

Solar Income Fund L.P. - Stability Rating

Sector/Industry: Power Generation

<http://www.solarincomefund.com/>

Offer	Limited partnership units at \$1,000 per unit
Number of Units	6,000 - 33,000
Closing Date	October 31, 2009
Issuer	Solar Income Fund L.P.
Selling Agent	ASG Financial Corp.
Purpose	Indirect acquisition, construction, ownership and operation of solar photovoltaic installations with electricity generated purchased by utilities in Germany
Cash Distribution	Preferred 8% per annum
Stability Rating	STA - 2
Distribution Policy	Moderately Aggressive
Outlook	Developing

Investment Highlights

- The Solar Income Fund L.P. is offering up to 33,000 limited partnership units for gross proceeds of up to \$33 million.
- The proceeds will be used for indirect acquisition, construction, ownership and operation of solar photovoltaic (PV) installations in Germany.
- Electricity generated from the PV systems will be purchased by utilities in Germany at fixed feed-in tariffs under 20 year power purchase agreements.
- The fund plans to finance up to 65% of its acquisition costs for PV installations through government backed debt, which are expected to offer a low 4.1% simple loan interest rate per annum, over a 10 year amortization term.
- Low MER
- The fund has selected a range of projects to invest.

Risks

- A delay in investment in planned PV projects affects the average fixed tariff received. This may negatively affect revenues and cash distributable to unitholders.
- Terms on debt financing may not be preferable. A higher interest rate would negatively affect cash distributions.
- Competition for resources, such as available PV projects, and raw materials, may result in delays in the execution of the business plan.
- Integration companies do not always deliver projects on time or budget, which affects revenues and cash flows.
- The cash distribution is subject to fluctuations in the Canadian dollar and Euro exchange rate.

Rating

- We assign a rating of STA-2 (Developing) with a moderately aggressive assessment of the fund's distribution policy.

Key Financial Projections (Base Case) (In C\$) - FYE December	2009 (Last 3 mo)	2010E	2011E	2012E	2013E	2014E	2015E
Revenues	1,374,049	7,382,499	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660
EBITDA	1,150,108	6,568,958	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773
Net Income	1,056,515	(288,270)	3,022,350	3,229,503	3,436,656	3,643,810	4,769,547
EBIT/Interest Coverage	N/A	0.85	2.62	2.95	3.37	3.93	5.60
Cash and Bank Reserves	2,351,345	311,016	311,016	311,016	311,016	311,016	311,016
Solar PV Assets	11,231,226	73,755,509	69,873,640	65,991,771	62,109,902	58,228,033	54,346,165
Loan Payable (for Acquisition of PV Assets)	7,361,133	45,472,618	40,420,105	35,367,592	30,315,079	25,262,566	20,210,053
LT Debt/Capital	51%	58%	55%	52%	48%	43%	37%
Fund from Operations (FFO)	1,150,108	4,512,183	7,822,804	8,029,957	8,237,110	8,444,263	8,651,416
Loan Repayment	N/A	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513
Cash Available for Distribution and Distributed	N/A	1,500,000	2,770,291	2,977,444	3,184,597	3,391,750	3,598,903
Cash Distribution Per Unit	N/A	45	84	90	97	103	109
FFO/Cash Available for Distributin and Distributed	N/A	3.01	2.82	2.70	2.59	2.49	2.40
Payout Ratio	N/A	4.5%	8.4%	9.0%	9.7%	10.3%	10.9%

Purpose

The purpose of this report is to evaluate the stability and sustainability of Solar Income Fund L.P.'s (The Issuer, The Fund) potential cash distributions to unitholders. The funds raised from this offering will be used towards indirect acquisition, construction, ownership and operation of solar photovoltaic (PV) installations in Germany. Electricity generated from these PV systems will be purchased by grid operators through 20 year Power Purchase Agreements (PPA) with fixed Feed-in Tariffs. The fixed tariff and 20 year PPAs are guaranteed by the German government via the Renewable Energy Act (Erneuerbare Energien Gesetz, or EEG, enacted in 2000, and subsequently amended in 2004 and 2009).

Background and Terms of the Offering

Solar Income Fund L.P. is a limited partnership formed on November 18, 2008, under the laws of Ontario. The general partner of the partnership is Solar Power Income Fund GP Inc, which was incorporated under the Ontario Business Corporations Act on November 12, 2008. The general partner assumes management of the fund. Subscribers of the offering will become limited partners of the partnership after closing. The unitholders are entitled to a cash distribution generated by sales of electricity from solar photovoltaic installations in Germany after paying out all applicable expenses. Appendix A presents the organizational structure of the partnership. The following table summarizes the terms of the offering.

Terms of Offering

Issuer	Solar Income Fund L.P.
Security Offered	Limited partnership units at \$1,000 per unit with a minimum subscription of 25 units
Minimum/Maximum Units Offered	6,000/33,000 units
Closing Dates	October 31, 2009. Note: closing is to occur on one or more dates, with the first closing date expected in 2009. The general partner may have subsequent closings if the maximum subscription is not achieved on the first closing date. If the minimum subscription (6,000 units or gross proceeds of \$6,000,000) is not achieved by February 28, 2010, the subscription proceeds already received will be returned to subscribers following that date.
Use of Proceeds	Indirect acquisition, construction, ownership and operation of solar photovoltaic installations in Germany
Planned Cash Distribution to Unitholders	8% per annum on capital contributed for 2010 - 2019 (simple preferred interest after expenses to the partnership are recovered) and 20%+ for 2020 - 2029 after debt financing is repaid in 2019; Note the fund's exit strategy for its unitholders is to go public in 2013 and/or sale of assets. If the exit is not carried out, unitholders will continue to receive cash distribution until 2029.
Selling Agent	ASG Financial Corp.
Auditor	Yale Partners LLP

Source: Offering Memorandum

Business Plan

Solar Photovoltaic Installations

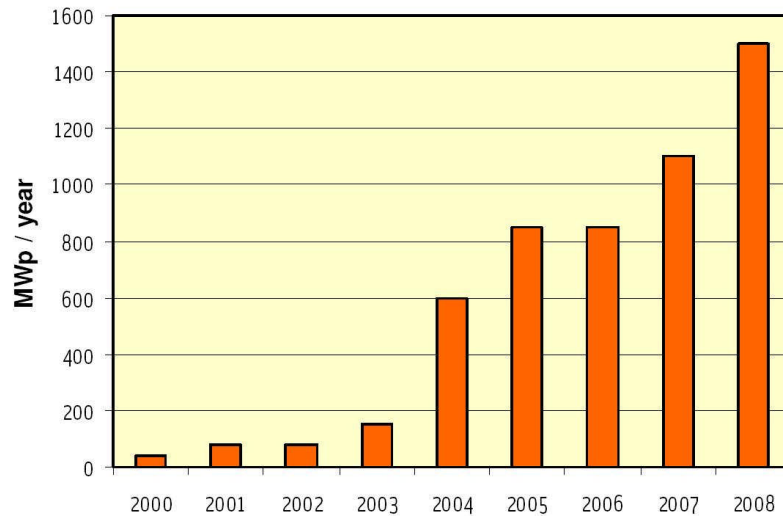
Solar Income Fund L.P., through Solar Income Fund GmbH & Co. KG. (“The Operating Partnership”, which Solar Income Fund L.P. is its sole limited partner), plans to use the proceeds of the offering to acquire, operate and construct photovoltaic (PV) installations in Germany.

A photovoltaic system, which is a renewal energy source, uses solar cells (which are often packaged together to create solar modules which are used in large photovoltaic systems) to convert radiation from sunlight into electricity. A solar cell often consists of one or two layers of a semi-conducting material that generate electric fields across the layers when receiving sunlight, causing electricity to flow.

The fund intends to connect the electricity generated from its solar systems to the local grid and be paid by a feed-in tariff (FIT) through power purchase agreements with local grid operators. After recovery of expenses from the tariff revenues (including operating expenses incurred by the operating partnership in Germany, interest on debt, and expenses incurred by the general partnership such as management fees), unitholders of the fund will be paid 8% per annum on their contributed capital. The company plans to increase the distribution to 20%+ in 2019 after paying off the planned debt financing. The fund’s exit strategy is a public listing and/or sale of assets by 2013. Although the exit may present unitholders good upside potential on their investment, this stability report rates the fund’s ability to pay out the stipulated cash to investors, and assumes no exit will be created, and unitholders will continue to receive cash flows from the fund through its projected operating life until 2029 (20 years).

Feed-in Tariff Supports the Fund’s Business Model

The fund’s business plan largely hinges on receiving fixed revenues within Germany’s legal framework that supports the renewable energy industry. The country’s renewable energy act (Erneuerbare Energien Gesetz or EEG) enacted in 2000, has resulted in strong growth in electricity production from renewable energy sources, including wind power, photovoltaics, hydroelectric power, biomass and geothermal. The following chart shows that newly installed solar PV capacity in Germany has increased from under 100 MWp (Megawatt peak measures the peak output of a PV system) in 2000, to about 1,500 MWp in 2008. The total installed PV capacity was 5,308 MW in 2008, or about 1% of Germany’s electric power generation.



Source: Federal Ministry of Economics and Technology

We believe the most important factor in the EEG which resulted in the successful expansion of the renewable industry is the Feed-in Tariff system as discussed below (Appendix B presents details on how the tariff is paid through the power generation sector):

- The Feed-in Tariff (FIT) guarantees renewable energy plant operators a fixed tariff for electricity produced. Through a Power Purchase Agreement (PPA), a grid operator pays a fixed tariff for electricity produced from renewable sources for a period of 20 years. The tariff is determined and fixed at the time of plant construction (such as a solar PV plant).
- A provision (introduced in 2004 amending the EEG) has given priority to electricity generated from renewable energy. Specifically, the electricity generated from renewable sources is to be connected to grid, transmitted and paid for by the grid operators at a fixed tariff in priority. For example, when the grid is operating at full capacity, conventional power stations must reduce their electricity production at times to allow feed in from renewable energy plants, and grid system operators must immediately expand their grids in line with the expansion of renewable energy sources.

Tariff Provides Both Incentives and Innovation: The tariff paid by grid operators to renewable energy sources is dependent on the technology (PV, Wind, etc.), the year of installation and operation, and the size of the plant. The tariff is designed to provide incentives and cover the higher costs of operating a renewable energy plant. Hence, it is often higher than standard retail prices of electricity. At the same time, the rate is adjusted to adapt to the development of technologies and their market conditions. Particularly, the EEG sets a digression rate or an annual percentage reduction on tariff paid. This is to encourage innovation in renewable energy. The costs (capital and operating) of renewable energy plants have decreased considerably in the past few years, due to scale of mass production, increased efficiency and lower costs of raw materials. The following table shows the current tariff schedule for solar PV installations as stipulated by the Amendment to the Renewable Energy Act in 2009. Note, the tariff has decreased considerably over the

past few years. For instance, the tariff for installation on the ground has fallen from Euro 0.4570/kwh in 2004, to Euro 0.3194/kwh in 2009. Also, note that the current tariff paid for electricity from solar PV systems is still much higher than the average commercial electricity tariff in Germany, which we believe is well below Euro 0.20/kwh.

PV system type	Minimal Tariff (Euro/kwh)	Supplement	Total
Installations on ground	0.3194	-	0.3194
Installations on roofs & buildings			
up to 30kWc	0.3194	0.1107	0.4301
up to 100kWc	0.3194	0.0897	0.4091
up to 1000kWc	0.3194	0.0764	0.3958
more than 1000kWc	0.3194	0.0106	0.3300

Source: Federal Ministry of Economics and Technology

The 2009 Amendment sets the degression rate on PV installations at 8%, and will be further increased to 9% by 2011+ (an increase from 6.5%). With the current rates, the tariff for PV power is forecast to reduce to about the same level as average retail prices for electricity around the middle of 2010.

For the Solar Income Fund L.P., this means the partnership will receive 20 years of higher fixed tariffs if it invests the proceeds from the offering sooner than later. A delay in the installation of a PV system by 1 year would subject the fund to lower tariffs received (because the tariff is lowered each year at the degression rate) and thus, would have a negative impact on future cash flows and cash distributions. Based on our discussion with management, the fund would receive an average tariff of about Euro 0.35/kwh if the fund is able to raise the full gross \$33 million, and invest the entire equity in its 13 targeted projects in 2010 (total acquisition value of these projects is close to \$80 million, with the remainder coming from debt financing). Therefore, we believe the most important factor affecting the fund's cash flow is the fund's ability to deploy the raised capital in a timely manner to acquire projects that yield the planned fixed tariff.

Current PV Project Selection

Based on our discussion with management, the fund selects PV projects (as presented to the fund by COU Capital Inc., discussed later) either from ones that are already in production, which the fund has to pay a premium to acquire (earlier installations have higher fixed tariffs), or construct a new PV system which requires 10 to 12 weeks from design to tie in to the grid. It is the management's objective to carefully select projects to maximize returns (considering capital required, tariffs, etc). Management informed us that the fund currently plans to invest in 2 solar parks with a capacity of about 3.5 MWp each, 1 solar park with a capacity of about 2.5 MWp, 1 solar park with a capacity of about 2 MWp, and 9 commercial rooftop projects with a capacity of close to 1 MWp each (total value of close to \$80 million). The total capacity of these projects is about 18.2 MWp. As shown in the graph below, PV systems could be installed on ground as in solar parks, and on rooftops and building facades (which directly provides electricity to the infrastructure). Thus, the company is pursuing an equal asset mix from both ground and rooftop PV systems.



Solar Park (Source: Falcon Green Energy)



Rooftop PV (Source: Siemens)

We again site the risk that the company may not be able to invest in planned projects, since the targeted project may not be available to the fund, depending on the amount and closing date of capital raised in this offering. Investing in different projects would vary the average tariff received, thus, also varying cash flows of the fund in the future.

***Attractive Debt
Financing
Backed by
Government***

Solar Income Fund L.P. intends to finance up to 65% of its acquisition costs through government backed debt, which offers a low 4.1% simple interest per annum over a 10 year amortization term (this rate has been seen historically, and management informed us the fund expects to have the same interest rate and term for its projects).

The debt financing is supported by the German government, and will be granted once the bank is presented with a Power Purchase Agreement by a solar PV operator. The primary originator of take-out financing for all German Renewable Energy projects is KfW Bankengruppe (“KfW”), a German economic development bank under the ownership of the Federal Republic and the federal state Länder, that supports sustainable improvement in economic, social, ecological living and business conditions. The fund has engaged HypoVereinsbank (HVB) to apply to KfW Bankengruppe for take-out financings on a project by project basis. HypoVereinsbank (with over 800 branches and 25,000 employees) is the German subsidiary of Unicredit Group, with a large focus on Renewable Energy Loans (Unicredit Group is one of the EU’s largest banks with operations in 22 European countries and total assets of over Euro 400 Billion).

We note the company plans to utilize relatively more leverage (up to 65%) for its solar projects (German projects typically use more debt financing compared to projects in North America). Higher leverage allows the fund to increase the total invested in projects and create larger fixed tariff revenue streams. At the same time, higher debt will result in higher interest expenses, which must be paid off before any cash distribution to the fund’s unitholders. This report will later analyze the impact of the use of different levels of debt on the fund’s ability to pay out cash to its unitholders. Generally, the level of debt in a company’s capital structure largely depends on its operating characteristics. Businesses with stable recurring revenues, such as utilities operating under fixed purchase contracts, as planned by the Solar Income Fund, can normally support higher debt levels. In comparison, cyclical businesses, with volatile revenues, have to be more cautious about their debt levels.

PV Project Execution

The fund has engaged COU Capital Inc, a private Canadian independent solar PV integration company, to act as the lead installation and operational manager. Specifically, through fixed price contracts, COU will present and deliver completed solar PV installations with 20 year guaranteed Power Purchase Agreements to the fund. COU Capital Inc. was incorporated in Ontario as a consulting business to facilitate and manage the development of solar installations in Germany and Europe. We believe COU has good experience in managing solar installations, as well as a strong network and relationships in the industry. The following list summarizes the fund's operating procedures in carrying out solar installation projects:

1. The fund invests the proceeds raised from this offering in short term t-bills at HVB.
2. COU presents the fund with PV installation opportunities that meet the fund's investment criteria.
3. HVB and KFW review the opportunities and inform the fund if the opportunities are eligible for KFW take out debt financing.
4. After HVB and KFW approval, the fund deposits up to 15% of the project cost to COU.
5. COU develops the project in about 10 to 12 weeks for each project with fixed price contracts. Note, the project is developed concurrent with HVB debt and the fund's equity financing (using 65% debt, \$1 dollar equity invested becomes \$2.86 of solar PV energy assets).
6. The installation is completed and electricity produced is tied into utility grids with 20 year guaranteed Power Purchase Agreements.
7. The fund takes title of the solar project.
8. Upon the completion of title transfer, the fund generates revenues by generating solar energy power that is purchased by the utility grid.

Management

The general partner (Solar Power Income Fund GP Inc.) of Solar Power Income Fund L.P., which oversees the management of the fund, is composed the following two key personnel.

Paul Ghezzi, CA, Managing Director: Paul Ghezzi is the founder of Solar Income Fund L.P. Paul's career of providing expert financial management advice spans over 15 years and is highlighted by a personal dedication to creating a sustainable future through socially responsible investing. Following a professional career as a Chartered Accountant and financial advisor, Paul has been focused on creating structured investment opportunities in the renewable energy sector since 2005. In that same year Paul founded a family office, DBS Private Client Group, which helps affluent Canadian families maximize their sustainable wealth. Paul is a professional member of the Institute of Chartered Accountants of Ontario and the Socially Responsible Investment Organization.

Allan Grossman, CA, Director: Allan Grossman is the founder and chairman of ASG Financial Corp. ASG has completed approximately \$1 billion in transactions in the corporate, commercial, industrial and retail sectors for a large number of investors. ASG currently manages over \$400 million in alternative investments on behalf of their investors. His many years of experience as a former senior partner with Horwath Orenstein LLP, demonstrated to him that there was a clear need for sophisticated investors to participate in

the many benefits of direct ownership of assets and greater diversity in their investment portfolios. Mr. Grossman is an accomplished lecturer and published writer focusing on a wide variety of legal, taxation and other relevant business topics.

Management Compensation Aligned with the Fund Performance: We believe the fund's compensation aligns management performance with unitholders' interests. As compared to the industry average management expense ratio or MER, of above 2% for mutual funds, the management fee at Solar Power Income Fund L.P. is only 0.25% per annum on invested capital (invested capital is gross amount raised from this offering net agent and financing fees). The fund's management's compensation is largely performance based with the low MER :

- 20% performance fee if annual distributions exceed 8%. Namely, 20% of cash available after paying 8% on unitholders' capital goes to the general partner and 80% still goes to unitholders.
- 20% performance fee on the capital gain over investors' original investment, such as in case of an asset sale.

We think the fund's compensation plan is good for unitholders. Indeed, our research on the relationship between MER's and a mutual fund's 10 year performance (report published under the title "Canadian Equity Mutual Funds - Do You Get What You Pay For? A Look at 10 Year Returns and MER's") indicates that higher MER's are associated with lower performance, and investors should invest in low MER funds.

**Positive
Outlook on PV
Installation
Industry In
Germany**

The solar industry encompasses a range of companies or entities from silicon suppliers, and solar cell producers, to integrators that install PV systems and feed electricity production to utility grids. Solar Income Fund L.P. operates in the integration and power generation segment of the industry in Germany. We believe this is a very stable environment to operate in particularly due to the fixed feed-in tariff system that guarantees 20 year power purchase agreements. In contrast, the performance of others involved in the sector, such as raw material suppliers, are more sensitive to economic conditions such as a change in demand.

We have a positive long term outlook on the PV installation industry in Germany due to the following reasons.

Continued Support by Legislation: The Renewable Energy Act (EEG), as amended in 2009, continues to obligate utility companies to connect renewable energy power systems to grids and to increase grid capacity. The revised act sets an objective of increasing electricity production from renewable energy to 30% of total national production by 2020. The government is also targeting renewable energy to meet close to 50% of primary energy demand by 2050 (Source: Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety). This bodes well for the solar PV installation industry.

We note that the newly elected coalition of the Christian Democratic Union (CDU) and the Free Democratic Party (FDP) in Germany presents certain risks to the solar industry, since

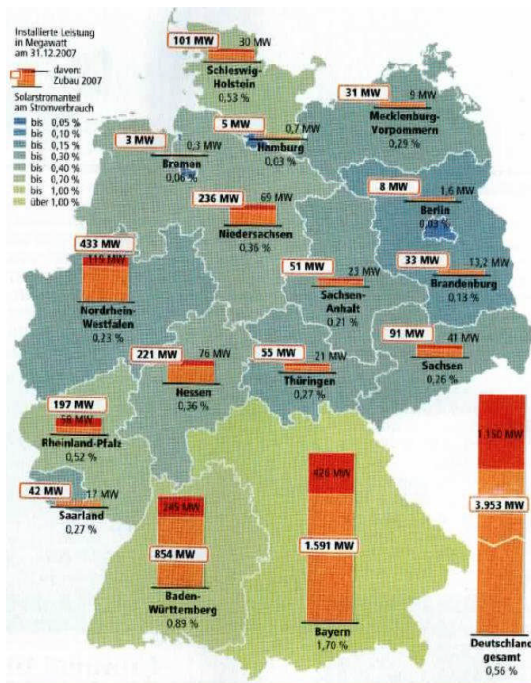
the FDP (although pro-business) has a stance of anti government subsidy spending and is pro-nuclear. This may result in a change in policy reducing the tariff, although, we do not expect any changes until 2011, should any entail. This again highlights the importance of the fund deploying its capital in a timely manner. We note, Germany has very low political risks (as summarized in the table below according to The Economist), implying low default risk on fixed tariff payments after a Power Purchase Agreement is signed. In other words, even if the tariff system is revised by new legislation later, it is not likely to affect previously signed Power Purchase Agreements; hence, allowing operators to continue receiving stable revenues based on tariffs stipulated in their agreements.

Germany: risk assessment

Sovereign risk	AA
Currency risk	A
Banking sector risk	BBB
Political risk	AA
Economic structure risk	AA

Source: Germany: Country risk summary

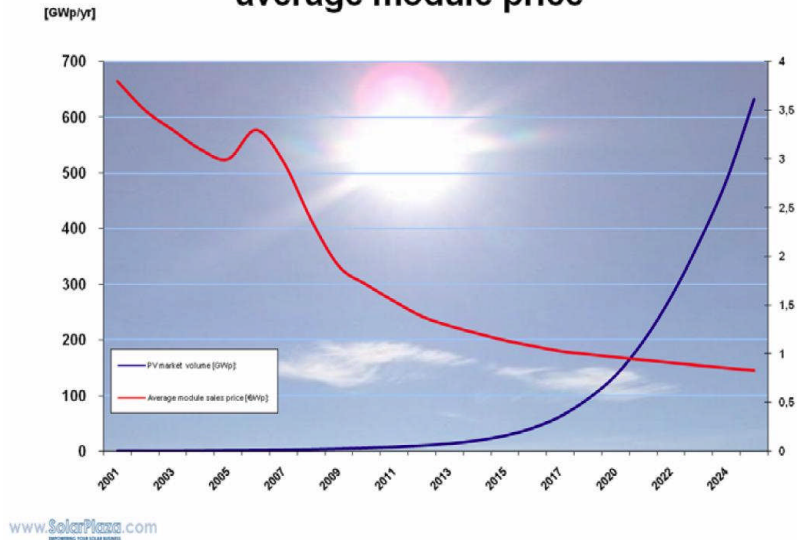
Good Solar Expansion Opportunities in Germany: Despite the rapid expansion of PV capacity since 2000, electricity from PV installations still accounts for only 1% of Germany's electric power generation (discussed earlier), thus, representing expansion opportunities going forwards. Currently, 60% of the national PV market is concentrated on two southern states, namely Bavaria and Baden-Württemberg (Source: Federal Ministry of Economics and Technology). Hence, other states still represent good opportunities for solar expansion. Management of the fund has informed us that all projects under consideration for acquisition are located south of Munich in the province of Bavaria.



Source: Federal Ministry of Economics and Technology

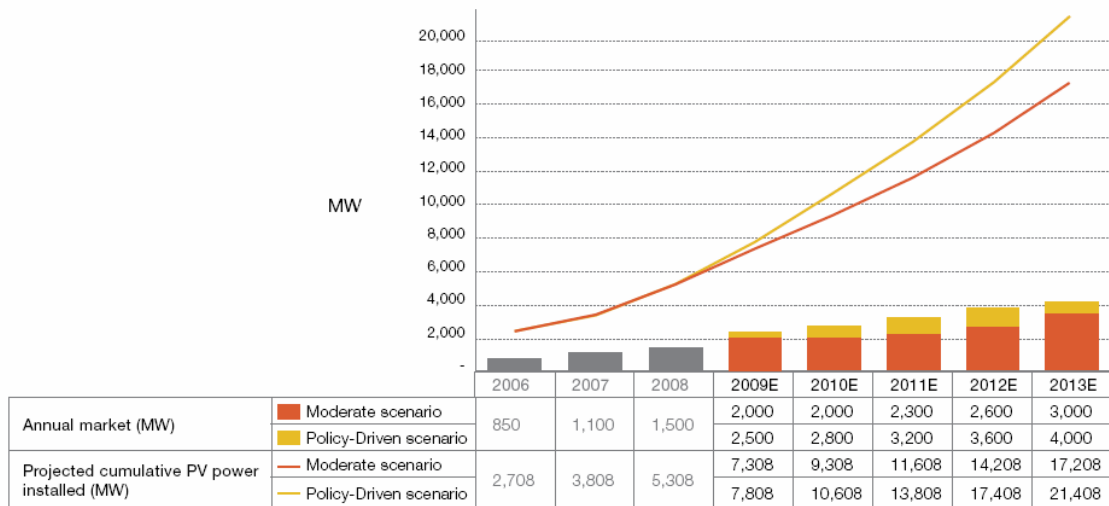
Declining PV Installation Costs: In association with an improvement in technology and efficiencies, the capital costs of PV installations have fallen since 2000. As shown in the graph below, the cost of solar modules has been declining and is forecast to continue to decline in the future.

Trend lines global PV demand and average module price



Source: Solar Income Fund L.P.

In summary, we have a positive outlook on the solar PV installation industry in the long term given the reasons discussed above. In the short term, we think the PV market is likely to slow in 2010 due to higher depression rates as amended in the EEG in 2009. As shown in the graph below, the European Photovoltaic Industry Association (EPIA) forecasts relatively fast growth in the PV market until 2013, in both its moderate and policy-driven scenario. However, in the near term, the EPIA predicts 2000 MW in new installed capacity in 2000, no growth from 2009, in its the moderate scenario forecast.



Source: EPIA

***Delay in
Deployment of
Capital is
Major Risk***

As mentioned earlier, we think the major risk to the fund's future cash flows, and consequently, its ability to pay out cash to unitholders, is the speed with which the fund is able to deploy its capital. Possible delays in the execution of the company's business plan, are listed below.

- A delay in raising capital would result in a delay in investment in PV projects. This includes a deferment in closing of this offering, or delay in finalization of debt financing. Although the fund states it has secured projects to invest in, we think there is no guarantee that a project will still be available when necessary financing is ready.
- Less than maximum amount raised from this offering would limit the fund's ability to select a preferable mix of PV projects (currently 13 projects as discussed above).
- Terms on debt financing may not be preferable. A higher interest than what the fund has expected (4.1%) would negatively affect cash flows.
- Competition for resources such as available PV projects and raw materials (e.g. silicon) may result in delays in execution of the fund's business plan. We think barriers to entry in the solar installation industry are relatively low when capital is available. There are also large solar companies in this space that have better financial and technical resources than the fund.
- The fund is reliant on COU Capital Inc. to carry out its plans. Note that the fund engages COU through non-exclusive contracts. This implies the fund will be able to find other operators, but the process will nonetheless negatively affect the fund's operations.
- Integration companies do not always deliver projects on time or budget. Although the fund engaged COU capital through fixed price contracts to build an installation, there is no guarantee that costs or scheduling will be maintained by the integration companies engaged by COU.

Other risks that can affect cash flows include the following.

- As the fund receives revenues in Euros, but cash distributions are in Canadian dollars, a fluctuation in exchange rates may affect the distribution of cash to unitholders. The fund plans to mitigate this by hedging.
- A change in solar PV policy may affect the tariff. However, we consider this a low risk in Germany.

Financial Projections and Stability Rating

***Base Case
Financial
Projections***

Based on the fund's proposed business plan, our base case financial projections present our best estimates of the fund's future performance, in particular, as they relate to its ability to pay out cash distributions to unitholders. We have made the following assumptions in our base case analysis.

Assumptions Related to Investment in Solar Projects and Capital Structure:

1. The fund raises gross proceeds of \$6 million in 2009, and \$27 million in early 2010. The fund is able to invest the proceeds raised in 2009, and start generating small tariff

revenues. The fund invests the proceeds raised in 2010, and starts to generate full tariff revenues in the second half of 2010. We have assumed that the fund completes financing and all related work for the acquisition of the 13 targeted projects in early 2010, after which it takes 4 months to build and feed production to local grids by the end of June 2009. The fund commences cash distributions in 2010.

2. The fund uses 65% debt to finance all its projects. Note that this is conservative as it entails higher principal repayment and interests expenses per year, hence, less cash available for distribution.
3. The debt financing is at 4.1% simple interest per annum, with principal to be repaid with equal annual installments in 10 years.
4. The fund fully deploys capital to invest in the 13 planned projects as discussed above, with an average of Euro 0.35/kwh in tariffs fixed for 20 years, with total capacity of 18.2 MWp from the projects.
5. The resulting capital structure is that, out of the total initial investment value in solar projects of \$77.73 million, \$28.41 million is financed by equity, and the balance by debt. Invested equity capital is \$28.41 million, after deducting \$4.59 million in agent and financing fees from the gross proceeds raised based on guidance from the fund's offering memorandum.

Assumptions Related to Production and Revenue Streams:

6. Based on our research, the average capacity factor for a solar power plant is about 20%, meaning average operating hours of $24 \times 20\% = 4.8$ per day. Our revenue forecast is conservative and based on an average of 3.1 operating hours per day for the 18.2 MWp capacity installed. Management concurs with this conservative estimate as a base case, although we note this indicates upside potential in revenues if capacity utilization is higher. Annual electricity production at full capacity (from 2011 to 2029) is 20.59 million kwh ($18,200 \text{ kw} \times 3.1 \text{ hours} \times 365$).
7. The fund operates for 20 years, without the sale of any of its assets. This assumption is primarily for evaluation of the stability of cash flows as the primary focus of this report. Our financial projections are for 20 years, the expected asset life, from 2009 to 2029.
8. We assume the fund will receive an expected tariff of Euro 0.35/ kwh.
9. We use a long term C\$/Euro exchange rate of 1.50 (historical average from 2004 to YTD 2009 is about 1.52).
10. Constant annual tariff revenues of \$10.76 million will be recorded during 2011 – 2029 based on annual production and the fixed tariff.

Assumptions Related to Operating Expenses:

11. The primary operating expenses of the fund are leasing of roof and land, and operation and maintenance of the systems.
12. We have assumed leasing expenses to be 2.5% of tariff revenues based on guidance from the offering memorandum.
13. Despite the high capital costs of solar projects, operating and maintenance expenses are low, given that the plants do not use fuel to operate. We have used operating and

maintenance expenses of \$0.01/kwh of electricity produced, based on our research. Management has informed us that some components will be under warranty, reducing some of the potential for large costs incurred on maintenance and repair.

Assumptions Related to Other Expenses:

14. We have assumed operating management fees (expenses payable to the operating partnership in Germany) to be 2% of tariff revenues per year based on guidance from the offering memorandum. Management fees payable to the general partnership are 0.25% of invested equity capital (\$28.41 million).
15. As a limited partnership, no tax is payable by Solar Income Fund L.P. (However, unitholders are subject to Canadian income tax on cash distributions received. The fund may provide unitholders with certain income tax deductions, derived primarily from capital cost allowances and interest expenses. Unitholders may also be required to pay German income tax of which a portion or all may be offset by foreign income tax credits. We note that each unitholder will have a different tax situation, and the tax implication for unitholders is not evaluated in this report as it is not the purpose of the report).

Other Assumptions:

16. Although cash available above 8% on capital is split between the unitholders (80%) and the general partnership (20%), for the purpose of evaluation of cash availability, our model assumes all available cash (with a minimum balance kept on the balance sheet) is paid out to unitholders. The payout ratio is defined as cash available and paid to unitholders over gross capital raised (\$33 million). This ratio will be compared to 8%, and hence, is the primary indicator of whether the fund will be able to fulfill its cash distribution mandate.
17. We have assumed straight line amortization on assets.
18. Our model assumes no change in working capital. After completion of a PV installation and commencement of operations, we expect changes in working capital to be relatively small year over year.

We also assume that the fund is able to raise the maximum of the offering of \$33 million. In practice, if the fund raises less than \$33 million, it will invest available capital in fewer projects, but will still target the 8% payout.

Given the assumptions, the following table shows key financial accounts and ratios from our base case projections through 2022 (See Appendix C for detailed financial statements).

Base Case Projections (in C\$) - FYE December	2009	2010	2011	2012	2013	2014	2015
	(Last 3 mo)						
Income Statement							
Revenues	1,374,049	7,382,499	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660
EBITDA	1,150,108	6,568,958	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773
Net Income	1,056,515	-288,270	3,022,350	3,229,503	3,436,656	3,643,810	4,769,547
Net Income per Unit	32.02	-8.74	91.59	97.86	104.14	110.42	144.53
Gross	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%
EBITDA	83.7%	89.0%	90.0%	90.0%	90.0%	90.0%	90.0%
EBIT	76.9%	24.0%	45.4%	45.4%	45.4%	45.4%	53.9%
EBT	76.9%	-3.9%	28.1%	30.0%	31.9%	33.9%	44.3%
Net	76.9%	-3.9%	28.1%	30.0%	31.9%	33.9%	44.3%
EBITDA/Interest Coverage	N/A	3.17	5.20	5.84	6.68	7.79	9.35
EBIT/Interest Coverage	N/A	0.85	2.62	2.95	3.37	3.93	5.60
Balance Sheet							
Cash and Bank Reserves	2,351,345	311,016	311,016	311,016	311,016	311,016	311,016
Solar PV Assets	11,231,226	73,755,509	69,873,640	65,991,771	62,109,902	58,228,033	54,346,165
Loan Payable (for Acquisition of PV Assets)	7,361,133	45,472,618	40,420,105	35,367,592	30,315,079	25,262,566	20,210,053
LT Debt/Capital	51%	58%	55%	52%	48%	43%	37%
Debt/EBITDA	6.40	6.92	4.17	3.65	3.13	2.61	2.09
Return on Average Assets	14.7%	-0.6%	4.0%	4.6%	5.2%	6.0%	8.4%
Return on Average Equity	29.9%	-1.5%	9.3%	9.9%	10.4%	11.0%	14.1%
Return on Average Invested Capital	14.7%	-0.6%	4.0%	4.6%	5.2%	6.0%	8.4%
Cash Flow Statement							
Cash used in operating activities	1,150,108	4,512,183	7,822,804	8,029,957	8,237,110	8,444,263	8,651,416
Cash used in Investing activities	-11,324,820	-66,406,152	-	-	-	-	-
Cash used in Financing activities	11,324,820	60,853,639	-7,822,804	-8,029,957	-8,237,110	-8,444,263	-8,651,416
Net Change in cash, during the year	1,150,108	-1,040,330	-	-	-	-	-
Cash position, beginning of the year	1	1,150,109	109,780	109,780	109,780	109,780	109,780
Cash position, end of the year	1,150,109	109,780	109,780	109,780	109,780	109,780	109,780
Operating Cash Flow/Debt	0.16	0.10	0.19	0.23	0.27	0.33	0.43
Fund from Operations (FFO)	1,150,108	4,512,183	7,822,804	8,029,957	8,237,110	8,444,263	8,651,416
Loan Repayment	N/A	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513
Cash Available for Distribution and Distributed	N/A	1,500,000	2,770,291	2,977,444	3,184,597	3,391,750	3,598,903
Cash Distribution Per Unit	N/A	45	84	90	97	103	109
FFO/Cash Available for Distributin and Distributed	N/A	3.01	2.82	2.70	2.59	2.49	2.40
Payout Ratio	N/A	4.5%	8.4%	9.0%	9.7%	10.3%	10.9%

Base Case Projections (in C\$) - FYE December	2016	2017	2018	2019	2020	2021	2022
Income Statement							
Revenues	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660
EBITDA	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773
Net Income	4,976,700	5,183,853	5,391,006	5,598,160	5,805,313	5,805,313	5,805,313
Net Income per Unit	150.81	157.09	163.36	169.64	175.92	175.92	175.92
Gross	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%
EBITDA	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
EBIT	53.9%	53.9%	53.9%	53.9%	53.9%	53.9%	53.9%
EBT	46.2%	48.2%	50.1%	52.0%	53.9%	53.9%	53.9%
Net	46.2%	48.2%	50.1%	52.0%	53.9%	53.9%	53.9%
EBITDA/Interest Coverage	11.69	15.59	23.38	46.76	N/A	N/A	N/A
EBIT/Interest Coverage	7.00	9.34	14.01	28.02	N/A	N/A	N/A
Balance Sheet							
Cash and Bank Reserves	311,016	311,016	311,016	311,016	311,016	311,016	311,016
Solar PV Assets	50,464,296	46,582,427	42,700,558	38,818,689	34,936,820	31,054,951	27,173,082
Loan Payable (for Acquisition of PV Assets)	15,157,539	10,105,026	5,052,513	-	-	-	-
LT Debt/Capital	30%	22%	12%	-	-	-	-
Debt/EBITDA	1.56	1.04	0.52	-	-	-	-
Return on Average Assets	9.4%	10.6%	12.0%	13.6%	15.6%	17.4%	19.7%
Return on Average Equity	14.2%	14.3%	14.4%	14.5%	15.6%	17.4%	19.7%
Return on Average Invested Capital	9.4%	10.6%	12.0%	13.6%	15.6%	17.4%	19.7%
Cash Flow Statement							
Cash used in operating activities	8,858,569	9,065,722	9,272,875	9,480,028	9,687,181	9,687,181	9,687,181
Cash used in Investing activities	-	-	-	-	-	-	-
Cash used in Financing activities	-8,858,569	-9,065,722	-9,272,875	-9,480,028	-9,687,181	-9,687,181	-9,687,181
Net Change in cash, during the year	-	-	-	-	-	-	-
Cash position, beginning of the year	109,780	109,780	109,780	109,780	109,780	109,780	109,780
Cash position, end of the year	109,780	109,780	109,780	109,780	109,780	109,780	109,780
Operating Cash Flow/Debt	0.58	0.90	1.84				
Fund from Operations (FFO)	8,858,569	9,065,722	9,272,875	9,480,028	9,687,181	9,687,181	9,687,181
Loan Repayment	5,052,513	5,052,513	5,052,513	5,052,513			
Cash Available for Distribution and Distributed	3,806,056	4,013,209	4,220,362	4,427,515	9,687,181	9,687,181	9,687,181
Cash Distribution Per Unit	115	122	128	134	294	294	294
FFO/Cash Available for Distribution and Distributed	2.33	2.26	2.20	2.14	1.00	1.00	1.00
Payout Ratio	11.5%	12.2%	12.8%	13.4%	29.4%	29.4%	29.4%

The base case scenario suggests the fund will only be able to pay 4.5% on gross capital contributed in 2010, due to lower revenues since we assume full operations only commence in the second half of the year. Our model indicates the fund will achieve annual cash distributions above 8% from 2011+, and annual distributions will be close to 30% from 2020 – 2030, after repayment of debt in 2019.

***Stress Test A:
Lower Tariffs
Negatively
Affect Cash
Distributions***

Our analysis shows that the fund's financial performance is highly sensitive to the tariff it receives. In stress test A, we assume the fund receives a lower tariff of Euro 0.32/kwh, compared to Euro 0.35/kwh in our base case scenario (8% lower, which is the current depression rate). The lower tariff may result from investing in different projects other than the planned 13 projects due to delays in project execution as discussed above. The result of our analysis (See Appendix D for key financials) in this case shows that the fund will only be able to pay out an 8%+ cash distribution on capital from 2015+. Lower revenues with fixed high debt repayment (about \$5 million per annum), and associated interest expenses, are the main reasons for the lower payout ratios in earlier year (Stress tests B and C will explore the impact of loan interest and different rates of debt financing). Under this scenario, the fund is projected to pay out cash at 26.9% of capital per annum from 2020 – 2029, after repayment of debt in 2019, compared to 29.4% in the base case.

Sensitivity and Conclusion: We note that if the fund receives lower tariffs because of a delay in projects by one year, the capital costs associated with acquiring the projects one year later are also expected to decrease because of the expected decline in solar module costs as discussed earlier. This will reduce debt financing required to finance the acquisition of the projects, lowering debt principal and interest payments per annum. This will have a positive impact on cash flows, and offset, a certain extent, lower revenues. Nonetheless, Stress Test A aims to show readers the impact of tariffs on cash flows (all other assumptions are the same as in the base case). The following table shows payout ratios at different tariff levels during 2009 - 2022. It shows a slight reduction in tariffs will have a considerably negative impact on the fund's ability to pay out the stipulated 8% on capital.

Tariff (Euro/kwh)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
0.36	N/A	5.2%	9.4%	10.0%	10.7%	11.3%	11.9%	12.6%	13.2%	13.8%	14.4%	30.4%	30.4%	30.4%
0.35 (Expected)	N/A	4.5%	8.4%	9.0%	9.7%	10.3%	10.9%	11.5%	12.2%	12.8%	13.4%	29.4%	29.4%	29.4%
0.34	N/A	3.9%	7.7%	8.3%	8.9%	9.5%	10.2%	10.8%	11.4%	12.0%	12.7%	28.6%	28.6%	28.6%
0.33	N/A	3.3%	6.8%	7.4%	8.0%	8.7%	9.3%	9.9%	10.5%	11.2%	11.8%	27.7%	27.7%	27.7%
0.32 (Stress test A)	N/A	2.7%	5.9%	6.6%	7.2%	7.8%	8.4%	9.1%	9.7%	10.3%	11.0%	26.9%	26.9%	26.9%

***Stress Test B:
Higher Loan
Interest Slightly
Affects Cash
Distribution***

In stress test B, we assume loan interest is 4.6% simple interest per annum, 50 basis points above the base case. All other assumptions in the base case remain the same. Our analysis (see Appendix E for key financials) shows that the fund will be able to pay out 8%+ cash distributions on capital invested from 2012+, which is a good indication that the fund will be able to withstand relatively small changes in interest rates (as shown in the sensitivity table below). The fund will be able to maintain a payout ratio of close to 30% during 2020 – 2019, after repayment of debt in 2019.

Sensitivity and Conclusion: The following sensitivity analysis of the payout ratio to a change in interest rates shows that the fund will still be able to pay 8%+ cash distributions from 2011+, if interest rates are kept below 4.4%, implying a slight upward change in interest rates will not have a significant negative impact on cash distributions.

Loan Interest	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
4%	N/A	4.7%	8.5%	9.1%	9.8%	10.4%	11.0%	11.6%	12.2%	12.8%	13.4%	29.4%	29.4%	29.4%
4.1% (Expected)	N/A	4.5%	8.4%	9.0%	9.7%	10.3%	10.9%	11.5%	12.2%	12.8%	13.4%	29.4%	29.4%	29.4%
4.2%	N/A	4.4%	8.3%	8.9%	9.5%	10.2%	10.8%	11.5%	12.1%	12.8%	13.4%	29.4%	29.4%	29.4%
4.3%	N/A	4.2%	8.1%	8.8%	9.4%	10.1%	10.8%	11.4%	12.1%	12.7%	13.4%	29.4%	29.4%	29.4%
4.4%	N/A	3.9%	8.0%	8.7%	9.3%	10.0%	10.7%	11.4%	12.0%	12.7%	13.4%	29.4%	29.4%	29.4%
4.5%	N/A	3.8%	7.8%	8.5%	9.2%	9.9%	10.6%	11.3%	12.0%	12.7%	13.4%	29.4%	29.4%	29.4%
4.6% (Stress Test B)	N/A	3.6%	7.7%	8.4%	9.1%	9.8%	10.5%	11.2%	11.9%	12.6%	13.3%	29.4%	29.4%	29.4%

***Stress Test C:
Use of Debt in
Capital
Structure has
Low Impact on
Stipulated Cash
Distribution***

In stress test C, we assume the fund finances its projects using 50% debt, as opposed to 65% in the base case. All other assumptions in the base case remain the same. Our analysis (see Appendix F for key financials) shows that the fund will still be able to pay out cash distributions on capital considerably higher than 8%+ from 2011+, due to lower principal and interest payments despite a decrease in revenues. Less use of debt will result in less projects invested in, and lower revenues per annum (we have reduced revenues at a rate proportionate to a reduction in project value for the purpose of this analysis). Lower revenues will result in lower cash distributions from 2020 – 2029, of 20.3% on capital after repayment of debt in 2019, compared to 29.4% in the base case.

Sensitivity and Conclusion: The following sensitivity analysis shows that the fund will be able to pay 8%+ cash distributions on capital from 2011+, if less debt is used. The less

debt the fund uses, the higher payout ratio it can generate in initial years due to lower debt principal and interest payments despite lower revenues. However, in later years, especially after the repayment of debt in 2019, the payout ratio is lower, due to less projects invested in. Nonetheless, we think a change in use of debt financing down from the 65% level will not have a significant negative impact on the fund's ability to pay out 8% cash on capital in the first 10 years of operations.

Ratio of Debt Financing	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
65% (Expected)	N/A	4.5%	8.4%	9.0%	9.7%	10.3%	10.9%	11.5%	12.2%	12.8%	13.4%	29.4%	29.4%	29.4%
60%	N/A	5.6%	8.7%	9.2%	9.7%	10.2%	10.7%	11.2%	11.7%	12.2%	12.7%	25.6%	25.6%	25.6%
55%	N/A	6.2%	8.9%	9.3%	9.7%	10.1%	10.5%	10.9%	11.4%	11.8%	12.2%	22.7%	22.7%	22.7%
50% (Stress Test C)	N/A	7.0%	9.0%	9.4%	9.7%	10.1%	10.4%	10.7%	11.1%	11.4%	11.7%	20.3%	20.3%	20.3%
45%	N/A	7.6%	9.2%	9.5%	9.7%	10.0%	10.3%	10.6%	10.8%	11.1%	11.4%	18.4%	18.4%	18.4%

**Stress Test E:
Drop in
C\$/Euro
Exchange
Negatively
Affects Payout**

The fund receives revenues in Euro and pays out cash in Canadian dollars. Therefore, the cash payout will be negatively affected with a decline in the exchange rate. In stress test E, we assume the long term C\$/Euro exchange rate is 1.35, compared to 1.50 in the base case. All other assumptions in the base case remain the same. Our analysis (see Appendix G for key financials) shows that the fund will not be able to pay out 8% cash distributions on capital until 2016, and the payout rate will reduce to 26.3% from 2020, to 2019, compared to 29.4% in the base case.

Sensitivity and Conclusion: The following sensitivity analysis shows that the payout ratio is relatively sensitive to a change in the exchange rate.

C\$/Euro	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
1.55	N/A	4.5%	9.4%	10.0%	10.7%	11.3%	11.9%	12.6%	13.2%	13.8%	14.4%	30.4%	30.4%	30.4%
1.50 (Expected)	N/A	4.5%	8.4%	9.0%	9.7%	10.3%	10.9%	11.5%	12.2%	12.8%	13.4%	29.4%	29.4%	29.4%
1.45	N/A	4.5%	7.4%	8.0%	8.6%	9.3%	9.9%	10.5%	11.1%	11.8%	12.4%	28.3%	28.3%	28.3%
1.40	N/A	4.5%	6.3%	7.0%	7.6%	8.2%	8.9%	9.5%	10.1%	10.7%	11.4%	27.3%	27.3%	27.3%
1.35 (Stress Test D)	N/A	4.5%	5.3%	6.0%	6.6%	7.2%	7.8%	8.5%	9.1%	9.7%	10.3%	26.3%	26.3%	26.3%

Stability Rating

Overall, we have assigned a Stability Rating of STA-2, with a modestly aggressive distribution policy and developing outlook, on Solar Income Fund L.P. (see back of the report for rating definitions).

Stability Rating: Our rating of STA-2 on the Solar Income Fund L.P. (shown in the scale below) reflects very good stability and low variability of cash flows from the fund's electricity generation. Note, our rating only suggests what we expect the stability and sustainability of the cash flows will be if the fund can invest capital raised and achieve operating status.

Issuer: Solar Income Fund L.P.

Industry: Power Generation

Stability Rating	
STA-1	Highest stability and sustainability in generation of distributable cash flows
STA-2	Very good stability and sustainability in generation of distributable cash flows
STA-3	Good stability and sustainability in generation of distributable cash flows
STA-4	Adequate stability and sustainability in generation of distributable cash flows
STA-5	Weak stability and sustainability in generation of distributable cash flows
STA-6	Very weak stability and sustainability in generation of distributable cash flows
STA-7	Poor stability and sustainability in generation of distributable cash flows

Our stability rating of Solar Income Fund L.P. is based the following rationale:

1. Operations. We think the fund's cash flow, after achieving planned operational status, is very stable and the variability is low. This is primarily because electricity sales are guaranteed by 20 year Power Purchase Agreements with fixed tariffs (protected by the Renewable Energy Act), providing predictable and stable revenue streams. This compares to other cyclical and seasonal industry, such as oil and gas, where pricing volatility can affect revenues and cash flows. Also the fund's solar PV operations have relatively predictable operating and other expenses. As discussed in detail in previous sections, the operational and maintenance expenses for a PV installation are expected to be low after installation and commencement of operation. Other expenses such as leasing, and management fees are also relatively predictable.

2. Quality of Assets. The solar PV system generally has a relatively long economic life, and is expected to be 20 years for the Solar Income fund in particular. For completed and operational solar PV systems, the maintenance capital expenditure requirements are minimal compared to revenues produced from the assets (we have assumed no maintenance capital, and modeled maintenance related expenditures directly in operational and maintenance expenses in the income statements). However, we note that any unexpected breakdown affect operations, but costs are somewhat mitigated by warranties for components.

We note the risk that the fund's assets are concentrated in only solar PV energy (despite diversification in terms of ground and rooftop systems) and proximal locations in southern Germany. Should these projects become obsolete, from an adverse change of legislation, natural disaster, and change of technology such as advancement in usage of other fuels, the fund will be negatively affected. As these events are largely unpredictable, we consider this risk low.

3. Financial Strength. We forecast high profitability for the fund's operations, as shown by high margins in our base case and all the stress test projections. Forecasted gross margins are in excess of 90% in all cases through the fund's operating life (resulting from stable and predictable revenues and operating expenses). This, in our opinion, allows the fund to satisfy all cash expenditures (management fees, interests, etc.) without undue stress on cash distributions. The EBITDA and EBIT Interest coverage, and Operating Cash Flow/Debt Ratios are healthy in the base case (where the highest debt financing is used), and increase appreciably as debt principal is repaid. We think the usage of high debt levels in the German solar sector is a reflection of stable operations, with strong creditor support for the industry backed by the government. In addition, we expect low changes in working capital requirements. We expect other unforeseen factors that require cash outflows to exist but not by a sufficient high probability, in light of the stable economic and political environment in Germany.

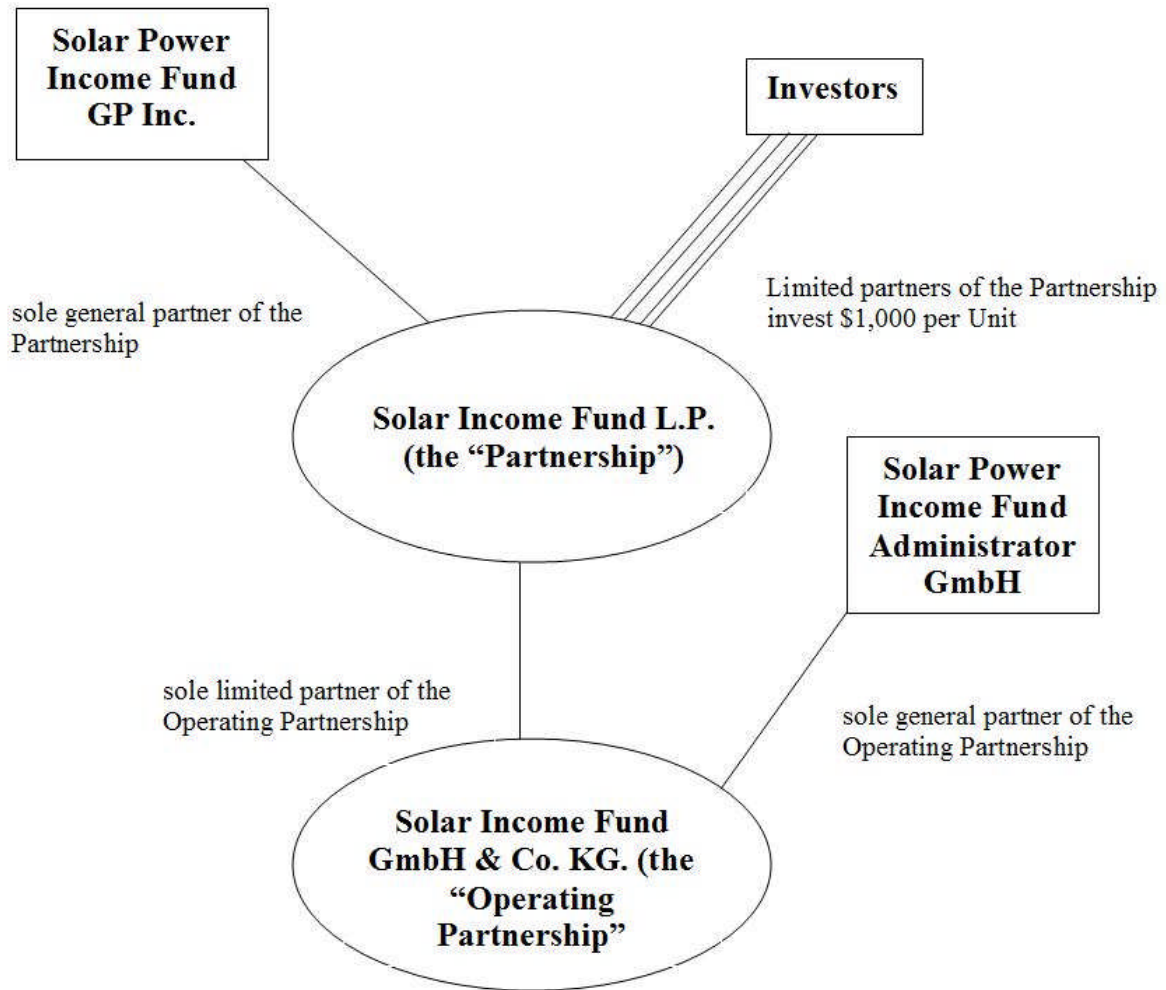
Distribution Policy Assessment: We rate the fund's distribution policy, i.e., 8% on capital, moderately aggressive, shown on the following scale. Despite an expected stable operation, factors such as debt financing terms and exchange rates, can adversely affect the

company's ability to achieve an 8% payout on capital (especially in earlier years as shown in the stress tests).

Distribution Policy Assessment
Very Conservative
Conservative
Moderately Conservative
Moderate
Moderately Aggressive
Aggressive
Very Aggressive

Outlook: Our outlook indicates the expected change in stability ratings in a short to medium term, based on current developments in market, economic, political and other conditions (on a scale of stable, positive, negative, developing). Since the fund has yet to complete this offering, secure solar PV projects, finalize debt financing and achieve operations, our outlook is developing. The current rating would be affected if events occur that are significantly different from our expectations, such a much lower average tariff received.

Appendix A: Organization Structure



Source: Offering Memorandum

Appendix C: Based Case Financial Projections (2009 – 2015)

Projected Income Statement (C\$)

(FYE - December)	2009 (Last 3 Mo)	2010	2011	2012	2013	2014	2015
Revenues							
Feed-in-Tariff energy revenue	1,374,049	7,382,499	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660
Operating Expenses							
Operational and Maintenance	25,445	139,503	205,933	205,933	205,933	205,933	205,933
Leasing	34,351	184,562	269,042	269,042	269,042	269,042	269,042
Gross Profit	1,314,252	7,058,433	10,286,686	10,286,686	10,286,686	10,286,686	10,286,686
Insurance	21,663	95,808	139,662	139,662	139,662	139,662	139,662
Management Fees	42,481	218,668	286,251	286,251	286,251	286,251	286,251
Legal and accounting	100,000	175,000	175,000	175,000	175,000	175,000	175,000
EBITDA	1,150,108	6,568,958	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773
Amortization of capital assets	93,594	3,881,869	3,881,869	3,881,869	3,881,869	3,881,869	3,881,869
Deferred financing fees	-	918,585	918,585	918,585	918,585	918,585	918,585
EBIT	1,056,515	1,768,504	4,885,319	4,885,319	4,885,319	4,885,319	5,803,904
Interest income	-	14,756	1,408	1,408	1,408	1,408	1,408
Loan Interest	-	2,071,530	1,864,377	1,657,224	1,450,071	1,242,918	1,035,765
EBT	1,056,515	(288,270)	3,022,350	3,229,503	3,436,656	3,643,810	4,769,547
Tax	-	-	-	-	-	-	-
Net Income	1,056,515	(288,270)	3,022,350	3,229,503	3,436,656	3,643,810	4,769,547

Projected Balance Sheet (C\$)

(FYE - December)	2009	2010	2011	2012	2013	2014	2015
Assets							
Cash	1,150,109	109,780	109,780	109,780	109,780	109,780	109,780
Bank Reserve	1,201,236	201,236	201,236	201,236	201,236	201,236	201,236
Deferred Financing Fees	835,077	3,674,339	2,755,754	1,837,170	918,585	0	0
Solar PV Assets	11,231,226	73,755,509	69,873,640	65,991,771	62,109,902	58,228,033	54,346,165
Total Assets	14,417,648	77,740,864	72,940,410	68,139,956	63,339,503	58,539,049	54,657,180
Liabilities							
Loan Payable for Acquisition of PV Assets	7,361,133	45,472,618	40,420,105	35,367,592	30,315,079	25,262,566	20,210,053
Limited Partners' Capital							
Limited Partners' Capital	7,056,516	32,268,245	32,520,305	32,772,364	33,024,424	33,276,483	34,447,127
Total Liabilities & LPs' Capital	14,417,648	77,740,864	72,940,410	68,139,956	63,339,503	58,539,049	54,657,180

Projected Cash Flow Statements (C\$)
(FYE - December)

	2009	2010	2011	2012	2013	2014	2015
OPERATING ACTIVITIES							
Net Loss for the year	1,056,515	(288,270)	3,022,350	3,229,503	3,436,656	3,643,810	4,769,547
Amortization of capital assets	93,594	3,881,869	3,881,869	3,881,869	3,881,869	3,881,869	3,881,869
Amortization of financing fees	-	918,585	918,585	918,585	918,585	918,585	-
	1,150,108	4,512,183	7,822,804	8,029,957	8,237,110	8,444,263	8,651,416
Change in Working Capital	-	-	-	-	-	-	-
	1,150,108	4,512,183	7,822,804	8,029,957	8,237,110	8,444,263	8,651,416
FINANCING ACTIVITIES							
Capital Contributions	6,000,000	27,000,000					
Deferred financing fees	(835,077)	(3,757,847)					
Bank Reserve	(1,201,236)	1,000,000					
Loan Payable (Net Repayment)	7,361,133	38,111,485	(5,052,513)	(5,052,513)	(5,052,513)	(5,052,513)	(5,052,513)
Excess cash flow to Limited Partners	-	(1,500,000)	(2,770,291)	(2,977,444)	(3,184,597)	(3,391,750)	(3,598,903)
	11,324,820	60,853,639	(7,822,804)	(8,029,957)	(8,237,110)	(8,444,263)	(8,651,416)
INVESTMENT ACTIVITIES							
Capital assets	(11,324,820)	(66,406,152)					
NET INCREASE IN CASH	1,150,108	(1,040,330)	-	-	-	-	-
CASH (Beg. Of Year)	1	1,150,109	109,780	109,780	109,780	109,780	109,780
CASH (End of Year)	1,150,109	109,780	109,780	109,780	109,780	109,780	109,780
Cash Available for Distribution	N/A	1,500,000	2,770,291	2,977,444	3,184,597	3,391,750	3,598,903
Payout Rate	N/A	4.5%	8.4%	9.0%	9.7%	10.3%	10.9%

Appendix D: Stress Test A Key Financials (Tariff = Euro 0.32/kwh), 2009 - 2022

Stress Test A (in C\$) - FYE December	2009	2010	2011	2012	2013	2014	2015
	(Last 3 mo)						
Income Statement							
Revenues	1,264,125	6,791,899	9,900,727	9,900,727	9,900,727	9,900,727	9,900,727
EBITDA	1,045,131	6,012,599	8,874,755	8,874,755	8,874,755	8,874,755	8,874,755
Net Income	951,537	-845,975	2,210,528	2,417,681	2,624,834	2,831,987	3,957,725
Net Income per Unit	28.83	-25.64	66.99	73.26	79.54	85.82	119.93
Gross	95.5%	95.4%	95.4%	95.4%	95.4%	95.4%	95.4%
EBITDA	82.7%	88.5%	89.6%	89.6%	89.6%	89.6%	89.6%
EBIT	75.3%	17.8%	41.2%	41.2%	41.2%	41.2%	50.4%
EBT	75.3%	-12.5%	22.3%	24.4%	26.5%	28.6%	40.0%
Net	75.3%	-12.5%	22.3%	24.4%	26.5%	28.6%	40.0%
EBITDA/Interest Coverage	N/A	2.90	4.76	5.36	6.12	7.14	8.57
EBIT/Interest Coverage	N/A	0.59	2.19	2.46	2.81	3.28	4.82
Balance Sheet							
Cash and Bank Reserves	2,246,368	248,333	248,333	248,333	248,333	248,333	248,333
Solar PV Assets	11,231,226	73,755,509	69,873,640	65,991,771	62,109,902	58,228,033	54,346,165
Loan Payable (for Acquisition of PV Assets)	7,361,133	45,472,618	40,420,105	35,367,592	30,315,079	25,262,566	20,210,053
LT Debt/Capital	51%	59%	55%	52%	48%	43%	37%
Debt/EBITDA	7.04	7.56	4.55	3.99	3.42	2.85	2.28
Return on Average Assets	13.3%	-1.8%	2.9%	3.4%	4.0%	4.7%	7.0%
Return on Average Equity	27.4%	-4.3%	6.8%	7.4%	8.0%	8.6%	11.7%
Return on Average Invested Capital	13.3%	-1.8%	2.9%	3.4%	4.0%	4.7%	7.0%
Cash Flow Statement							
Cash used in operating activities	1,045,131	3,954,478	7,010,982	7,218,135	7,425,288	7,632,441	7,839,594
Cash used in Investing activities	-11,324,820	-66,406,152	-	-	-	-	-
Cash used in Financing activities	11,324,820	61,453,639	-7,010,982	-7,218,135	-7,425,288	-7,632,441	-7,839,594
Net Change in cash, during the year	1,045,131	-998,035	-	-	-	-	-
Cash position, beginning of the year	1	1,045,132	47,097	47,097	47,097	47,097	47,097
Cash position, end of the year	1,045,132	47,097	47,097	47,097	47,097	47,097	47,097
Operating Cash Flow/Debt	0.14	0.09	0.17	0.20	0.24	0.30	0.39
Fund from Operations (FFO)	1,045,131	3,954,478	7,010,982	7,218,135	7,425,288	7,632,441	7,839,594
Loan Repayment	N/A	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513
Cash Available for Distribution and Distributed	N/A	900,000	1,958,469	2,165,622	2,372,775	2,579,928	2,787,081
Cash Distribution Per Unit	N/A	27	59	66	72	78	84
FFO/Cash Available for Distributin and Distributed	N/A	4.39	3.58	3.33	3.13	2.96	2.81
Payout Ratio	N/A	2.7%	5.9%	6.6%	7.2%	7.8%	8.4%

Stress Test A (in C\$) - FYE December	2016	2017	2018	2019	2020	2021	2022
Income Statement							
Revenues	9,900,727	9,900,727	9,900,727	9,900,727	9,900,727	9,900,727	9,900,727
EBITDA	8,874,755	8,874,755	8,874,755	8,874,755	8,874,755	8,874,755	8,874,755
Net Income	4,164,878	4,372,031	4,579,184	4,786,337	4,993,490	4,993,490	4,993,490
Net Income per Unit	126.21	132.49	138.76	145.04	151.32	151.32	151.32
Gross	95.4%	95.4%	95.4%	95.4%	95.4%	95.4%	95.4%
EBITDA	89.6%	89.6%	89.6%	89.6%	89.6%	89.6%	89.6%
EBIT	50.4%	50.4%	50.4%	50.4%	50.4%	50.4%	50.4%
EBT	42.1%	44.2%	46.3%	48.3%	50.4%	50.4%	50.4%
Net	42.1%	44.2%	46.3%	48.3%	50.4%	50.4%	50.4%
EBITDA/Interest Coverage	10.71	14.28	21.42	42.84	N/A	N/A	N/A
EBIT/Interest Coverage	6.03	8.03	12.05	24.10	N/A	N/A	N/A
Balance Sheet							
Cash and Bank Reserves	248,333	248,333	248,333	248,333	248,333	248,333	248,333
Solar PV Assets	50,464,296	46,582,427	42,700,558	38,818,689	34,936,820	31,054,951	27,173,082
Loan Payable (for Acquisition of PV Assets)	15,157,539	10,105,026	5,052,513	-	-	-	-
LT Debt/Capital	30%	22%	12%	-	-	-	-
Debt/EBITDA	1.71	1.14	0.57	-	-	-	-
Return on Average Assets	7.9%	9.0%	10.2%	11.7%	13.5%	15.0%	17.0%
Return on Average Equity	11.9%	12.1%	12.3%	12.4%	13.5%	15.0%	17.0%
Return on Average Invested Capital	7.9%	9.0%	10.2%	11.7%	13.5%	15.0%	17.0%
Cash Flow Statement							
Cash used in operating activities	8,046,747	8,253,900	8,461,053	8,668,206	8,875,359	8,875,359	8,875,359
Cash used in Investing activities	-	-	-	-	-	-	-
Cash used in Financing activities	-8,046,747	-8,253,900	-8,461,053	-8,668,206	-8,875,359	-8,875,359	-8,875,359
Net Change in cash, during the year	-	-	-	-	-	-	-
Cash position, beginning of the year	47,097	47,097	47,097	47,097	47,097	47,097	47,097
Cash position, end of the year	47,097	47,097	47,097	47,097	47,097	47,097	47,097
Operating Cash Flow/Debt	0.53	0.82	1.67				
Fund from Operations (FFO)	8,046,747	8,253,900	8,461,053	8,668,206	8,875,359	8,875,359	8,875,359
Loan Repayment	5,052,513	5,052,513	5,052,513	5,052,513			
Cash Available for Distribution and Distributed	2,994,234	3,201,387	3,408,540	3,615,693	8,875,359	8,875,359	8,875,359
Cash Distribution Per Unit	91	97	103	110	269	269	269
FFO/Cash Available for Distributin and Distributed	2.69	2.58	2.48	2.40	1.00	1.00	1.00
Payout Ratio	9.1%	9.7%	10.3%	11.0%	26.9%	26.9%	26.9%

Appendix E: Stress Test B Key Financials (Loan Interest = 4.6%), 2009 - 2022

Stress Test B Projections (in C\$) - FYE December	2009	2010	2011	2012	2013	2014	2015
	(Last 3 mo)						
Income Statement							
Revenues	1,374,049	7,382,499	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660
EBITDA	1,150,108	6,568,958	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773
Net Income	1,056,515	-540,896	2,795,595	3,028,011	3,260,426	3,492,842	4,643,842
Net Income per Unit	32.02	-16.39	84.72	91.76	98.80	105.84	140.72
Gross	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%
EBITDA	83.7%	89.0%	90.0%	90.0%	90.0%	90.0%	90.0%
EBIT	76.9%	24.0%	45.4%	45.4%	45.4%	45.4%	53.9%
EBT	76.9%	-7.3%	26.0%	28.1%	30.3%	32.5%	43.2%
Net	76.9%	-7.3%	26.0%	28.1%	30.3%	32.5%	43.2%
EBITDA/Interest Coverage	N/A	2.83	4.63	5.21	5.95	6.95	8.33
EBIT/Interest Coverage	N/A	0.76	2.34	2.63	3.00	3.50	4.99
Balance Sheet							
Cash and Bank Reserves	2,351,345	358,390	358,390	358,390	358,390	358,390	358,390
Solar PV Assets	11,231,226	73,755,509	69,873,640	65,991,771	62,109,902	58,228,033	54,346,165
Loan Payable (for Acquisition of PV Assets)	7,361,133	45,472,618	40,420,105	35,367,592	30,315,079	25,262,566	20,210,053
LT Debt/Capital	51%	58%	55%	52%	48%	43%	37%
Debt/EBITDA	6.40	6.92	4.17	3.65	3.13	2.61	2.09
Return on Average Assets	14.7%	-1.2%	3.7%	4.3%	5.0%	5.7%	8.2%
Return on Average Equity	29.9%	-2.7%	8.6%	9.3%	9.9%	10.5%	13.7%
Return on Average Invested Capital	14.7%	-1.2%	3.7%	4.3%	5.0%	5.7%	8.2%
Cash Flow Statement							
Cash used in operating activities	1,150,108	4,259,558	7,596,049	7,828,464	8,060,880	8,293,296	8,525,711
Cash used in Investing activities	-11,324,820	-66,406,152	-	-	-	-	-
Cash used in Financing activities	11,324,820	61,153,639	-7,596,049	-7,828,464	-8,060,880	-8,293,296	-8,525,711
Net Change in cash, during the year	1,150,108	-992,955	-	-	-	-	-
Cash position, beginning of the year	1	1,150,109	157,154	157,154	157,154	157,154	157,154
Cash position, end of the year	1,150,109	157,154	157,154	157,154	157,154	157,154	157,154
Operating Cash Flow/Debt	0.16	0.09	0.19	0.22	0.27	0.33	0.42
Fund from Operations (FFO)	1,150,108	4,259,558	7,596,049	7,828,464	8,060,880	8,293,296	8,525,711
Loan Repayment	N/A	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513
Cash Available for Distribution and Distributed	N/A	1,200,000	2,543,536	2,775,951	3,008,367	3,240,783	3,473,198
Cash Distribution Per Unit	N/A	36	77	84	91	98	105
FFO/Cash Available for Distributin and Distributed	N/A	3.55	2.99	2.82	2.68	2.56	2.45
Payout Ratio	N/A	3.6%	7.7%	8.4%	9.1%	9.8%	10.5%

Stress Test B Projections (in C\$) - FYE December	2016	2017	2018	2019	2020	2021	2022
Income Statement							
Revenues	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660	10,761,660
EBITDA	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773	9,685,773
Net Income	4,876,258	5,108,674	5,341,089	5,573,505	5,805,920	5,805,920	5,805,920
Net Income per Unit	147.77	154.81	161.85	168.89	175.94	175.94	175.94
Gross	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%
EBITDA	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%
EBIT	53.9%	53.9%	53.9%	53.9%	53.9%	53.9%	53.9%
EBT	45.3%	47.5%	49.6%	51.8%	54.0%	54.0%	54.0%
Net	45.3%	47.5%	49.6%	51.8%	54.0%	54.0%	54.0%
EBITDA/Interest Coverage	10.42	13.89	20.84	41.67	N/A	N/A	N/A
EBIT/Interest Coverage	6.24	8.32	12.49	24.97	N/A	N/A	N/A
Balance Sheet							
Cash and Bank Reserves	358,390	358,390	358,390	358,390	358,390	358,390	358,390
Solar PV Assets	50,464,296	46,582,427	42,700,558	38,818,689	34,936,820	31,054,951	27,173,082
Loan Payable (for Acquisition of PV Assets)	15,157,539	10,105,026	5,052,513	-	-	-	-
LT Debt/Capital	30%	22%	12%	-	-	-	-
Debt/EBITDA	1.56	1.04	0.52	-	-	-	-
Return on Average Assets	9.2%	10.5%	11.9%	13.6%	15.6%	17.4%	19.7%
Return on Average Equity	13.9%	14.1%	14.3%	14.4%	15.6%	17.4%	19.7%
Return on Average Invested Capital	9.2%	10.5%	11.9%	13.6%	15.6%	17.4%	19.7%
Cash Flow Statement							
Cash used in operating activities	8,758,127	8,990,542	9,222,958	9,455,374	9,687,789	9,687,789	9,687,789
Cash used in Investing activities	-	-	-	-	-	-	-
Cash used in Financing activities	-8,758,127	-8,990,542	-9,222,958	-9,455,374	-9,687,789	-9,687,789	-9,687,789
Net Change in cash, during the year	-	-	-	-	-	-	-
Cash position, beginning of the year	157,154	157,154	157,154	157,154	157,154	157,154	157,154
Cash position, end of the year	157,154	157,154	157,154	157,154	157,154	157,154	157,154
Operating Cash Flow/Debt	0.58	0.89	1.83				
Fund from Operations (FFO)	8,758,127	8,990,542	9,222,958	9,455,374	9,687,789	9,687,789	9,687,789
Loan Repayment	5,052,513	5,052,513	5,052,513	5,052,513			
Cash Available for Distribution and Distributed	3,705,614	3,938,029	4,170,445	4,402,861	9,687,789	9,687,789	9,687,789
Cash Distribution Per Unit	112	119	126	133	294	294	294
FFO/Cash Available for Distributin and Distributed	2.36	2.28	2.21	2.15	1.00	1.00	1.00
Payout Ratio	11.2%	11.9%	12.6%	13.3%	29.4%	29.4%	29.4%

Appendix F: Stress Test C Key Financials (Debt Financing Rate = 50%), 2009 - 2022

Stress Test C (in C\$) - FYE December	2009	2010	2011	2012	2013	2014	2015
	(Last 3 mo)						
Income Statement							
Revenues	961,834	5,167,749	7,533,162	7,533,162	7,533,162	7,533,162	7,533,162
EBITDA	764,077	4,524,465	6,706,236	6,706,236	6,706,236	6,706,236	6,706,236
Net Income	698,561	-217,064	2,068,530	2,180,074	2,291,618	2,403,162	3,433,290
Net Income per Unit	21.17	-6.58	62.68	66.06	69.44	72.82	104.04
Gross	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%
EBITDA	79.4%	87.6%	89.0%	89.0%	89.0%	89.0%	89.0%
EBIT	72.6%	17.2%	40.8%	40.8%	40.8%	40.8%	53.0%
EBT	72.6%	-4.2%	27.5%	28.9%	30.4%	31.9%	45.6%
Net	72.6%	-4.2%	27.5%	28.9%	30.4%	31.9%	45.6%
EBITDA/Interest Coverage	N/A	4.06	6.68	7.52	8.59	10.02	12.02
EBIT/Interest Coverage	N/A	0.80	3.06	3.44	3.93	4.59	7.15
Balance Sheet							
Cash and Bank Reserves	1,965,314	363,559	363,559	363,559	363,559	363,559	363,559
Solar PV Assets	7,861,858	51,628,856	48,911,548	46,194,240	43,476,932	40,759,623	38,042,315
Loan Payable (for Acquisition of PV Assets)	3,963,687	24,485,256	21,764,672	19,044,088	16,323,504	13,602,920	10,882,336
LT Debt/Capital	37%	44%	42%	39%	36%	33%	28%
Debt/EBITDA	5.19	5.41	3.25	2.84	2.43	2.03	1.62
Return on Average Assets	13.1%	-0.7%	3.8%	4.3%	4.9%	5.6%	8.6%
Return on Average Equity	20.9%	-1.1%	6.7%	7.3%	7.9%	8.6%	12.5%
Return on Average Invested Capital	13.1%	-0.7%	3.8%	4.3%	4.9%	5.6%	8.6%
Cash Flow Statement							
Cash used in operating activities	764,077	3,418,829	5,704,423	5,815,967	5,927,511	6,039,055	6,150,599
Cash used in Investing activities	-7,927,374	-46,484,306	-	-	-	-	-
Cash used in Financing activities	7,927,374	42,463,722	-5,704,423	-5,815,967	-5,927,511	-6,039,055	-6,150,599
Net Change in cash, during the year	764,077	-601,755	-	-	-	-	-
Cash position, beginning of the year	1	764,078	162,323	162,323	162,323	162,323	162,323
Cash position, end of the year	764,078	162,323	162,323	162,323	162,323	162,323	162,323
Operating Cash Flow/Debt	0.19	0.14	0.26	0.31	0.36	0.44	0.57
Fund from Operations (FFO)	764,077	3,418,829	5,704,423	5,815,967	5,927,511	6,039,055	6,150,599
Loan Repayment	N/A	2,720,584	2,720,584	2,720,584	2,720,584	2,720,584	2,720,584
Cash Available for Distribution and Distributed	N/A	2,300,000	2,983,839	3,095,383	3,206,927	3,318,471	3,430,015
Cash Distribution Per Unit	N/A	70	90	94	97	101	104
FFO/Cash Available for Distributin and Distributed	N/A	1.49	1.91	1.88	1.85	1.82	1.79
Payout Ratio	N/A	7.0%	9.0%	9.4%	9.7%	10.1%	10.4%

Stress Test C (in C\$) - FYE December	2016	2017	2018	2019	2020	2021	2022
Income Statement							
Revenues	7,533,162	7,533,162	7,533,162	7,533,162	7,533,162	7,533,162	7,533,162
EBITDA	6,706,236	6,706,236	6,706,236	6,706,236	6,706,236	6,706,236	6,706,236
Net Income	3,544,834	3,656,378	3,767,922	3,879,466	3,991,010	3,991,010	3,991,010
Net Income per Unit	107.42	110.80	114.18	117.56	120.94	120.94	120.94
Gross	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%	95.6%
EBITDA	89.0%	89.0%	89.0%	89.0%	89.0%	89.0%	89.0%
EBIT	53.0%	53.0%	53.0%	53.0%	53.0%	53.0%	53.0%
EBT	47.1%	48.5%	50.0%	51.5%	53.0%	53.0%	53.0%
Net	47.1%	48.5%	50.0%	51.5%	53.0%	53.0%	53.0%
EBITDA/Interest Coverage	15.03	20.04	30.06	60.12	N/A	N/A	N/A
EBIT/Interest Coverage	8.94	11.92	17.88	35.76	N/A	N/A	N/A
Balance Sheet							
Cash and Bank Reserves	363,559	363,559	363,559	363,559	363,559	363,559	363,559
Solar PV Assets	35,325,007	32,607,699	29,890,390	27,173,082	24,455,774	21,738,466	19,021,158
Loan Payable (for Acquisition of PV Assets)	8,161,752	5,441,168	2,720,584	-	-	-	-
LT Debt/Capital	23%	17%	9%	-	-	-	-
Debt/EBITDA	1.22	0.81	0.41	-	-	-	-
Return on Average Assets	9.6%	10.7%	11.9%	13.4%	15.2%	17.0%	19.2%
Return on Average Equity	12.9%	13.3%	13.7%	14.1%	15.2%	17.0%	19.2%
Return on Average Invested Capital	9.6%	10.7%	11.9%	13.4%	15.2%	17.0%	19.2%
Cash Flow Statement							
Cash used in operating activities	6,262,143	6,373,687	6,485,231	6,596,774	6,708,318	6,708,318	6,708,318
Cash used in Investing activities	-	-	-	-	-	-	-
Cash used in Financing activities	-6,262,143	-6,373,687	-6,485,231	-6,596,774	-6,708,318	-6,708,318	-6,708,318
Net Change in cash, during the year	-	-	-	-	-	-	-
Cash position, beginning of the year	162,323	162,323	162,323	162,323	162,323	162,323	162,323
Cash position, end of the year	162,323	162,323	162,323	162,323	162,323	162,323	162,323
Operating Cash Flow/Debt	0.77	1.17	2.38				
Fund from Operations (FFO)	6,262,143	6,373,687	6,485,231	6,596,774	6,708,318	6,708,318	6,708,318
Loan Repayment	2,720,584	2,720,584	2,720,584	2,720,584			
Cash Available for Distribution and Distributed	3,541,559	3,653,103	3,764,647	3,876,190	6,708,318	6,708,318	6,708,318
Cash Distribution Per Unit	107	111	114	117	203	203	203
FFO/Cash Available for Distributin and Distributed	1.77	1.74	1.72	1.70	1.00	1.00	1.00
Payout Ratio	10.7%	11.1%	11.4%	11.7%	20.3%	20.3%	20.3%

Appendix G: Stress Test D Key Financials (C\$/Euro Exchange = 1.35), 2009 - 2022

Stress Test D (in C\$) - FYE December	2009	2010	2011	2012	2013	2014	2015
	(Last 3 mo)						
Income Statement							
Revenues	1,374,049	7,382,499	9,685,494	9,685,494	9,685,494	9,685,494	9,685,494
EBITDA	1,150,108	6,568,958	8,672,001	8,672,001	8,672,001	8,672,001	8,672,001
Net Income	1,056,515	-288,270	2,008,578	2,215,731	2,422,884	2,630,037	3,755,775
Net Income per Unit	32.02	-8.74	60.87	67.14	73.42	79.70	113.81
Gross	95.6%	95.6%	95.4%	95.4%	95.4%	95.4%	95.4%
EBITDA	83.7%	89.0%	89.5%	89.5%	89.5%	89.5%	89.5%
EBIT	76.9%	24.0%	40.0%	40.0%	40.0%	40.0%	49.5%
EBT	76.9%	-3.9%	20.7%	22.9%	25.0%	27.2%	38.8%
Net	76.9%	-3.9%	20.7%	22.9%	25.0%	27.2%	38.8%
EBITDA/Interest Coverage	N/A	3.17	4.65	5.23	5.98	6.98	8.37
EBIT/Interest Coverage	N/A	0.85	2.08	2.34	2.67	3.11	4.62
Balance Sheet							
Cash and Bank Reserves	2,351,345	311,016	311,016	311,016	311,016	311,016	311,016
Solar PV Assets	11,231,226	73,755,509	69,873,640	65,991,771	62,109,902	58,228,033	54,346,165
Loan Payable (for Acquisition of PV Assets)	7,361,133	45,472,618	40,420,105	35,367,592	30,315,079	25,262,566	20,210,053
LT Debt/Capital	51%	58%	55%	52%	48%	43%	37%
Debt/EBITDA	6.40	6.92	4.66	4.08	3.50	2.91	2.33
Return on Average Assets	14.7%	-0.6%	2.7%	3.1%	3.7%	4.3%	6.6%
Return on Average Equity	29.9%	-1.5%	6.2%	6.8%	7.4%	7.9%	11.1%
Return on Average Invested Capital	14.7%	-0.6%	2.7%	3.1%	3.7%	4.3%	6.6%
Cash Flow Statement							
Cash used in operating activities	1,150,108	4,512,183	6,809,032	7,016,185	7,223,338	7,430,491	7,637,644
Cash used in Investing activities	-11,324,820	-66,406,152	-	-	-	-	-
Cash used in Financing activities	11,324,820	60,853,639	-6,809,032	-7,016,185	-7,223,338	-7,430,491	-7,637,644
Net Change in cash, during the year	1,150,108	-1,040,330	-	-	-	-	-
Cash position, beginning of the year	1	1,150,109	109,780	109,780	109,780	109,780	109,780
Cash position, end of the year	1,150,109	109,780	109,780	109,780	109,780	109,780	109,780
Operating Cash Flow/Debt	0.16	0.10	0.17	0.20	0.24	0.29	0.38
Fund from Operations (FFO)	1,150,108	4,512,183	6,809,032	7,016,185	7,223,338	7,430,491	7,637,644
Loan Repayment	N/A	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513	5,052,513
Cash Available for Distribution and Distributed	N/A	1,500,000	1,756,519	1,963,672	2,170,825	2,377,978	2,585,131
Cash Distribution Per Unit	N/A	45	53	60	66	72	78
FFO/Cash Available for Distributin and Distributed	N/A	3.01	3.88	3.57	3.33	3.12	2.95
Payout Ratio	N/A	4.5%	5.3%	6.0%	6.6%	7.2%	7.8%

Stress Test D (in C\$) - FYE December	2016	2017	2018	2019	2020	2021	2022
Income Statement							
Revenues	9,685,494	9,685,494	9,685,494	9,685,494	9,685,494	9,685,494	9,685,494
EBITDA	8,672,001	8,672,001	8,672,001	8,672,001	8,672,001	8,672,001	8,672,001
Net Income	3,962,928	4,170,081	4,377,234	4,584,387	4,791,540	4,791,540	4,791,540
Net Income per Unit	120.09	126.37	132.64	138.92	145.20	145.20	145.20
Gross	95.4%	95.4%	95.4%	95.4%	95.4%	95.4%	95.4%
EBITDA	89.5%	89.5%	89.5%	89.5%	89.5%	89.5%	89.5%
EBIT	49.5%	49.5%	49.5%	49.5%	49.5%	49.5%	49.5%
EBT	40.9%	43.1%	45.2%	47.3%	49.5%	49.5%	49.5%
Net	40.9%	43.1%	45.2%	47.3%	49.5%	49.5%	49.5%
EBITDA/Interest Coverage	10.47	13.95	20.93	41.86	N/A	N/A	N/A
EBIT/Interest Coverage	5.78	7.71	11.56	23.12	N/A	N/A	N/A
Balance Sheet							
Cash and Bank Reserves	311,016	311,016	311,016	311,016	311,016	311,016	311,016
Solar PV Assets	50,464,296	46,582,427	42,700,558	38,818,689	34,936,820	31,054,951	27,173,082
Loan Payable (for Acquisition of PV Assets)	15,157,539	10,105,026	5,052,513	-	-	-	-
LT Debt/Capital	30%	22%	12%	-	-	-	-
Debt/EBITDA	1.75	1.17	0.58	-	-	-	-
Return on Average Assets	7.5%	8.5%	9.7%	11.2%	12.9%	14.4%	16.3%
Return on Average Equity	11.3%	11.5%	11.7%	11.9%	12.9%	14.4%	16.3%
Return on Average Invested Capital	7.5%	8.5%	9.7%	11.2%	12.9%	14.4%	16.3%
Cash Flow Statement							
Cash used in operating activities	7,844,797	8,051,950	8,259,103	8,466,256	8,673,409	8,673,409	8,673,409
Cash used in Investing activities	-	-	-	-	-	-	-
Cash used in Financing activities	-7,844,797	-8,051,950	-8,259,103	-8,466,256	-8,673,409	-8,673,409	-8,673,409
Net Change in cash, during the year	-	-	-	-	-	-	-
Cash position, beginning of the year	109,780	109,780	109,780	109,780	109,780	109,780	109,780
Cash position, end of the year	109,780	109,780	109,780	109,780	109,780	109,780	109,780
Operating Cash Flow/Debt	0.52	0.80	1.63				
Fund from Operations (FFO)	7,844,797	8,051,950	8,259,103	8,466,256	8,673,409	8,673,409	8,673,409
Loan Repayment	5,052,513	5,052,513	5,052,513	5,052,513			
Cash Available for Distribution and Distributed	2,792,284	2,999,437	3,206,590	3,413,743	8,673,409	8,673,409	8,673,409
Cash Distribution Per Unit	85	91	97	103	263	263	263
FFO/Cash Available for Distributin and Distributed	2.81	2.68	2.58	2.48	1.00	1.00	1.00
Payout Ratio	8.5%	9.1%	9.7%	10.3%	26.3%	26.3%	26.3%

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Stability Rating	
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STA-2	Very good stability and sustainability in generation of distributable cash flows
STA-3	Good stability and sustainability in generation of distributable cash flows
STA-4	Adequate stability and sustainability in generation of distributable cash flows
STA-5	Weak stability and sustainability in generation of distributable cash flows
STA-6	Very weak stability and sustainability in generation of distributable cash flows
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Outlook: Stable, Positive, Negative, Developing

The outlook indicates the expected change in ratings in the short to medium term, based on current developments in market, economic, political and other conditions.

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