NEW ENERGY RISK
Underwriting A Greener Future®

# TAX CREDIT INSURANCE
## SECTION 48/48E CLEAN ENERGY FACILITIES

## Tax Credit Insurance

New Energy Risk's tax credit insurance products are designed to support capital responding to the expanded scope and value of tax incentives provided by the 2022 Inflation Reduction Act and facilitate the investments required to power the energy transition.

Integrating our market-leading structured performance insurance solutions and project development expertise, we are able to offer enhanced tax credit insurance to underwrite newly eligible technologies and the full scope of credit enhancements.

## Summary

Comprehensive coverage for Section 48 investment tax credits.

The coverage provides protection to the beneficiary of tax credits from U.S. clean infrastructure projects for the credit validity and value of an insured value of tax credit.

## Our Process

New Energy Risk applies its technical and actuarial expertise to transfer technical risk from capital to the insurance markets, enhancing a project's standalone credit profile and delivering strong counterparty support for technology providers and project developers.

## Insurable Risks

- Qualifying investment basis (cost and fair market value)
- Failure of the insured's tax position, including:
  - Qualified facility eligibility and emissions rate technical risk
  - Prevailing wage and apprenticeship requirements
  - Energy communities bonus
  - Low-Income communities bonus
  - Domestic content bonus
- Technology performance during the 5-year recapture period

## Policy Features

Flexible terms, including:

- Up to 5 years' coverage, supporting required ownership period
- Non-cancellable or renewal-based policy
- Protection of seller's liability to transferee, or loss paid directly to the tax credit beneficiary[1]
- Coverage of tax position, including adders and bonuses, and project non-tax capital
- Coverage for gross-up, interest, penalties, and defense costs
- Commissioning and ramp-up risk for novel technologies

## Limits

- Starting at $25M limit to support full tax credit exposure
- Supported by a consortium of A-rated insurers

[1]Loss payable directly in the case of tax equity or transferees nominated as Loss Payee in the policy.

### ABOUT NEW ENERGY RISK

New Energy Risk is a pioneer of large-scale, breakthrough technology performance insurance solutions. The company provides complex risk assessment and serves as a bridge between technology innovators, financiers, and insurers. Insurance policies are administered through New Energy Risk affiliate, Complex Risk and Insurance Associates, LLC, CA License #0I24307.

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