

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-75803; File No. TP 15-14)

September 1, 2015

Order Granting Greenbacker Renewable Energy Company LLC a Limited Exemption from Rule 102(a) of Regulation M pursuant to Rule 102(e)

By letter dated September 1, 2015 (the “Letter”), as supplemented by conversations with the staff of the Division of Trading and Markets, counsel for Greenbacker Renewable Energy Company LLC (the “Company”) requested that the Commission grant an exemption from Rule 102(a) of Regulation M to permit the Company to effect repurchases of shares of its common stock pursuant to its proposed share repurchase program (the “Repurchase Program”).

As a consequence of the continuous offering of the Company’s shares, the Company will be engaged in a distribution of shares of its common stock pursuant to Rule 102 of Regulation M. As a result, bids for or purchases of shares of its common stock or any reference security by the Company or any affiliated purchaser of the Company are prohibited during the restricted period specified in Rule 102, unless specifically excepted by or exempted from Rule 102.

Based on the representations and facts presented in its Letter, we find that it is appropriate in the public interest and consistent with the protection of investors to grant a conditional exemption from Rule 102 of Regulation M to permit the Company to repurchase shares of its common stock under its Repurchase Program while the Company is engaged in a distribution of shares of its common stock. In granting this exemption, we considered the following representations and facts, among others:

- There is no trading market for the Company’s common stock;
- The Company will terminate its Repurchase Program in the event a secondary market for its common stock develops;

- Shares of the Company will be offered on a continuous basis until the earlier of when the full amount of shares registered under the registration statement have been sold and August 7, 2016, though the Company may decide to extend the offering beyond this date if Greenbacker Capital Management LLC, the Company’s advisor (“Advisor”), determines, and the Company’s board agrees, that the maximum amount has not been met at the expiration date but the Advisor believes there is sufficient investor interest or a need for additional capital to pursue an additional investment;
- The Company represents that the structure is similar to non-listed REITs;
- Net asset value (“NAV”) is computed based on the fair value of the Company’s assets, which is determined by the Advisor, on a quarterly basis in accordance with ASC 820;<sup>1</sup>
- The report prepared by the Advisor regarding its NAV determination and methodology is reviewed and approved by the Company’s audit committee and board of directors on a quarterly basis, reviewed by the Company’s independent auditors on a quarterly basis, and audited by the Company’s independent auditors as part of its annual audit;
- The Company disclosed in its prospectus the original valuation methodology and will disclose in a prospectus supplement any material changes to the valuation methodology prior to implementation;
- The Company will repurchase shares of its common stock under its Repurchase Program at a price that does not exceed the then current public offering price of its common stock;
- The offering price for each class of shares consists of the NAV per share plus selling commissions and dealer manager fees, which are set at a fixed percentage of the offering

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<sup>1</sup> ASC 820, a widely accepted accounting standard which defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and requires certain disclosures about fair value measurements.

price depending on the share class, and organization and offering expenses, which have been calculated as a percentage of gross offering proceeds;

- The method of calculating these commissions and fees and their current values are set forth in the prospectus;
- Because the Company will repurchase shares at a price equal to the then-current offering price less the selling commissions and dealer manager fees associated with such class of shares, the Company will purchase at a price directly and mechanically linked to NAV; and
- The terms of the Repurchase Program, including the above methodology regarding the repurchase price, will be fully disclosed in the Company's prospectus.

### Conclusion

IT IS HEREBY ORDERED, pursuant to Rule 102(e) of Regulation M, that the Company, based on the representations and the facts presented in its Letter (as supplemented by conversations with the staff of the Division of Trading and Markets) and subject to the conditions contained in this order, is exempt from the requirements of Rule 102 with respect to the Company's Repurchase Program as described in its Letter.

This exemptive relief is subject to the following conditions:

- The Company shall terminate its Repurchase Program during the distribution of its common stock if a secondary market for its common stock develops.
- The Company will repurchase shares of its common stock under its Repurchase Program at a price that does not exceed the then current public offering price, a price directly and mechanically linked to NAV, of its common stock.

This exemptive relief is subject to modification or revocation at any time the Commission determines that such action is necessary or appropriate in furtherance of the purposes of the

Exchange Act. This exemption is based on the facts presented and the representations made in the Letter. Any different facts or representations may require a different response. In the event that any material change occurs in the facts or representations in the Letter, the Repurchase Program must be discontinued, pending presentation of the facts for our consideration. In addition, persons relying on this exemption are directed to the anti-fraud and anti-manipulation provisions of the federal securities laws, particularly Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws must rest with the persons relying on this exemption. This order should not be considered a view with respect to any other question that the proposed transactions may raise, including, but not limited to, the adequacy of the disclosure concerning, and the applicability of other federal or state laws to, the proposed transactions.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>2</sup>

Robert W. Errett  
Deputy Secretary

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<sup>2</sup> 17 CFR 200.30-3(a)(6).