, without the prior written approval of the Company:

(a) declare an event of force majeure, default or event of default with respect to the Projects, or portion thereof, under any Project Document;

(b) amend, modify, suspend, terminate or waive any provision of any Project Document;

(c) suspend performance of any Service Provider, except to the extent necessary to avoid immediate danger to Persons or property, or to comply with any Applicable Law;

(d) (i) initiate any action against any Service Provider or any Lessee under any Project Document or (ii) settle, compromise, assign, pledge, transfer, release (or agree to do any of the foregoing), any action involving the Company, any Lessee or any Project; provided that, so long as no AM Default has occurred and is continuing, and without limiting Asset Manager's obligations under Article 5, the Company's consent shall not be unreasonably withheld, delayed or conditioned with respect to Asset Manager's activities to collect any Stipulated Termination Charge due and payable by a Lessee, including the initiation of legal action relating thereto;

(e) initiate, agree to or implement any change order, waiver, compromise or settlement with respect to any Project Document or other agreement related to any Project or the Company, or enter into any other agreement with respect to the Projects or the Company; provided, that such prior written approval of the Company shall not be required for the Asset Manager to initiate, agree to or implement any change order, waiver, compromise or settlement with any of its Subcontractors with respect to the completion of the construction of cogeneration systems under the Project

Contracts, so long as (i) such approval of the Company is not required under any other provision of a Transaction Document, (ii) such change order, waiver, compromise or settlement could not reasonably be expected to adversely affect any Project Document, any Project or the Company and (iii) the Asset Manager continues to comply with its obligations under Section 2.3, Article 5 and the other provisions of this Agreement;

(f) execute, acknowledge or deliver (on behalf of itself or the Company) any agreement, contract, document, consents, Liens, indebtedness, waivers or other documents obligating, assigning, transferring, granting any interest in, or otherwise encumbering the Company or any asset of the Company;

(g) consent to, approve or ratify any action taken by any Lessee to modify any Project;

(h) consent to, approve or ratify any action taken by any Service Provider to modify the equipment or services provided by any of them if such action could reasonably be expected to materially affect the Company's continued use and enjoyment of, or the performance, value or useful life of, the Projects;

(i) hire one or more Service Providers for an aggregate compensation (as to all Service Providers) of more than $50,000 in any calendar year;

(j) enter into agreements with any bank, finance or lending institution in relation to any Project;

(k) make any sale, transfer, mortgage, assignment, conveyance or disposition of any property or assets of the Company; or

(l) amend or terminate any Governmental Approvals of the Company.

ARTICLE 4
THE COMPANY'S RESPONSIBILITIES

4.1 Cooperation.

(a) The Company agrees to cooperate with the Asset Manager and to provide such assistance (other than the Services) as the Asset Manager may reasonably request in the performance of its obligations hereunder.

(b) The Company will use its commercially reasonable efforts to support the collection by the Asset Manager on behalf of the Company of any Stipulated Termination Charges due and payable by a Lessee under a Project Contract.

(c) So long as (i) no AM Default, or other default or suspension under a Project Contract, has occurred and is continuing and (ii) the Lessee party to such Project Contract has not given a notice of termination or suspension under such Project Contract, and in all cases subject to the limitations contained in Article 3 and the terms governing the Services, (i) the Asset Manager shall be the primary point of contact with Lessees and shall be responsible for all communications with Lessees, and (ii) the Company shall not contact Lessees without the prior written consent of Asset Manager (such consent not to be unreasonably withheld, delayed, or conditioned); *provided*, that without the prior written consent of the Company (such consent not to be unreasonably withheld, delayed, or conditioned), the Asset Manager shall not, at any time, contact a Lessee regarding, or discuss with a Lessee, a modification, (other than a renewal of a Project Contract during the final year of the stated term of such Project Contract) renewal, suspension or termination of a Project Contract, or any other matter that could reasonably be expected to affect a Project Contract, a Project or the Company in any material respect.

4.2 Company Representative. The Asset Manager's primary point of communication with the Company regarding all Services shall be the Company Representative and any other parties or people requested by the Company. The Asset Manager shall be free to communicate with and obtain information from other representatives of the Company (including, but not limited to, the officers of the Company) at reasonable times and to the extent not disruptive of the Company work processes and the Company will use its commercially reasonable efforts to cause such representatives to be available upon the request of the Asset Manager. The Company hereby appoints David Maxwell as the primary Company representative and Vassos Kyprianou as the secondary Company representative should the Asset Manager be unable to reach the primary Company representative within a reasonable period (collectively, the "Company Representative"). Whenever this Agreement requires the approval, consent or some other action of the

Company, the Asset Manager may rely on the approval, consent or other action of the Company Representative or one or more of his designees. The Company may change the individual appointed as the Company Representative at any time by giving written notice to the Asset Manager.

4.3 Amendments to Project Contracts. So long as no AM Default has occurred and is continuing and no default by a Lessee under a Project Contract exists, the Company shall not (a) decrease the amount of Stipulated Termination Charges or (b) amend such Project Contract in any material respect without the Asset Manager's prior written consent (such consent not to be unreasonably withheld, delayed or conditioned).

ARTICLE 5
STANDARD OF PERFORMANCE

5.1 Performance Standards. The Asset Manager shall perform the Services in accordance with (a) all Applicable Laws, (b) Prudent Industry Practices, (c) this Agreement, (d) the Project Documents and (e) the reasonable instructions of the Company. The Asset Manager shall take all commercially reasonable actions necessary or appropriate to protect the interests of the Company and the Projects in connection with the exercise of any authority or power granted pursuant to this Agreement.

ARTICLE 6
COMPENSATION AND PAYMENT

6.1 Asset Manager Service Fees. Following the Commencement Date until termination or expiration of this Agreement, the Company shall pay to the Asset Manager the following fees for the Services:

(a) So long as no AM Default has occurred and is continuing, and to the extent that the Company has received such amount from the Lessees, within fifteen (15) calendar days after the end of each calendar month, commencing with the month ending on December 31, 2018, in arrears, the Company shall pay the Asset Manager an amount (the "Monthly Service Fee") equal to the "Monthly Service Fee" described in Schedule V during (i) the period beginning on the Commencement Date and ending on December 31, 2018 and (ii) thereafter, such calendar month, in consideration of the Asset Manager's performance of its obligations under this Agreement, including the Services. To the extent that the first Monthly Service Fee is with respect to a period less than a full calendar month, such Monthly Service Fee shall be pro-rated for such month. The Asset Manager shall be responsible for the payment of any and all taxes with respect to its receipt of the Monthly Service Fees.

(b) So long as no AM Default has occurred and is continuing, and to the extent that the Company has received such amount from the Lessees, within fifteen (15) calendar days after the end of each calendar month, commencing with the month ending on December 31, 2018, in arrears, the Company shall pay the Asset Manager the amount of monthly service charges due and payable by the Company under the O&M Agreement (the "O&M Fee") during (i) the period beginning on the Commencement Date and ending on December 31, 2018 and (ii) thereafter, such calendar month, in consideration of the Asset Manager's performance of its obligations under the O&M Agreement. To the extent that the first O&M Fee is with respect to a period less than a full calendar month, such monthly O&M Fee shall be pro-rated for such month. The Asset Manager shall be responsible for the payment of any and all taxes with respect to its receipt of all service charges under the O&M Agreement.

(c) So long as no AM Default has occurred and is continuing, the Company shall pay the Asset Manager the Applicable Fee (if any) within forty-five (45) calendar days after the end of each Measurement Period, commencing with the Measurement Period ending on December 31, 2018, in arrears, in consideration of the Asset Manager's performance of its obligations under this Agreement, including the Services. To the extent that any payment of any Applicable Fee is with respect to a period less than a full six-month period, the Applicable Fee shall be pro-rated for such period. The Asset Manager shall be responsible for the payment of any and all taxes with respect to its receipt of any Applicable Fees.

6.2 Billing and Payment. The Asset Manager will invoice the Company monthly for the Monthly Service Fee and O&M Fee and quarterly or semiannually, as applicable, for the relevant Applicable Fee, in each case, for the relevant Project. Within fifteen (15) Business Days following the Asset Manager's submission of an invoice to the Company (which shall occur no more than once per calendar month for the Monthly Service Fee and O&M Fee, and once per Measurement Period for the Applicable Fee) reflecting the Applicable Fee, O&M Fee and/or Monthly Service

Fee, as applicable, due and payable by the Company (and including supporting documentation in reasonable detail), the Company shall:

(a) With respect to any disputed portion of such invoice, provide the Asset Manager with a written statement explaining, in reasonable detail, the basis for such dispute. The Parties shall attempt to resolve any such disputed portion in accordance with Article 8 hereof; and

(b) Any undisputed amount owed hereunder which remains unpaid more than thirty (30) days after the date such amount is due and payable under this Agreement shall accrue interest at the Default Rate beginning on the first (1st) day after such amount became due and payable.

The Company shall have the right to offset any amounts due to the Company by the Seller or Asset Manager under this Agreement, any other Transaction Document or the Membership Interest Purchase Agreement against any amounts owed by the Company to the Asset Manager under this Agreement.

6.3 Records. The Asset Manager shall retain copies of all accounting records produced or maintained by it under Schedule II and invoices submitted by it under Section 6.2, and of any third party accounting records, invoices or similar documentation contained or reflected therein, for a minimum period of fifteen (15) years or such longer period to the extent required by Applicable Laws. Records maintained by the Asset Manager pursuant to this Section 6.3 shall be the property of the Company and shall not be destroyed, unless the Company shall have consented to such destruction in writing or declined in writing to accept possession of the records after the Asset Manager has advised the Company that the records will be destroyed.

6.4 Credit Default Insurance. The Asset Manager shall pay to the Company, within fifteen (15) calendar days of receipt of an invoice therefor from the Company, 50% of the cost of credit default insurance, if any, in respect of the Project Contracts and/or the Asset Manager obtained by the Company or an Affiliate of the Company.

ARTICLE 7
MINIMUM THRESHOLD GUARANTY

7.1 Shortfall Payments.

(a) Until the Discharge Date occurs, if the aggregate Qualifying Net Receivables in a Measurement Period, commencing with the Measurement Period ending on December 31, 2018 through and including the Measurement Period ending on March 31, 2019, are less than the CogenOne Minimum Threshold, then the Asset Manager shall pay to the Company, in cash and within forty-five (45) calendar days after the end of such Measurement Period, an amount (the "T1 Shortfall") equal to:

(1) the CogenOne Minimum Threshold,
minus

(2) the aggregate Qualifying Net Receivables received by the Company for such Measurement Period.

(b) Until the Discharge Date occurs, if the aggregate Combined Qualifying Net Receivables in a Measurement Period, commencing with the Measurement Period ending on June 30, 2019, are less than the Combined Minimum Threshold, then the Asset Manager shall pay to the Company, in cash and within forty-five (45) calendar days after the end of such Measurement Period, an amount (the "Combined Shortfall") equal to:

(1) the difference between (x) the Combined Minimum Threshold *minus* (y) the aggregate Combined Qualifying Net Receivables received by the Company for such Measurement Period; *multiplied by*

(2) the
Multiplier.

7.2 Early Termination of Minimum Threshold Guaranty .

(a) If any one or more Project Contracts terminates or is terminated prior to its stated expiry date (unless such termination is solely caused by a material breach after the Effective Date by the Company of the Company's obligations under such terminated Project Contract(s), and not by the Asset Manager's breach, negligence, gross negligence or willful misconduct under any Transaction Document or in respect of such terminated Project Contract(s)), or if the transactions contemplated by the Membership Interest Purchase Agreement are determined by a court of competent jurisdiction to be in violation of any agreement with or restriction applicable to Seller or the Company, then the Asset Manager shall pay to the Company an amount (the "Early Termination Payment") in cash equal to (1) the amounts set forth opposite the month in which such termination occurs under the column entitled "Early Termination Amount" on Schedule 7.2(a) hereto for such terminated Project Contracts, *plus* (2) all unpaid interest (if any) accrued under the Transaction Documents through the date of such termination, *plus* (3) all outstanding and unpaid costs and other amounts (if any) payable to the SDCL Parties under the Membership Interest Purchase Agreement and Transaction Documents through the date of such termination, *minus* (4) the aggregate amount of any Stipulated Termination Charges in respect of such terminated Project Contracts actually received by the Company, *minus* (5) the aggregate amount of any net cash proceeds of credit default swap insurance in respect of such terminated Project Contracts actually received by the Company. The Company shall take all reasonable steps required in the Company's reasonable business judgment to collect and/or support the collection by Asset Manager on behalf of the Company of any Stipulated Termination Charges due to the Company in accordance with the Project Contracts. In the event that both the Company and Asset Manager agree to initiate legal action by or on behalf of the Company against a Lessee to collect any Stipulated Termination Charges due and payable from such Lessee, the Company and Asset Manager will each pay 50% of all reasonable and documented costs (provided, that the Company shall not be required to pay any costs, fees or expenses of any counsel that has not been retained by the Company in its sole discretion) incurred by the Company and Asset Manager in connection with such collection efforts. The Asset Manager shall pay any Early Termination Payments to the Company within 180 calendar days after the Company's notice to the Asset Manager thereof; *provided*, so long as the Asset Manager continues to make all payments as and when due and payable under Section 7.1 and no AM Default has occurred and is continuing, the Company and the Asset Manager will enter into good faith negotiations with each other during such 180-day period with respect to substituting other replacement projects and project contracts in lieu of paying such Early Termination Payments, increasing the CogenOne Minimum Threshold and/or Combined Minimum Threshold by an amount as the Parties may mutually agree in writing, and/or permitting a grace period or revised payment schedule, in each case pursuant to documentation in form and substance satisfactory to the Parties, and in all cases, subject to the prior written approval of the SDCL Parties' investment committee and of the Asset Manager's Board of Directors of any such agreement (which approvals shall be in the sole discretion of each of the SDCL Parties' investment committee and the Asset Manager's Board of Directors). For avoidance of doubt, (x) the Asset Manager shall continue to pay any and all Shortfalls payable pursuant to Section 7.1 and all amounts payable under Section 7.1 of the CogenTwo Billing Agreement during such 180-day period and (y) if the Parties fail to reach an agreement by the end of such 180-day period, the Asset Manager shall pay any and all Early Termination Payments to the Company on such 180th day.

(b) Without limiting or prejudice to the Asset Manager's payment and other obligations under Sections 7.1 and 7.2(a), and so long as (i) no AM Default has occurred and is continuing, (ii) Section 7.2(a) is not applicable and (iii) no default or event of default under a Project Contract has occurred and is continuing, upon notice as provided below, the Asset Manager may request that the Company release the Asset Manager from its obligations under Section 7.1 in respect of any Project Contract, by offering to pay an amount in cash to the Company in an amount to be negotiated in good faith by both Parties. Any such written request for such early termination under this paragraph shall be provided by the Asset Manager to the Company not less than 30 days and not more than 60 days prior to the date requested for such early termination (unless the SDCL Parties agree to another time period in their sole discretion). Such request shall specify the proposed early termination date (which shall be a Business Day) and proposed early termination payment amount (and may include a proposed percentage sharing of the Qualifying Net Receivables under the applicable Project Contract), and shall be accompanied by a senior officer's certificate of the Asset Manager certifying as to no AM Default having occurred and continuing. For avoidance of doubt, the SDCL Parties' receipt and negotiation of such request or offer shall not constitute acceptance of, approval of or agreement with, such request or offer in any way whatsoever, and the Asset Manager shall remain obligated to, and shall continue to, make all payments required under Sections 7.1 and 7.2(a), throughout any negotiation of any such offer or request, regardless of the outcome of such negotiations. Nothing in this paragraph shall constitute any commitment whatsoever by any SDCL Party to accept or agree to any request or offer by the Asset Manager under or arising out of this paragraph, which shall

in all circumstances be subject to the prior written approval of the SDCL Parties' investment committee and of the Asset Manager's Board of Directors (which approvals shall be in the sole discretion of each of the SDCL Parties' investment committee and the Asset Manager's Board of Directors).

7.3 Early Payments. Any Early Termination Payment, payment under Section 7.2(b) and Termination for Convenience Payment (collectively, "Early Payments") shall be presumed to be equal to the liquidated damages sustained by the SDCL Parties as the result of the occurrence of the applicable termination event and the Asset Manager agrees that it is reasonable under the circumstances currently existing. The Asset Manager acknowledges that the Early Payments represent a reasonable and fair estimate for the loss that the SDCL Parties may sustain from the early termination of the applicable Project Contract(s), and further acknowledges that except as specifically provided herein the Asset Manager does not have any right to terminate this Article in whole or in part without paying the applicable Early Payments. THE ASSET MANAGER EXPRESSLY WAIVES THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE OR LAW THAT PROHIBITS OR MAY PROHIBIT THE COLLECTION OF ANY EARLY PAYMENT IN CONNECTION WITH ANY SUCH TERMINATION OF THIS ARTICLE, THIS AGREEMENT OR ANY PROJECT CONTRACT. The Asset Manager expressly agrees that (i) each Early Payment is reasonable and is the product of an arm's length transaction between sophisticated business people, ably represented by counsel, (ii) the Early Payments shall be payable notwithstanding the then prevailing market rates at the time payment is made, (iii) there has been a course of conduct between the Tecogen Parties and the SDCL Parties giving specific consideration in this transaction for such agreement to pay each Early Payment, (iv) the Tecogen Parties shall be estopped hereafter from claiming differently than as agreed to in this Section 7.3, (v) the Asset Manager's agreement to pay Early Payments is a material inducement to the SDCL Parties to consummate the transactions contemplated by the Membership Interest Purchase Agreement and Transaction Documents, and (vi) the Early Payments represent a good faith, reasonable estimate and calculation of the lost profits or damages of the SDCL Parties and that it would be impractical and extremely difficult to ascertain the actual amount of damages to the SDCL Parties or profits lost by the SDCL Parties as a result of such termination of this Article, this Agreement or any Project Contract. Any and all Early Payments shall be fully earned and non-refundable when made.

7.4 Obligations Absolute. With respect to the Asset Manager's obligations under this Article 7:

(a) The obligations of the Asset Manager under this Article 7 shall not be affected by the genuineness, validity, regularity or enforceability of any Lessee's obligations under the Project Contracts (the "Lessee Obligations") or any instrument or agreement evidencing any Lessee Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Lessee Obligations which might otherwise constitute a defense to the obligations of the Asset Manager under this Article 7, and the Asset Manager hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing. The obligations of the Asset Manager under this Article 7 are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration or compromise of any of the Lessee Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of the Company or any Lessee liable for any of the Lessee Obligations; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Lessee or its assets or any resulting release or discharge of any obligation of any Lessee; or (iv) the existence of any claim, setoff or other rights which the Asset Manager may have at any time against any Lessee, any SDCL Party or any other Person, whether in connection herewith or in any unrelated transactions. The obligations of the Asset Manager under this Article 7 are not subject to any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of any of the Lessee Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by a Lessee, of the Lessee Obligations or any part thereof.

(b) Further, the obligations of the Asset Manager under this Article 7 are not discharged or impaired or otherwise affected by: (i) the failure of any SDCL Party to assert any claim or demand or to enforce any remedy with respect to all or any part of the Lessee Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Lessee Obligations; (iii) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Lessee Obligations; or (iv) to the fullest extent permitted by applicable law, any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of the Asset Manager or that would otherwise operate as a discharge of the Asset Manager as a matter of law or equity.

(c) The Asset Manager shall make all payments under this Article 7 in immediately available funds in U.S. dollars without setoff or counterclaim and free and clear of and without deduction for any taxes, levies, imposts, duties, charges, fees, deductions, withholdings, compulsory loans, restrictions or conditions of any nature now or hereafter imposed or levied by any jurisdiction or any political subdivision thereof or taxing or other authority therein unless the Asset Manager is compelled by law to make such deduction or withholding. If any such obligation (other than one arising with respect to taxes based on or measured by the income or profits of the Purchaser or Company) is imposed upon the Asset Manager with respect to any amount payable by it under this Article 7, the Asset Manager will pay to the Company, on the date on which such amount is due and payable hereunder, such additional amount in U.S. dollars as shall be necessary to enable the Company to receive the same net amount which the Company would have received on such due date had no such obligation been imposed upon the Asset Manager. The Asset Manager will deliver promptly to the Company certificates or other valid vouchers for all taxes or other charges deducted from or paid with respect to payments made by the Asset Manager under this Article 7. The obligations of the Asset Manager under this paragraph shall survive the payment in full of the Lessee Obligations and termination of this Agreement.

(d) Subject to Section 4.3, the Asset Manager consents and agrees that the Purchaser or Company may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness of this Article 7: (1) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Lessee Obligations or any part thereof; (2) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security (if any) for the payment of any Shortfalls or any Qualifying Net Receivables; (3) apply such security (if any) and direct the order or manner of sale thereof as the Purchaser or Company in its sole discretion may determine; and (4) release or substitute one or more of any endorsers or other guarantors of any of the Lessee Obligations.

(e) The Asset Manager waives (1) any defense arising by reason of any disability or other defense of a Lessee, or the cessation from any cause whatsoever (including any act or omission of the Purchaser or Company) of the liability of a Lessee; (2) any defense based on any claim that the Asset Manager's obligations exceed or are more burdensome than those of a Lessee; (3) any right to require the Purchaser or Company to proceed against a Lessee, proceed against or exhaust any security (if any) for the Lessee Obligations, or pursue any other remedy in the Purchaser's or Company's power whatsoever; (4) any benefit of and any right to participate in any security now or hereafter held by the Purchaser or Company; and (5) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable law limiting the liability of or exonerating guarantors or sureties. The Asset Manager expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Lessee Obligations, and all notices of acceptance of this Agreement or of the existence, creation or incurrence of the Lessee Obligations.

(f) The obligations of the Asset Manager under this Article 7 are those of primary obligor, and not merely as surety, and are independent of the Lessee Obligations, and a separate action may be brought against the Asset Manager to enforce this Article 7 whether or not a Lessee or any other person or entity is joined as a party.

(g) This Article 7 shall remain in full force and effect until the Discharge Date. Notwithstanding the foregoing, this Article 7 shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf the Asset Manager is made, or the Purchaser or Company exercises its right of setoff, in respect of the Shortfalls and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Purchaser or Company in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Purchaser or Company is in possession of or has released this Agreement and regardless of any prior revocation, rescission, termination or reduction. The obligations of the Asset Manager under this paragraph shall survive termination of this Agreement.

(h) In the event that acceleration of the time for payment of any of the Lessee Obligations is stayed, in connection with any case commenced by or against the Asset Manager or a Lessee under any Debtor Relief Laws, or otherwise, all Shortfalls due and payable shall nonetheless be payable by the Asset Manager immediately upon demand

by the Company.

(i) The Asset Manager acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from a Lessee such information concerning the financial condition, business and operations of such Lessee as the Asset Manager requires, and that neither the Purchaser nor Company has any duty, and the Asset Manager is not relying on the Purchaser or Company at any time, to disclose to the Asset Manager any information relating to the business, operations or financial condition of a Lessee (the Asset Manager waiving any duty on the part of the Purchaser or Company to disclose such information and any defense relating to the failure to provide the same).

7.5 Supremacy. The provisions expressed in this Article 7 shall prevail over any conflicting or inconsistent provisions contained elsewhere in this Agreement or other Transaction Documents and, except to the extent expressly set forth in Section 7.2, shall survive the expiration or earlier termination of the other Articles of this Agreement or of the other Transaction Documents.

ARTICLE 8
DISPUTE RESOLUTION

8.1 Dispute Resolution Procedures.

(a) Subject to Article 11, resolution of disputes, controversies and claims shall be governed by the procedures set forth in this Section 8.1.

(b) In the event a dispute, controversy or claim arises hereunder or under the O&M Agreement, the aggrieved Party shall, prior to pursuing any other remedies, provide written notification of the dispute to the other Party. Within twenty (20) days of the date on which the notice of the dispute was sent, a meeting will be held between the Parties, attended by representatives of the Parties with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute.

(c) If the Parties cannot agree on a settlement of the dispute, controversy or claim within ten (10) days after the date on which the meeting described in Section 8.1(b) takes place, then a Party may refer the dispute to binding arbitration, which shall then be the exclusive method of dispute resolution. Arbitration shall take place in New York City, and be conducted by the American Arbitration Association (" AAA"). All procedural matters relating to the arbitration shall be decided by the commercial arbitration rules of the AAA, with the exception that discovery of evidence is strictly limited to any document relating to the dispute in the possession of either Party. Neither Party shall be permitted access to the electronic data storage systems of the other Party or to conduct depositions.

(d) Prior to an arbitral award or court judgment, each Party shall bear its own costs for the dispute, plus one-half of any costs imposed by AAA rules, if applicable. The arbitral award or court judgment shall include a specific sum awarded to the prevailing Party as compensation for attorney fees and costs of the dispute.

(e) If the award or judgment grants the prevailing Party a sum fixed or readily ascertainable amount by the terms of this Agreement, the arbitrator or court shall also award the prevailing Party interest on that sum compounded monthly from the date the sum was due at the Reference Rate. The entire arbitral award or judgment shall then bear interest compounded monthly at the same rate until it is paid in full.

(f) The decision of the arbitrator shall be final and binding upon the Parties, and not subject to challenge in any court. Judgment on an arbitral award may be entered in all courts having jurisdiction over the award, one of the Parties or any of their assets. Other than as necessary to enforce the award in a court, the Parties shall treat the terms of the award as Confidential Information in accordance with Section 13.10.

8.2 Continuation of Work. Pending final resolution of any dispute, the Parties shall continue to fulfill their respective obligations under this Agreement and O&M Agreement; *provided* that the Company may withhold any amount which is the subject of dispute from any payment otherwise due hereunder during the pendency of any dispute resolution proceeding. If the Asset Manager prevails in such dispute, the Company shall promptly pay to the Asset Manager the unpaid amount in dispute with interest thereon, which interest shall accrue, at the Reference Rate, for each day from and including the date on which such amount was originally due to, but excluding, the date of actual payment thereof.

ARTICLE 9

COMMENCEMENT AND TERMINATION

9.1 Amendment and Restatement. This Agreement amends and restates in its entirety the Existing Billing Agreement; and the Parties confirm that the Existing Billing Agreement, the other Transaction Documents and Article 7 of the Existing Billing Agreement have at all times, since the Commencement Date, remained in full force and effect and are continued as amended hereby. The Parties acknowledge and agree that the amendment and restatement of the Existing Billing Agreement by this Agreement is not intended to constitute, nor does it constitute, a novation, interruption, suspension of continuity, satisfaction, discharge or termination of the obligations, liabilities or indebtedness under the Existing Billing Agreement (including without limitation Article 7 of the Existing Billing Agreement) or under the other Transaction Documents.

9.2 Term. This Agreement shall remain in full force and effect following the Commencement Date until February 28, 2034 (the "Initial Term"). Thereafter, the Parties may elect to renew this Agreement for a successive term (a "Renewal Term") on such terms and conditions as the Parties may mutually agree in writing. Together, the Initial Term and any Renewal Term (if any) shall be the "Term". In connection with the expiration of the Term or any termination pursuant to Section 9.3, the Asset Manager shall (a) cooperate with all reasonable requests of the Company in connection with the transition of the Services performed by the Asset Manager (including the transferring of the records in the Asset Manager's possession) to the Person selected by the Company to undertake the Services hereunder; (b) deliver to the Company all books, records, contracts, plans, specifications, reports, studies, leases, rent rolls, receipts for deposits, unpaid bills, and other papers, materials, supplies, documents or properties (including advertising materials, keys, combinations to locks, equipment and supplies) and other information (including information stored in a computer), if any, which are in the Asset Manager's possession and which relate to the Company or the Projects; and (c) to the extent that the Asset Manager has executed any agreements with any Service Provider or Subcontractor, assist the Company in the assignment of such agreements to the Company or its Affiliates, as reasonably requested by the Company. In the event of termination by the Company under Section 10.3, the Asset Manager shall be responsible for all costs and expenses incurred in connection with clause (b) above. Upon expiration of the Term, the Asset Manager shall assist the Company with its transition to the new asset manager, including but not limited to, assisting with data transfers and meeting with the new asset manager to explain all Services performed through the Term.

9.3 Early Termination. Subject to Section 9.2, this Agreement may not be terminated except:

(a) by mutual agreement of the Parties;

(b) pursuant to the remedy provisions of Section 10.3; or

(c) by the Company at any time, if all Project Contracts are in default or have terminated (unless such termination is solely caused by a material breach by the Company of the Company's obligations under the Project Contracts, and not by the Asset Manager's breach, negligence, gross negligence or willful misconduct under any Transaction Document or in respect of the Project Contracts).

In the event of such termination, the Company will pay the Asset Manager any undisputed amounts in accordance with Article 6 (with the monthly fees prorated on a per day basis to reflect Services performed during any partial month) through the effective date of termination.

9.4 Expiration of Project Contracts. Subject to Sections 9.2 and 9.3, upon expiration of a Project Contract at its stated expiry date, if a Lessee under a Project Contract requires the Company to remove the Equipment and/or return the site to a reasonably original state (collectively, "Decommissioning"), then (i) the Asset Manager shall remove such Equipment and (if required by such Lessee) return the site to a reasonably original state in accordance with such Project Contract, and (ii) the Company shall, within thirty (30) days of the Company's receipt from the Asset Manager of an invoice therefor together with reasonably detailed documentation thereof, reimburse the Asset Manager for up to $80,000 in aggregate Decommissioning costs for the Project Contract with Luna Park Housing Corporation, and up to $20,000 in aggregate Decommissioning costs for the Project Contract with Essex Plaza Co.. For avoidance of doubt, any Project Decommissioning costs in excess of $100,000 in the aggregate shall be for account of the Asset Manager.

ARTICLE 10

DEFAULT

10.1 Events of Default.

(a) Except as provided for in Article 8, the following events shall be deemed to be events of default ("Events of Default") by any Party under this Agreement regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceeding which has or might have the effect of preventing such Party from complying with the terms of this Agreement:

(ii) Failure by a Party hereto to make any payment required to be made hereunder (including, for the avoidance of doubt, payments to be made by such Party to a third party), if such failure shall continue for thirty (30) days after written notice thereof has been given to the non-paying Party; or

(iii) Failure to comply in any material respect with any material term, provision or covenant of this Agreement (other than the payment of sums to be paid by a Party hereunder (including, for the avoidance of doubt, payments to be made by such Party to a third party)), if such failure continues for thirty (30) days after written notice thereof has been given to the non-performing Party; *provided* that if such failure cannot reasonably be cured within such thirty (30) days and the non-performing Party has commenced, and is diligently pursuing in good faith, to cure such failure, such thirty (30) day period shall be extended for such longer period as shall be necessary for such Party to cure the failure, but in no event shall be extended for more than sixty (60) additional days without the prior written mutual agreement of the non-defaulting Party.

(b) Except as provided for in Article 8, the following events shall be deemed to be events of default ("Additional Events of Default") by Asset Manager under this Agreement regardless of the pendency of any bankruptcy, reorganization, receivership, insolvency or other proceeding which has or might have the effect of preventing the Asset Manager or Asset Manager from complying with the terms of this Agreement or other Transaction Document:

(i) The Asset Manager shall fail to make any payment under the Guaranty when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

(ii) the Asset Manager shall fail to observe or perform any covenant, condition or agreement contained in the Guaranty (other than those specified in clause (i) of this Section 10.1(b)), and such failure shall continue unremedied for a period of 30 days after notice thereof from the Company to the Asset Manager;

(iii) any default or event of default under and as defined in any other Transaction Document (other than those specified in clause (i) of this Section 10.1(b)) shall exist;

(iv) any representation or warranty made or deemed made by or on behalf of the Asset Manager in or in connection with this Agreement, any other Transaction Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement, any other Transaction Document, or any amendment or modification hereof or thereof or waiver hereunder or thereunder, shall prove to have been incorrect in any material respect when made or deemed made;

(v) the Seller or Asset Manager shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable (after giving effect to any applicable cure or grace periods under such Material Indebtedness);

(vi) any event or condition occurs that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent

on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity, and such event or condition shall continue unremedied for a period of six months;

(vii) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity, or the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf cause any Material Indebtedness to become due, or require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity;

(viii) one or more judgments for the payment of money in an aggregate amount in excess of $1,000,000 (excluding any amounts covered by insurance as to which the applicable carrier has accepted coverage) shall be rendered against the Seller, Asset Manager, any Subsidiary thereof or any combination thereof and the same shall remain undischarged for a period of 60 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Seller or Asset Manager to enforce any such judgment;

(ix) any material provision of any Transaction Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder, ceases to be in full force and effect; or the Asset Manager, Seller or any other Person contests in writing the validity or enforceability of any provision of any Transaction Document or the Membership Interest Purchase Agreement; or the Asset Manager or Seller denies in writing that it has any or further liability or obligation under any Transaction Document to which it is party or the Membership Interest Purchase Agreement; or the Asset Manager or Seller purports in writing to revoke, terminate or rescind the Guaranty or the Membership Interest Purchase Agreement; or

(x) the O&M Agreement shall have been terminated.

10.2 Bankruptcy; Change of Control .

(a) Subject to the rights or remedies it may have, any Party shall have the right to terminate this Agreement, effective immediately, if, at any time, (i) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (A) liquidation, reorganization or other relief in respect of the other Party or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (B) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the other Party or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 30 days or an order or decree approving or ordering any of the foregoing shall be entered; or (ii) the other Party shall (A) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (B) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (i) of this paragraph, (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the other Party or for a substantial part of its assets, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors or (F) take any action for the purpose of effecting any of the foregoing; or (iv) the other Party or any Subsidiary thereof shall become unable, admit in writing its inability or fail generally to pay its debts as they become due; *provided*, notwithstanding the foregoing or any provision of any Transaction Document to the contrary, (x) the Asset Manager shall not have the right to terminate Article 7 or the Asset Manager's obligations arising out of Article 7 and (y) any partial termination of the Services or this Agreement by the Company shall not affect or prejudice Article 7 in any way whatsoever.

(b) Subject to the rights or remedies it may have, the Company shall have the right to terminate this Agreement, effective immediately, if, at any time, (i) a Change of Control shall occur; (ii) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (A) liquidation, reorganization or other relief in respect of the Asset Manager or its debts, or of a substantial part of its assets, under any federal, state or foreign

bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (B) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Asset Manager or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 30 days or an order or decree approving or ordering any of the foregoing shall be entered; (iii) the Asset Manager shall (A) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (B) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (ii) of this paragraph, (C) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Asset Manager or for a substantial part of its assets, (D) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (E) make a general assignment for the benefit of creditors or (F) take any action for the purpose of effecting any of the foregoing; or (iv) the Seller, Asset Manager or any Subsidiary thereof shall become unable, admit in writing its inability or fail generally to pay its debts as they become due.

10.3 Remedies.

(a) If (i) an Event of Default occurs and is continuing, or (ii) an event described in Section 10.2(a) occurs and such event, if curable, is not cured in accordance with Section 10.2(a), then the non-defaulting Party may terminate this Agreement immediately; *provided*, notwithstanding the foregoing or any provision of any Transaction Document to the contrary, (x) the Asset Manager shall not have the right to terminate Article 7 or the Asset Manager's obligations arising out of Article 7 and (y) any partial termination of the Services or this Agreement by the Company shall not affect or prejudice Article 7 in any way whatsoever.

(b) If an Additional Event of Default occurs and is continuing, then the Company may terminate this Agreement immediately, without obligation to or recourse by the Asset Manager or Seller; *provided*, notwithstanding the foregoing or any provision of any Transaction Document to the contrary, (x) the Asset Manager shall not have the right to terminate Article 7 or the Asset Manager's obligations arising out of Article 7 and (y) any partial termination of the Services or this Agreement by the Company shall not affect or prejudice Article 7 in any way whatsoever.

(c) If a termination pursuant to this Section 10.3 occurs, the terminating Party shall have all rights and remedies allowed at law or in equity, subject however, to the specific limitations of liability set forth in Article 11 and subject to Article 7.

ARTICLE 11
INDEMNIFICATION AND LIMITATION OF DAMAGES

11.1 Indemnification.

(a) The Company shall indemnify and hold the Asset Manager, its directors, officers, members and employees harmless from any damage, loss, liability or expense (including reasonable attorneys' fees but subject to the limitations of Section 11.2) incurred by the Asset Manager with respect to any Claims for personal injury to or death of and for loss or damage to any property as a result of the Company's willful misconduct, gross negligence, or breach of its obligations under this Agreement or the O&M Agreement, except (i) to the extent such damage, loss, liability or expense results from the Asset Manager's willful misconduct, gross negligence or breach of its obligations under this Agreement or the O&M Agreement, and (ii) in each case, to the extent the Asset Manager shall in fact receive insurance proceeds with respect thereto.

(b) The Asset Manager shall indemnify and hold the Company, its directors, officers, members and employees harmless from any damage, loss, liability or expense (including reasonable attorneys' fees but subject to the limitations of Section 11.2) incurred by the Company with respect to any Claims for personal injury to or death of and for loss or damage to any property as a result of the Asset Manager's willful misconduct, gross negligence, or breach of its obligations under this Agreement or the O&M Agreement, except (i) to the extent such damage, loss, liability or expense results from the Company's willful misconduct, gross negligence or breach of its obligations (other than payment obligations) under this Agreement, and (ii) in each case, to the extent the Company shall in fact receive insurance proceeds with respect thereto.

11.2 Aggregate Limitation of Liability. Except in the case of gross negligence, fraud or willful misconduct or in connection with a Claim pursuant to Section 11.1(b), the Asset Manager's aggregate liability to the Company during

the Term of this Agreement for all claims of any kind, whether based on contract, indemnity, warranty, strict liability or otherwise, for all losses or damages arising out of this Agreement or the O&M Agreement or from the performance or breach thereof, or from any Services covered by or furnished during the Term of this Agreement, shall in no event exceed the aggregate amount actually paid by the Company to the Asset Manager for Services under Section 6.1; *provided* that the amount of any insurance proceeds received by the Company shall not be limited by the foregoing limitation of liability. Except in the case of gross negligence, fraud or willful misconduct or in connection with a Claim pursuant to Section 11.1(a), the Company's aggregate liability to the Asset Manager during the Term of this Agreement for all claims of any kind, whether based on contract, indemnity, warranty, strict liability or otherwise, for all losses or damages arising out of this Agreement or the O&M Agreement or from the performance or breach thereof, shall in no event exceed the aggregate amount actually paid by the Company to the Asset Manager for Services under Section 6.1.

11.3 Exclusion of Consequential Damages. EXCEPT IN THE CASE OF AN INDEMNITY FOR THIRD PARTY CLAIMS OR IN THE CASE OF A PARTY'S GROSS NEGLIGENCE, FRAUD OR WILLFUL MISCONDUCT, NONE OF THE COMPANY, THE ASSET MANAGER, NOR THEIR RESPECTIVE OFFICERS, MEMBERS AND EMPLOYEES SHALL BE LIABLE HEREUNDER OR UNDER ANY OTHER TRANSACTION DOCUMENT FOR PUNITIVE, CONSEQUENTIAL OR INTANGIBLE DAMAGES OF ANY NATURE REGARDLESS OF WHETHER ANY CLAIM IS BASED UPON CONTRACT, WARRANTY, OR OTHER THEORY OF LAW.

11.4 Supremacy. The provisions expressed in this Article 11 shall prevail over any conflicting or inconsistent provisions contained elsewhere in this Agreement or other Transaction Documents and shall survive the expiration or earlier termination of this Agreement or O&M Agreement.

11.5 Right to Set-Off. If (x) Seller or Asset Manager breaches its obligation to pay any indemnification amounts under the Membership Interest Purchase Agreement or (y) Seller or Asset Manager breaches its obligation to pay any amounts due under any Transaction Document, the Company shall be entitled to set off any and all fees or other amounts owed to Asset Manager or any of its Affiliates under this Agreement or any other Transaction Document; provided, that any such amounts set-off shall be deemed a payment to (i) the applicable Purchaser Indemnitees satisfying such indemnification amounts due under the Membership Interest Purchase Agreement or (ii) to the Company under the applicable Transaction Document.

ARTICLE 12
TITLE

12.1 Title Warranty. The Asset Manager warrants and guarantees that title to all services and other work provided by the Asset Manager hereunder shall pass to the Company as set forth in Section 12.2 free and clear of all liens, and that no services or other work, materials or equipment shall have been acquired by the Asset Manager and passed to the Company subject to any agreement by the Asset Manager under which an interest therein or encumbrance thereon is retained by any Person.

12.2 Title to the Company. Title to the services and other, including all materials, supplies and equipment provided by the Asset Manager or purchased by the Asset Manager on behalf of the Company, shall at all times remain with the Company.

ARTICLE 13
MISCELLANEOUS

13.1 Representations Regarding this Agreement. By their execution hereof, each Party represents and warrants to the other as follows:

(a) It is duly incorporated or formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation (to the extent good standing is applicable under the relevant corporate law), and has all requisite corporate or limited liability company power and authority to conduct its business as it is now being conducted.

(b) It has all requisite power and authority to execute and deliver this Agreement and has taken all necessary action to authorize the execution and delivery of this Agreement.

(c) This Agreement has been duly and validly executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms, except as the same may be subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally, or by general equity principles (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(d) The execution, delivery and performance of this Agreement, the consummation of the transactions contemplated hereunder do not or will not: (i) violate its organizational documents; (ii) violate any provision or requirement of any Applicable Law; or (iii) violate in any material respect, result in a breach of, constitute (with due notice or lapse of time or both) a default or cause any obligation, penalty, premium or right of termination to arise or accrue under, any material contract to which it is a party.

(e) All third party consent requirements which are a condition to the execution, delivery and performance by it of this Agreement and the consummation of the transactions contemplated hereunder and thereunder have been obtained.

13.2 Assignment.

(a) Neither Party may assign its rights or obligations under this Agreement or any other Transaction Document without the prior written consent of the other Party; provided, the Company may assign its rights and obligations under this Agreement and the other Transaction Documents to an Affiliate of the Company without the prior written consent of the Asset Manager so long as such assignment by the Company is in conjunction with an assignment by the Company of its rights and obligations under the other Transaction Documents.

13.3 Authorization. Except as expressly authorized in writing by the Company, the Asset Manager shall not have the right or the obligation to create any obligation or to make any representation on behalf of the Company.

13.4 Governing Law, Jurisdiction, Venue . THIS AGREEMENT SHALL BE IN ALL RESPECTS GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE (WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAWS PROVISIONS THEREOF, OTHER THAN NEW YORK GENERAL OBLIGATIONS LAW SECTION 5-1401 AND SECTION 5-1402).

13.5 Independent Contractor. Nothing contained in this Agreement and no action taken by any Party to this Agreement shall be (a) deemed to constitute any Party or any of such Party's employees, agents or representatives to be an employee, agent or representative of any other Party; (b) deemed to create any company, partnership, joint venture, association or syndicate among or between any of the Parties; or (c) except as contemplated under the Services, deemed to confer on any Party any expressed or implied right, power or authority to enter into any agreement or commitment, express or implied, or to incur any obligation or liability on behalf of any other Party, except as expressly authorized in writing.

13.6 Notice. All notices, requests, consents, demands and other communications (collectively "notices") required or permitted to be given under this Agreement shall be in writing signed by the Party giving such notice and shall be given to each Party at its address or fax number set forth in this Section 13.6 or at such other address or fax number as such Party may hereafter specify for the purpose by notice to the other Party and shall be either delivered personally or sent by fax or telegraph or registered or certified mail, return receipt requested, postage prepaid, or by a nationally recognized overnight courier service. A notice shall be deemed to have been given (i) when transmitted if given by fax or telegraph or (ii) when delivered, if given by any other means. Notices shall be sent to the following addresses:

To the Asset Manager:

Tecogen, Inc.
45 First Avenue
Waltham, MA 02451
Attn: Robert Panora and Abinand Rangesh
Email: Robert.Panora@tecogen.com and Abinand.Rangesh@tecogen.com

Tel.: 1-781-522-6000

To the Company:

c/o Sustainable Development Capital LLP
1120 Avenue of the Americas, 4th Floor
New York, NY 10036
Attn: David Maxwell and Vassos Kyprianou
Telephone: 1-212 626 6855 and 646 380 3294
E-Mail: david.maxwell@sdcl-ee.com and vassos.kyprianou@sdcl-ee.com

with copies to (which shall not constitute notice):

Wilson Sonsini Goodrich & Rosati PC
1301 Avenue of the Americas
New York, NY 10019
Attn: Charlotte J. Kim
Telephone: (212) 453-2888
E-Mail: ckim@wsgr.com

13.7 Usage. This Agreement shall be governed by the following rules of usage: (i) a reference in this Agreement to a Person includes, unless the context otherwise requires, such Person's successors and permitted assignees; (ii) a reference in this Agreement to a law, license, or permit includes any amendment, modification or replacement to such law, license or permit; (iii) accounting terms used in this Agreement shall have the meanings assigned to them by GAAP; (iv) a reference in this Agreement to an article, section, exhibit, schedule or appendix is to an article, section, exhibit, schedule or appendix of this Agreement unless otherwise stated; (v) a reference in this Agreement to any document, instrument or agreement shall be deemed to include all appendices, exhibits, schedules and other attachments thereto and all documents, instruments or agreements issued or executed in substitution thereof, and shall mean such document, instrument or agreement, or replacement thereof, as amended, modified and supplemented from time to time in accordance with its terms and as the same is in effect at any given time; (vi) unless otherwise specified, the words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement; and (vii) the words "include" and "including" and words of similar import used in this Agreement are not limiting and shall be construed to be followed by the words "without limitation", whether or not they are in fact followed by such words.

13.8 Entire Agreement. This Agreement (including all appendices and exhibits thereto) constitutes the entire agreement and understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior written and oral agreements and understandings with respect to such subject matter.

13.9 Amendment. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, but only by a document in writing signed by the Party against which the enforcement of such termination, amendment, supplement, waiver or modification is sought.

13.10 Confidential Information; Public Announcements .

(a) Except as required by Applicable Law or explicitly required or permitted by this Agreement, no Party shall, without the prior written consent of the other parties, disclose any confidential information obtained from the other Party to any third parties, other than to consultants or to employees who have agreed to keep such information confidential as contemplated by this Agreement and who are reasonably believed to need the information to assist such Party with the exercise or performance of any rights and obligations provided to, or imposed upon, such Party in such document; *provided* that the Company shall not be restricted from disclosing any information regarding the Projects.

(b) This Section 13.10 does not apply to information that the receiving Party can demonstrate is presently a matter of public knowledge or which is or becomes available as a matter of public knowledge from a source which is not known to be prohibited from disclosing such information. In the event that a Party is requested or required by legal or regulatory authority to disclose any confidential information, the Party shall promptly notify the disclosing

Party of such request or requirement prior to disclosure so that the disclosing Party may seek an appropriate protective order. Notwithstanding any other provision of this Agreement, the receiving Party shall have the right to disclose only so much of the confidential information as, in the advice of its legal counsel, the receiving Party is legally required to disclose. In such an event, the receiving Party agrees to use good faith efforts to ensure that all confidential information that is so disclosed will be accorded confidential treatment.

(c) Except to the extent required by securities laws, the Asset Manager will not issue or make any reports, statements or releases to the public with respect to this Agreement or the performance of any Services without the prior consent of the Company. If the Asset Manager is unable to timely obtain the approval of its public report, statement or release from the Company and such report, statement or release is, in the reasonable opinion of legal counsel to the Asset Manager, required by Applicable Law in order to discharge the Asset Manager's disclosure obligations, then the Asset Manager may make or issue the legally required report, statement or release and promptly furnish the Company with a copy thereof.

13.11 Discharge of Obligations. With respect to any duties or obligations discharged hereunder by the Asset Manager, the Asset Manager may discharge such duties or obligations through the personnel of an affiliate of the Asset Manager; *provided* that, notwithstanding the foregoing, the Asset Manager shall remain fully liable hereunder for such discharged duties and obligations.

13.12 Third Party Beneficiaries. Except as otherwise expressly stated herein, this Agreement is intended to be solely for the benefit of the Parties hereto and their permitted assignees and is not intended to and shall not confer any rights or benefits to the general public or any other third party not a signatory thereto.

13.13 Severability. Any provision of this Agreement that 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 any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by Applicable Law, the Parties hereto hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.

13.14 Binding Effect. The terms of this Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their successors and permitted assigns. Subject to Section 13.11, nothing in this Agreement, whether express or implied, shall be construed to give any Person other than a Party hereto any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

13.15 Counterparts. This Agreement may be executed by one or more of the Parties hereto on any number of separate counterparts, by facsimile or electronic mail, and all of said counterparts taken together shall be deemed to constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signatures are physically attached to the same document. A facsimile or portable document format ("pdf") signature page shall constitute an original for purposes hereof.

[REST OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company and the Asset Manager have caused this Agreement to be executed as of the date first above written.

COGENONE LLC

By: /s David Maxwell
Name: David Maxwell
Title: Director

TECOGEN INC.

By: /s Benjamin Locke
Name: Benjamin Locke
Title: CEO

Tecogen Completes Sale of Certain Power Purchase Agreements and Related Assets for $7 Million Dollars

WALTHAM, MA, March 7, 2019 – Tecogen Inc. (NASDAQ: TGEN), a clean energy company providing ultra-efficient, clean, natural gas-powered on-site power, heating and cooling equipment, is pleased to announce that it has completed the sale of a portion of the assets acquired by Tecogen in May 2017 when it acquired American DG Energy Inc. The assets involve eight projects and include various models of Tecogen cogeneration units, Tecochill water chillers, and conventional air-conditioning systems. The assets were sold for an aggregate purchase price of $7 million to a company managed by the New York office of Sustainable Development Capital ("SDCL"), an investment firm with a proven track record of investment in energy efficiency and decentralized generation projects in the UK, Continental Europe, North America and Asia.

SDCL also contracted with Tecogen to maintain the equipment and perform invoicing for the energy supplied by the equipment to the host sites for the duration of the power purchase agreements. These agreements include performance incentives split evenly by both parties for energy savings collections exceeding the minimum collection guarantees in the agreements. Tecogen will also be responsible for managing customer relationships with the host sites as well as providing billing and asset management services.

"For the past several years we have put a great deal of effort in bringing these and other sites in our ADGE portfolio to a high level of performance," said Benjamin Locke, Tecogen CEO. "We were very gratified that this hard work established our on-site utility projects as valuable long-term investment instruments which we can monetize while retaining the service contracts."

David Maxwell, Managing Director of SDCL in New York, said "We are very excited to have invested in Tecogen's cogeneration portfolio. Tecogen has demonstrated an innovative approach to building and operating carbon efficient energy savings projects in and around the North East of the United States and we are looking forward to an ongoing strategic relationship with the firm".

Tecogen will use the cash generated by the sale to eliminate debt, support growth in strategic product areas, and strengthen the balance sheet.

About Tecogen
Tecogen Inc. designs, manufactures, sells, installs, and maintains high efficiency, ultra-clean, cogeneration products including natural gas engine-driven combined heat and power, air conditioning systems, and high-efficiency water heaters for residential, commercial, recreational and industrial use. The company is known for cost efficient, environmentally friendly and reliable products for energy production that, through patented technology, nearly eliminate criteria pollutants and significantly reduce a customer's carbon footprint.

Tecogen Inc.

45 First Avenue, Waltham, MA 02451 • ph: 781-466-6400 • fax: 781-466-6466 • www.tecogen.com

In business for over 35 years, Tecogen has shipped more than 3,000 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com or contact us for a free Site Assessment.

About SDCL (http://www.sdcl-ib.com)
SDCL is a London based investment firm with a proven track record of investment in energy efficiency and decentralised generation projects in the UK, Continental Europe, North America and Asia. SDCL was founded in 2007 by Jonathan Maxwell, and since 2012, has raised over £500 million of capital commitments, including four funds exclusively focused on energy efficiency. SDCL's funds seek to invest in projects that deliver cheaper, cleaner and more reliable energy solutions directly to end users at the point of use and that generate returns based upon the energy savings achieved. This creates ongoing operational cost savings and carbon emission reductions as well as improvements to productivity and asset values. Headquartered in

London, SDCL is authorised and regulated in the United Kingdom by the Financial Conduct Authority.

Forward Looking Statements
This press release contains “forward-looking statements” which may describe strategies, goals, outlooks or other non-historical matters, or projected revenues, income, returns or other financial measures, that may include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "project," "target," "potential," "will," "should," "could," "likely," or "may" and similar expressions intended to identify forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors that may cause our actual results to differ materially from those expressed or implied by such forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update or revise any forward-looking statements.

In addition to those factors described in our Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q under “Risk Factors”, among the factors that could cause actual results to differ materially from past and projected future results are the following: fluctuations in demand for our products and services, competing technological developments, issues relating to research and development, the availability of incentives, rebates, and tax benefits relating to our products and services, changes in the regulatory environment relating to our products and services, integration of acquired business operations, and the ability to obtain financing on favorable terms to fund existing operations and anticipated growth.

Tecogen Media & Investor Relations Contact Information:
Benjamin Locke, CEO P: (781) 466-6402
E: Benjamin.Locke@Tecogen.com

SDCL Contact Information:
David Maxwell, SDCL P: (917) 842-3351
E: david.maxwell@sdcl-ib.com

Exhibit 99.02 - Pro Forma Financials

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On December 14, 2018 and March 5, 2019, Tecogen Inc. (“the Company”) completed the sales of its interests in two and six agreements, respectively, and associated assets (collectively “the assets”) relating to the generation and sale of energy to an unrelated third party in exchange for $2.0 million and $5.0 million, cash, respectively. The following unaudited pro forma condensed consolidated financial statements have been derived by the application of pro forma adjustments to the Company's historical consolidated financial statements, which have been presented to give effect to the dispositions of the assets. The unaudited pro forma condensed consolidated balance sheet as of September 30, 2018 is presented as if the dispositions had occurred as of September 30, 2018. The unaudited pro forma condensed consolidated statement of operations for the nine months ended September 30, 2018 is presented as if the dispositions had occurred on January 1, 2018. The unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2017 is presented as if the dispositions had occurred on May 18, 2017, the date the assets were acquired as part of a larger acquisition. The unaudited pro forma condensed consolidated balance sheet and statements of operations for these respective periods are being provided for illustrative purposes only and do not purport to represent what our results of operations or financial position would have been if the transactions had occurred on the dates indicated and are not intended to project our results of operations or financial position for any future period. Any of the factors underlying these estimates and assumptions may change or prove to be materially different and the estimates and assumptions may not be representative of facts that existed upon completion of the dispositions.

The unaudited pro forma adjustments are based on estimates, available information and certain assumptions that the Company believes are reasonable. The unaudited pro forma adjustments and primary assumptions are described in the accompanying notes. The unaudited pro forma condensed consolidated financial statements and the related notes should be read in conjunction with the historical consolidated financial statements and accompanying notes of Tecogen Inc. included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017 and the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2018.

Exhibit 99.02 - Pro Forma Financials

TECOGEN INC.
Pro Forma Condensed Consolidated Balance Sheet
As of September 30, 2018
(Unaudited)

	Tecogen Inc. Historical	Dispositions of Assets	Pro Forma Adjustments	Notes	Pro Forma
Cash and cash equivalents	$ 136,717	$ —	$ 7,000,000	(a)	$ 7,136,717
Accounts receivable, net	11,548,663	—	—		11,548,663
Unbilled revenue	4,441,565	—	—		4,441,565
Inventory, net	5,983,067	—	—		5,983,067
Prepaid and other currents assets	815,269	—	—		815,269
Total current assets	22,925,281	—	7,000,000		29,925,281
Property, plant and equipment, net	11,107,509	(6,825,539)	—	(b)	4,281,970
Intangible assets, net	2,935,279	(1,341,584)	—	(b)	1,593,695
Goodwill	13,365,655	—	—		13,365,655
Other assets	427,810	—	—		427,810
Total assets	$ 50,761,534	$ (8,167,123)	$ 7,000,000		$ 49,594,411
Revolving line of credit, bank	$ 1,708,888	$ —	$ —		$ 1,708,888
Accounts payable	5,716,426	—	—		5,716,426
Accrued expenses	2,196,921	—	591,000	(c)	2,787,921
Deferred revenue	1,718,376	—	—		1,718,376
Total current liabilities	11,340,611	—	—		11,931,611
Deferred revenue, net of current portion	343,031	—	—		343,031
Unfavorable contract liability, net	6,534,074	(3,372,337)	—	(b)	3,161,737
Total liabilities	18,217,716	(3,372,337)	—		15,436,379
Common stock	24,819	—	—		24,819
Additional paid-in capital	56,371,583	—	—		56,371,583
Accumulated deficit	(24,298,191)	—	1,614,214	(d)	(22,683,977)
Total Tecogen Inc. stockholders' equity	32,098,211	—	1,614,214		33,712,425
Noncontrolling interest	445,607	—	—		445,607
Total stockholders' equity	32,543,818	—	1,614,214		34,158,032
Total liabilities and stockholders' equity	$ 50,761,534	$ (3,372,337)	$ 1,614,214		$ 49,594,411

The accompanying notes are an integral part of the unaudited pro forma condensed consolidated financial statements.

Exhibit 99.02 - Pro Forma Financials

TECOGEN INC.
Pro Forma Condensed Consolidated Statement of Operations
Nine Months Ended September 30, 2018
(Unaudited)

	Tecogen Inc. Historical	Dispositions of Assets	Pro Forma
Net sales and gross revenues	$ 26,567,276	$ (2,037,868)	$ 24,529,408
Cost and expenses applicable to sales and revenues	16,686,781	(1,387,453)	15,299,328
Gross profit	9,880,495	(650,415)	9,230,080
Selling, general and administrative expenses	10,015,085	—	10,015,085
Research and development	993,102	—	993,102
Loss from operations	(1,127,692)	(650,415)	(1,778,107)
Interest and other income	7,926	—	7,926
Interest expense	(56,195)	—	(56,195)
Unrealized loss on investment securities	(59,042)	—	(59,042)
Loss from continuing operations before income taxes	(1,235,003)	(650,415)	(1,885,418)
Provision for income taxes on continuing operations	42,679	—	42,679
Net loss from continuing operations	(1,277,682)	(650,415)	(1,928,097)
Income attributable to the noncontrolling interest	(58,946)	—	(58,946)
Net loss attributable Tecogen Inc. shareholders	$ (1,336,628)	$ (650,415)	$ (1,987,043)
Per common share data:			
Net loss per share - basic and diluted	$ (0.05)		$ (0.08)
Weighted average shares outstanding - basic and diluted	24,813,936		24,813,936

The accompanying notes are an integral part of the unaudited pro forma condensed consolidated financial statements.

Exhibit 99.02 - Pro Forma Financials

TECOGEN INC.
Pro Forma Condensed Consolidated Statement of Operations
Year Ended December 31, 2017
(Unaudited)

	Tecogen Inc. Historical	Dispositions of Assets	Pro Forma
Net sales and gross revenues	$ 33,202,666	$ (1,707,016)	$ 31,495,650
Cost and expenses applicable to sales and revenues	20,248,262	(1,094,566)	19,153,696
Gross profit	12,954,404	(612,450)	12,341,954
Selling, general and administrative expenses	11,792,323	—	11,792,323
Research and development	936,929	—	936,929
Income (loss) from operations	225,152	(612,450)	(387,298)
Interest and other income	27,626	—	27,626
Interest expense	(155,082)	—	(155,082)
Income (loss) from continuing operations before income taxes	97,696	(612,450)	(514,754)
Provision for income taxes on continuing operations	—	—	—
Net income (loss) from continuing operations	97,696	(612,450)	(514,754)
Income attributable to the noncontrolling interest	(50,260)	—	(50,260)
Net income (loss) attributable Tecogen Inc. shareholders	$ 47,436	$ (612,450)	$ (565,014)
Per common share data:			
Net income (loss) per share - basic	$ —		$ (0.02)
Net income (loss) per share - diluted	$ —		$ (0.02)
Weighted average shares outstanding - basic	23,171,033		23,171,033
Weighted average shares outstanding - diluted	23,342,627		23,171,033

The accompanying notes are an integral part of the unaudited pro forma condensed consolidated financial statements.

Exhibit 99.02 - Pro Forma Financials

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. PRO FORMA ADJUSTMENTS TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(a) Adjustment to reflect the receipt of cash consideration of $2.0 and $5.0 million, respectively, from the sales of the Company's interests in two and six agreements, respectively, and associated assets (collectively "the assets") relating to the generation and sale of energy to an unrelated third party.

(b) Adjustment to derecognize the carrying value of the assets sold.

(c) Adjustment to recognize liability for costs related to assets sold which were incurred subsequent to September 30, 2018.

(d) Adjustment for estimated gain on the sales. The amount of the actual gain will be calculated based on the carrying value of the assets as of the closing of the transactions and therefore differ from the estimate which employs the carrying values as of September 30, 2018.