

ADDENDUM
June 25, 2013

IX. Committees and Recommendations

C. Finance Committee - Mrs. Melton

Action

- 50. Motion to ratify the contract with AEP Energy Partners, Inc. for the sale of 385 Solar Renewable Energy Credits (SRECs) at a price of \$134.00/each, for a maximum total of \$51,590.00 (attachment Finance-50).**

Motion_____Second_____Vote_____

D. Personnel/Negotiations Committee – Mr. Aiken

All personnel actions are being taken by the recommendation of the Superintendent.

Action

- 44. Motion to approve Leslie Kayes as a full-time Hess School teacher for the 2013-2014 school year, B.A., Step 1, with a total annual salary of \$44,352.00 (attachment Personnel-44).**

Salary subject to change upon the completion of the H.T.E.A. negotiations.

Ms. Kayes is a replacement for Maureen Maxwell who has retired.

Motion_____Second_____Vote_____

Action

- 45. Motion to approve Jacqueline Lautato as full-time Shaner School teacher for the 2013-2014 school year, B.A., Step 3, with a total annual salary of \$44,764.00 (attachment Personnel-45).**

Salary subject to change upon the completion of the H.T.E.A. negotiations.

Motion_____Second_____Vote_____

AGREEMENT FOR THE PURCHASE AND SALE OF RENEWABLE ENERGY CREDITS

This AGREEMENT FOR THE PURCHASE AND SALE OF RENEWABLE ENERGY CREDITS (“**Agreement**”) is made as of this 4th day of June, 2013, by and between **AEP Energy Partners, Inc.** (“**Buyer**”) and **Hamilton Township Board of Education** (“**Seller**”). Seller and Buyer are sometimes referred to individually as a “**Party**” and collectively as the “**Parties**”.

NOW, THEREFORE, in consideration of the foregoing and of the mutual promises hereinafter set forth, the Parties, intending to be legally bound, agree as follows:

DEFINITIONS

As used in this Agreement, the following defined terms have the meanings set forth below:

“**Business Day**” means a day on which Federal Reserve member banks in New York City, New York, are open for business. A Business Day begins at 8:00 a.m. and close at 5:00 p.m. Eastern Prevailing Time (“**EPT**”).

“**Certificate**” means an electronic record produced by the PJM GATS that identifies the relevant generation attributes of each MWh accounted for in the PJM GATS.

“**Confidential Information**” means all oral and written information exchanged between the Parties relative to the subject matter of this Agreement, including but not limited to the price, and all other material terms hereof. Notwithstanding the foregoing, the following shall not constitute Confidential Information: (a) information which was already in a Party’s possession on a non-confidential basis prior to its receipt from the other Party; (b) information which is obtained from a third person who, insofar as is known to the Party, is not prohibited from transmitting the information to the Party by a contractual, legal or fiduciary obligation to the other Party; (c) information which is or becomes publicly available through no fault of the Party; and (d) information which is at any time independently developed by employees or consultants of a Party who have not had access to Confidential Information in the possession of that Party.

“**Delivery**” means Seller’s electronic delivery of N.J. RECs from a N.J. Solar Renewable Resource via PJM GATS and receipt into the Buyer’s account with PJM GATS.

“**In-State Resources**” means renewable Solar Energy Resources, including resources generated at Solar facilities located within the State of New Jersey.

“**MWh**” means Megawatt-hour.

“**N. J. Solar RECs**” means Renewable Energy Credits as set forth in the N.J. Renewable Portfolio Standard associated with generation during Reporting Year **2013** derived from a N.J. Solar Renewable Resource. N.J. Solar RECs do not include associated electrical energy or capacity.

“**N.J. Renewable Portfolio Standard**” means the Renewable Energy Portfolio Standards set forth in the Annotated Code of the State of New Jersey as in effect on the date of this Agreement.

“**N.J. Solar Renewable Resource**” shall have the meaning ascribed to such term in the Renewable Energy Portfolio Standard.

“**PJM**” means PJM Interconnection, L.L.C.

“**PJM GATS**” means the Generation Attribute Tracking System used by PJM to account for the generation attributes of facilities.

“**PJM GATS Account**” means a Party’s account with PJM GATS.

“**PJM-EIS**” means PJM Environmental Information Services, Inc.

“**Reporting Year 2013**” means the 12 month period beginning June 1, 2012 and ending May 31, 2013.

1. Purchase and Sale of REC’s, Delivery, and Term

a. Amount and Purchase Price

Subject to the terms and conditions of this Agreement, Seller shall sell **385** Reporting Year 2013 N.J. Solar RECs (“**Contract RECs**”) to Buyer and Buyer shall purchase the Contract REC’s at a unit price of **\$134.00/Contract REC**, for a Total Purchase Price of **\$51,590.00**(“**Purchase Price**”).

b. Delivery, Payment, Transfer and Title

On or before July 15, 2013, Seller shall effect Delivery of the Contract RECs to Buyer, whereupon title to and interest in such Contract RECs shall transfer to Buyer. Seller and Buyer shall cooperate fully to comply with any and all regulatory obligations relating to a RECs transfer request and the recordation and completion of such transfer, as required by applicable law and New Jersey regulations and procedures. Upon request, Seller will provide, at the time of Delivery, documentation demonstrating that the Contract RECs all the criteria as RECs from a facility pursuant to the N.J. Renewable Portfolio Standard.

Within ten (10) Business Days of the later of (a) the date the Buyer receives written, facsimile or electronic notification from Seller to Buyer that the Contract RECs have been transferred from Seller to Buyer, as indicated on the PJM GATS or (b) the date Buyer receives an invoice from Seller reflecting the total amount due Seller for such Contract RECs at the Unit Price, then Buyer shall pay for such Contract RECs in full.

Account Name: AEP Energy Partners, Inc.
Account Administrator: Edward P. Cox (epcox@aep.com)

All funds to be paid directly to Seller under this Agreement shall be rendered in the form of immediately available funds (United States dollars) by wire transfer to the following account, or in such other form as reasonably requested by Seller.

Bank Name: Ocean City Home Bank

ABA No. 231271080

Account Number: # 981022221

Beneficiary: Hamilton Township School District

c. Term

This Agreement shall be effective on and as of the Effective Date and shall terminate upon satisfaction by Buyer and Seller of their respective obligations pursuant to this Agreement (the "Term").

d. Taxes

Each Party shall pay any taxes or other fees that are associated with its respective purchase or sale of the Contract RECs as described herein.

e. Recordation

Upon notice by the PJM GATS that any Delivery contemplated by this Agreement will not be recorded, the Parties shall promptly confer and shall cooperate in taking all reasonable actions necessary to cure any defects in the proper transfer, so that the transfer can be recorded.

2. Warranties

Seller hereby warrants to Buyer that, at the time of the execution of this Agreement and subsequently upon the Delivery of the Contract RECs: (i) Seller will convey good title to the Contract RECs to Buyer free and clear of any liens or other encumbrances or title defects, and (ii) Seller has not otherwise sold to any other person or entity, retired for its own benefit, or represented as a part of any energy sale the Contract RECs to be transferred to Buyer. The Seller warrants that at the time of Delivery of the Contract RECs hereunder, the Contract RECs are certified as **N.J. Solar RECs** from In-State Resources that are designated pursuant to the **N.J. Renewable Portfolio Standard** and qualify for the designated vintage year as of the delivery date. THE FOREGOING WARRANTY IS EXCLUSIVE, AND SELLER MAKES NO OTHER WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE CONTRACT RECS TRANSFERRED, WHETHER AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR ANY OTHER MATTER. This Section 2 shall survive the expiration or termination of this Agreement.

Each Party hereby warrants that the person signing this Agreement on behalf of such Party is legally authorized to obligate the Party. Each Party further represents and warrants that it has and will maintain all legal and regulatory authorizations necessary to perform its obligations under this Agreement. Each Party hereby warrants that there is no pending or threatened litigation, arbitration, or administrative proceeding that materially adversely affects such Party's ability to perform its obligations under this Agreement.

3. Limitations of Liability

a. No Indirect Damages

FOR BREACH OF ANY PROVISION OF THIS AGREEMENT, EACH PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY AS

DETERMINED IN ACCORDANCE WITH SECTION 4, AND SUCH DIRECT, ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY HEREUNDER, AND ALL OTHER REMEDIES OR DAMAGES ARE WAIVED. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, OR INDIRECT DAMAGES, IN TORT, CONTRACT OR OTHERWISE.

b. Survival

This Section 3 shall survive the expiration or termination of this Agreement.

4. Events of Default; Remedies; Buyer's Liability; Seller's Liability; No Penalty

a. Events of Default

A Party is in default hereunder if that Party (the "Defaulting Party") does any of the following (each an "Event of Default"):

- (i). the failure by a Party to make, when due, any payment required under this Agreement if such failure is not remedied within three (3) Business Days after written notice of such failure is given to such Party; or
- (ii). any representation or warranty made by a Party in this Agreement shall prove to have been false or misleading in any material respect when made; or
- (iii). the failure by a Party to perform any covenant or agreement set forth in this Agreement (other than its obligations to make any payment or obligations which are otherwise specifically covered as a separate Event of Default), and such failure is not cured within ten (10) Business Days after written notice thereof to such Party; or
- (iv). if a Party shall:
 - (a) make an assignment or any general arrangement for the benefit of creditors,
 - (b) file a petition or otherwise commence, authorize or acquiesce in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors, or have such petition filed against it,
 - (c) otherwise become bankrupt or insolvent (however evidenced), or
 - (d) be unable to pay its debts as they fall due.
- (v). the failure of a Party's guarantor, if any, to perform any covenant set forth in its guaranty, or such guaranty shall expire or be terminated or shall cease to guarantee the obligations of such party hereunder, or such guarantor shall become subject to any of the events specified in Section (iv) above.

b. Remedies

If an Event of Default occurs with respect to a Party at any time during the term of this Agreement, the other Party (the "Notifying Party") may (a) upon two (2) Business Days' written notice to the Defaulting Party terminate this Agreement, (b) withhold any payments due in respect of this Agreement to the extent of its damages pursuant to Section 3, and (c) exercise such other remedies as may be available at law or in equity or as

otherwise provided in this Agreement; provided, upon the occurrence of any Event of Default listed in Section 4(a)(iv) above as it may apply to any Party, this Agreement shall automatically terminate, without notice, immediately prior to such event.

c. Buyer's Liability

In the event Buyer causes or suffers an Event of Default and Seller elects to terminate this Agreement, then Buyer shall be obligated to pay Seller termination damages equal to the sum of (a) the price for any Contract RECs delivered to Buyer for which Seller has not been paid, if any, plus (b) the excess, if any, of (i) the aggregate Purchase Price set forth in this Agreement for all remaining Contract RECs to be delivered under this Agreement over (ii) the aggregate amount for which Seller sells the remaining Contract RECs or the market price as of the date of termination for a quantity of RECs, equal to such remaining amount and having the same vintage as the Contract RECs, at which Seller could sell RECs (in each case, including transaction costs), such market price to be determined based upon the average of prices quoted by three independent third party brokerage services selected by Seller and reasonably acceptable to Buyer.

d. Seller's Liability

In the event Seller causes or suffers an Event of Default and Buyer elects to terminate this Agreement, Seller shall pay Buyer an amount equal to the cost to Buyer of purchasing or the market price at which the Buyer could purchase RECs (including transaction costs) equivalent to all remaining Contract RECs to be delivered under this Agreement, less the Purchase Price Buyer would have had to pay Seller for the same number of Contract RECs. The market price shall be determined based upon the average of prices quoted by three independent third party brokerage services selected by Buyer and reasonably acceptable to Seller.

e. No Penalty

Both Parties hereby stipulate that the payment obligations set forth above are reasonable in light of the anticipated harm and the difficulty of estimation or calculation of actual damages, and each Party hereby waives the right to contest such payments as an unreasonable penalty.

f. Past Due Payments

All overdue payments shall bear interest from, and including, the specified due date to, but excluding, the date of payment at a rate equal to the lesser of two percent (2%) over the "Prime Rate", which shall be the per annum rate of interest equal to the prime lending rate as may from time to time be published in *The Wall Street Journal* under "Money Rates" or the maximum rates allowed by law; provided, the interest rate shall never exceed the maximum lawful rate permitted by applicable law.

5. Assignment

This Agreement is not assignable by either Party, except as provided herein, without the prior written approval of the non-assigning Party, which shall not be unreasonably withheld or delayed. Any assignment without the written approval of the non-assigning Party, except as provided herein, is voidable by the non-assigning Party.

6. Non-Disclosure of Confidential Information

Except as provided in this Section, neither Party shall publish, disclose, or otherwise divulge the Confidential Information to any person, at any time during or after the term of this Agreement, without the other Party's prior express written consent. Each Party shall permit knowledge of and access to the Confidential Information only to those of its corporate affiliates, attorneys, accountants, representatives, principals, agents, and employees who have a need to know related to this Agreement.

If required by any law, statute, ordinance, decision, order, or regulation passed, adopted, issued or promulgated by a court, any governmental agency or authority having jurisdiction over a Party, such Party may release the Confidential Information, or a portion thereof, to such court, governmental agency or authority, as required by law, statute, ordinance, decision, order or regulation or action and a Party may disclose Confidential Information to accountants in connection with audits, provided that such Party has used its reasonable efforts to cause that court, governmental agency or authority or accountants to treat such information in a confidential manner and to prevent such information from being disclosed or otherwise becoming part of the public domain.

In performing their obligations under this Agreement, the Parties shall employ procedures established to prevent unauthorized disclosure or use of the Confidential Information. Such procedures shall be no less restrictive than the procedures used by each Party to protect its own confidential data.

This Section survives for a period of one (1) year following the expiration or termination of this Agreement.

7. Miscellaneous

- a.** This Agreement may not be amended, changed, modified, or altered unless such amendment, change, modification, or alteration is in writing and signed by both of the Parties to this Agreement or their successors in interest.
- b.** This Agreement inures to the benefit of, and is binding upon, the Parties and their respective successors and permitted assigns.
- c.** If any article, phrase, provision or portion of this Agreement is, for any reason, held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such article, phrase, provision, or portion so adjudged will be deemed separate, distinct and independent and the remainder of this Agreement will be and remain in full force and effect and will not be invalidated or rendered illegal or unenforceable or otherwise affected by such adjudication, provided the basic purposes of this Agreement and the benefits to the Parties are not substantially impaired.
- d.** This Agreement may be executed in several counterparts, including facsimile, each of which is an original and all of which constitute one and the same instrument.
- e.** All notices, certificates, or other communications hereunder shall be in writing. All written notices are deemed sufficiently given when mailed by United States certified mail,

return receipt requested or by recognized overnight courier service, postage prepaid, or hand-delivered, or sent by facsimile transmission, if the original communication is delivered by recognized overnight courier service, addressed as follows, and shall be effective when received:

If to Buyer: (Non-Invoice)

AEP Energy Partners, Inc.
155 West Nationwide Boulevard, Suite 500
Columbus, OH 43215
Attn: Contract Administration
Phone: (614) 583-6110

(Invoice)

155 West Nationwide Boulevard, Suite 500
Columbus, OH 43215
Attn: Settlements
Phone: (614) 583-6225
Email: aepepmarketsettlements@aep.com

If to Seller: (Non-Invoice)

Hamilton Township Board of Education
1876 Dr. Dennis Foreman Drive
Mays Landing, NJ 08330
Attn: Daniel Smith
Phone: 609-476-6303
Email: smithdm@hamiltonschools.org

(Invoice)

Same as above.

- f. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof, and supersedes all other prior understandings or agreements, both written and oral, between the Parties relating to the subject matter hereof.
- g. This Agreement is governed by and construed in accordance with the laws of the State of New Jersey ~~New York~~. ~~The Parties agree that, to the maximum extent possible under applicable law, no provision of Article 2 of the Uniform Commercial Code (as in effect from time to time in the State of New York), that is inconsistent with any provision of this Agreement shall apply to this Agreement. The Parties agree that any transaction entered into pursuant to this Agreement is a "qualified financial contract" within the meaning of New York General Obligation Law 5-701b. THE PARTIES HEREBY WAIVE THE RIGHT TO ANY TRIAL BY JURY ASSOCIATED WITH ANY DISPUTE ARISING UNDER THIS AGREEMENT.~~

- h.** No delay or omission by a Party in the exercise of any right under this Agreement shall be taken, construed, or considered as a waiver or relinquishment thereof, and any such right may be exercised from time to time and as often as may be deemed expedient. If any of the terms and conditions herein are breached and thereafter waived by a Party, such waiver is limited to the particular breach so waived and is not deemed to waive any other breach hereunder.
- i.** This Agreement was negotiated and prepared by both Parties with advice of counsel to the extent deemed necessary by each Party.
- j.** The Article and paragraph titles in this Agreement are only for purposes of convenience and do not form a part of this Agreement and will not be taken to qualify, explain, or affect any provision thereof.
- k.** Subject to Section 3a, each Party agrees to indemnify, defend, and hold harmless the other Party, and any of said other Party's affiliates, directors, officers, employees, agents and permitted assigns, from and against all claims, losses, liabilities, damages, judgments, awards fines, penalties, costs, and expenses (including reasonable attorney's fees and disbursements) directly incurred in connection with or directly arising out of: (a) any breach of representation or warranty or failure to perform any covenant or agreement in this Agreement by said Party; or (b) any violation of applicable law, regulation or order by said Party.
- l.** This transaction constitutes a "forward contract" and each Party represents and warrants that it is a "forward contract merchant" within the meaning of the United States Bankruptcy Code.
- m.** Each Party reserves to itself all rights, setoffs, counterclaims, combination of accounts, liens and other remedies and defenses which such Party has or may be entitled to (whether by operation of law or otherwise). The obligations to make payments under this Agreement and/or any other Agreement between the Parties may be offset against each other, set-off or recouped therefrom.

IN WITNESS WHEREOF, the Parties hereto made and executed this Agreement, signed by their duly authorized officers or individuals, as of the day and year first above written.

AEP ENERGY PARTNERS, INC.

HAMILTON TOWNSHIP BOARD OF EDUCATION

By: _____

By: _____

Name: _____

Name: Daniel Smith

Title: _____

Title: School Business Administrator