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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

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CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): December 16, 2019

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**REAL GOODS SOLAR, INC.**

(Exact Name of Registrant as Specified in its Charter)

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Colorado  
(State or Other Jurisdiction  
of Incorporation)

001-34044  
(Commission File Number)

26-1851813  
(IRS Employer  
Identification No.)

110 16<sup>th</sup> Street, Suite 300, Denver, CO 80202  
(Address of Principal Executive Offices, Including Zip Code)

Registrant's telephone number, including area code: (303) 222-8300

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934: None**

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### **Item 3.02. Unregistered Sales of Equity Securities.**

On December 16, 2019, the subscription period for Real Goods Solar, Inc.'s (the "Company") previously announced rights offering expired, and on December 19, 2019 the Company closed on the rights offering and issued and sold 53,877 shares of Series 1 Preferred Stock (the "Rights Offering") for aggregate gross cash proceeds of \$538,770. In the Rights Offering, the Company distributed, at no charge, to each of (i) the holders of the Company's Class A common stock, and (ii) the holders of warrants exercisable for the Company's Class A common stock, non-transferable subscription rights ("Rights") to purchase up to, subject to proration and other restrictions, an aggregate of 10 shares of Real Goods Solar, Inc.'s Series 1 Preferred Stock, par value \$0.0001 per share, at a subscription price of \$10 per share. The Company offered up to 2,000,000 shares of Series 1 Preferred Stock in the Rights Offering.

Advisory Group Equity Services, Ltd. d/b/a RHK Capital ("RHK Capital") served as dealer-manager in connection with the Rights Offering under the previously reported Dealer-Manager Agreement between the Company and RHK Capital. RHK Capital did not underwrite any of the Rights or the shares of Series 1 Preferred Stock in the Rights Offering and RHK Capital was not required to arrange or procure the purchase or sale of any specific number or dollar amount of the shares of Series 1 Preferred Stock.

RHK Capital is authorized under the Dealer-Manager Agreement to act as a placement agent and use its commercially reasonable efforts to place up to the 1,946,123 unsubscribed shares of Series 1 Preferred Stock in the Rights Offering at the \$10 subscription price, for an additional period of up to 45 calendar days (the "Placement Period"). RHK Capital is not acting as an underwriter, and no assurance can be given that any shares of Series 1 Preferred Stock will be sold during the Placement Period. The Placement Period began on December 17, 2019.

Pursuant to the Dealer-Manager Agreement, the Company is obligated to pay RHK Capital as compensation a cash fee of 6.0% of the proceeds from the sale of Series 1 Preferred Stock in the Rights Offering or during the Placement Period plus a 1.8% non-accountable expense fee and an out-of-pocket accountable expense allowance of 0.2% of the proceeds from the sale of Series 1 Preferred Stock in the Rights Offering or during the Placement Period, which fee and expense to be calculated in respect of the total gross proceeds received by the Company from the sale of Series 1 Preferred Stock in the Rights Offering or during the Placement Period. At the closing of the Rights Offering, the Company paid RHK Capital a net amount of \$18,102 in addition to the \$25,000 advance previously paid to RHK Capital, which consists of \$32,326 as a cash fee, \$9,698 as non-accountable expense fee, and \$1,078 as an out-of-pocket accountable expense fee.

The Company conducted the Rights Offering and will conduct the offer and sale of Series 1 Preferred Stock during the Placement Period under Regulation A promulgated under the Securities Act of 1933, as amended, and its Offering Statement on Form 1-A (File No. 024-11087), as amended, which was qualified by the Securities and Exchange Commission on November 19, 2019.

### **Item 3.03. Material Modification to Rights of Security Holders.**

In connection with the Rights Offering and the issuance of Series 1 Preferred Stock, which is described in Item 3.02 above and incorporated by reference into this Item 3.03, the Company filed with the Colorado Secretary of State Articles of Amendment with the Articles of Designation of Preferences, Rights on December 13, 2019 effective on December 16, 2019, copy of which is attached to this Current Report on Form 8-K as Exhibit 3.1 and is incorporated by reference into this Item 3.03 (the "Articles of Designation"), to create the Series 1 Preferred Stock pursuant to the authority granted to the Company's board of directors under the Company's Articles of Incorporation.

The terms of the Series 1 Preferred Stock are set forth in the Articles of Designation and summarized below. The rights of holders of the Company's Class A common stock have been materially limited and qualified by the issuance of the Series 1 Preferred Stock, as described below.

#### **Dividends**

Holders of the Series 1 Preferred Stock will be entitled to receive cumulative cash dividends representing a 12% annual yield on the purchase price, payable on the tenth business day after each dividend record date (\$0.30 per share of Series 1 Preferred Stock with respect to each quarterly payment date). Each dividend record date will be the last business day of each calendar quarter, with the first dividend record date to be March 31, 2020. Dividends may also be paid, at the Company's option, in additional shares of Series 1 Preferred Stock, valued at their \$10 liquidation preference. The Company will not issue any fractional shares of Series 1 Preferred Stock when paying the dividends in kind and instead round down to the nearest whole share. Holders of Series 1 Preferred Stock will be entitled to be paid dividend before the Company may pay any dividend to the holders of the Company's Class A common stock. The Company's ability to pay cash dividends in the future will depend upon the Company's financial results, liquidity and financial condition.

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## **Liquidation Preference and Sale Transactions**

The Series 1 Preferred Stock will have a liquidation preference of \$10.00 per share, equal to its purchase price. Subject to the rights of the holders of any securities the Company issues in the future the terms of which expressly provide that such securities will rank senior to or on a parity with the Series 1 Preferred, in the event of any liquidation, dissolution or winding up of the Company, any amounts remaining available for distribution to shareholders after payment of all liabilities of the Company will be distributed first to the holders of Series 1 Preferred Stock, before any distributions may be made to the holders of any junior securities, such as the holders of the Company's Class A common stock.

Certain "sale transactions" (as defined in the Articles of Designation) will be treated as a liquidation, dissolution or winding up of the Company unless holders of a majority of the outstanding shares of Series 1 Preferred Stock shall have consented otherwise. Generally, a "sale transaction" includes (i) a merger involving the Company where the holders of its voting capital stock before such merger do not retain at least a majority of the voting power of the surviving entity, or (ii) a sale of all or substantially all of the Company's assets.

## **Voting Rights**

Except as otherwise provided in the Articles of Designation or as required by law, the Series 1 Preferred Stock will vote together with the shares of Class A common stock (and not as a separate class) at any annual or special meeting of shareholders. Except as required by law, each holder of shares of Series 1 Preferred Stock will be entitled to 100 votes for each share of Series 1 Preferred Stock held as of the applicable record date as though each share of Series 1 Preferred Stock were 100 shares of Class A common stock. Holders of the Series 1 Preferred Stock will vote as a class on any modification or amendment of the Articles of Designation.

## **No Conversion**

The Series 1 Preferred Stock will not be convertible into or exchangeable for shares of Class A common stock or any other security.

## **Rank**

With respect to payment of dividends, redemption payments, and rights upon liquidation, dissolution or winding-up of the Company's affairs or a sale transaction, as applicable, the Series 1 Preferred Stock will rank:

- senior to the Company's Class A common stock, and any other securities the Company issues in the future unless the terms of such securities provide that they rank senior to or on a parity with any or all of the Series 1 Preferred Stock;
- on a parity with any securities the Company issues in the future the terms of which provide that they will rank on a parity with any or all of the Series 1 Preferred Stock;
- junior to any securities issued in the future the terms of which expressly provide that such securities will rank senior to the Series 1 Preferred Stock; and
- junior to all of the Company's existing and future indebtedness.

In addition, with respect to rights upon the Company's liquidation, dissolution or winding-up, the Series 1 Preferred Stock will be structurally subordinated to existing and future indebtedness of the Company and subsidiaries, as well as the capital stock of the Company's subsidiaries held by third parties.

## **Term**

The Series 1 Preferred Stock is perpetual and does not have a term. However, the Company may redeem or otherwise repurchase the Series 1 Preferred Stock as described below.

## **Redemption**

The Company may redeem any or all of the Series 1 Preferred Stock at any time after December 19, 2020 and from time to time thereafter at the Company's option, by giving 20 business days of notice (by issuing a press release or otherwise making a public announcement, by mailing a notice of redemption or otherwise). If the Company redeems fewer than all of the outstanding shares of Series 1 Preferred Stock, the Company may select the shares to be redeemed by redeeming shares proportionally, by lot, or by any other equitable method.

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The redemption price for any shares of Series 1 Preferred Stock will be an amount equal to 125% of the \$10.00 purchase price per share plus any unpaid dividends with respect to any record date that occurred before notice of redemption if the holder of any shares of Series 1 Preferred to be redeemed was the record holder of such shares on any such record date.

From and after any applicable redemption date:

- the shares of Series 1 Preferred to be redeemed will no longer be entitled to receive dividends with respect to any record date that occurs after such redemption date;
- the shares of Series 1 Preferred Stock will no longer be deemed outstanding;
- the holders of the shares of Series 1 Preferred Stock, as such, will cease to be shareholders; and
- all rights with respect to the shares of Series 1 Preferred Stock will terminate except the right of the holders to receive the redemption price, without interest.

There will not be any sinking fund for the Series 1 Preferred Stock.

#### **Anti-dilution Adjustments**

The Series 1 Preferred Stock will not be adjusted, and no additional shares of Series 1 Preferred Stock will be issued, solely as a result of any future change to or affecting the Class A common stock. The number of votes and the liquidation preference per share of Series 1 Preferred Stock is subject to proportional adjustments for stock splits or similar events affecting the Series 1 Preferred Stock. Further, the number of votes per share of Series 1 Preferred Stock is subject to proportional adjustments for stock splits or similar events affecting the Class A common stock.

#### **Form**

The Company issued the shares of Series 1 Preferred Stock at closing in book entry form. The Series 1 Preferred Stock may be held in registered book-entry form or in a brokerage account through an intermediary. Holders may also request that the Company issue the shares of Series 1 Preferred Stock in certificated form at any time.

#### **Amendments**

The Company may modify or amend the Articles of Designation with the consent of the holders of a majority of the outstanding shares of Series 1 Preferred; provided, however, that any proposed modification or amendment that materially and adversely affects the rights and obligations of any holder of Series 1 Preferred shall require the prior written consent of such holder of Series 1 Preferred.

#### **Trading**

The Series 1 Preferred Stock will not be listed on any national securities exchange. The Company intend for the Series 1 Preferred Stock to trade in the over-the-counter market and to be quoted on the OTCQX marketplace operated by OTC Markets Group. However, there can be no assurance that the Series 1 Preferred Stock will be quoted on the OTCQX marketplace.

#### **Anti-Takeover Effects of the Company's Articles of Incorporation and Bylaws**

The following provisions, which are contained in the Company's articles of incorporation or bylaws, could have the effect of delaying, deferring or preventing a change in control of the Company.

The Company's articles of incorporation and bylaws provide that the board may consist of any number of directors, which may be fixed from time to time by the board. Newly created directorships resulting from any increase in the authorized number of directors may be filled by the affirmative vote of a majority of the directors then in office or by an election at an annual meeting or special meeting of shareholders called for that purpose. Any vacancies on the board resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled a majority of the board then in office, even if less than a quorum is remaining in office.

The Company's bylaws require advance notice by a shareholder of any proposal to be brought before an annual meeting of shareholders by a shareholder, including any nomination for election of directors by any shareholder entitled to vote for the election of directors at the meeting. The bylaws also provide that no shareholder proposal may be considered at a meeting of the shareholders unless the proposal relates to a matter on which a shareholder vote is required by the Company's charter, bylaws or by applicable law.

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The Company's board of directors has the power to issue preferred stock with designations, preferences, limitations and relative rights determined by the board of directors without any vote or action by shareholders. The issuance of preferred stock or of rights to purchase preferred stock could have the effect of making it more difficult for a third party to acquire the Company, or of discouraging a third party from attempting to acquire the Company.

Subject to repeal or change by action of the Company's shareholders, the board may amend, supplement or repeal the Company's bylaws or adopt new bylaws.

#### **Transfer Agent and Registrar**

Continental Stock Transfer and Trust Company, located at Continental Stock Transfer and Trust Company, 1 State Street, 30<sup>th</sup> Floor, New York, NY 10004, is the transfer agent and registrar for the Series 1 Preferred Stock.

#### **Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

The Company filed Articles of Amendment with the Articles of Designation with the Colorado Secretary of State on December 13, 2019 effective on December 16, 2019 to create the Preferred Stock pursuant to authority granted to the Company's board of directors under the Company's articles of incorporation. The terms of the Articles of Designation and the Preferred Stock are set forth above under Item 3.03 and incorporated by reference herein.

#### **Item 8.01. Other Events.**

As of December 19, 2019, after closing the Rights Offering described in Item 3.02 above, there were (i) 53,877 shares of Series 1 Preferred Stock issued and outstanding, (ii) 120,612,570 shares of Class A common stock issued and outstanding, and (iii) warrants exercisable for an aggregate of 11,393,999 shares of Class A common stock issued and outstanding.

#### **Risk Factors**

The following updates the risk factors included in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and Quarterly Reports on Form 10-Q for the periods ended March 31, 2019, June 30, 2019 and September 30, 2019.

*The interests of the holders of Series 1 Preferred Stock and the holders of Class A common stock may be adverse.*

Holders of the Series 1 Preferred Stock will generally vote together with holders of Class A common stock as one class (and not as a separate class) at any annual or special meeting of shareholders. Except as required by law, each holder of shares of Series 1 Preferred Stock will be entitled to 100 votes for each share of Series 1 Preferred Stock held on the record date as though each share of Series 1 Preferred Stock were 100 shares of the Company's Class A common stock. As of December 19, 2019, there are 53,877 shares of Series 1 Preferred Stock outstanding, which equals approximately 4.28% of the voting power of all shareholders. Due to the differences in the terms of the Series 1 Preferred Stock and the Class A common stock, such as rank, liquidation preference and lack of conversion of the Series 1 Preferred Stock into Class A common stock, the interests of the holders of the Series 1 Preferred Stock and those of the holders of Class A common stock may differ or be adverse.

*A public market may not develop for the Series 1 Preferred Stock.*

There is no established public trading market for the Series 1 Preferred Stock and one may not develop. The Series 1 Preferred Stock will not be listed on any national securities exchange. The Company expects the Series 1 Preferred Stock to trade in the over-the-counter market and to be quoted on the OTCQX marketplace operated by OTC Markets Group. Nevertheless, there can be no guarantee that a public trading market will develop for the Series 1 Preferred Stock. Without an active market, the liquidity of the Series 1 Preferred Stock will be very limited.

*The subscription price for the Series 1 Preferred Stock will not be adjusted for certain dilutive events.*

The subscription price for the Series 1 Preferred Stock of \$10 is not subject to adjustment upon a future issuances of securities, including, without limitation, capital stock, options and convertible securities. Such issuances, transactions or occurrences may adversely affect the market value of the Series 1 Preferred Stock, if any, without resulting in an adjustment of the subscription price for the Series 1 Preferred Stock.

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*The Company does not intend to issue any additional shares of the Series 1 Preferred Stock after the Rights Offering and the Placement Period.*

The Company does not expect to issue any additional shares of Series 1 Preferred Stock after the Rights Offering and the Placement Period other than if the Company elects to pay dividends on the Series 1 Preferred Stock in the form of additional shares of Series 1 Preferred Stock. Consequently, the Company expects trading of the Series 1 Preferred Stock, if any, to be limited to what the Company issues in the Rights Offering and during the Placement Period.

*Although there may be low or no correlations between the markets and trading prices of Series 1 Preferred Stock and the Class A common stock, changes in the markets or trading prices of one could impact the other.*

The market for or trading price of the Series 1 Preferred Stock, if any, may have only a low correlation, and may have no correlation, with the market for or trading price of the Class A common stock. Nevertheless, fluctuations in the market for or trading prices of the Series 1 Preferred Stock or the Class A common stock could impact the market for or trading prices of the other, which could occur as the result of developments in the Company's business or from future sales of Class A common stock by the Company or by holders of Class A common stock or for other reasons. For example, in the future, the Company may sell shares of its Class A common stock to raise capital or to acquire interests in other companies. Any of these events may adversely affect the price of the Class A common stock and, in turn, of the Series 1 Preferred Stock. In addition, the Company has reserved shares of its Class A common stock for issuance upon the exercise of stock options and upon exercise of warrants. Any of these events, and any other event that results in sales of a substantial amount of the Class A common stock in the public market, or the perception that any such sales may occur, could reduce the market price of the Class A common stock and, in turn, the trading price of the Series 1 Preferred Stock. This could also impair the Company's ability to raise additional capital through the sale of the Company's securities. Further, greater investor demand for the Series 1 Preferred Stock and a more liquid market in the Series 1 Preferred Stock as a result could reduce the demand and decrease liquidity in the market for the Class A common stock. Changes in the market for or trading prices of the Series 1 Preferred Stock or Class A common stock could have a material adverse effect on the other.

*The Series 1 Preferred Stock will rank senior to the Class A common stock but junior to all of the Company's existing and future liabilities in the event of a liquidation, winding up or dissolution of the Company's business.*

In the event of the Company's liquidation, winding up or dissolution, its assets would be available to make payments to holders of the Series 1 Preferred Stock only after all of the Company's liabilities have been paid. In addition, the Series 1 Preferred Stock will rank structurally senior to the Class A common stock, but junior to all of the Company's existing and future liabilities and those of the Company's subsidiaries, as well as the capital stock of the Company's subsidiaries held by third parties and employees holding shares of any other direct or indirect subsidiary of the Company, whether now existing or created in the future, which issues shares or other equity interests to employees. In the event of the Company's bankruptcy, liquidation or winding up, there may not be sufficient assets remaining, after paying the Company's and its subsidiaries' liabilities, to pay any amounts to the holders of the Series 1 Preferred Stock then outstanding. Any liquidation, winding up or dissolution of the Company or of any of its wholly or partially owned subsidiaries would have a material adverse effect on holders of the Series 1 Preferred Stock.

*The holders of Series 1 Preferred Stock or Class A common stock may be adversely affected by the issuance of any subsequent series of preferred stock.*

The terms of the Series 1 Preferred Stock do not restrict the Company's ability to offer one or more additional new series of preferred stock, any or all of which may rank equally with or have preferences over the Series 1 Preferred Stock and the Class A common stock as to dividend payments, voting rights, rights upon liquidation or other types of rights. The Company would have no obligation to consider the specific interests of the holders of the Series 1 Preferred Stock or the Class A common stock in creating any such new series of preferred stock or engaging in any such offering or transaction. The Company's creation of any new series of preferred stock or the Company engaging in any such offering or transaction could have a material adverse effect on holders of the Series 1 Preferred Stock or the Class A common stock.

*The holders of Series 1 Preferred Stock may not receive any cash payment of dividends.*

Holders of the Series 1 Preferred Stock will be entitled to receive cash dividends representing a 12% annual yield on the \$10 purchase price, payable quarterly. Dividends may, at the Company's option, also be paid in additional shares of Series 1 Preferred Stock in lieu of cash, and the Company may choose to do so indefinitely.

Additionally, under Colorado law, the Company may only pay cash dividends or make distributions to the Company's shareholders if after giving effect to such cash dividend or distribution (i) the Company would not be able to pay its debts as they become due in the usual course of business, or (ii) the Company's total assets would be less than the sum of the Company's total liabilities plus the amount that would be needed, if the Company was to be dissolved at the time of the dividend or distribution, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those receiving the dividend or distribution. Therefore, the Company's ability to pay cash dividends and make any other distributions in the future will depend upon the Company's financial results, liquidity and financial condition.

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*The rights as a holder of shares of Series 1 Preferred Stock are primarily those set forth in the terms of the Series 1 Preferred Stock, and the Company's board of directors may prefer the interests of the holders of the Company's Class A common stock if they differ from those of the holders of the Series 1 Preferred Stock.*

The special contractual preferences of the Series 1 Preferred Stock are primarily governed by the principles of contract law, rather than being fiduciary in nature. While the Company's board of directors has fiduciary duties to the holders of the Series 1 Preferred Stock to the extent those holders share rights with the holders of the Company's Class A common stock, if there is a divergence of interests between the holders of the Series 1 Preferred Stock and Class A common stock, it will generally be the duty of the Company's board of directors to prefer the interests of the holders of Class A common stock to those of the preferred shareholders.

#### **Transfer Agent**

As of December 16, 2019, the Company engaged Continental Stock Transfer & Trust Company as transfer agent and registrar for its Class A common stock. The Company previously engaged Continental Stock Transfer & Trust Company as transfer agent and registrar for its Series 1 Preferred Stock. In connection with such engagement and the closing of the Rights Offering, the Company adopted final forms of stock certificates for its Class A common stock and Series 1 Preferred Stock, which are attached to this Current Report on Form 8-K as Exhibits 4.1 and 4.2, respectively.

#### **Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.	Description
<a href="#">3.1</a>	<a href="#">Articles of Designation of Preferences, Rights and Limitations of Series 1 Preferred Stock</a>
<a href="#">4.1</a>	<a href="#">Form of Real Goods Solar, Inc. Class A Common Stock Certificate</a>
<a href="#">4.2</a>	<a href="#">Form of Real Goods Solar, Inc. Series 1 Preferred Stock Certificate</a>

#### **Cautionary Note Regarding Forward-Looking Statements**

This Current Report on Form 8-K includes forward-looking statements relating to matters that are not historical facts. Forward-looking statements may be identified by the use of words such as "expect," "intend," "may," "believe," "will," "should," "would" or comparable terminology or by discussions of strategy. While the Company believes its assumptions and expectations underlying forward-looking statements are reasonable, there can be no assurance that actual results will not be materially different. Risks and uncertainties that could cause materially different results include, among others, the Company's ability to pay dividends on the Series 1 Preferred Stock in cash, whether the Series 1 Preferred Stock will be quoted on any market and other risks and uncertainties included in the Company's filings with the Securities and Exchange Commission. The Company assumes no duty to update any forward-looking statements other than as required by law.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**REAL GOODS SOLAR, INC.**

By: /s/ Alan Fine  
Alan Fine  
Chief Financial Officer, Chief Administrative Officer Principal Accounting  
Officer and Treasurer

Date: December 19, 2019

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REAL GOODS SOLAR, INC.

ARTICLES OF DESIGNATION OF PREFERENCES, RIGHTS AND LIMITATIONS  
OF  
SERIES 1 PREFERRED STOCK

Pursuant to Sections 7-106-102, 7-110-101 and 7-110-102 of the Colorado General Corporation Law, Real Good Solar, Inc., a Colorado corporation (the "Corporation"), DOES HEREBY CERTIFY:

The Articles of Incorporation of the Corporation, as amended from time to time (the "Articles of Incorporation") confer upon the Corporation's Board of Directors (the "Board of Directors") the authority to provide for the issuance of shares of preferred stock in series and to establish the number of shares to be included in each such series and to fix the designations, preferences, limitations and relative rights of the shares of each such series. On September 26, 2019, the Board of Directors adopted the following resolution creating a series of preferred stock designated as the Series 1 Preferred Stock, comprised initially of 5,000,000 shares, and such resolution has not been modified and is in full force and effect on the date hereof:

RESOLVED, that pursuant to the authority vested in the Board of Directors in accordance with the provisions of the Articles of Incorporation, a series of preferred stock, par value \$.0001 per share, of the Corporation is hereby created, and that the designation and number of shares thereof and the powers, preferences and rights of the shares of such series, and the qualifications, limitations and restrictions thereof are as follows:

1. Designation and Amount. The shares of such series shall be designated as the Series 1 Preferred Stock (the "Series 1 Preferred"). The number of shares initially constituting the Series 1 Preferred shall be 5,000,000, which number may be increased or decreased by the Board of Directors without a vote of shareholders; provided, however, that such number may not be decreased below the sum of the number of then outstanding shares of Series 1 Preferred.

2. Ranking. The Series 1 Preferred shall, with respect to payment of dividends, redemption payments, and rights upon liquidation, dissolution or winding-up of the affairs of the Corporation or a Sale Transaction (as defined below), rank (a) senior to the Corporation's Class A Common Stock, par value \$0.0001 per share (the "Class A Common Stock"), and the Corporation's Class B Common Stock, par value \$0.0001 per share (together with the Class A Common Stock, the "Common Stock"), and any other class of capital stock or other securities the Corporation issues in the future unless the terms of such securities provide that they rank senior to the Series 1 Preferred (collectively, "Junior Securities"); (b) on a parity with any class of capital stock or other securities the Corporation issues in the future the terms of which provide that such securities will rank on a parity with the Series 1 Preferred (collectively, "Parity Securities"); (c) junior to each class of capital stock or other securities issued in the future the terms of which expressly provide that such securities will rank senior to the Series 1 Preferred ("Senior Securities"); and (d) junior to all of the Corporation's existing and future indebtedness.

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3. Dividends. Dividends on Series 1 Preferred will be payable out of legally available funds in the amount of \$0.30 per share of Series 1 Preferred on the tenth Business Day after each Record Date (as defined below) (“Dividends,” and each such date being hereinafter referred to as a “Dividend Payment Date”) (as used herein, the term “Business Day” shall mean any day except a Saturday, Sunday or day on which banking institutions are legally authorized to close in New York, New York). Each Dividend shall be paid to the holders of record of shares of Series 1 Preferred as they appear on the stock register of the Corporation on the record date, which shall be the last Business Days of each calendar quarter prior to the applicable Dividend Payment Date (the “Record Date”), with the first Record Date to be March 31, 2020. Dividends on the Series 1 Preferred shall be paid, at the election of the Corporation with respect to each Dividend Payment Date, either all in (a) cash or (b) fully paid and nonassessable, registered or unrestricted shares of Series 1 Preferred (“Stock Dividends”). Stock Dividends shall be paid by delivering to each record holder of Series 1 Preferred a number of registered or unrestricted shares of Series 1 Preferred (“Stock Dividend Shares”), determined by dividing (x) the total aggregate dollar amount of Dividends payable on a Dividend Payment Date by (y) \$10.00 per share of Series 1 Preferred (the “Preference Amount”). No fractional Stock Dividend Shares will be payable or issued and instead rounded down to the nearest whole share. Stock Dividend Shares will be delivered in book entry form, except if the Corporation is notified, at least 20 days prior to a Dividend Payment Date, by a record holder instructing the Corporation to deliver such record holder’s Stock Dividend Shares through the Depository Trust Company (and, if so, the account number to be credited), which instruction shall continue with respect to such record holder until such record holder notifies the Corporation otherwise at least 20 days prior to a Dividend Payment Date. Dividends not paid on a Dividend Payment Date shall continue to be payable regardless of whether the Corporation has earnings, whether there are funds legally available therefor or whether declared. No interest shall be payable with respect to any dividend payment not paid on a Dividend Payment Date. The holders of Series 1 Preferred are not entitled to any dividends other than the Dividends provided for in this Section 3.

4. Voting Rights. Except as otherwise required by law, the holders of Series 1 Preferred shall vote together with the holders of the shares of Class A Common Stock (and not as a separate class) at any annual or special meeting of shareholders of the Corporation, and each holder of Series 1 Preferred shall have 100 votes on all matters submitted to a vote of the holders of Class A Common Stock for each share of Series 1 Preferred owned by such holder on the applicable record date. Holders of the Series 1 Preferred shall vote as a class on any amendment altering or changing the powers, preferences or special rights of the Series 1 Preferred so as to affect them adversely.

5. No Conversion. The Series 1 Preferred will not be convertible into or exchangeable for shares of Common Stock or any other class of capital stock of the Corporation.

6. Preference and Participation Upon Liquidation, Dissolution, Winding Up or Sale Transaction

(a) Subject to the rights of the holders of Senior Securities and Parity Securities, in the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, before any payment or distribution of the assets of the Corporation (whether capital or surplus) shall be made to or set apart for the holders of Junior Securities as to the distribution of assets on any liquidation, dissolution or winding up of the Corporation, each holder of the Series 1 Preferred shall be entitled to receive an amount of cash equal to the Preference Amount per share of Series 1 Preferred plus any unpaid Dividends with respect to any Record Date that occurred or occurs before the date of final distribution to such holder if such holder was the record holder of the share on any such Record Date. If, upon any liquidation, dissolution or winding up of the Corporation, the Corporation’s assets, or proceeds thereof, distributable among the holders of the Series 1 Preferred shall be insufficient to pay in full the preferential amount aforesaid and liquidating payments on any other shares of any class or series of Parity Securities as to the distribution of assets on any liquidation, dissolution or winding up of the Corporation, then such assets, or the proceeds thereof, shall be distributed among the holders of Series 1 Preferred and any such other Parity Securities ratably in accordance with the respective amounts that would be payable on such Series 1 Preferred and any such other Parity Securities if all amounts payable thereon were paid in full.

(b) For purposes of this Section 6, a liquidation, dissolution or winding up of the Corporation shall be deemed to be occasioned by, and include, a Sale Transaction unless holders of a majority of the outstanding shares of Series 1 Preferred shall have consented otherwise. “Sale Transaction” shall mean (i) (x) the merger or consolidation of the Corporation into or with one or more individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, government (or an agency or political subdivision thereof) or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity (each, a “Person”) or (y) the merger or consolidation of one or more Persons into or with the Corporation if, in the case of (x) or (y) above, the holders of voting capital stock of the Corporation prior to such merger or consolidation do not retain at least a majority of the voting power of the surviving Person, directly or indirectly, or (ii) the voluntary sale, conveyance, exchange or transfer to another Person or Persons, in one or a series of transactions, of all or substantially all of the assets of the Corporation if the holders of voting capital stock of the Corporation prior to such sale, conveyance, exchange or transfer do not retain at least a majority of the voting power of such Person or Persons, directly or indirectly.

(c) Subject to the rights of the holders of Senior Securities and Parity Securities, upon any liquidation, dissolution or winding up of the Corporation or a Sale Transaction, after payment shall have been made in full to the holders of the Series 1 Preferred as provided in this Section 6, any other series or class or classes of Junior Securities shall, subject to the respective terms and provisions (if any) applying thereto, be entitled to receive any and all assets remaining to be paid or distributed, and the holders of the Series 1 Preferred shall not be entitled to share therein.

7. Redemption.

(a) Optional Redemption. The Corporation may redeem shares of Series 1 Preferred, in whole or in part, at any time after the first anniversary of the issuance of the first share of Series 1 Preferred, and from time to time thereafter at its option. Notice of redemption may be given either by mailing notice to the holders of record or by public announcement, by press release or otherwise, at least 20 Business Days before the desired redemption date. If notice is given by public announcement, by press release or otherwise, such notice shall be effective as of the date of such announcement, regardless of whether notice is also mailed or otherwise given to holders of record. The redemption price for any shares of Series 1 Preferred to be redeemed (the “Redemption Price”) shall be payable in cash, out of funds legally available therefor, and shall be equal to 125% of the Preference Amount, plus any unpaid Dividends with respect to any Record Date that occurred before such notice of redemption if the holder of any shares of Series 1 Preferred to be redeemed was the record holder of such shares on any such Record Date. If fewer than all of the outstanding shares of Series 1 Preferred are to be redeemed at any time, the Corporation may choose to redeem shares proportionally from all holders, or may choose the shares to be redeemed by lot or by any other equitable method. Notwithstanding anything herein to the contrary, the Corporation may repurchase shares of Series 1 Preferred in the open market or in privately negotiated transactions at any time.

(b) Effectiveness of Redemption. From and after the redemption date specified in the notice of redemption, the shares of Series 1 Preferred to be redeemed on such redemption date will no longer be entitled to receive Dividends with respect to any Record Date that occurs after such redemption date; such shares will no longer be deemed to be outstanding; and all rights of the holder thereof as a holder of Series 1 Preferred (except the right to receive from the Corporation the Redemption Price without interest) shall cease and terminate with respect to such shares; provided, however, that if a share of Series 1 Preferred is not redeemed on the Redemption Date for any reason (including without limitation, because the Corporation is otherwise unable to lawfully pay the Redemption Price), such share of Series 1 Preferred will remain outstanding and will be entitled to, without interruption, all of the rights, preferences and powers as provided herein.

8. Adjustment Upon Subdivision or Combination. If, at any time on or after the date of issuance of the first share of Series 1 Preferred the number of outstanding shares of Series 1 Preferred is increased by a stock split, stock dividend, combination, reclassification or other similar event, the number of votes for one share of Series 1 Preferred and the Preference Amount shall be proportionately reduced, or if the number of outstanding shares of Series 1 Preferred is decreased by a reverse stock split, combination, reclassification or other similar event, the number of votes for one share of Series 1 Preferred and the Preference Amount shall be proportionately increased. If, at any time on or after the date of issuance of the first share of Series 1 Preferred the number of outstanding shares of Class A Common Stock is increased by a stock split, stock dividend, combination, reclassification or other similar event, the number of votes for one share of Series 1 Preferred shall be proportionately reduced, or if the number of outstanding shares of Class A Common Stock is decreased by a reverse stock split, combination, reclassification or other similar event, the number of votes for one share of Series 1 Preferred shall be proportionately increased. Any adjustment under this Section 8 shall become effective at the close of business on the date the stock split, reverse stock split, stock dividend, combination, reclassification or other similar event becomes effective.

9. Amendments. The Corporation may modify or amend these Articles of Designation of Preferences, Rights and Limitations with the consent of the holders of a majority of the outstanding shares of Series 1 Preferred; provided, however, that any proposed modification or amendment that materially and adversely affects the rights and obligations of any holder of Series 1 Preferred shall require the prior written consent of such holder of Series 1 Preferred.

10. Certain Restrictions. For as long as any shares of Series 1 Preferred are outstanding, the Corporation may not issue any shares of the Corporation's Series A 12.5% Mandatorily Convertible Preferred Stock unless holders of a majority of the outstanding shares of Series 1 Preferred shall have consented to such issuance.

11. Status of Redeemed and Reacquired Shares. Any shares of Series 1 Preferred converted, exchanged, redeemed, purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and canceled promptly after the acquisition thereof. All such shares of Series 1 Preferred shall upon their cancellation become authorized but unissued shares of preferred stock and may be reissued as part of another series of preferred stock.

12. No Other Rights. The shares of Series 1 Preferred shall not have any voting powers, preferences or relative, participating, optional or other special rights, or qualifications, limitations or restrictions thereof, other than as set forth herein.

IN WITNESS WHEREOF, Real Goods Solar, Inc. has caused this Certificate of Designation to be signed by a duly authorized officer as of December 13, 2019.

**REAL GOODS SOLAR, INC.**

By: /s/ Dennis Lacey

Name: Dennis Lacey

Title: Chief Executive Officer



000001

*Alan Fine*  
Treasurer



*Dennis Long*  
Chief Executive Officer

AUTHORIZED SIGNATURE  
COUNTERSIGNED AND REGISTERED  
COMMON STOCK TRANSFER & TRUST COMPANY

Upon request in writing and without charge, the Company will furnish the holder of this Certificate with the designations, preferences, limitations, and relative rights applicable to each class of capital stock of the Company, the variations in preferences, limitations, and rights determined for each series of capital stock of the Company and the authority of the board of directors of the Company to determine variations for future classes or series of capital stock of the Company.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-as tenants in common	UNIF GIFT MIN ACT-	_____ Custodian _____
TEN ENT	-as tenants by the entireties		(Cust) (Minor)
JT TEN	-as joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors Act _____
TTEE	-trustee under Agreement dated _____		(State)

Additional abbreviations may also be used though not in the above list.

For value received, \_\_\_\_\_ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE.

\_\_\_\_\_ Shares  
of the common stock represented by this certificate and do hereby irrevocably constitutes and appoint \_\_\_\_\_

\_\_\_\_\_  
Attorney, to transfer the said stock on the books of the within-named Corporation with full power of substitution in the premises.

DATED \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO SEC. RULE 17A-14.







Upon request in writing and without charge, the Company will furnish the holder of this Certificate with the designations, preferences, limitations, and relative rights applicable to each class of Preferred Stock, the variations in preferences, limitations, and rights determined for each series of Preferred Stock and the authority of the board of directors of the Company to determine variations for future classes or series of Preferred Stock.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT-	_____ Custodian _____
TEN ENT	- as tenants by the entireties		(Cust) (Minor)
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors Act _____
TTEE	- trustee under Agreement dated _____		(State)

Additional abbreviations may also be used though not in the above list.

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PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE.

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\_\_\_\_\_ Shares  
of the common stock represented by this certificate and do hereby irrevocably constitutes and appoint \_\_\_\_\_

\_\_\_\_\_,  
Attorney, to transfer the said stock on the books of the within-named Corporation with full power of substitution in the premises.

DATED \_\_\_\_\_

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the certificate in every particular without alteration or enlargement or any change whatsoever.

SIGNATURE GUARANTEED:

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO SEC. RULE 17A(d).