



## **Sunrun Issues Statement Regarding Situation with Silicon Valley Bank**

*Statement issued 3/10/2023 at approximately 11:30 am PT*

In response to investor questions regarding the evolving situation with Silicon Valley Bank (SVB), Sunrun Inc. (the "Company") issued the following statement.

While we are continuing to evaluate the situation and assess Sunrun's potential exposure, the Company has estimated exposure to include the following:

SVB is a lender in Sunrun's parent \$600 million recourse credit facility which includes Letters of Credit ("LCs") along with the Company's \$1.8 billion non-recourse senior aggregation warehouse facility. Both facilities have a diverse group of banks involved. The recourse credit facility has 13 lenders and the non-recourse senior aggregation warehouse facility has 9 lenders. These facilities are relatively utilized as one can see in our latest filings with the SEC. The recourse credit facility was fully utilized at the end of the quarter and continues to be. The \$1.8 billion non-recourse senior aggregation warehouse facility currently has approximately \$710 million undrawn, subject to additional asset contributions increasing the borrowing base, of which SVB's undrawn commitment was approximately \$40 million.

While SVB is a facilitator of interest rate hedges (i.e., interest rates swaps), to our knowledge they are not ultimately the backer of these derivatives, as they involve numerous other large banks. As such, we do not expect material exposure to SVB from our interest rate hedging activities, although we will continue to evaluate the legal structures associated with these derivatives. SVB represents a small percentage of our overall hedging facilities as measured by notional value of less than 15%.

SVB is not a tax equity provider to Sunrun (nor is SVB a tax equity provider to the industry, to our knowledge).

Sunrun has long-standing banking relationships with multiple institutions, one of which is SVB. As of today, Sunrun has less than \$80 million of cash deposits with SVB and will have more information on expected recovery next week, as noted by the [FDIC statement](#) issued today.

We will continue to evaluate Sunrun's exposure in other areas of the business, for instance, potential impacts to our commercial and strategic partners.

## **Sunrun Issues Additional Statement Regarding Silicon Valley Bank & Credit Suisse Developments**

*Statement Issued 3/23/2023*

The [FDIC issued an announcement](#) on March 13th and [SVB issued an additional announcement](#) on March 14th that certain of SVB's assets and obligations have been transferred to a new bank, Silicon Valley Bridge Bank, N.A. ("SVBB"), and that SVBB is open for business and honoring all existing commitments, including credit facilities and interest rate hedges. Sunrun has access to all cash deposits at SVBB and SVBB is honoring commitments under Sunrun's credit facilities. Sunrun's cash deposits are held at a diversified group of banks, including systemically important financial institutions.

As [previously announced](#), Apollo purchased a significant portion of the Securitized Products Group from Credit Suisse to form ATLAS SP Partners. A majority of the assets and professionals are now part of or managed by

ATLAS SP Partners, a new standalone credit firm focused on asset-backed financing and capital markets solutions. Credit Suisse recently assigned its lending commitment under Sunrun's non-recourse senior aggregation warehouse to an affiliate of ATLAS SP Partners. In addition, ATLAS SP Partners assumed the administrative agent role of the facility.

Lenders in Sunrun's recourse credit facility are the following: KeyBank National Association, Silicon Valley Bank (which is now Silicon Valley Bridge Bank), MUFG Bank Ltd, Bank of America N.A., Credit Suisse AG Cayman Island Branch, Morgan Stanley Senior Funding Inc, Credit Agricole Corporate and Investment Bank, Royal Bank of Canada, Deutsche Bank AG, Truist Bank, Goldman Sachs, TD Bank and New York Green Bank.

Lenders in Sunrun's non-recourse senior aggregation warehouse facility now include: an affiliate of ATLAS SP Partners, Deutsche Bank AG, Truist Bank, Keybank N.A., Silicon Valley Bridge Bank, Bank of America N.A., Citibank N.A., Royal Bank of Canada and an affiliate of MUFG Bank Ltd.

Sunrun has continued to utilize both facilities without interruption.