



(435) 669-9225
784 S River Road #348
St. George, Utah 84790
www.northstartaxservices.com

9/24/2014

Mr. Sukhbir Sohi, Revenue Agent
Internal Revenue Service
3251 North Evergreen Drive
Grand Rapids, MI 49525

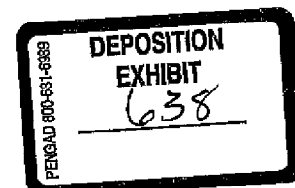
RECEIVED
SEP 29 2014
IRS GROUP 1014

RE: Ryan Cook SS# XXX-XX-1196
Tax Year 2012

Dear Mr. Sohi,

This letter is in response to the Form 4564 Information Document Request that Mr. Cook received concerning the above tax year. The documents requested are attached and an explanation is attached for your review.

First let me state that the taxpayer did not purchase a solar system. He purchased solar lenses and is in the business of leasing tangible personal property. These lenses are used to product heat. This heat can be used for many different purposes. As an example to heat a greenhouse, to heat a commercial building, to produce steam that gives pure drinking water in areas that need clean water and that steam can also be used in a steam turbine engine which can be used in a manufacturing facility for the production of items or it can be used for the production of electricity. The lenses that the taxpayer purchased do qualify for the energy credits as per IRC Section 48; also see IRS Form 3468, Line 12-b and the instructions for that form.



Attachment 1 (1 page) is a copy of the purchase invoice for the solar lenses.

Attachment 2 (2 pages) is a copy of the checks used to pay for the solar lenses.

Check #1 dated 12/29/2012 for \$10,500

Check # 1044 dated 7/06/2013 for \$62,500

Check # 9010 dated 7/08/2013 for \$16,000

Check # 9011 dated 7/09/2013 for \$16,000

Total \$105,000

Attachment 3 (8 pages) is a copy of the purchase contract (RaPower 3 Equipment Purchase Agreement) for the solar lenses.

Attachment 4 (14 pages) is a copy of the Operation Agreement that shows the company LTB, LLC that leased the solar lens and placed them in service. The question about where the lenses are installed will require requesting information from LTB, LLC. But because they are leased tangible personal property the company that leased the lenses can use them for many different purposes. Also the installed question has no relationship or bearing on the lease of the lenses. The dictionary defines "installed" as "place or fix in position ready for use". This is a matter for LTB, LLC. The written documentation concerning use of the lenses is included in the purchase contracts which are attached for your review.

Attachment 5 (2 pages) is the placed in service letter. The taxpayer is allowed the deduction for depreciation of the lenses placed in service. This item is allowed under IRC Section 162 as an ordinary and necessary business expense based on the taxpayer's personal property leasing business. Also see IRC Section 48(a)(3)(A)(i) that clearly shows that 85% of the total cost of the solar lens is eligible for the bonus depreciation (as per the Tax Relief, Unemployment Insurance Re-Authorization, and Job Creation Act of 2010 Public Law 111-312). The taxpayer is also allowed the energy credit for the lenses placed in service. The taxpayer is allowed the items based on Treasury Regulation 1.46-3(d)(2) that states in part: "in the case of property acquired by the taxpayer for use in his trade or business (or for the production of income), the following are examples of cases where property shall be considered in a condition or state of readiness and

availability for a specifically designed function: (i) Parts are acquired and set aside during the taxable year for use as replacements for a particular machine or machines in order to avoid operational time loss. Also (iii) Equipment is acquired for a specifically assigned function and is operational but is undergoing testing to eliminate any defects. Also Treasury Regulation Section 1.167(a)-11(e)(1)(i) states in part "Property is first placed in service when first placed in a condition or state of readiness and availability for a specifically assigned function". The taxpayer's purchase and rental of the solar lenses does meet these requirements.

The letter clearly states that the lenses were placed in service and are being used by the company they were rented to. As a matter of fact I have been to the site and have seen the home that is currently being powered by the lenses in the testing of the units. **Attached** (attachment 6 -3 pages) are pictures of the home that I took on site when I was there. In addition to that the company has always been in compliance with all the Millard County regulatory equipments at the research and development site, proving the lenses are placed in service. The company also has their business license and all conditional use permits required to operate the site in the City of Delta, Millard County, Utah.

The Emergency Economic Stabilization Act of 2008, HR 1424 Public Law 110-343 (Division B), includes a number of provisions supporting renewable energy, including solar. This law also includes commercial and residential solar investment tax credit (ITC), and allows utilities and alternative minimum tax (AMT) filers to take the credit as per IRC Section 196(c). Along with the IRC §48(a) (3) (A) investment tax credit, solar property also qualifies for accelerated depreciation through Dec. 31, 2016. The United States Congress implemented those laws with the intent that taxpayer's would be encouraged to invest in renewable energy sources. As long as the taxpayer materially participates in a business activity (IRC §469(h) (1)), then the taxpayer may deduct the losses from such activity. Because the business that Mr. Cook is engaged in is the rental of tangible personal property reported on his Schedule C (as per several court cases) then the question of material participation (Treasury Regulation Section 1.469-5T(a) that states "The taxpayer does substantially all the work in the activity") is not a question that applies. The taxpayer meets all the requirements of the law allowing them to claim the credits and the depreciation on their tax returns.

Treasury Regulation Section 1.469-5T(a) which states very clearly that the taxpayer only needs to meet one of the 7 tests in this regulation. Test #2 states "The taxpayer does substantially all the work in the activity". Simply stated because the taxpayer does all the work in his business of leasing tangible personal property (the solar lenses) the income or loss will be non-passive. There is no specific number of hours associated with this test. In addition, the term "substantially" is not defined in the regulations.

The following court cases reinforce the requirement of reporting the income and expenses on a Schedule C or C-EZ for the business of renting tangible personal property. See *Stevenson v. Commissioner* 57 T.C.M. 1032 (1989) and *Walker v. Commissioner* 101 T.C. 537 (1993).

Therefore, the taxpayer is currently engaged in a business activity and entitled to all normal business deductions as per IRC Section 162. There are several court cases stating that losses under IRC Section 162 are allowed by the taxpayer in this circumstance. See *Storey v. Commissioner*, TC Memo 2012-115 (4/19/2012), and *Mullins v. U.S.*, Cite as 94 AFTR 2d 2004-5389 (334 F. Supp. 2d 1042), 07/14/2004, also *Holmes v. Comm.*, Cite as 83 AFTR 2d 99-2987 (184 F. 3d 536), 07/01/1999, also *Freddie Stromatt, et ux. V. Commissioner*, TC Summary Opinion 2011-42, also *John E. Morrissey, et ux. V. Commissioner*, TC Summary Opinion 2005-86, and *N. Joseph Calarco v. Commissioner*, TC Summery Opinion 2004-94.

Attachment 7 (5 pages) is a copy of the Millard County, Utah Conditional Use Permit for the solar plant located in Delta Utah. We would like to restate that the taxpayer is not in the solar energy business but in the business of renting tangible personal property the solar lenses.

There is one other item we would like to review. That is the question of a profit motive. The profit motive is very straight forward as stated earlier and in the attached letter. By leasing the lenses to LTB LLC the taxpayer will generate income to recover his investment over a period of time. This profit motive clearly meets the requirements of Treasury Regulation Section 1.183-2(a). If for no other reason than the increase in the value of the assets purchased. The major profit motive is the projected bonus payments for the use of the lenses. Based on the taxpayer's

investment the bonus could be as high as \$200,000 over a short period of time. The taxpayer did report income from the lenses of \$10,557 (reported to him on Form 1099-Misc box 7) on his 2013 Federal Income Tax return

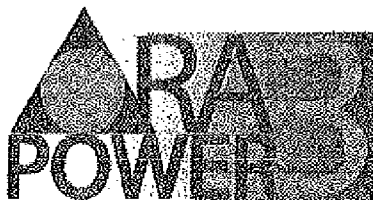
Therefore, we request that the return be accepted as filed.

Thank You,

A handwritten signature in black ink, appearing to read "Richard Jameson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Richard Jameson MST, MGFE, EA

Cc: Ryan Cook



Invoice

Purchase Date: 12/29/2012 12:15:32 PM

RaPower3 LLC
4035 South 4000 West
Deseret, UT. 84624

TO: COOK AES, LLC
2608 SHAGBARK SE
GRAND RAPIDS, MI, 49546

Order Information

Order ID:	1714-2703-122920121215		
Units Purchased	Description	Down Payment	Full Unit Price
100	600 Watt Solar Thermal Lens	\$105,000.00	\$300,000.00

Order Payments

Payment Date	Payment Type	Payment Received	Payment Amount
1/4/2013	Check	Yes	\$105,000.00
7/12/2013	Check	Yes	\$94,500.00
7/12/2013	Check	Yes	\$32,000.00
7/15/2013	Check	Yes	\$16,000.00

Received Payment Count: 1
Amount Paid: \$105,000.00

(Does not reflect pending payments) Balance: \$0.00

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SEP 29 2014

MRS GROUP 1313

ATTACHMENT 1 pg 1

RaPower3, LLC
4035 South 4000 West
Deseret, UT 84624

RECEIVED
SEP 29 2014
IRS GROUP 1313

Good Morning Ryan,

I have received 2 checks. In your personal check there was a note stating that you would have a check for \$32,000.00 from Fifth Third Bank to pay off the 100 lenses.

I did receive a check from the bank in the amount of \$16,000.00 on the memo it said Balance for 100 lenses.

Is there another check coming for \$16,000.00?

3rd Print comp, Q2

1714-2703-122930121215

9/30/13 1044

Date 7/6/13

Ryan Cook
2608 Shugbark SE
Grand Rapids, MI 49546
616-822-2049

Pay to the order of RaPower3 \$62,500

Sixty two thousand five hundred 00/100

JPMORGAN CHASE BANK, N.A.

Memo 100 lenses

[Signature]

1044

3rd Print comp, Q2

Please Post to Account: 0010092284

RYAN D COOK
2608 SHUGBARK AVE SE
GRAND RAPIDS, MI 49546

FIFTH THIRD BANK
CINCINNATI, OH

74 3 724 9010

July 8, 2013

PAY Sixteen Thousand and 00/100 Dollars

TO THE ORDER OF: #CSP010008F6C3BE# 42404031
RAPOWER 3
4035 S 4000 W
DESERET UT 84624-7989

1714-2703-122930121216

Memo: BALANCE FOR 100 LENSES

*****16000.00

VOID IN DAYS AFTER ISSUE

SIGNATURE ON FILE

This check has been authorized by your depositor.

11 90 60 11

ATTACHMENT 2 Pg 2



RaPower-3 Equipment Purchase Agreement

RECEIVED
SEP 29 2014
IRS GROUP 1318

This Equipment Purchase Agreement (the "Agreement") is entered into this day

12/29/2012 12:15:32 PM

by and between RaPower-3 LLC (the "Operator"), with principal offices at 4035 South 4000 West, Deseret, UT 84624, hereinafter referred to as "Seller", and

RYAN COOK

whose address is 2608 Shagbark SE Grand Rapids, MI. Kent 49546

hereinafter referred to as "Purchaser".

BACKGROUND

1. Seller is the licensee of certain proprietary alternative energy technology, which technology relates to solar energy collection and which technology is utilized for the design and fabrication of certain components which are identified below and which are hereinafter collectively referred to as the "Alternative Energy System(s)".
2. Seller and Purchaser now desire to enter into an agreement whereby Seller will sell Purchaser the Alternative Energy System specifically described below.

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

1. Systems Purchased. Seller hereby sells to Purchaser and Purchaser hereby purchases from Seller the Alternative Energy System(s). The number of Alternative Energy Systems purchased by Purchaser from Seller under this Agreement shall be

100

Seller shall furnish, deliver, install and startup the Alternative Energy System(s), at a site yet to be determined. When a site is selected, it shall be referred to as the "Installation Site".

2. **Documentation for Potential Tax Benefits.** Seller shall provide to Purchaser all required documentation relating to the Alternative Energy System and its components as requested by Purchaser for federal, state and local review of the Alternative Energy System for

ATTACHMENT 3 Pg 1 of 8



RaPower-3 Equipment Purchase Agreement

potential tax benefits. However, Purchaser hereby expressly acknowledges that neither Seller nor any other person or entity affiliated with Seller has made representations to Purchaser regarding potential tax benefits of this Agreement to Purchaser and Purchaser has relied entirely on hi/her own analysis of potential tax benefits. Purchaser hereby waives any and all claims against Seller and its employees, agents, officers, affiliates and representatives relating to Purchaser's failure to receive any anticipated tax benefit.

3. Payment Terms. Purchaser shall pay to Seller the sum of \$3,500 for each Alternative Energy System purchased, hereinafter referred to as the "Purchase Amount" for the purchase of the Alternative Energy System. This includes the cost of delivery, installation and startup, as well as the cost of warranty work performed during the warranty period described below. The Total Purchase Amount shall be paid in accordance with the following schedule:

Option 1:

Initial Down Payment in the amount of \$1,050 (one thousand fifty dollars) for each Alternative Energy System purchased, which shall be paid at the time this agreement is entered into.

Option 2:

Initial Down Payment in the amount of \$1,050 (one thousand fifty dollars) for each Alternative Energy System purchased, which shall be paid with a one-time payment of \$105 (equal to 10% of the down payment) at the time this Agreement is entered into. The balance of \$945 for each Alternative Energy System is to be paid on or before June 30, 2012.

Option 3:

Initial Down Payment in the amount of \$1200 (One Thousand Two Hundred Dollars) for each Alternative Energy Systems purchased, which shall be paid in monthly installments of \$100 (One Hundred Dollars) per system purchased.

The Installation Date shall be defined as the date the Alternative Energy Equipment has been installed and begins to produce revenue. After the Alternative Energy Equipment has been installed and producing revenue for a five (5) year period, annual payments will begin. The annual payment will be as follows. Thirty Annual Installments in the amount of \$82.00 (Eighty-two dollars) for each Alternative Energy System purchased, hereinafter referred to as "Annual Installments," shall be paid to Seller, the first Installment being due five years following the Installation Date and the last Installment being due Twenty-Nine years thereafter,

ATTACHMENT 3 PG 2 OF 8



RaPower-3 Equipment Purchase Agreement

the Thirty-Five year period from the Installation Date to a date one year following the due date of the last Installment, shall be referred to hereinafter as the "Installment Period" and the schedule of Installment payments shall be referred to hereafter as the "Installment Schedule."

4. Operations and Management Company. The Alternative Energy System shall be placed in operation only at and operated only at the Installation Site, and shall be operated and managed for the Installment Period by an independent Operations and Management Company hereinafter referred to as "Operations and Management Company". In the event that Operations and Management Company shall cease to operate and manage the Alternative Energy System for any reason during the Installment Period, a Substitute Operations and Management Company approved by Buyer shall be employed to operate and manage the Alternative Energy System. The Substitute Operations and Management Company must be expressly approved by Buyer.

5. Failure to Pay. In the event that Purchaser fails to pay any of the Annual Installments or any portion thereof, when due, interest shall accrue on the overdue amount at the rate of one and one-half percent (1-1/2%) per month until paid. If Purchaser fails to pay any Annual Installment or any portion thereof when due or within a thirty (30) day grace period thereafter, Seller may immediately, upon written notice to Purchaser, enter the Installation Site and repossess the Alternative Energy System and any and all of the components thereof. In such event, Seller shall be entitled to recover its attorney fees, court costs, arbitration costs, collection costs, repossession fees and expenses incurred in repossessing the Alternative Energy System and any components thereof. In the event that Purchaser voluntarily relinquishes the Alternative Energy System to Seller, and thereby minimizes the expense to Seller in repossessing the Alternative Energy System, Seller agrees not to report Purchaser to any credit agencies for Purchaser's default, and Purchaser shall receive a credit against the balance owed under the Installment Schedule in an amount equal to the value of the Alternative Energy System as established by an independent, qualified appraiser approved by Purchaser and Seller. The credit for the value of the Alternative Energy System shall be given if Purchaser voluntarily relinquishes the Alternative Energy System, whether the Alternative Energy System is re-sold by Seller or not.

6. Seller's Rights upon Default. If Purchaser fails to pay any Annual Installment or any portion thereof when due or within the thirty (30) days grace period thereafter, or if Purchaser becomes subject to any state or federal insolvency, bankruptcy, receivership, trusteeship or similar proceeding, or if Purchaser shall default in any other term of this Agreement, Seller may immediately terminate this Agreement by notice in writing to Purchaser and repossess the Alternative Energy System and all of the components thereof as stated above. In such event, Purchaser shall remain liable for all sums then due and unpaid, less the credit for the value of the repossessed Alternative Energy System as described above, plus a reasonable amount for attorneys' fees and such expenses as may be expended in the repossession of the

ATTACHMENT 3 pg 3 of 8



RaPower-3 Equipment Purchase Agreement

Alternative Energy System.

7. Right to Reduce Purchase Amount. If changes are made to the Internal Revenue Code after the date of this Agreement and prior to January 31, 2012, which materially reduce any tax benefit of this agreement anticipated by the Purchaser, Purchaser may elect to reduce the number of Alternative Energy Systems purchased and the Seller agrees to accept the reduced amount, provided that the reduced amount is not less than the total amount already paid as a down payment or one-time payment. Any notice stating that Buyer wishes to elect a reduction must be emailed (with confirmation of delivery) or must arrive to the Seller via hand delivery, as set forth in this paragraph, on or before Jan 31, 2012.

8. Warranty. Seller hereby warrants, for the thirty five (35) year period from the Installation Date to the end of the Installment Period, hereinafter referred to as the "Warranty Period" that the Alternative Energy System shall remain in good operating condition. Seller shall initiate, within five (5) business days following the receipt of written notice that the Alternative Energy System is not operating properly or is not in good operating condition, either directly or through the use of one or more independent maintenance or repair entities, maintenance or repair of the malfunctioning or non-operating components of the Alternative Energy System. Seller shall complete such maintenance or repair work within a reasonable time thereafter. Seller shall be responsible for all material, equipment and labor costs incurred to complete such maintenance and repair work. Seller shall not be responsible for or liable for loss of revenue or other consequential damages sustained by Purchaser due to the failure of the Alternative Energy System to remain in good operating condition. Seller's obligations shall be limited to the maintenance and repair obligations stated herein.

9. Seller's Warranty Obligations. Seller hereby warrants, for the thirty five (35) year Warranty Period, the Alternative Energy System and each of the components thereof, from defects in materials and workmanship. Within five (5) business days following the receipt of written notice from Purchaser, Seller shall initiate reasonable efforts to ascertain repair or replacement requirements, to order replacement parts and equipment needed for repair, and to deploy qualified maintenance personnel. The cost of warranty parts, replacement equipment and labor shall be borne by Seller. Seller shall not be responsible for or liable for loss of revenue or other consequential damages sustained by Purchaser due to defects in materials or workmanship. Seller's obligations shall be limited to the parts, equipment replacement, and repair obligations stated herein.

10. Target Production Rate. Seller and Purchaser acknowledge that the Target Production Rate from one Alternative Energy System is 600 peak watts, rated for clear sky conditions at noon, local time, June 21, at a latitude of forty degrees (40 degrees) North (the "Rating Conditions"), and the Warranty Production Rate is ninety-five percent (95%) of the Target Production Rate. Seller hereby warrants that for the initial five year period from the Installation Date to a date five years following the Installation Date, the Warranty Energy

ATTACHMENT 3 Pg 4 OF 8



RaPower-3 Equipment Purchase Agreement

Production for the Alternative Energy system, shall be no less than 570 peak watts, at the Rating Conditions.

In the event that the actual peak energy production, at the Rating Conditions, from the Alternative Energy System during the initial five year period is less than the Warranty Energy Production, Purchaser shall have the option to terminate this Agreement and relinquish the Alternative Energy System to Seller. Purchaser shall thereafter have no further obligation under this Agreement to make any further payment or to perform any other obligation to Seller arising under this Agreement, except to cooperate with and assist Seller in obtaining possession of the Alternative Energy System. If Purchaser elects to terminate this Agreement as provided above, Purchaser shall not be entitled to a reimbursement of any portion of the Initial Down Payment. The foregoing option to terminate must be exercised within sixty (60) calendar days following the expiration of the initial five year period and must be exercised by Purchaser providing written notice to Seller.

11. Waiver for Delays. Purchaser hereby waives any and all claims against Seller for delays, including but not limited to claims for damages due to delays in preparing plans; delays in applying for or obtaining approvals or permits; delays in the delivery, installation, or start-up; or delays in performing warranty work. This waiver includes any and all direct, indirect or consequential damages.

12. Limitation of Liability. Neither of the parties shall have liability for consequential damages to the other arising out of this agreement or the transactions, events or occurrences related thereto and each hereby waives any and all such claims for consequential damages against the other. Seller's liability for any breach under this agreement shall be limited to any amounts actually paid by Purchaser and received by Seller under this Agreement.

13. Property Insurance. Purchaser agrees to require Operations and Management Company to maintain property damage insurance on the Alternative Energy System.

14. Liability Insurance. Purchaser agrees to require Operations and Management Company to maintain liability insurance to insure against bodily injury, property damage, product liability or other claims related to the design, manufacture, delivery, installation, start-up, operation or maintenance of the Alternative Energy System.

15. Assignment of Agreement. This Agreement shall not be assigned by Purchaser without the express written consent of Seller. Seller may assign its rights and obligations under this Agreement but Seller shall remain liable to Purchaser for the failure of its assignee to perform the obligations of Seller under this Agreement.

16. Binding Agreement. This Agreement shall be binding upon the successors and assigns of each of the parties.

17. No Additional Warranties. Seller makes no representations or warranties,

ATTACHMENT 3 pg 5 of 8



RaPower-3 Equipment Purchase Agreement

expressed or implied, including the implied warranty of merchantability and fitness, except as expressly stated in this Agreement.

18. Authorized Personnel. Purchaser shall not repair, modify or adjust the Alternative Energy System or any component thereof and Purchaser agrees to prohibit anyone other than Seller's authorized personnel to repair, modify or adjust the Alternative Energy System or any component thereof.

19. Notification to Seller. Purchaser shall notify Seller immediately of accidents, disabilities, failures or like information concerning the Alternative Energy System.

20. Warranty Limitations. In the event the Alternative Energy System becomes inoperable for any reason, except as otherwise provided under the warranty during the Warranty Period, Seller shall not be obligated to furnish a substitute Alternative Energy System or any component thereof. In any event, Seller shall not be liable for any special or consequential damages of any nature resulting from such inoperability.

21. Operating Site and Guidelines. Purchaser agrees that the Alternative Energy System shall be used and operated only at the Installation Site and in accordance with the "Safety and Operating Guidelines" which shall be written and set forth by Seller. Purchaser agrees that the Alternative Energy System shall not be relocated by Purchaser without the written consent of Seller.

22. Written Notice. Any notice under this Agreement shall be deemed sufficient if it is in writing and it is delivered to Purchaser, personally or sent by mail addressed to Purchaser at the address set forth above.

23. Rights, Liens, Title, and Interest. Nothing herein conveys to Purchaser any right, title or interest in or to the Alternative Energy System or any component thereof, except as a Purchaser. Seller reserves the right to file or record such documents and instruments as it may deem necessary from time to time to protect its rights, liens, title and interest in the Alternative Energy System. Purchaser agrees to cooperate with Seller and to execute such documents as may be required or requested by Purchaser to assist Seller in protecting its rights, liens, title and interest in the Alternative Energy System.

24. Breach of Agreement. In the event of the breach of this Agreement by either party, the injured party shall be entitled to recover its costs, attorney fees, arbitration costs and arbitration fees incurred in enforcing the agreement and in pursuing appropriate remedies.

25. Potential Tax Benefits Responsibility of Purchaser. Seller and Purchaser acknowledge that they each understand that the Alternative Energy System may qualify for certain tax incentives and benefits under the 2005 Energy Policy Act and other statutes. Purchaser agrees to obtain the evaluation and opinion of its own tax attorney or accountant as to

ATTACHMENT 3 pg 6 of 8



RaPower-3 Equipment Purchase Agreement

any tax matters relating to this Agreement and to the Alternative Energy System. Seller does not guarantee any tax incentive or benefit to Purchaser. Seller hereby transfers to Purchaser any and all energy tax credits, if any, related to the Alternative Energy System. Seller shall not claim any such energy tax credits. Seller and Purchaser agree to the respective initial values of the components of the Alternative Energy System.

26. Dispute Resolution. In the event of a dispute arising out of this Agreement or the transactions, events or occurrences related thereto, Seller shall have the sole option of electing to have such disputes resolved by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association with all hearings and other proceedings in that arbitration being conducted in Salt Lake City, State of Utah. Seller shall have the right to elect arbitration at any time up to and including the time that either party files an Answer in pending litigation between the parties relating to such disputes.

27. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Utah.

28. Entire Agreement. This is the entire agreement between the parties. This agreement shall not be modified except by written amendment signed by Purchaser and Seller.

ATTACHMENT 3 Pg 7 of 8



RaPower-3 Equipment Purchase Agreement

29. Right of Revocation. Purchaser understands and acknowledges that s/he may revoke this Agreement for a period of up to 14 days after s/he signs it and delivers payment (counting the day it was signed and/or payment received) and that the Agreement will not become effective or enforceable until the 14-day revocation period has expired. To revoke this Agreement, Purchaser must give written notice stating that s/he wishes to revoke to the Seller's authorized sales representative or to the Seller via email to "cancel@rapower-3.com <<mailto:cancel@rapower-3.com>>". Any notice stating that Purchaser wishes to revoke this Agreement must be emailed (with confirmation of delivery) or must arrive to the Seller via hand delivery, as set forth in this paragraph, on or before the expiration of the 14-day revocation period.

RYAN COOK

Signature

98.209.25.238

IP Digital Signal

Seller

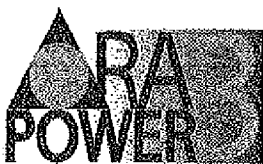
By: Neldon Johnson - RaPower-3

Neldon Johnson - Director

12/29/2012 12:15:32 PM

Signature

ATTACHMENT 3 pg 8 OF 8



RECEIVED
SEP 29 2014
IRS GROUP 1312

OPERATION AND MAINTENANCE AGREEMENT

Alternative Energy Systems

This Operation and Maintenance Agreement (the "Agreement") is entered into this day 12/29/2012 12:15:32 PM (the "Effective Date") by and between LTB, LLC (the "Operator"), a Nevada Limited Liability Company with principal offices at 3838 Raymert Drive, Suite #10, Las Vegas, Nevada 89121, and **RYAN COOK** whose address is 2608 Shagbark SE Grand Rapids, MI, Kent 49546 (the "Owner").

RECITALS

WHEREAS pursuant to an Equipment Purchase Agreement (the "Purchase Agreement") between the Owner and RaPower-3, LLC ("RaPower"), a copy of which is attached as Attachment A, the Owner has purchased certain solar thermal energy equipment which consists of 100

(the "Number of Owner's Alternative Energy Systems") Alternative Energy Systems (the "Owner's Alternative Energy Systems") which are particularly described in the Purchase Agreement that will be installed at a Power Plant and/or other facilities hereafter associated therewith (collectively, the "Project") at a location designated by the Equipment Purchase Agreement (the "Installation Site").

WHEREAS, the Owner desires to rent to Operator and Operator desires to rent from Owner, the Owner's Alternate Energy Systems.

WHEREAS, the Owner desires to contract with the Operator for Operator to provide operation and maintenance services in respect of the Project.

WHEREAS, the Operator, at the Operator's sole discretion, may also be operating and maintaining solar thermal energy equipment other than the Alternative Energy System of the Owner, at the Installation Site.

WHEREAS, the Operator is willing to provide such services on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and

ATTACHMENT 4 pg 1 of 14



for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1

DEFINITIONS

1.1 **Alternative Energy System.** Solar energy concentrator system.

1.2 **Imbedded Definitions.** The definitions of other key terms are as stated in the text of this Agreement.

ARTICLE 2

OPERATOR SCOPE OF WORK

2.1 Appointment.

The Owner appoints the Operator and the Operator accepts the appointment to perform the following services subject to and in accordance with the provisions of this Agreement (collectively, the "Work"):

2.1.1 Routine O&M Services;

2.1.2 Additional Services; and

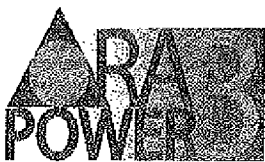
2.1.3 Transition Services.

2.2 Effective Date.

The Operator shall begin performing the Work on the date the Owner's Alternative Energy Systems are installed at the Installation Site (the "Effective Date").

2.3 Operation and Maintenance Services.

ATTACHMENT 4 pg 2 OF 14



The Operator will perform the Work in accordance with the standard of a reasonable and prudent operator in the state wherein the Installation Site is located and in compliance with the Safety and Operating Guidelines ("Guidelines") provided by RaPower to Operator, except to the extent that a reasonable and prudent operator would be unable, or would be hindered in its ability, to perform such obligations. Operator and Owner agree that RaPower may modify or amend the Guidelines from time to time in the sole discretion of RaPower. The Guidelines, as amended and modified hereafter in the sole discretion of RaPower, are hereby incorporated by reference into this Agreement and Operator and Owner hereby agree to be bound thereby.

2.4 Appointment of Liaison.

The Operator may appoint a representative who will represent the Operator under this Agreement and be responsible for receiving approvals or instructions from the Owner that may be required from time to time. The Owner shall be entitled to rely on the actions of such representative for the purposes of this Agreement.

2.5 Governmental Approvals.

The Operator shall apply for and use reasonable efforts to obtain and maintain all Governmental Approvals that are required to be in the Operator's name and that are necessary for the Operator to perform its obligations under this Agreement. The Operator shall assist the Owner, to the extent reasonably necessary, in obtaining Governmental Approvals that the Owner is required to obtain pursuant to Article 3.

2.6 Work Force.

The Operator is responsible for hiring, employing, training and managing, and additionally, in respect of employees employed by Affiliates of the Operator, overseeing the work force necessary to operate, maintain and repair the Project in accordance with this Agreement.

2.7 Access.

ATTACHMENT 4 Pg 3 OF 14



The Operator shall at all times provide access to the areas of the Project to the designated representatives of the Owner, provided that such access is in compliance with the Equipment Purchase Agreement and is coordinated with the Operator to ensure that it does not unreasonably interrupt or interfere with the performance of the Work or the safe operation of the Project and is at the sole risk and expense of the Owner, as applicable.

2.8 Legal Requirements.

The Operator shall comply in all material respects with all applicable law in the performance of the Work.

2.9 Property Tax.

The Operator shall comply with and pay all property tax on the Alternate Energy Systems.

ARTICLE 3

OWNER SCOPE OF RESPONSIBILITIES

3.1 Delivery of the Project.

Once this Agreement becomes effective, the Owner shall grant the Operator and its designated and identified Affiliates, employees, agents and representatives, access to the Installation Site and the Project, as are necessary or desirable for the Operator to carry out the Work and to comply with the Operator's obligations hereunder.

3.2 Appointment of Liaison.

The Owner may appoint a representative who will represent the Owner under this Agreement and be responsible for giving approvals or instructions to the Operator that may be required from time to time. The Operator shall be entitled to rely on the approvals or instructions of such representative.

3.3 Governmental Approvals.

The Owner shall apply for and use reasonable efforts to obtain and maintain all Governmental Approvals that are required to be in the Owner's name and that are necessary for the Owner to perform its obligations

ATTACHMENT 4 pg 4 of 14



under this Agreement. The Owner shall assist the Operator; to the extent reasonably necessary, in obtaining Governmental Approvals that the Operator is required to obtain pursuant to Article 2.

3.4 Compliance with Applicable Law.

The Owner shall comply in all material respects with all applicable law in connection with the performance of this Agreement.

ARTICLE 4

SAFETY AND OPERATING GUIDELINES

4.1 Safety and Operating Guidelines.

Pursuant to the Equipment Purchase Agreement between the Owner and RaPower, RaPower has provided Safety and Operating Guidelines ("Guidelines") for operating and maintaining the Project, which Guidelines include but are not limited to a description of the services to be provided by Operator to Owner. The services are categorized by the Guidelines into Routine O&M Services, Additional Services, and Transition Services. The Guidelines written and set forth by RaPower are subject to modification or amendment by RaPower without prior notice, in the sole discretion of RaPower. Operator shall perform the Work in accordance with and in full compliance with the Guidelines, as modified or amended by RaPower from time to time, which Guidelines are incorporated by reference into this Agreement.

4.2 Health, Environmental and Safety Standards.

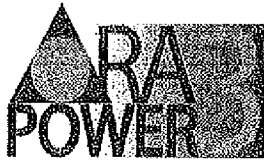
The Operator agrees that the Project shall be operated in compliance with all applicable laws and with the OSHA Standards and that the Operator shall not be obligated to perform the Work in a manner that does not meet the OSHA Standards or that would violate applicable law.

ARTICLE 5

COMPENSATION AND PAYMENT

5.1 Owner's Alternative Energy System(s) Production.

ATTACHMENT 4 pg 5 OF 14



In consideration for the performance by Operator of the services set forth in this Agreement, from the Effective Date of this Agreement until the Date of Termination of this Agreement as provided below, as for so long as Operator is in possession and control of the Project, Operator shall be entitled to receive all revenue from the use or sale of thermal energy or electric power generating using the Alternative Energy Systems.

5.2 Rental payment.

Once the Owner's Alternative Energy System(s) are installed and producing revenue, then at the end of each quarter a rental payment will be due and owing from Operator to Owner. The Operator shall send to Owner, on a quarterly basis, the rental payment by check or wire transfer to an account specified by Owner. The rental payment from Operator to Owner will culminate into an annual payment equal to \$150 (One Hundred Fifty Dollars) per Alternative Energy System. All Payments shall be in dollars unless otherwise agreed. Each Payment shall be delivered to Owner within thirty calendar days following the end of the quarter.

5.3 Late Payments.

Late payments under this Agreement shall bear interest at a rate calculated from day to day on the basis of a 360 day year equal to one percent per annum above the Discount Rate. The payment of interest shall not excuse or cure any late payment hereunder.

5.4 Lease of Structural Components

Operator will provide a structure that holds the Owner's Alternative Energy Systems and a receiver to collect the energy from the Owner's Alternative Energy Systems. The Operator has agreed to lease space on the structure to the Owner, at \$1.00 per year per Alternative Energy System for ninety-nine years or until the Owner of the Alternative Energy Systems chooses to move the Alternative Energy Systems to another location.

ARTICLE 6

INDEMNIFICATION

ATTACHMENT 4 pg 6 OF 14



6.1 Scope of Indemnification.

(a) The Owner shall indemnify, defend and hold harmless the Operator, its Affiliates and its and their respective directors, officers, employees and agents ("**Operator Indemnified Persons**") from and against any liability, loss, damage, claim, cost, charge or expense of any kind or nature, including reasonable attorneys' fees, expenses and other costs of litigation (collectively, "**Damages**") incurred by any Operator Indemnified Person in connection with (i) injury to or death of any person or damage to property (including the Project and any facilities related to the Project) and (ii) any claims by third parties, in each case, as a result of or otherwise relating to (A) the breach by the Owner of any of its obligations under this Agreement, (B) the gross negligence or willful misconduct of the Owner, its Affiliates and its and their respective directors, officers, employees and agents, or (C) the Project; provided that the Owner shall not be liable to indemnify any such Operator Indemnified Person for any Damages to the extent that such Damages are to be indemnified by the Operator pursuant to Section 6.1(b)(ii) or are the result of the gross negligence or willful misconduct of the Operator or, in respect of any such Operator Indemnified Person, such Operator Indemnified Person.

(b) Subject to the limitation of liability under Article 10, the Operator shall indemnify, defend and hold harmless the Owner, its Affiliates and its and their respective directors, officers, employees and agents ("**Owner Indemnified Persons**") from and against any Damages incurred by any Owner indemnified Person in connection with (i) injury to or death of any person or damage to property (including the Project and any facilities related to the Project) and (ii) any claims by third parties, in each case, as a result of (A) the breach by the Operator of any of its obligations under this Agreement or (B) the gross negligence or willful misconduct of the Operator, its Affiliates and its and their respective directors, officers, employees and agents; provided that the Operator shall not be liable to indemnify any such Owner Indemnified Person to the extent Damages are the result of the gross negligence or willful misconduct of the Owner or any such Owner Indemnified Person or the breach by the Owner of any of its obligations under this Agreement.

6.2 Limitation of Liability.

The limitation of liability under Article 10 shall not apply to or include the amount of insurance proceeds received by the Operator under insurance obtained in accordance with this Agreement other than insurance obtained and paid by the Operator unless the amount paid by the Operator is reimbursed by the Owner hereunder.

ATTACHMENT 4 pg 7 of 14



6.3 No Effect on Insurers.

The provisions of this Article 6 will not be construed to relieve any insurer of its obligations to pay any insurance claims in accordance with the provisions of any valid insurance Policy.

6.4 Gross Negligence.

No Party shall have its liability limited hereunder for its own gross negligence or willful misconduct.

6.5 Survival.

The Parties' obligations under this Article 6 survive any termination of this Agreement.

ARTICLE 7

INSURANCE

7.1 Insurance Required of the Operator.

The Operator shall procure and maintain the insurance listed below:

- (a) Workers' compensation insurance, or the equivalent, as required by law.
- (b) Comprehensive general liability coverage, or the equivalent, including bodily injury and physical damage, with a per occurrence limit of US\$1,000,000.00.

ARTICLE 8

FORCE MAJEURE

8.1 Event of Force Majeure.

Any failure by the Operator or the Owner to carry out any of its obligations under this Agreement will not be deemed a breach of contract or default, other than obligations to pay monies due and payable pursuant to this Agreement, if such failure is caused by an Event of Force Majeure, that Party having taken all

ATTACHMENT 4 Pg 8 OF 14



appropriate precautions, due care and reasonable alternative measures with the objective of avoiding such failure and of carrying out its obligations under this Agreement. If any activity is delayed, curtailed or prevented by an Event of Force Majeure, then, anything in this Agreement to the contrary notwithstanding, the time for carrying out the activity thereby affected and the term of this Agreement will each be extended for a period equal to the total of the periods during which such causes or their effects were operative, and for such further periods, if any, as are necessary to make good the time lost as a result of such Event of Force Majeure.

8.2 Notice: Cooperation.

The Party whose ability to perform its obligations is affected by an Event of Force Majeure shall notify as soon as practicable the other Party in writing, stating the cause, and the Parties shall endeavor to do all reasonable acts and things within their power to remove such cause. No Party is obligated to resolve or terminate any disagreement with third parties, including labor disputes, except under conditions acceptable to it or pursuant to the final decision of any arbitral, judicial or statutory agent having jurisdiction to finally resolve the disagreement. As to labor disputes, any Party may request the other Party to cooperate in a joint endeavor to alleviate any conflict which may arise.

ARTICLE 9

TERM AND TERMINATION

9.1 Term of Agreement.

This Agreement becomes effective as of the Effective Date and, unless terminated by either Party pursuant to this Article 9, will terminate upon the termination of the Equipment Purchase Agreement.

9.2 Termination by the Owner.

This Agreement may be terminated at any time by the Owner if the Operator breaches any of its material obligations under this Agreement and Operator fails to cure such breach within 90 days of the receipt of written notice from the Owner; provided that the exercise of any termination right to be effective must occur within 90 days after the Owner becomes aware that its termination right exists. The Operator will have the opportunity, within 90 days of receiving notice of the event or breach to cure the event or breach,

ATTACHMENT 4 pg 9 OF 14



or, if such event or breach is not reasonably capable of being cured within such period, to submit to the Owner a plan (an "Operator Remedial Plan") calculated to cure such event or breach within an additional reasonable period of time. The Owner may terminate this Agreement if, having commenced actions to cure the event or breach in accordance with an Operator Remedial Plan, the Operator fails to pursue such actions diligently or is unable to effect a cure within the period contemplated in the Operator Remedial Plan; provided that if the existence of such event or breach is disputed, such termination may occur only following resolution of the dispute regarding the existence or non-existence of a breach. The Date of Termination shall be the date that all conditions and contingencies to termination have been satisfied and the Owner is entitled to terminate this Agreement.

9.3 Termination by the Operator.

This Agreement may be terminated at any time by the Operator if the Owner breaches any of its material obligations under this Agreement, and Owner fails to cure such breach within 90 days of the receipt of written notice from Operator. The Operator shall have the right to immediately suspend performance hereunder in the event of any such default, until the same is cured by the Owner, and the Owner shall have no rights against the Operator in respect of such suspension until the time of such cure. Additionally, the Operator may terminate this Agreement if any change in ownership results in the Operator no longer being an Affiliate of the Owner. The exercise of any termination right to be effective must occur within 90 days after the Operator becomes aware that its termination right exists. The Date of Termination shall be the date that all conditions and contingencies to termination have been satisfied and the Operator is entitled to terminate this Agreement.

9.4 Transition to New Operator.

In the event of any termination under Section 9.2, the Owner may request that the Operator continue to maintain a sufficient number of local and expatriate employees to assist in training a replacement operator and to perform such other transition work as the Owner may reasonably request, and the Operator shall comply with any such request for a period not to exceed three months.

ARTICLE 10

ATTACHMENT 4 Pg 10 OF 14



LIMITATIONS OF LIABILITY

Neither of the parties shall have liability for consequential damages to the other arising out of this agreement or the transactions, events or occurrences related thereto and each hereby waives any and all such claims for consequential damages against the other.

ARTICLE 11

CONSULTATION AND ARBITRATION

11.1 Arbitration.

(a) If any Dispute arising out of this Agreement cannot be resolved by the Parties, then such Dispute shall be resolved by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall be the sole and exclusive forum for resolution of such Dispute, and the award rendered shall be final and binding. Judgment on the award rendered may be entered in any court having jurisdiction thereof.

(b) The arbitration shall be conducted in the English and shall be held in Salt Lake City, Utah.

(c) Any award of the arbitrator(s) (i) shall be in writing, (ii) shall state the reasons upon which such award is based and (iii) may include an award of costs, including reasonable attorneys' fees and disbursements.

(d) The arbitrators shall have no authority to award consequential damages or punitive damages or any other damages not measured by the prevailing Party's actual direct damages, and the arbitrators may not, in any event, make any ruling, finding or award that does not conform to the term and conditions of this Agreement.

(e) Any Party may make an application to the arbitrators seeking injunctive relief to maintain the status quo until such time as the arbitration award is rendered or the dispute, controversy or claim is otherwise resolved. Any Party may also apply to any court having jurisdiction and seek injunctive relief in order to maintain the status quo until such time as the arbitration award is rendered or the dispute, controversy or claim is otherwise resolved. In the course of resolving Disputes, to the extent practicable,

ATTACHMENT 4 pg 11 OF 14



the Parties shall continue to perform the terms and conditions of this Agreement that are not in dispute.

ARTICLE 12

REPRESENTATIONS AND WARRANTIES

12.1 By the Owner.

In order to induce the Operator to enter into this Agreement the Owner makes the following representations and warranties as of the date hereof, which survive the execution and delivery hereof:

- (a) the Owner is an individual having all requisite power and authority to enter into and perform this Agreement;
- (b) the execution, delivery and performance of this Agreement (i) have been duly authorized by all necessary actions on the part of the Owner, and (ii) will not result in any violation of or conflict with or constitute a default under any provision of applicable law or of any judgment, decree or order of a court or Governmental Instrumentality applicable to the Owner or any material agreement or other instrument to which the Owner is a party or by which it is bound, including the Energy Sales Contract; and
- (c) this Agreement constitutes a valid and binding obligation of the Owner.

12.2 By the Operator.

In order to induce the Owner to enter into this Agreement, the Operator makes the following representations and warranties as of the date hereof, which survive the execution and delivery hereof:

- (a) it is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada and has all requisite corporate power and authority to enter into and perform this Agreement;
- (b) the execution, delivery and performance of this Agreement (i) have been duly authorized by all

ATTACHMENT 4 pg 12 OF 14



necessary corporate action on its part and (ii) will not result in any violation of or conflict with or constitute a default under any provision of applicable law or its charter or by-laws or any judgment, decree or order applicable to it or any material agreement or other instrument to which it is a party or by which it is bound; and

(c) this Agreement constitutes a valid and binding obligation of the Operator.

ARTICLE 13

MISCELLANEOUS

13.1 Governing Law.

This Agreement is governed by and construed in accordance with the laws of the State of Utah, United States of America.

ATTACHMENT 4 pg 13 OF 14



RYAN COOK

Signature

98.209.25.238

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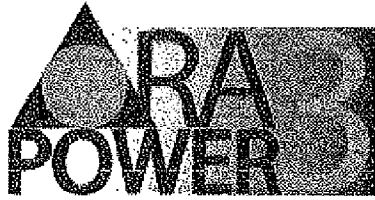
Seller

By: Neldon Johnson - RaPower-3

Neldon Johnson - Director - 12/29/2012 12:15:32 PM

Signature

ATTACHMENT 4 pg 14 OF 14



RECEIVED
SEP 29 2014
IRB BRHUP 1919

Ryan Cook
2608 Shagbark SE
Grand Rapids, MI 49546

February 18, 2013

Dear Ryan Cook:

This letter is regarding the "Alternative Energy Systems" that you purchased from RaPower3 LLC. RaPower3 put into service your equipment for 100 solar lenses on or before December 31, 2012. This will qualify you for the Internal Revenue Service solar energy tax credit.

(However for your personal information, Section 103 Div.B Energy Credit (code Sec.48), "For projects whose construction time is expected to equal or exceed two years, the Credit may be claimed as is placed in service.")

We appreciate your business and look forward to the opportunity to work with you to help solve our nation's energy needs. If you have any questions you may correspond with us at the below address.

Respectfully Yours,

RaPower3 LLC

Greg Shepard
Chief Director of Operations

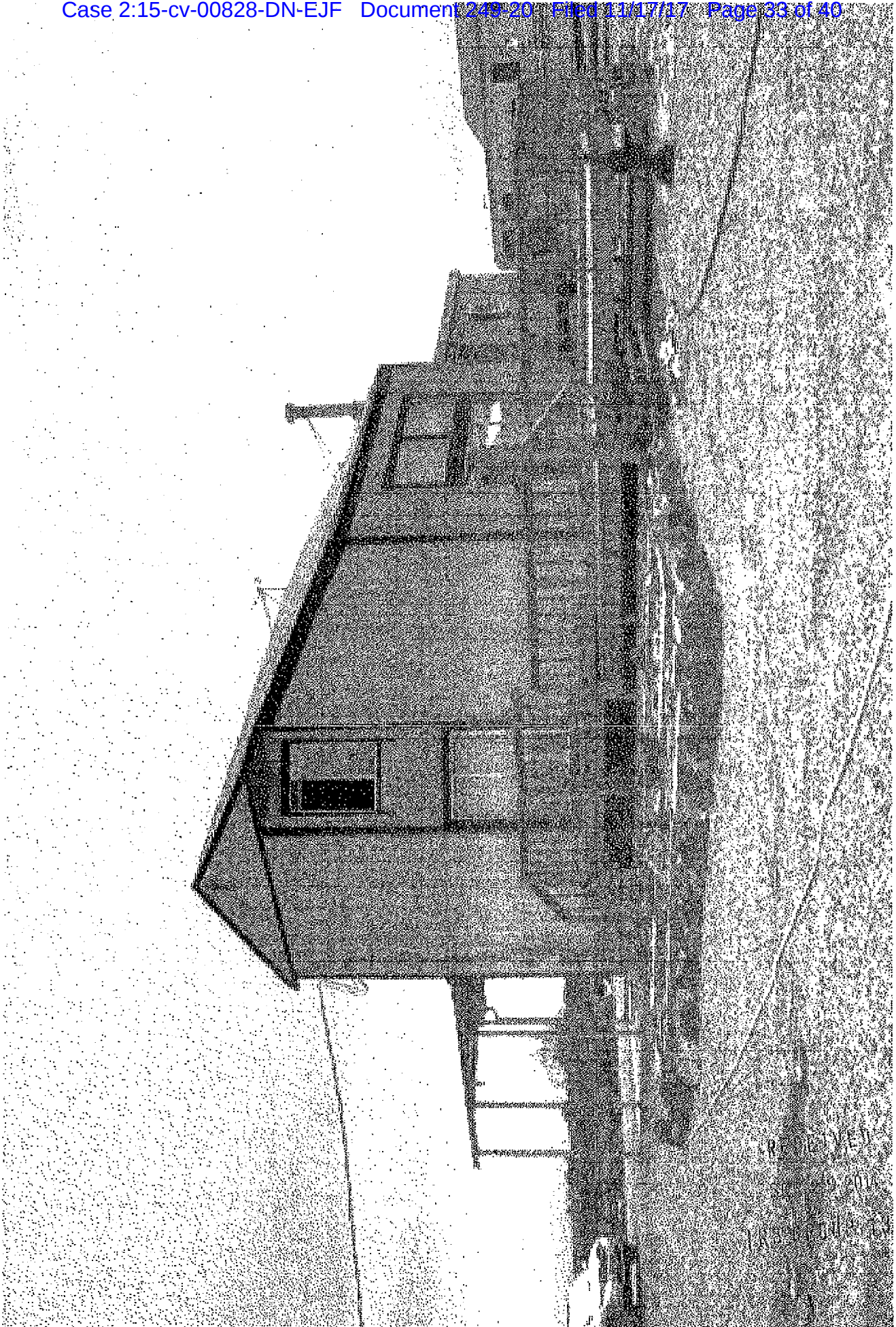
RaPower3 LLC
4035 S. 4000 W.

ATTACHMENT 5 pg 1 OF 2

Deseret, Utah 84624

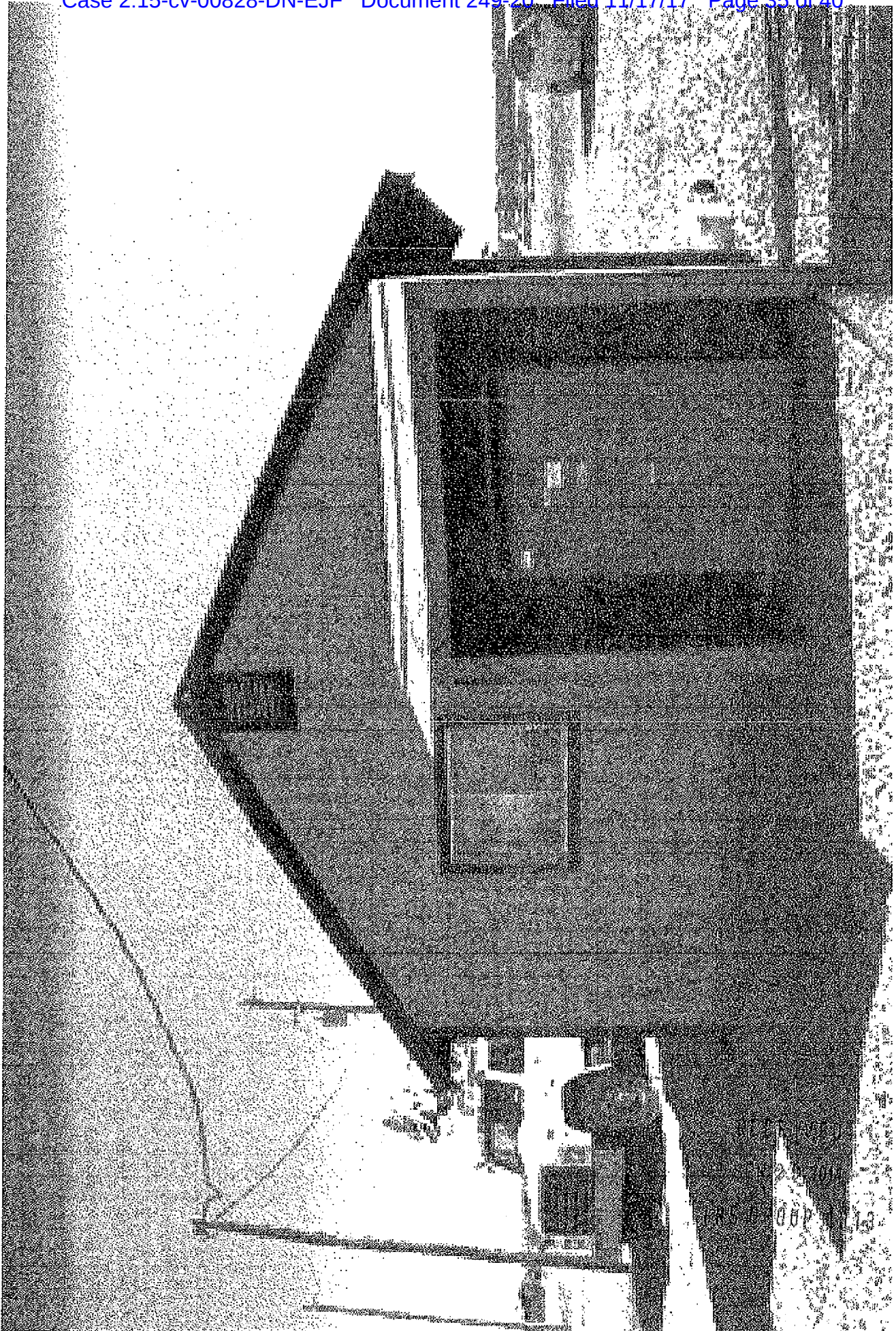
ATTACHMENT 5 pg 2 OF 2

ATTACHMENT 6 Pg 1 of 3



ATTACHMENT 6 Pg 20 of 3

313



ATTACHMENT 6 pg 30 of 3

**MILLARD COUNTY, UTAH
C-1 CONDITIONAL USE PERMIT**

April 2, 2014

FILE NUMBER: Z-2014-003

00189223

APPLICANT: Cobblestone Centre, LLC
2740 W 4000 S
Delta, UT 84624

B: 583 P: 143 Fee \$18.00
Connie Hansen, Millard Recorder Page 1 of 5
ON 08/02/2014 09:04:46 AM By MILLARD COUNTY PLANNING & Z
[Barcode]

PROJECT: **Industrial/Manufacturing Activity (General).** A manufacturing operation or processing and assembly of goods including personal hygiene products and cosmetics, drugs and pharmaceuticals, tools, equipment and products and which are not likely to be obnoxious or offensive by reason of emission of odor, dust, smoke, noxious gases, noise, vibration, glare, heat or other impacts, nor hazardous by way of materials, process, product or waste. This use does not include Agricultural Products Processing.

FINDINGS, DECISION, AND REASONABLE CONDITIONS OF APPROVAL

A. Cobblestone Centre, LLC applied for a C-1 Conditional Use Permit by Application #Z-2014-003 to Millard County, Utah ("County") to allow the location, establishment and operation of an industrial manufacturing plant on January 30, 2014.

B. The application for a C-1 Conditional Use Permit has been reviewed by the Millard County Planning and Zoning Administrator and found to be complete.

C. On April 2, 2014, the Millard County Planning Commission, who is the land use authority for the proposed use has made the following findings and decision.

FINDINGS OF FACT

The Millard County Planning Commission finds that the C-1 Conditional Use Application received from Cobblestone Centre, LLC is complete and meets the requirements of the County Code, as applicable, and further finds;

- a) The proposed use is a C-1 Conditional Use within the Zoning District as identified in Appendix A, Table of Uses.
- b) The proposed use is allowed within the Zoning District as identified in Millard County Zoning Ordinance Title 10-8-3.
- c) The proposed use complies with all requirements of the Zoning District, including all minimum area, setbacks, height, and all other requirements as applicable.
- d) The proposed use will be conducted in compliance with the requirements of

ATTACHMENT 7 Pg 1 OF 5

this Ordinance, all other applicable Land Use Ordinances, and all applicable Federal, State, or Local requirements and regulations.

- e) The property on which the use is proposed is of adequate size to permit the conduct of the use or sign in a manner that will not be detrimental to adjoining and surrounding properties.
- f) The proposed use complies with all site plan and building requirements, as provided and required by this Ordinance all other applicable Land Use Ordinances, and all applicable Federal, State, or Local requirements and regulations.
- g) The proposed use complies with all applicable dedication requirements of the County and provides the necessary infrastructure, as required.
- h) Such use will not, under the conditions required, be detrimental to the health, general welfare and safety of persons or injurious to property or improvements of the immediate area or the County as a whole.

II

DECISION AND CONDITIONS OF APPROVAL

The Millard County Planning Commission, pursuant to the authority and procedures provided in Title 10-8-3 of the Millard County Zoning Ordinance, hereby grants a C-1 Conditional Use Permit to Cobblestone Centre, LLC, hereinafter referred to as the "Grantee". This permit shall allow the Grantee to install and maintain a manufacturing plant under the conditions set forth in this Use Permit on property located at 2740 W. 4000 S, Oasis, Delta, Utah, on property belonging to Glenda E. Johnson described as follows:

COMM AT A PT LOC N 89°33'23.5" E 1080.19 FT ALG ¼ SEC LN FR W ¼ COR SEC 34, T17S, R7W, SLM, TH N 00°41'09.5" E 77.73 FT, N 36°08'16" E 161.44 FT; TH N 69°36'58" E 49.80 FT; TH N 34°49'13.5" E 67.18 FT TO AN EXST FNC LN; TH N 65°24'28" E 195.30 FT ALG EXST FNC LN; TH N 67°06'16" E 90; 54 FT ALG AN EXST FNC LN; TH S 30°31'07" E 100.20 FT; TH S 28°26'12" W 234.94 FT TO THE N SHLDR OF AN EXST CO RD; TH N 77°51'02" W 12.17 FT ALG SAID N SHLDR OF THE EXT CO RD; TH ALG A CURVE TO THE LEFT 22.87 FT WITH A RADIUS OF 43.026 FT AND A CHRD BEARING AND DIST OF S 86°55'28.5" W 22.60 FT ALG SAID N SHLD OF EXT CO RD; TH S 71°41'59" W 41.15 FT ALG SAID N SHLDR OF THE EXT CO RD TO THE W ROW LN OF THE UNION PACIFIC RR; TH S 25°26'12" W 94.046 FT ALG SAID UNION PACIFIC ROW TO ¼ SEC LN; TH S 25°28'12" W 351.22 FT ALG SAID UNION PACIFIC ROW; TH ALG A CURVE TO THE LEFT 351.22 FT WITH A RADIUS OF 706.78 FT AND A CHORD BEARING AND DIST OF N 20°37'37" W 347.818 FT TO THE ¼ SEC LINE AND THE POINT OF BEG. 362.64

EXCEPTING: ANY PORT WITHIN THE BOUNDARY OF THE CO-RD ROW AND THE UNION PACIFIC ROW.

This Use Permit is valid subject to the Grantee being in compliance with the terms and conditions stated below:

Millard County is concerned for the safety of all who are part of the work force working in Millard County, therefore, the Grantee shall:

- a) The proposed use will be conducted in compliance with the requirements of this Ordinance, all other applicable Land Use Ordinances, and all applicable Federal, State, or Local requirements and regulations.
- b) The property on which the Conditional Use proposed is of adequate size to permit the conduct of the use in a manner that will not be detrimental to adjoining and surrounding properties.

Cobblestone Centre, LLC C-1 Conditional Use Permit # Z-2014-00189223

00189223

B: \$83 P: 144 Fee \$18.00

Connie Hansen, Millard Recorder Page 2 of 5
ON 06/02/2014 09:04:45 AM By MILLARD COUNTY PLANNING & ZONING



ATTACHMENT 7 pg 2 of 5

- c) The proposed use will be the manufacturing of thermal solar lenses, stainless steel turbines, heat exchangers, and electric circuit boards.
- d) Implement safety programs as required by the OSHA and any other state or federal agencies having jurisdiction over this type of operation and observe all good safety practices particular to manufacturing and agricultural operations.
- e) Be responsible for own site security.
- f) Implement dust control practices and procedures to control the generation and spreading of dust from the metal fabrication project as well as any dust problems arising from transportation to and from the site in Millard County.
- g) Implement noise control practices and procedures.
- h) Maintain a clean and healthy environment for staff and neighbors.
- i) Implement onsite storage that does not encroach on county road easements or surrounding property owners.
- j) Off-street parking spaces shall be provided, meeting the requirements of this Ordinance, for all new buildings, all additions, or enlargements to an existing building, the establishment of any new use, or the expansion of any existing use: One (1) space for each employee on the regular shift, plus one (1) space for each vehicle used in association with the use.

III

NOTICE

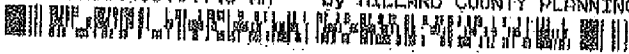
All notices under this Use Permit may be given by United States registered or certified mail. Notice by such mail shall be deemed given when deposited in the mail with postage prepaid and addressed as herein provided.

Notice by the County to the Grantee shall be addressed to:

<u>Owner</u>	<u>Petitioner</u>
Glenda E. Johnson	Cobblestone Centre, LLC
4035 S 4000 W	2740 W 4000 S
Delta, UT 84624	Delta, UT 8624
Phone: (801) 369-5951	Phone: (801) 369-5951
Email: glendaejohnson@hotmail.com	rogham@infowest.com

Notice by the Grantee to the County shall be addressed to:

Sheryl L. Dekker
 Millard County Planning Administrator
 P. O. Box 854
 Delta, Utah 84624
 Phone 435-864-1400
 email: sdekker@co.millard.ut.us

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 B: 583 P: 145 Fee \$18.00
 Connie Hansen, Millard Recorder
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Either party may, from time to time, change the address which it desires to use and upon written notice to the other party; such change of address shall be deemed inserted herein in the place of the previous address stated.

IV SEVERABILITY

Should any portion or portions of this permit become inoperable by operation of law or

ATTACHMENT 1 Pg 3 OF 5

otherwise, the remaining provisions hereof will continue in full force and effect.

V

NON-ASSIGNMENT

Grantee shall not sublease or assign his/her/its rights, duties or obligations under the terms of this permit without the prior written consent of Millard County, which consent shall not unreasonably be withheld. Any sublease or assignment hereunder shall subject said sub-lessee or assignee to the same rights duties and obligations set forth herein.

VI

EFFECTIVE DATES OF THIS PERMIT

The conditions contained herein shall become effective upon execution by a duly authorized representative of Grantee and the Millard County Planning and Zoning Administrator. This permit shall remain in full force and effect for as long as the property subject to this permit is used for the purposes permitted herein, unless the permit is revoked for the failure of the Grantee to comply with the conditions stated herein. In the event that construction on this site does not begin before the passing of one year's time from the effective date, this use permit shall lapse and become null and void, unless application for an extension not to exceed six months is granted by the Millard County Planning and Zoning Administrator.

IX

OTHER REGULATIONS SHALL APPLY

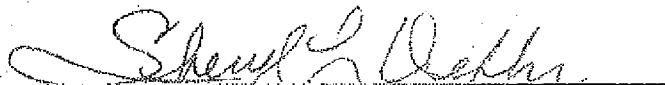
Grantee shall abide by all Federal, State and Local laws, as applicable. Nothing in this decision shall be deemed to authorize any public or private nuisance or to constitute a waiver or exception to any law, ordinance or rule, except to the extent that it authorizes the use of the subject premises in the manner as authorized herein.

X

EXECUTION

The parties, by their authorized representatives, execute this permit this 21ST day of APRIL, 2014.

For Millard County by:



Sheryl L. Dekker
Millard County Planning and Zoning Administrator

00189223

B: 553 P: 146 Fee: \$18.00
Connie Hansen, Millard Recorder Page 4 of 5
DN:05/02/2014 09:04:46 AM By: MILLARD COUNTY PLANNING & Z



Cobblestone Centre, LLC C-1 Conditional Use Permit # C-2014-000

Page 4

ATTACHMENT 7 Pg 4 OF 5

Millard County Planning and Zoning Administrator

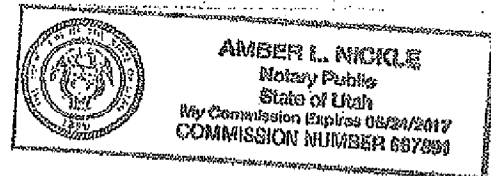
Before me on this day personally appeared Sheryl L. Dekker, Millard County Planning and Zoning Administrator, known to me to be the person whose name is subscribed to this instrument, and upon her oath acknowledged to me that she executed the same for the purposes and consideration herein expressed and in the capacity herein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 21st DAY OF April, 2014.

Amber L. Nickle
NOTARY PUBLIC

FOR Cobblestone Centre, LLC by

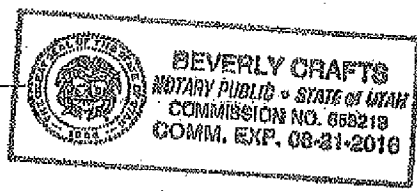
Glenda E. Johnson
Glenda E Johnson/Owner



Before me on this day personally appeared Glenda E. Johnson, Principal for Cobblestone Centre, LLC, known to me to be the person whose name is subscribed to this instrument, and upon her oath acknowledged to me that she executed the same for the purposes and consideration herein expressed and in the capacity herein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS 11TH DAY OF April, 2014.

Beverly Crafts
NOTARY PUBLIC



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B: 583 P: 147 Fee \$18.00
Connie Hansen, Millard Recorder Page 5 of 5
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