

Connecticut Green Bank – [Capital Provider]
**Summary of Terms and Conditions for Origination, Funding
and Administration of C-PACE Transactions**

The Connecticut Green Bank (the “Program Administrator” or “Green Bank”) hereby presents this term sheet, which summarizes the primary terms and conditions for the Program Administrator and [Capital Provider] (the “Capital Provider”), regarding originating, funding and administration C-PACE transactions for qualifying commercial, industrial, not-for-profit and multifamily properties within the State of Connecticut (the “Term Sheet”).

This Term Sheet is intended as an outline of the key material terms of the originating, funding and administration relationship between the Program Administrator and the Capital Provider. Any agreement between the parties and/or commitment by the Program Administrator and the Capital Provider shall be effective only upon the execution of a model Benefit Assessment and Lien Assignment and Administration Agreement setting forth the terms of such agreement, in substantially the form attached hereto as Appendix B.

The transactions contemplated by this Term Sheet are subject to all necessary Program Administrator approvals, as directed by the Program Administrator’s bylaws, and Sections 16-245n and 16a-40g of the Connecticut General Statutes.

PROCESS FLOW AND OUTLINE FOR TRANSACTIONS CONTEMPLATED BY THIS TERM SHEET

As described in more detail below, the outline of the originating, funding and administration relationship between the Program Administrator, Borrower and the Capital Provider, is as follows:

1. Capital Provider or Borrower may submit a completed C-PACE Application and all associated documents described in Capital Provider’s or Borrower’s Obligations for any Eligible Project, as such terms are defined below.
2. Program Administrator shall review such documents and, in its sole discretion, provide Program Administrator Approval of the Eligible Project (thereby becoming an “Approved Project”).
3. Capital Provider may then enter into a Financing Agreement with Borrower (thereby becoming a “Closed Project”).
4. Capital Provider shall enter into an Administration Agreement with the Program Administrator for such Closed Project, with a Credit Enhancement if applicable.
5. Program Administrator would facilitate the filing, and assignment to Capital Provider of Benefit Assessment.
6. Program Administrator will work with the Municipality to collect any payments received pursuant the Benefit Assessment and remit such payments to Capital Provider.

TRANSACTION PARTIES

Program Administrator: Connecticut Green Bank, a quasi-public agency of the State of Connecticut and statewide administrator of the Commercial Property Assessed Clean Energy Program (“C-PACE”) authorized by Section 16a-40g of the Connecticut General Statutes (the “Act”).

Capital Provider: The Capital Provider will provide, has secured or plans to secure the ability to fund transactions as described in this Term Sheet. If applicable, this capital will be provided from the following sources:

[Name, terms of commitments and amount of Capital Source(s). Please include a letter of intent]

Trustee: **[If applicable, Name]**

Program Administrator’s Technical Advisor: Any designee as determined from time to time by the Program Administrator.

Program Administrator’s Servicer: Cortland Capital Market Services LLC, or any designee as determined from time to time by the Program Administrator.

Borrower: The real property owner of an Eligible Project.

Municipality: Any Connecticut municipality in which an Eligible Project is located and which municipality has entered into a legal agreement with the Program Administrator in order to participate in the C-PACE program.

PROJECT ORIGINATION, ELIGIBILITY AND APPROVAL

C-PACE Application: C-PACE program application published by the Program Administrator, as may be later amended, found on www.c-pace.com. To be completed for each Eligible Project by a Borrower or Capital Provider.

Program Guidelines: C-PACE program guidelines published by the Program Administrator, as may be amended from time to time, pursuant to the Act and as found on www.c-pace.com.

Eligibility Criteria: The Eligibility Criteria may be modified from time to time by the Program Administrator to reflect any changes in market conditions but at all times must meet the minimum eligibility criteria in the Act.

Eligible Project: Qualifying improvements, as described in the Act, which conform to Eligibility Criteria and conform to the Program Guidelines.

Underwriting Guidelines:

Underwriting Guidelines as they appear in the Program Guidelines, as updated from time to time on www.c-pace.com, attached hereto as Appendix A. The Underwriting Guidelines only apply if Capital Provider seeks to access the Credit Enhancement.

Capital Provider's or Borrower's Obligations:

Borrower or Capital Provider (if authorized by Borrower to do so) must provide the following documents to the Program Administrator for each Eligible Project seeking Program Administrator Approval:

1. Recent (within sixty days) title search of the real property on which Eligible Project would be located.
2. If applicable, a mortgage holder consent form signed by the Borrower and any mortgage holder(s) of any mortgage(s) on the property on which the Eligible Project is located. The mortgage holder consent shall be materially consistent with the form of Appendix D, such consent must be for not less than the financing amount of the Eligible Project for which Borrower is seeking Program Administrator Approval.
3. If applicable, copies of filed releases for any mortgages that appear on the title search but have since been released. Any releases which cannot be obtained must be addressed through a title affidavit acceptable to Program Administrator in its sole discretion
4. A completed energy audit or feasibility study of the Eligible Project as described in the Program Guidelines.
5. Any documentation reasonably required by Program Administrator which demonstrates that the Eligible Project meets the SIR Requirement (as described below).
6. A disclosure of risk form signed by the Borrower summarizing the risks to Borrower for C-PACE financing in the form of Appendix C, as may be modified from time to time by Program Administrator in its sole discretion.
7. Current assessor property card describing the property on which the Eligible Project is located and any additional documentation reasonably required by Program Administrator to confirm that the Eligible Project is located on a qualifying property pursuant to the Act and the Program-Guidelines

SIR Requirement:

Pursuant to the Act, the energy cost savings associated with any Eligible Project's energy improvements over the useful life of such improvements must exceed the costs of such improvements (i.e., a saving-to-investment ratio "SIR" greater than one). For each Eligible Project the Borrower or Capital Provider must meet this SIR requirement in one of the following ways:

1. Submit energy audit and/or feasibility study and requisite supporting documentation to the Program Administrator's Technical Advisor via the C-PACE Data Management Platform (CDMP). The CDMP is a project development software application that helps Borrowers, Capital Providers, and their contractors develop projects in accordance with the

C-PACE Program Guidelines and SIR requirement.

2. Submit the C-PACE Technical Application Form (Appendix E) in its entirety with the audit and/or feasibility study and requisite supporting documentation appended. C-PACE Technical Applications must be prepared and submitted by an “energy engineer”. Per the C-PACE Program Guidelines, an energy engineer is defined as a professional holding a Certified Energy Manager or Certified Energy Auditor accreditation, a Professional Engineer with demonstrated relevant energy experience, or a contractor with relevant demonstrated experience as determined by the Program Administrator in its sole discretion.
3. Propose a process or project development platform through which an audit and/or feasibility study and requisite supporting documentation that demonstrates an SIR > 1 may be provided to the Program Administrator in a standard format. Proposals must be consistent with the C-PACE Program Guidelines.

Program Administrator’s Obligations:

Program Administrator will continue to administer the C-PACE program as described in the Act and the Program Guidelines. Such responsibilities include:

1. Reviewing documents provided pursuant to Capital Provider’s or Borrower’s Obligations and, in Program Administrator’s sole discretion, providing Program Administrator Approval.
2. Entering into legal agreements with any Connecticut municipality whose legislative body passes a resolution to participate in the C-PACE program.
3. Coordinating with municipalities in order to ensure that Benefit Assessment liens and assignments of such liens are filed in a timely manner.
4. Working with municipalities and the Program Administrator’s Servicer in collecting repayment of Benefit Assessments and remitting such payments to Capital Provider.

Program Administrator Approval:

Once Capital Provider or Borrower has submitted all necessary documents described under Capital Provider’s or Borrower’s Obligations for each Eligible Project, and submitted any additional documents which may be reasonably requested by Program Administrator, Program Administrator will review such documentation and confirm that it meets the requirement of the Act, Eligibility Criteria, Program Guidelines, SIR Requirement, Underwriting Guidelines (if applicable), this Term Sheet, and any documentation thereunder. Upon completion of such review, Program Administrator, in its sole discretion, will provide a signed approval to Borrower, which shall not be unreasonably withheld, for each Eligible Project in a reasonable time (thereby becoming an “Approved Project”).

BENEFIT ASSESSMENT FUNDING

Financing Agreement:	Once an Eligible Project has become an Approved Project, Capital Provider and Borrower may enter into a financing agreement for the Approved Project (thereby becoming a “Closed Project”). Such financing agreement must contain terms and documentation consistent with this Term Sheet, the Administration Agreement, the Act and must include a standard rider setting forth the Program Administrator’s role and responsibilities in administering the C-PACE Program. The form of such financing agreement must be approved by Program Administrator in its reasonable discretion. Such financing agreement shall be secured by a Benefit Assessment as described below.
Administration Agreement:	The C-PACE Benefit Assessment and Lien Assignment and Administration Agreement in the form of <u>Appendix B</u> . Capital Provider and Program Administrator must enter into this agreement for every Closed Project.
Benefit Assessment:	<p>A benefit assessment which constitutes a valid and enforceable lien which takes precedence over all other liens or encumbrances except municipal property tax liens, as authorized by the Act. The benefit assessment is subject to the consent of existing mortgage holders and does not accelerate upon sale or transfer of the property.</p> <p>Each benefit assessment will be equal to the principal amount of the benefit assessment for each Approved Project with interest thereon at the contracted rate plus any additional fees and expenses pursuant to the Financing Agreement with equal installments of principal and interest required to fully amortize the assessment over the Benefit Assessment term.</p>
Benefit Assessment Filing Process:	<p>Pursuant to the Administration Agreement for a Closed Project, the Program Administrator, upon receiving notice from the Capital Provider, will work with the municipality to file a Benefit Assessment on the property and assign the Benefit Assessment to the Capital Provider. Any costs to Program Administrator associated with filing the Benefit Assessment shall be paid by Capital Provider as described in the Administration Agreement.</p> <p>Any amendments to the Benefit Assessment payment schedule which may need to be filed pursuant to the Financing Agreement and Administration Agreement must be provided to Program Administrator no less than 60 days before the real property tax billing cycle in which a payment is due pursuant to such Benefit Assessment.</p>
Collection Method:	The Program Administrator’s Servicer will function as the master collection agent for the Benefit Assessment cash flows by collecting all Benefit Assessment payments from each municipal tax collector for deposit with the Trustee for disbursement to the Capital Provider, or the Capital Provider’s designee(s) pursuant to the Administration Agreement.
Credit Enhancement:	If requested by Capital Provider and Conditions of Credit Enhancement are met, Program Administrator may, in its sole discretion, participate in 10% of

Capital Provider's final Benefit Assessment portfolio for Closed Projects closed between January 2015 through June 2016 (inclusive).

Total Program Administrator participation is not-to-exceed one million dollars (\$1,000,000) per Capital Provider, unless otherwise agreed to by Program Administrator and Capital Provider.

Such Credit Enhancement will be in the form of either (i) subordinated capital participation or (ii) a loan loss reserve with administration and commitment fees, at Program Administrator's sole discretion, and will be documented, if applicable, in the Administration Agreement.

The availability of such funds or undertaking if not utilized will expire on June 30, 2016 and is subject to the Conditions of Administrator's Credit Enhancement and Funding Termination Provisions.

The Credit Enhancement will not be available during the construction period of the Closed Project.

Conditions of Credit Enhancement:

The following conditions will be met before Program Administrator provides a Credit Enhancement:

1. The construction of the Closed Project is complete and verified by Program Administrator.
2. The Benefit Assessment has been filed on the property.
3. Capital Provider must provide an appraisal conducted within the last two years for each Closed Project property. At Program Administrator's discretion, the Municipality assessor's card may be acceptable to determine property value.
4. Diligence materials representing and warranting that the project's Loan to Value ratio, including the Benefit Assessment, does not exceed 80%. Such material must include, if applicable, certified true and correct current statements of any outstanding mortgage debt obligations.
5. Capital Provider must represent and warrant that each Closed Project meets the Underwriting Guidelines and provide an outline of the financial underwriting supporting such conclusion. Exceptions to the Underwriting Guidelines may be approved by the Program Administrator in its sole discretion.
6. Any additional documents required by the Program Administrator in its reasonable discretion.

PROGRAM ADMINISTRATOR COSTS

Program Administrator Costs:

Program Administrator's costs under this Term Sheet, shall be as follows:

1. \$200 per Closed Project for the filing and servicing of Benefit Assessment to be paid by Capital Provider pursuant to the mutual execution of the

- Administration Agreement.
2. \$25/month for billing and collection of the Benefit Assessment over the Benefit Assessment term to be paid by Capital Provider from the Benefit Assessment proceeds, as described in the Administration Agreement.
 3. For evaluation of the SIR Requirement, to be paid by Capital Provider or Borrower upon submission of energy audit/feasibility study and supporting documentation:
 - a. If utilizing the CDMP, the lesser of 1.00% of the C-PACE Finance Amount (less Capital Provider's fees) or \$5,000, but no less than \$1,500.
 - b. If utilizing the C-PACE Technical Application (Appendix E), the lesser of 1.25% of the C-PACE Finance Amount (less Capital Provider's fees) or \$7,500, but no less than \$1,500.
 - c. If proposing a separate process, this fee will be negotiated with the Connecticut Green Bank.
 4. Access to the Credit Enhancement, if applicable, will carry an application fee of \$5,000 per Closed Project, to be paid by the Capital Provider.

Program Administrator's costs described in this section are not exclusive and Program Administrator reserves the right to charge Capital Provider for additional costs and expenses associated with the administration of the C-PACE Program pursuant to the Act and the Program Guidelines.

CAPITAL PROVIDER'S FUNDING PROGRAM

Capital Provider's Funding: The Capital Provider will provide, or cause to be provided, 100% of the Benefit Assessment including any fees upon the closing date of each Financing Agreement and drawdown by the Borrower, subject to the Conditions of Capital Provider's Funding and Funding Termination Provisions.

Conditions of Capital Provider's Funding: The following conditions will be met before Capital Provider provides any Capital Provider Funding:

1. Verification that Capital Provider or Borrower received Program Administrator Approval for the Eligible Project.
2. A Financing Agreement has been signed by the Borrower and notarized.
3. At Capital Provider's discretion, confirmation that the Benefit Assessment lien has been filed on the property and assigned to Capital Provider.
4. If Capital Provider is using the Credit Enhancement, proof of Capital Provider's funding or commitment for funding from a third party.
5. Signed service agreement or construction contract between Borrower and energy service provider.

Capital Provider's Rate: Interest rates for the Capital Provider's Funding will be determined by the Capital Provider

Term: Term of the Benefit Assessment will not exceed 20 years, or the weighted-

average useful life of any Approved Project, whichever is less.

Closing Fees: The Capital Provider is able to charge closing fees at their discretion to the Borrower.

Prepayment: Capital Provider may charge a prepayment penalty at its discretion.

If the Credit Enhancement is used, Program Administrator will be paid, for its exposure reduced, pari-passu with Capital Provider in the event of a prepayment.

Collections, Repayment and Amortization Schedule: Payments due pursuant to the Benefit Assessment shall be due in accordance with the payment schedule attached to the Benefit Assessment, such payment schedule shall match the property tax billing cycle of the Municipality.

The Program Administrator's municipal agreements give municipalities 30 days from the end of the month in which tax payments are received for the municipalities to remit assessment payments to the Program Administrator's Servicer.

Payments from the Program Administrator's Servicer (subject to receipt from the Municipality) will be received by Trustee or Capital Provider no later than 20 business days after receipt of any such payments.

Distribution: If the Program Administrator participates in Capital Provider's Benefit Assessment portfolio for Closed Projects, then on any payment date, using available collections from the tax collector as remitted by Program Administrator's Servicer to the Capital Provider (or if applicable, the Trustee), the Capital Provider (or if applicable, Trustee) shall disburse such funds for each Benefit Assessment as follows:

1. To the Capital Provider, the relevant share of interest collected in connection with such Benefit Assessment.
2. To the Capital Provider, the relevant share of principal collected.
3. To the Program Administrator, if applicable, the relevant share of interest collected in connection with such Assessment.
4. To the Program Administrator, if applicable, the relevant share of principal collected in connection with such Assessment.

Exclusivity: For any Borrower of any Eligible Project for which the Capital Provider submits a C-PACE Application, the Program Administrator shall not enter into a C-PACE funding or finance agreement with such Borrower for a period of six months (measured from the date of a complete submission of all documents outlined in Capital Provider's or Borrower's Obligations). This section does not apply if (1) the same Borrower requests Program

Administrator funding or financing for a materially different Eligible Project, or (2) the Capital Provider fails to submit all necessary documents pursuant to Capital Provider's or Borrower's Obligations for an Eligible Project within in a commercially reasonable time.

Funding Termination Events: The occurrence of any of the following:

1. A final judgment by a court of competent jurisdiction that the Assessments are not valid and enforceable under Connecticut law, or any unstayed injunctive relief, the effect of which would be to prevent servicing or collection of any Benefit Assessments.
2. The dissolution of the Capital Provider by insolvency, bankruptcy, failure to maintain applicable licenses, etc.
3. A respective breach of any covenant by the Program Administrator or Capital Provider (subject to applicable cure).
4. Any final judicial or legislative determination that the Benefit Assessments are not a valid and enforceable lien, subject to the consent of existing mortgage holders, which take precedence over all other liens or encumbrances except for taxes of the municipality on real property.
5. Force majeure or similar change of circumstance which make the ability or likelihood of continued funding infeasible.
6. A material adverse change in (a) the business, properties, operations, prospects or condition (financial or otherwise) of the Program Administrator or the Capital Provider, taken as a whole, or (b) the ability of the Program Administrator to perform, or to enforce, any obligations.
7. Program Administrator or Capital Provider may give notice of termination at any time prior to an execution of a Financing Agreement for a particular Eligible Project, if, in the sole determination of the Program Administrator (given in writing by and through a duly authorized officer) or the Capital Providers, the negotiation of such Financing Agreement cannot be accomplished in good faith. In the event such notice is provided, any obligation to fund or to use the funding addressed herein shall terminate, and each party shall be responsible for its own costs incurred prior to termination.

Upon the occurrence of Funding Program Termination Event, the Capital Provider and the Program Administrator shall have the right, but not the obligation to cease all future funding. The Capital Provider and the Program Administrator shall continue to be bound by their respective obligations with respect to the Closed Projects with executed Financing Agreements.

Representations:

The Program Administrator shall provide representations to the Capital Provider that shall include but are not limited to:

1. Each Benefit Assessment is a legal, valid and binding obligation and enforceable in accordance with provisions of Connecticut law.
2. No Eligibility Criteria have been waived, altered or modified in any respect, except as approved by the Program Administrator and the

Capital Provider.

The Capital Provider shall represent that any Eligible Projects will be submitted to the Program Administrator in good faith and with a willingness to fund, subject to Eligibility Criteria, Program Guidelines, Administration Agreement, Underwriting Guidelines (if applicable) and this Term Sheet.

Covenants:

Key covenants of the Program Administrator and the Capital Provider include, but are not limited to:

1. Continuation as a legal entity.
2. Compliance with applicable laws.
3. Compliance with the terms of all transaction documents.
4. Compliance with reporting requirements.
5. Provision of all reasonably necessary assistance for the Program Administrator's Technical Advisor and Program Administrator's Servicer to perform its functions in a prudent manner.
6. Use of all reasonable means to resolve disputes with the property owner, contractors, vendors, or public officials in favor of full and timely payment to the Capital Provider and Program Administrator.

**Account Remediation/
Dispute Resolution:**

The Capital Provider will have the right to participate in any formal or informal dispute or disagreement involving any private party or public official, including the Town Clerks, Tax Collector or Property Assessors (or the functionally equivalent official) in the Municipality in order to represent the interests of the Capital Provider, in any matter associated with the Benefit Assessments, the prompt and proper posting and collection of same and the timely and accurate disbursement of such revenues, including the filing or participation as an intervener or amicus in any administrative, injunctive, or court proceeding Capital Provider deems necessary to protect its interests or otherwise compel the collection and delivery of any revenue pledged to support the repayment of any obligations of the Program Administrator.

Documentation:

This Term Sheet is subject to mutually agreeable final documentation, including but not limited to:

1. Satisfactory legal opinions if requested by the Program Administrator.
2. Completion of due diligence.
3. Satisfactory legal documentation, including the Administration Agreement.

**Enabling Statute and State
Contracting Provisions:**

The Parties are subject to the requirements outlined in Sections 16-245n and 16a-40g of the Connecticut General Statutes and Capital Provider and Capital Providers will be responsible for complying with applicable state contracting requirements. The transaction contemplated by this Term Sheet is subject to all necessary Program Administrator approvals, including approval of its board of directors.

CONNECTICUT GREEN BANK

Signature _____

Name: Bryan Garcia

Title: President and CEO

Date:

[CAPITAL PROVIDER/OR BORROWER]

Signature _____

Name:

Title:

Appendix A
Connecticut Green Bank's Underwriting Guidelines

Connecticut Green Bank's financial underwriting requirements for projects financed or supported with The Connecticut Green Bank capital are as follows:

1. There must be no unresolved payment issues concerning debts to or guaranteed by the Connecticut Green Bank or any other third parties. For the purpose of these standards, "material" means the greater of (a) 10% of the proposed C-PACE financing or (b) \$50,000.
2. Total debt, including the C-PACE assessment, does not exceed 80% of the property's value. This can utilize or may require an as-complete appraisal, which can be wrapped into the overall C-PACE assessment amount.
3. Absent special circumstances, including but not limited to a property unencumbered by a mortgage or other compelling economic or financial conditions, the Benefit Assessment must not exceed 35% of the value of the property, after giving consideration to the value increment that may be afforded by the enhancements to the property being financed. In the Green Bank's sole discretion, the C-PACE assessment may exceed 35% of the property's value if at least three of the following eight conditions are met:
 - i. Cash flow conditions
 1. A long-term revenue contract with investment grade counterparty is in place
 2. The savings to investment ratio of the project is greater than or equal to 1.25x
 3. The debt service coverage ratio of the project is greater than or equal to 1.75x
 - ii. Asset conditions
 1. The total liabilities to tangible net worth ratio of the project is less than or equal to 1.5x
 2. The building has been owner occupied for 10 years or more
 - iii. Project conditions
 1. The owner provides an equity contribution greater than or equal to 15% of total project costs

2. There is a savings or production guarantee; third-party performance insurance, or agreement with a national ESCO in place
3. The term of the C-PACE assessment is 10 years or less
4. Applicant financial performance should meet the following criteria, as applicable:
 - a. Positive operating profit and net income in each of last 2 fiscal years
 - b. Positive cash from operations in each of last 2 fiscal years
 - c. EBITDA/debt service (including the proposed C-PACE assessment after considering savings that are expected to result from the financing) of at least 1.25x for last fiscal year
 - d. Current ratio of at least 1.25:1.00
 - e. Total Liabilities / Tangible Net Worth not in excess of 2.00:1.00 (single or special purpose entities holding only real estate investments should generally be limited to 4.00:1.00)
 - f. Interim statements disclose no material adverse change in financial condition
5. Boiler Lite and Solar Lite projects may undergo an accelerated underwriting process if they meet the following criteria:
 - a. Lien-to-Value \leq 20%
 - b. Total Project Size \leq \$300,000
 - c. SIR \geq 1.0
 - d. Current on mortgage and taxes

Most recent two years of financials show no adverse condition (at finance team's discretion)

In conducting its financial underwriting of potential C-PACE projects, the Connecticut Green Bank will consider the property's financial strength in a holistic and comprehensive fashion. For properties where a given underwriting criterion is not met, the Connecticut Green Bank may still approve the property for C-PACE financing if the property shows sufficient strength with regard other required metrics.

All C-PACE applicants must fill out a financial application, which can be found in the Initial Application (Appendix D to the Program Guidelines).

Appendix B

FORM OF C-PACE BENEFIT ASSESSMENT AND LIEN ASSIGNMENT AND ADMINISTRATION AGREEMENT

THIS C-PACE BENEFIT ASSESSMENT AND LIEN ASSIGNMENT AND ADMINISTRATION AGREEMENT (“**Agreement**”) is made as of the ____ day of _____, 2015, by and between the Connecticut Green Bank (“**Green Bank**”) and _____ (“**Capital Provider**”).

BACKGROUND

1. The State of Connecticut has authorized a property assessed clean energy program for commercial or industrial properties (the “**Program**”) in Section 16a-40g of the Connecticut General Statutes, as amended (the “**Act**”).

2. Pursuant to the Act, Green Bank has established the Program, approved appropriations to provide financing under the Program and entered into an agreement with the municipalities in which qualifying properties are located to provide for the filing of benefit assessments and benefit assessment liens (as hereinafter provided) against the qualifying properties on the land records of the municipalities to secure the repayment of the benefit assessments.

3. _____ (the “**Borrower**”) owns real property located in the State of Connecticut known as [Address] and more particularly described in the hereto attached Appendix E (the “**Property**”). In accordance with the requirements of the Program, Borrower proposes to renovate or retrofit the Property to increase energy efficiency or to install a renewable energy system to service the Property, which renovation, retrofit or installations will be fixed to such Property (the “**Project**”) and has applied to Green Bank and the Capital Provider for financing the Project through a financing agreement and benefit assessment (the “**Financing Agreement**”) to be secured by a benefit assessment lien (the “**Benefit Assessment**”).

4. Green Bank has entered into an agreement with the [City/Town of Name] (the “**Municipality**”), where the Property is located, to file a benefit assessment lien against the Property upon completion of the Project, or at an earlier date, in accordance with the Act, and has agreed to cooperate with the Capital Provider in order for the Capital Provider to provide financing under the Benefit Assessment to the Borrower on the terms and conditions set forth in the Financing Documents, as hereinafter defined.

5. Capital Provider has entered into a Financing Agreement with the Borrower (collectively, the “**Financing Documents**”) pursuant to which Capital Provider will advance funds for the Projects for the benefit of the Borrowers pursuant to the Financing Agreement.

6. Borrower and Capital Provider has obtained consent from all existing mortgage holder(s) and, to the extent that any Property is encumbered indirectly by a mezzanine loan secured by a mortgage, from such mezzanine lenders, to the Benefit Assessment in accordance with the Act.

7. Capital Provider desires Green Bank to file a Benefit Assessments against the Property, assign to the Capital Provider such Benefit Assessment and the related lien, and collect and receive for the benefit of Capital Provider the sums payable under the Financing Documents, the Benefit Assessments and the related lien and to remit the sums collected and received pursuant to the Financing Documents, the Benefit Assessments and the related lien to the Capital Provider as provided for herein.

NOW, THEREFORE, the parties do hereby agree as follows:

1. Assignment of Benefit Assessment and Benefit Assessment Lien.

(a) Within three (3) Business Days after the execution of this Agreement, the delivery of the documents described in Section 4 hereof and approval of the Project by Green Bank, Green Bank will provide notice to the Municipality and the Municipality will levy the Benefit Assessment and file a lien on the Property in an amount sufficient to pay the estimated costs of the Project, Financing Documents, and any associated costs (including financing costs) Green Bank determines will benefit the Property (the “**Benefit Assessment Lien**”). The Benefit Assessment Lien shall include a schedule of payments due and payable pursuant to the Benefit Assessment, the Financing Documents and the real property tax billing cycle of the Municipality. A copy of a Benefit Assessment Lien is attached hereto materially in the form of Appendix A. The Municipality shall assign to Green Bank all powers and rights under the Benefit Assessment Lien by filing an Assignment of Benefit Assessment Lien, attached hereto materially in the form of Appendix B, on the land records of the Municipality. The Green Bank will assign to Capital Provider all powers and rights under the Benefit Assessment Lien by filing an Assignment of Benefit Assessment Lien, attached hereto materially in the form of Appendix C, on the land records of the Municipality. The Capital Provider may amend the Benefit Assessment Lien to adjust the payment schedule of the Benefit Assessment in accordance with the terms of the Benefit Assessment, Benefit Assessment Lien and Financing Documents. In such event, the Capital Provider shall provide to the Green Bank an executed Confirmation and Amendment of Benefit Assessment Lien and Payment Schedule, attached hereto materially in the form of Appendix D, which shall include the payment schedule of the Benefit Assessment consistent with the terms of the Benefit Assessment, Benefit Assessment Lien and Financing Documents. The Green Bank shall promptly file such Confirmation and Amendment of Benefit Assessment Lien and Payment Schedule on the land records of the Municipality. Any such Confirmation and Amendment of Benefit Assessment Lien and Payment Schedule must be provided to Green Bank no less than sixty (60) days before the real property tax billing cycle in which the next payment is due pursuant to such Confirmation and Amendment of Benefit Assessment Lien and Payment Schedule. Green Bank shall provide to Capital Provider filed copies of the Benefit Assessment Lien and any Confirmation and

Amendment of Benefit Assessment Lien and Payment Schedule, promptly after receiving such recorded filings from the Municipality.

(b) The Capital Provider shall have and possess the same powers and rights at law or in equity as Green Bank and the Municipality and its tax collector would have had if the Benefit Assessment Lien had not been assigned with regard to the precedence and priority of such Benefit Assessment Lien, the accrual of interest and the fees and expenses of collection. The Capital Provider shall have the same rights to enforce such Benefit Assessment Lien as any private party holding a lien on real property, including, but not limited to, foreclosure and a suit on the debt. Costs and reasonable attorneys' fees incurred by the Capital Provider as a result of any foreclosure action or other legal proceeding and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the Capital Provider at any time after demand for payment has been properly made by the Capital Provider.

2. Green Bank's Warranties and Representations; Disclaimer.

(a) Warranties and Representations. Green Bank hereby warrants and represents that:

(i) Green Bank is a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut; and has full power and authority to enter into this Agreement and to carry out the terms and conditions contained herein;

(ii) no approval of, or consent from, any governmental authority is required for the execution, delivery or performance by Green Bank of this Agreement; and

(iii) the execution, delivery and performance by Green Bank of this Agreement and the transactions contemplated hereby (A) do not contravene any provisions of law applicable to Green Bank, and (B) do not conflict and are not inconsistent with, and will not result (with or without the giving of notice or passage of time or both) in the breach of or constitute a default or require any consent under any credit agreement, indenture, mortgage, purchase agreement, deed of trust, security agreement, lease, guarantee or other instrument to which Green Bank is a party, by which Green Bank may be bound, to which Green Bank or its property may be subject, the Act or Green Bank's bylaws.

(iv) this Agreement, the Benefit Assessment, the Benefit Assessment Lien, and the Green Bank's role hereunder comply with the Act. In the event of a conflict between this Agreement and the Act, the Act shall govern.

(b) Disclaimer. Except as set forth in this Section 2 or expressly provided in the Financing Documents: (i) Green Bank has not heretofore made, nor does it make by this Agreement, any representations or warranties with respect to the Properties, including any warranty of title or any environmental matters, and (ii) Green Bank makes no representation or

warranty in connection with, and assumes no responsibility with respect to, the solvency, financial condition or statements of the Borrower, or with respect to the performance or observance by the Borrower of their obligations under the Financing Documents, after the date of execution of this Agreement.

3. Capital Provider's Warranties and Representations.

With respect to this Agreement, Capital Provider hereby warrants and represents that effective on the date on which Capital Provider executes this Agreement:

(a) (i) Capital Provider (A) is an entity (corporation, limited liability company, partnership) duly incorporated or organized, validly existing and in good standing under the laws of its state of incorporation or organization, and (B) has full power, and all licenses necessary, to own its properties to carry on its business as now being conducted and has full power to enter into this Agreement and to carry out the terms and conditions contained herein; and (ii) the execution of this Agreement on its behalf and its participation in the transaction specified herein and therein is in its ordinary course of business and within the scope of its existing corporate authority;

(b) there is no action, suit or proceeding pending against Capital Provider before or by any court, administrative agency or other governmental authority which brings into question the validity of, or might in any way impair, the execution, delivery or performance by Capital Provider of this Agreement;

(c) no approval of, or consent from, any governmental authority is required for the execution, delivery or performance by Capital Provider of this Agreement;

(d) the execution, delivery and performance by Capital Provider of this Agreement and the performance by Capital Provider hereunder and the transactions contemplated hereby, (i) do not contravene any provisions of law applicable to Capital Provider, and (ii) do not conflict and are not inconsistent with, and will not result (with or without the giving of notice or passage of time or both) in the breach of or constitute a default or require any consent under any credit agreement, indenture, mortgage, purchase agreement, deed of trust, security agreement, lease, guarantee or other instrument to which Capital Provider is a party, by which Capital Provider may be bound, to which Capital Provider or its property may be subject, or Capital Provider's charter or bylaws;

(e) this Agreement constitutes the legal, valid and binding obligation of Capital Provider, enforceable against Capital Provider in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and by applicable laws (including any applicable common law and equity) and judicial decisions which may affect the remedies provided herein;

(f) Capital Provider has independently and without reliance upon Green Bank conducted its own credit evaluation of the Borrower, reviewed such information as it has deemed adequate and appropriate and made its own analysis of the Financing Documents;

(g) Capital Provider has not relied upon any investigation or analysis conducted by, advice or communication from, nor any warranty or representation by, Green Bank or any agent or employee of Green Bank, express or implied, concerning the financial condition of the Borrower, or the tax or economic benefits of an investment in the Financing Documents;

(h) Capital Provider has had (or acknowledges by its execution of this Agreement, that Capital Provider will prior thereto have had) access to all financial and other information that it deems necessary to evaluate the merits and risks of an investment in the Financing Documents including the opportunity to ask questions, receive answers and obtain additional information from Green Bank and the Borrower necessary to verify the accuracy of information provided;

(i) Capital Provider acknowledges that Green Bank takes no responsibility for any financial information regarding the Borrower furnished to Capital Provider by Green Bank, and it or its authorized representatives acting on its behalf have such knowledge and experience in business and financial matters necessary to evaluate the merits and risks of an investment in the Financing Documents;

(j) Capital Provider is experienced in making investments in energy upgrade projects similar to the Project and Financing Documents and that it is financially able to undertake the risks involved in such an investment; and

(k) Capital Provider acknowledges that the Financing Documents as well as any other documents signed by the Borrower and required by Green Bank in connection with this Agreement were executed by a duly authorized signatory of the Borrower.

4. Delivery of Documents.

(a) As a condition to Green Bank's performance of its obligations with respect to this Agreement, all of the conditions precedent enumerated below must be satisfied (in Green Bank's reasonable discretion):

(i) Capital Provider shall have delivered to Green Bank all of the following, in form and substance reasonably satisfactory to Green Bank: (A) certified true and correct photocopies of the duly executed Financing Documents which directly relate to the Property and (B) an original of this Agreement duly executed by Capital Provider;

(b) As a condition to Capital Provider's performance of its obligations with respect to this Agreement, all of the conditions precedent enumerated below must be satisfied (in Capital Provider's reasonable discretion):

(i) Green Bank shall have delivered to Capital Provider all of the following, in form and substance reasonably satisfactory to Capital Provider: (A) certified true and correct photocopies of the Benefit Assessment Lien and assignment of such lien to Capital Provider which directly relate to the Property and (B) an original of this Agreement duly executed by Green Bank; and

(c) All of Capital Provider's, Green Bank's and Borrower's respective representations and warranties provided herein or in any of the Financing Documents shall be true and correct on the date of the execution of this Agreement.

5. Covenant.

No Action. Green Bank and Capital Provider shall not, without the prior written consent of the other, take any action which impairs the rights of the other party (or its assignee or successor) with respect to the Financing Documents in and to which such covenanting party has no right, title or interest. Under no circumstances may Capital Provider file Uniform Commercial Code financing statements against Green Bank in connection with any of the transactions contemplated hereunder.

Future Environmental Land Use Restriction(s). Capital Provider or any future assignee of the Benefit Assessment Lien or the Transaction Documents shall be bound by and irrevocably subordinated to any environmental land use restriction recorded against the Property on the land records of the Municipality pursuant to Conn. Gen. Stat. § 22a-133o.

6. Tax and Indemnities

(a) Charges. Capital Provider shall pay any and all sales or use taxes or similar taxes, if any, that may be imposed by any federal, state or local government authority on any remittances made by Green Bank to the Capital Provider pursuant to this Agreement.

(b) Taxes. With respect to this Agreement, Capital Provider shall be solely responsible for, and shall indemnify, protect, defend, save and keep harmless, Green Bank and each of its affiliates, and their respective officers, directors, employees and agents (each a "Green Bank Indemnitee") from and against any and all federal, state and local taxes, in each such case, to the extent any of the same are attributable to or otherwise assessed with respect to the period subsequent to the effective date of this Agreement, together with any assessments, penalties, fines additions to tax or interest related thereto, which at any time or from time to time may be imposed on, or asserted against, the Property (or any part thereof or any interest therein) or any Green Bank Indemnitee, by any federal, state, local or foreign government or taxing authority in connection with or relating to the Financing Documents or any of the transactions contemplated hereby and thereby.

(c) Notice of Claims. Each of Green Bank and Capital Provider agrees to notify the other party promptly after becoming aware of any taxes or claims, whether pending or

threatened that is the subject of indemnification pursuant to this Section 6; provided, however, that the failure by either such party to so notify the indemnifying party will not in any manner affect such indemnifying party's obligations under this Section 6, except to the extent, if any, the indemnifying party shall have been materially and adversely prejudiced by such failure.

7. Duties and Limitations.

The following provision shall apply except to the extent otherwise provided in the Financing Documents:

(a) Green Bank's and Capital Provider's Duties. It is the intent and purpose of the parties that Green Bank or the Municipality shall bill for, collect and receive for the benefit of Capital Provider the sums payable under the Financing Documents and the Benefit Assessment and Benefit Assessment Lien, but shall otherwise act at the written direction of Capital Provider with respect to all consents, waivers, rights and remedies available to the Capital Provider under such Financing Documents and Benefit Assessment. Unless Green Bank indicates in writing to Capital Provider, Capital Provider shall be responsible for all other servicing duties pursuant to the Financing Documents, such as, if applicable, obtaining insurance renewals and financial statements from the Borrower and arranging for Property inspections. Green Bank shall promptly deliver to Capital Provider all notices, demands and similar items received by it relating to the Financing Documents.

(i) In the event: (x) of an Event of Default under and as defined in the Financing Documents or an event which with the giving of notice or passage of time or both would constitute an Event of Default thereunder (any such event, an "**Event of Default**"); (y) Green Bank breaches any of its material obligations hereunder; or (z) upon thirty (30) days prior written notice from Green Bank or Capital Provider, and upon written notice by Capital Provider to Green Bank in the case of (x) or (y), Capital Provider may (and in the case of (z), shall) take over the billing and collection duties of Green Bank and, in such event, Capital Provider shall have the sole right, on behalf of Green Bank, to exercise any and all remedies available to it in connection with the billing and collection duties pursuant to this Agreement which are the subject of the Event of Default or notice. If Capital Provider takes over such billing and collection duties pursuant to this Agreement then the Green Bank shall have no obligations to bill or collect pursuant to this Agreement. In such event, the Capital Provider, in its sole capacity, shall continue such billing and collection for the term of the Financing Documents, however all payments made pursuant to the Financing Documents shall continue to be made to the Municipality's tax collector. Capital Provider shall (1) promptly notify the Green Bank in writing of any agreement(s) with the Borrower for payment of any delinquent amounts pursuant to the Financing Documents and the Benefit Assessment, (2) promptly notify the Borrower in writing that all payments made pursuant to the Financing Documents, or any subsequent agreements

for payment of any delinquent amounts, must be made to the Municipality's tax collector, and (3) promptly notify the Green Bank in writing of any judicial proceeding(s) to enforce the Financing Documents and Benefit Assessment, including, but not limited to, foreclosure and a suit on the debt.

- (ii) In an Event of Default the Green Bank shall have no obligation to bill or collect from the Borrower; however Green Bank shall continue to work with the Municipality to send standard benefit assessment bills and delinquency notices to the Borrower. In an Event of Default, the Capital Provider may request, and Green Bank in its sole discretion may accept, Green Bank to pursue billing and collection of delinquent payments from the Borrower. If Green Bank agrees to provide billing and collection services to Capital Provider after an Event of Default has occurred then Capital Provider shall reimburse Green Bank for all costs, fees and expenses associated with such billing and collection services.
- (iii) If either party has actual knowledge of an Event of Default, it shall promptly notify the other party thereof.

(b) Payments. All monies received by Green Bank on the Financing Documents shall be held by Green Bank, or its designee, for the benefit of the Capital Provider for the purpose for which they were paid, but need not be segregated in any manner from any other monies of Green Bank and may be deposited by Green Bank, or its designee, in any general account maintained by Green Bank or, its designee, (the "**Collection Account**"). Green Bank, or its designee, shall pay all moneys from Collection Account due from the Borrower under the Financing Documents within five (5) Business Days of receipt of such good funds in the Collection Account (each such date, a "**Payment Date**"), provided that Green Bank, or its designee, has collected payment in good funds from the Borrower or the Municipality, such as a received wire or cleared check. Notwithstanding the forgoing, if the applicable Payment Date is not a Business Day, then the Payment Date shall be deemed to be the next Business Day. As used herein, "Business Day" shall be deemed to mean any day other than a Saturday, Sunday or holiday in which Green Bank or Capital Providers are closed in Connecticut. Green Bank, or its designee, shall make such monies available to Capital Provider by wire transfer of such monies to Capital Provider at such account as Capital Provider may specify in writing from time to time. If Green Bank, or its designee, fails to make such payment (or any part thereof) to Capital Provider within five (5) Business Days of such Payment Date, Green Bank shall pay Capital Provider one percent (1%) interest per month on, and in addition to, the amount of such payment (or any part thereof) but not exceeding the lawful maximum, if any.

(c) Limitations of Liability. Green Bank undertakes to perform such duties and only such duties as are specifically set forth herein and no implied covenants or obligations shall be read into this Agreement against Green Bank. In performing its obligations hereunder, Green Bank shall use the same level of care as it uses for transactions in which it holds the entire interest

for its own account, but shall not be liable to Capital Provider for any action taken or omitted to be taken by it hereunder or pursuant hereto, except for Green Bank's failure to make sums available to Capital Provider as required under this Agreement or Green Bank's gross negligence or willful misconduct. The duties of Green Bank shall be mechanical and administrative in nature and Green Bank shall not have by reason of this Agreement a fiduciary relationship with Capital Provider. Green Bank shall not be required to take any action if Green Bank shall have been advised by counsel that such action is contrary to law, the provisions of this Agreement or the provisions of the Financing Documents. As to any matters not expressly provided for by this Agreement, Green Bank shall not be required to exercise any discretion or take any action and in case of any question concerning its rights and duties hereunder, Green Bank may request written instructions from Capital Provider and refrain from taking action until it receives written instructions from Capital Provider. Green Bank shall be fully protected and have no liability to any person for acting or refraining from acting hereunder in accordance with the written instructions of Capital Provider. Green Bank shall, in the absence of knowledge to the contrary, be entitled to rely on any written instructions believed in good faith to be genuine and correct and to have been signed by an officer of Capital Provider.

8. Titling.

(a) Holder of Benefit Assessment. The Property described in the Financing Documents shall demonstrate that Municipality is the original holder of the Benefit Assessment that is contractually obligated to immediately assign such Benefit Assessment to Green Bank. Upon the assignment described in Section 1 hereof, Green Bank shall assign all of its interest in the Benefit Assessment and the Benefit Assessment Lien to the Capital Provider or its designee, such that the Capital Provider, or its designee, shall become the holder of the Benefit Assessment and Benefit Assessment Lien upon the Property. Green Bank shall be responsible for promptly recording the assignment of the Benefit Assessment Lien in the applicable land records, with the costs of recording to be paid by Capital Provider.

(b) Appointment and Authorization. Green Bank shall take any actions reasonably requested in writing by Capital Provider relating to the Capital Provider being named as the holder of the Benefit Assessment and Benefit Assessment Lien relating to the Property.

9. Green Bank's Costs.

(a) Upon the execution of this Agreement Capital Provider shall pay Green Bank \$200 for Green Bank's duties and services provided pursuant to this Agreement, including but not limited to the filing and assignment, to Capital Provider, of the Benefit Assessment Lien. Any costs associated with filing any Confirmation and Amendment of Benefit Assessment Lien and Payment Schedule shall be paid by the Capital Provider. Additionally, the Capital Provider shall pay Green Bank \$25 per month for Green Bank's duties and services provided pursuant to this Agreement, including but not limited to the collection of funds pursuant to such Benefit Assessment Lien, this monthly fee shall be collected by the Green Bank from the funds deposited in the Collection Account pursuant to the Benefit Assessment and Benefit Assessment Lien, before such funds are remitted to the Capital Provider pursuant to Section 7 of this Agreement.

Any additional expenses incurred by Green Bank in connection with its performance of its duties obligations under this Agreement shall be borne by Capital Provider and Capital Provider shall reimburse Green Bank for any such out-of-pocket costs and expenses incurred by Green Bank.

(b) No provisions of this Agreement shall require Green Bank (i) to expend or risk its own funds except as necessary in the ordinary course of business as the statewide administrator of the Program or to perform its obligations under this Agreement or (ii) to otherwise incur any financial liability in the performance of any of its duties hereunder. Any expenses incurred by Green Bank in connection with any actions with respect to the Financing Documents to which Capital Provider has requested shall be borne by Capital Provider and Capital Provider shall reimburse Green Bank for any such out-of-pocket costs and expenses incurred by Green Bank.

10. Indemnity.

(a) Capital Provider agrees to indemnify and hold harmless Green Bank and any of its directors, officers, employees or agents, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgment, suits, costs, expenses, taxes or disbursements of any kind or nature whatever (including attorneys' fees) which may be imposed on, incurred by or asserted against any of them in any way relating to or arising out of any action taken or omitted by either or any of them pursuant to a breach by Capital Provider of this Agreement, to the extent not reimbursed by the Borrower, provided that Capital Provider shall not be liable to Green Bank for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgment, suits, costs, expenses or disbursements resulting from the gross negligence of willful misconduct of Green Bank or any of its directors, officers, employees or agents; and

(b) Green Bank shall indemnify and hold harmless Capital Provider, its successors and assigns, and all of its directors, officers, employees or agents, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgment, suits, costs, expenses or disbursements of any kind or nature whatever (including attorneys' fees) which may be imposed on, incurred by or asserted against any of them in any way arising out of or resulting from a breach by Green Bank of this Agreement or the gross negligence of willful misconduct of Green Bank or any of its directors, officers, employees or agents.

11. Miscellaneous.

(a) Assignment. Except as provided in this Agreement, neither party may assign or delegate its respective rights or obligations hereunder without the prior written consent of the other party which consent shall not be unreasonably withheld, provided that Capital Provider may assign this Agreement upon notice to Green Bank. Subject to the foregoing, this Agreement inures to the benefit of, and is binding upon, the successors and permitted assigns of the parties hereto.

(b) Notices. All notices and other communications hereunder shall be in writing, personally delivered or sent by facsimile or certified mail, return receipt requested, addressed to the other party at its respective address stated below the signature of such party or at such

other address as such party shall from time to time designate in writing to the other party; and shall be effective from the date of receipt.

(c) GOVERNING LAW. THIS AGREEMENT AND EACH SPECIFICATION AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF CONNECTICUT (WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SUCH STATE), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE.

(d) Entire Agreement. This Agreement and the Assignment and the Notice constitutes the entire agreement between the parties with respect to the subject matter hereof and shall not be amended or altered in any manner except by a document in writing executed by both parties.

(e) Titles. Section titles are for convenience of reference only and shall not be of any legal effect.

(f) Further Assurances. The parties further covenant and agree to do, execute and deliver, or cause to be done, executed and delivered, and covenant and agree to use their respective reasonable best efforts to cause their successors and assigns to do, execute and deliver, or cause to be done, executed and delivered, all such further acts, transfers and assurances, for implementing the intention of the parties under this Agreement, as the parties and their successors and assigns reasonably shall request.

(g) Not an Extension of Credit. This Agreement constitutes an assignment of future Benefit Assessments and their related Benefit Assessment Liens and shall in no way be construed as an extension of credit by Capital Provider to Green Bank. In the event of an insolvency of Green Bank, Green Bank shall not claim any such Benefit Assessment or its related Benefit Assessment Lien as an asset of its estate, the parties hereto acknowledging that their intent is to treat assignment as a transfer of Green Bank's right, title and interest in and to any such Benefit Assessment and its related Benefit Assessment Lien as they relate to the Property.

(h) Transaction Expenses. Each of Green Bank and Capital Provider shall bear and be responsible for its own costs and expenses incurred in connection with the negotiation, preparation, execution and delivery of this Agreement and any other agreements, documents, certificates and instruments relating hereto, and it shall not have any right of reimbursement or indemnity for such costs and expenses as against the other party.

(i) Counterparts. With respect to each of this Agreement, the Notice and any of the other documents to be delivered pursuant to this Agreement, each such agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.

(j) Survival. The respective representations and warranties of Green Bank and Capital Provider contained in this Agreement shall survive the termination of this Agreement.

(k) Recitals. Both parties agree that all of the recitals are hereby incorporated herein and are acknowledged as being true and correct.

(l) Waiver of Jury Trial. GREEN BANK AND CAPITAL PROVIDER HEREBY UNCONDITIONALLY WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS AGREEMENT, ANY OF THE FINANCING DOCUMENTS, ANY DEALINGS BETWEEN GREEN BANK AND CAPITAL PROVIDER RELATING TO THE SUBJECT MATTER HEREOF OR THEREOF, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED BETWEEN GREEN BANK AND CAPITAL PROVIDER. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT (INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS). THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, ANY SPECIFICATION OR THE FINANCING DOCUMENTS. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

12. State Contracting Obligations.

Capital Provider understands and agrees that Green Bank will comply with Conn. Gen. Stat. Sections 4a-60 and 4a-60a. Capital Provider agrees to comply for the period of performance with the state contracting obligations in this Section 12. For purposes of this Section 12, Contractor and Capital Provider shall have the same meaning and Contract and Agreement shall have the same meaning.

Conn. Gen. Stat. § 4a-60(a):

“Every contract to which the state or any political subdivision of the state other than a municipality is a party shall contain the following provisions:

(1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut; and the contractor further

agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved;

(2) The contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission;

(3) The contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;

(4) The contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f; and

(5) The contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor as relate to the provisions of this section and section 46a-56.”

Conn. Gen. Stat. § 4a-60a(a):

“Every contract to which the state or any political subdivision of the state other than a municipality is a party shall contain the following provisions:

(1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation;

(2) The contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the contractor's

commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;

(3) The contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and

(4) The contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor which relate to the provisions of this section and section 46a-56.”

Nondiscrimination Certification. Capital Provider represents and warrants that, prior to entering into this Agreement, Capital Provider has provided Green Bank with documentation evidencing Capital Provider’s support of the nondiscrimination agreements and warranties of the statutory nondiscrimination sections, above. A form of the Nondiscrimination Certification to be signed by the Capital Provider is attached.

Occupational Safety and Health Act Compliance. Capital Provider certifies it (1) has not been cited for three or more willful or serious violations of any occupational safety and health act or of any standard, order or regulation promulgated pursuant to such act, during the three-year period preceding the date of the Agreement, provided such violations were cited in accordance with the provisions of any state occupational safety and health act or the Occupational Safety and Health Act of 1970, and not abated within the time fixed by the citation and such citation has not been set aside following appeal to the appropriate agency or court having jurisdiction or (2) which has not received one or more criminal convictions related to the injury or death of any employee in the three-year period preceding the date of the Agreement.

13. Limitation on Recourse.

All liabilities and obligations of (i) Green Bank under this Agreement are subject and limited to the funding available under Connecticut law and (ii) Capital Provider under this Agreement are limited to its assets and no officer, director, employee, partner, investor or shareholder shall have any personal liability for such liabilities or obligations.

14. Freedom of Information Act.

Green Bank is a “public agency” for purposes of the Connecticut Freedom of Information Act (“FOIA”). This Agreement and information received pursuant to this Agreement will be considered public records and will be subject to disclosure under the FOIA, except for information falling within one of the exemptions in Conn. Gen. Stat. Sections § 1-210(b) and § 16-245n(d).

Because only the particular information falling within one of these exemptions can be withheld by Green Bank pursuant to an FOIA request, Capital Provider should specifically and in writing identify to Green Bank the information that Capital Provider claims to be exempt. Capital Provider should further provide a statement stating the basis for each claim of exemption. It will not be sufficient to state generally that the information is proprietary or confidential in nature and not, therefore, subject to release to third parties. A convincing explanation and rationale sufficient to justify each exemption consistent with General Statutes §1-210(b) and § 16-245n(d) must be provided.

Capital Provider acknowledges that (1) Green Bank has no obligation to notify Capital Provider of any FOIA request it receives, (2) Green Bank may disclose materials claimed by Capital Provider to be exempt if in its judgment such materials do not appear to fall within a statutory exemption, (3) Green Bank may in its discretion notify Capital Provider of FOIA requests and/or of complaints made to the Freedom of Information Commission concerning items for which an exemption has been claimed, but Green Bank has no obligation to initiate, prosecute, or defend any legal proceeding, or to seek to secure any protective order or other relief to prevent disclosure of any information pursuant to an FOIA request, (4) Capital Provider will have the burden of establishing the availability of any FOIA exemption in any such legal proceeding, and (5) in no event shall Green Bank or any of its officers, directors, or employees have any liability for the disclosure of documents or information in Green Bank's possession where Green Bank, or such officer, director, or employee, in good faith believes the disclosure to be required under the FOIA or other law.

[Remainder of page intentionally left blank, signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

CONNECTICUT GREEN BANK

[NAME]

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

**APPENDIX A OF C-PACE BENEFIT ASSESSMENT AND LIEN ASSIGNMENT AND
ADMINISTRATION AGREEMENT**

FORM OF CERTIFICATE OF LEVY AND LIEN OF BENEFIT ASSESSMENT

The undersigned Tax Collector of the _____, Connecticut ("Municipality"), with an office at _____, Connecticut, for and on behalf of the Connecticut Green Bank (the "Green Bank"), formerly known as the Clean Energy Finance and Investment Authority, with an office at 845 Brook Street, Rocky Hill, Connecticut 06067, pursuant to the Commercial Property Assessed Clean Energy Program established under Connecticut General Statutes Section 16a-40g, as amended (the "Act"), and the Municipal Agreement between the Municipality and Green Bank dated _____, HEREBY LEVIES A BENEFIT ASSESSMENT AGAINST AND LIEN UPON certain real property commonly referred to as _____ and described more particularly in the attached **Exhibit A** (the "Property"), situated in the Municipality and owned on the date hereof in whole or in part by _____ (the "Property Owner"), said levy and lien shall secure the repayment of financing for energy improvements made or to be made to the Property pursuant to that certain Financing Agreement between Property Owner and Greenworks Lending, LLC dated _____, as may be amended (the "Financing Agreement"). This levy and lien are subject to the terms and conditions of the Financing Agreement and are made in accordance with the Financing Agreement. Upon the transfer or conveyance of the Property, each subsequent owner of the Property, by accepting title to the Property, assumes and agrees to perform all of the obligations and covenants set forth herein and in the Financing Agreement and each other document referenced therein, including, but not limited to, making the installment payments described below, from and after the date such owner acquires title to the Property. The amount and repayment of said levy and lien, as determined by Green Bank and provided to Municipality, are as follows: an installment payment plan is in effect for payment of the benefit assessment, and is based on the principal amount of the benefit assessment of \$_____, with interest thereon at a fixed rate equal to ____% per annum, plus any capitalized interest or any additional fees and expenses pursuant to the Financing Agreement, with equal installments of principal and interest due and payable pursuant to the Financing Agreement[, all as set forth in the attached **Exhibit B**]. [Pursuant to the Financing Agreement, the final installment payment plan and maturity date of the levy and lien shall be provided to the Municipality by the Green Bank and filed on the Land Records of the Municipality.] In the event that any such installment shall remain unpaid for thirty days after the same shall become due and payable, interest and other charges shall be charged upon the unpaid installment(s) at the rate of 18% per annum, as provided by the Act and by law. At such time as the principal and interest payments of the benefit assessment have been satisfied and paid in full, a release of this Certificate shall be filed in the Land Records of the Municipality evidencing such release.

This Certificate constitutes a certificate of lien and is filed pursuant to the provisions of the Act to evidence a lien for the benefit assessment levied upon the Property for the special benefits conferred upon said Property by the renovation or retrofitting for energy improvements related thereto. Pursuant to the Act, this lien shall take precedence over all other liens or encumbrances except a lien for taxes of the Municipality on real property, which lien for taxes shall have priority over this lien. For the purposes of this lien, the Green Bank and any future successors, assigns or heirs of such lien shall be bound by and irrevocably subordinated to any environmental land use restriction recorded on the land records of the Municipality pursuant to Conn. Gen. Stat. § 22a-133o after this lien is filed on the land records of the Municipality.

The portion of this Certificate which constitutes a levy of benefit assessment and notice of installment payment of benefit assessments is filed pursuant to the provisions of the Act and the Connecticut General Statutes, as amended. This Certificate and the levy and lien set forth herein shall run with the land and shall be binding upon Property Owner and its heirs, executors, administrators, successors and assigns.

By order of the Tax Collector of the City/Town of _____.

Dated at _____, Connecticut this _____ day of _____, 2014.

Tax Collector

Received for Record: _____, 2014 at _____ A.M./P.M.

Recorded in the _____ Land Records at Volume _____, Page _____

City/Town Cler

**EXHIBIT A OF APPENDIX A OF C-PACE BENEFIT ASSESSMENT AND LIEN
ASSIGNMENT AND ADMINISTRATION AGREEMENT**

DESCRIPTION OF PROPERTY

[Insert legal description of Property]

**EXHIBIT B OF APPENDIX A OF C-PACE BENEFIT ASSESSMENT AND LIEN
ASSIGNMENT AND ADMINISTRATION AGREEMENT**

BENEFIT ASSESSMENT PAYMENT SCHEDULE

**EXHIBIT A OF APPENDIX B OF C-PACE BENEFIT ASSESSMENT AND LIEN
ASSIGNMENT AND ADMINISTRATION AGREEMENT**

DESCRIPTION OF PROPERTY

[Insert legal description of Property]

**APPENDIX C OF C-PACE BENEFIT ASSESSMENT AND LIEN ASSIGNMENT AND
ADMINISTRATION AGREEMENT**

FORM OF ASSIGNMENT OF BENEFIT ASSESSMENT LIEN

KNOW ALL PERSONS BY THESE PRESENTS, that the CONNECTICUT GREEN BANK, (hereinafter referred to as "Assignor"), acting herein by Bryan T. Garcia, its President, pursuant to a C-Pace Benefit Assessment And Lien Assignment And Administration Agreement dated _____, 20____ (the "Agreement"), between the Assignor and _____ (hereinafter referred to as "Assignee"), in consideration of One Dollar (\$1.00) and other valuable consideration paid to Assignor by the Assignee, the receipt of which is hereby acknowledged, hereby quit-claims, grants, bargains, sells, conveys, assigns, transfers and sets over unto Assignee, without warranty covenants and without recourse (except as set forth in the Agreement), all of its right, title and interest in and to that certain benefit assessment lien and the debts secured thereby together with such interest, fees, and expenses of collection as may be provided by law, filed by the _____ Tax Collector and Assigned to Assignor on the _____ Land Records, on property owned on the date hereof in whole or in part by _____ and as described on **Exhibit A**, and also commonly referred to as _____, attached hereto and made a part hereof (the "Lien"), to have and to hold the same unto the said Assignee, its successor and assigns forever.

This Assignment is made, given and executed pursuant to the authority granted to Assignor by Connecticut General Statutes Section 16a-40g, as amended.

By execution of this Assignment, the Assignor assigns to Assignee, and the Assignee assumes, as of the date hereof, all of the rights at law or in equity, obligations powers and duties as the Assignor would have with respect to the Lien, if the Lien had not been assigned with regard to precedence and priority of such lien, the accrual of interest, charges, fees and expenses of collection, pursuant to Connecticut General Statutes Section 16a-40g, as amended.

This Assignment by the Assignor is absolute and irrevocable and the Assignor shall retain no interest, reversionary or otherwise, in the Lien.

IN WITNESS WHEREOF, we have hereunto set our hands and seal this ____ of _____, 20_____.

CONNECTICUT GREEN BANK,
Assignor

By _____
Bryan T. Garcia
Its President and CEO

STATE OF CONNECTICUT)
)
COUNTY OF HARTFORD)

ss.: Rocky Hill

On this the ____ day of _____, 20____, before me _____, the undersigned officer, personally appeared Bryan T. Garcia, President and CEO of the Connecticut Green Bank, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained and that he acknowledged the same to be his free act and deed, before me, in his capacity as said President and CEO.

Commissioner of the Superior Court

**EXHIBIT A OF APPENDIX C OF C-PACE BENEFIT ASSESSMENT AND LIEN
ASSIGNMENT AND ADMINISTRATION AGREEMENT**

DESCRIPTION OF PROPERTY

[Insert legal description of Property]

**APPENDIX E OF C-PACE BENEFIT ASSESSMENT AND LIEN ASSIGNMENT AND
ADMINISTRATION AGREEMENT**

[Insert legal description of Property]

Appendix C

Disclosure of Risk Form

This Disclosure of Borrower Risks is made pursuant to Connecticut General Statutes Section 16a-40g and the program established thereunder (the “C-PACE Program”). As a Borrower participating in the C-PACE Program, you should consider carefully the risks associated with accepting C-PACE financing and the Benefit Assessment on your property. These risks include, but are not limited to, the following:

[Insert Capital Provider] (“Capital Provider”) and Connecticut Green Bank (“Green Bank”) do not guarantee energy savings. The energy conservation measures proposed to be installed may not perform to specification. They may break down or underperform due to technical malfunction or improper installation. Project success often depends on third parties who are capable of installing and managing projects and structuring contracts that provide appropriate protection against these construction and operational risks. Green Bank recommends Borrowers have their installation and servicing contracts reviewed by competent legal counsel and engineering consultants prior to execution. Green Bank does neither: (1) endorses the workmanship of any Contractor; nor (2) guarantees, warranties, or in any way represents or assumes liability for any work proposed or carried out by a Contractor. Additionally, the Green Bank is not responsible for assuring the design, engineering, and construction of the project is proper or complies with any particular laws, regulations, codes, licensing, certification and permit requirements, or industry standards. The Green Bank does not make any representations of any kind regarding the results to be achieved by the project or the adequacy or safety of such measures.

Completed projects often require ongoing maintenance to ensure energy savings and equipment performance is sustained. Such maintenance could be complex, costly, and/or be beyond the capabilities of “in-house” staff, requiring external expertise or specialized services over the life of the energy conservation or renewable energy measures.

Please review any warranties carefully. While the warranties provided by third parties and, in some cases, their subcontractors, typically limit any direct harm that results from relying on their products and services, there can be no assurance that a supplier or subcontractor will be willing or able to fulfill its contractual obligations and make necessary repairs or replace equipment.

Please seek any necessary outside legal counsel or engineering support to review contracts. Capital Provider and Green Bank recommend that all Borrowers have their installation and servicing contracts reviewed by competent legal counsel and engineering consultants prior to execution.

Fluctuations in energy prices may increase or decrease the savings associated with your project. Your Project’s estimated savings are based on assumptions about the future price of electricity and fuels. To the extent that future energy prices are lower than those assumed to occur, your future savings will be less than projected.

Changes in property occupancy may increase or decrease the savings associated with your project.

Your project's estimated savings are based on assumptions about the future occupancy and uses of your Property. To the extent that occupancy decreases, or Property uses shift in a manner not currently contemplated such that less energy will be used than expected, your future savings will be less than projected.

Green Bank is not your lender. Green Bank's role in this transaction is to administer the C-PACE Program and meet all of Green Bank's statutory obligations. If the proposed C-PACE Project is approved, by both the Green Bank and Capital Provider, then Capital Provider will finance the Project.

C-PACE financing is fixed rate financing. Although you will be able to prepay the remaining principal of your Benefit Assessment Advance at any time subject to any applicable prepayment penalties as may be contained in the Financing Agreement, you will not be able to refinance through the Capital Provider or Green Bank to achieve a lower rate.

C-PACE assessments are secured by and attached to the property. At resale, the potential purchaser of your Property will be responsible for continuing to pay the Benefit Assessment. Once the Project is financed a benefit assessment lien will be levied on the Property. Failure to pay your C-PACE benefit assessment in a timely manner may lead Capital Provider, or any assignee, to foreclose on the Property.

The success of your project may depend in part on various U.S. Federal or State of Connecticut policies and incentives that support or enhance project economic feasibility. Such policies may include governmental initiatives, laws and regulations designed to reduce energy usage, encourage the use of clean energy or encourage the investment in and the use of sustainable infrastructure. Incentives provided by the U.S. federal government may include tax credits, tax deductions, bonus depreciation as well as federal grants and loan guarantees. Incentives provided by the State of Connecticut may include renewable portfolio standards, which specify the portion of the power utilized by local utilities that must be derived from clean energy sources such as renewable energy, renewable energy credits, tariffs, tax incentives and other cash and non-cash payments. In addition, the U.S. government and the State of Connecticut provide regulatory, tax and other incentives to encourage the development and growth of sustainable infrastructure.

You may be depending on these policies and incentives to help defray the costs associated with, and to finance, your project. Government regulations also impact the terms of third-party financing provided to support these projects. If any of these government policies, incentives or regulations are adversely amended, delayed, eliminated, reduced or not extended beyond their current expiration dates, the economics of your project may be harmed.

Green Bank is a public instrumentality and political subdivision of the State of Connecticut established under Public Act No. 11-80 (and codified in Section 16-245n of the Connecticut General Statutes). Although we do not expect the Legislature to make any changes that would impact our ability to perform our role in accordance with existing statutory authority, there can be no

assurance that any changes in statute will not have a material adverse effect to our ability to perform our responsibilities as presently provided in statute.

Green Bank must comply with the Connecticut Freedom of Information Act (“FOIA”). Green Bank is a public agency for purposes of FOIA. Any material submitted to the Green Bank, either directly by Borrower or indirectly through Capital Provider, will be considered a public record and will be subject to disclosure under FOIA. Under Connecticut General Statute §1-210(b) and § 16-245n(d), FOIA includes exemptions for trade secret and commercial or financial information given in confidence. Only the particular information falling within a statutory exemption can be withheld by the Green Bank. In no event shall the Green Bank or any of its officers, directors or employees have any liability for the disclosure of documents or information in the Green Bank’s possession where the Green Bank, or such officer, director or employee in good faith believes the disclosure to be required under FOIA or other law.

Green Bank Indemnification. Borrower hereby acknowledges that In consideration for your participation in the C-PACE Program, Borrower does hereby disclaims, releases and forever discharges the Green Bank, and its officers, board, and employees jointly and severally from any and all actions, causes of actions, claims and demands for, upon, or by reason of any damage, loss, or injury, which hereafter may be sustained by Borrower for participating in the C-PACE Program.

Green Bank may not be able finance this project for six months. Pursuant to an agreement between the Green Bank and Capital Provider, the Green Bank may not, for a period of six months, be able to finance your current project in an event that you do not close on financing with Capital Provider. This restriction does not apply to materially different eligible projects or other eligible capital providers.

The Borrower hereby acknowledges and agrees to the above described C-PACE transaction risks and associated provisions of this Disclosure of Risk Form by and through its duly authorized undersigned representative.

Borrower: _____

By: _____

Its: _____

Appendix D
Lender Consent Form

**REQUEST FOR LENDER CONSENT
AND NOTICE OF PROPOSED BENEFIT ASSESSMENT**

Notice Date: _____

Lender Address:

Lender: _____

Street: _____

City/State/Zip Code: _____

ATTN: _____

Property/Loan Information: _____

Address: _____

APN: _____

Loan Number: _____

Why has the bank received this notice?

The property owner listed below owns the property located at the address above. You are the holder of a loan secured by the property.

[Building owner/address] wishes to install energy upgrades to the property using the Commercial Property-Assessed Clean Energy (C-PACE) financing mechanism established by the State of Connecticut and seeks your consent to do so.

Background on C-PACE in Connecticut.

In 2012, Connecticut passed legislation that provides access for owners of commercial, industrial and multi-family housing property in the state to a new form of financing for energy efficiency and on-site renewable energy (EE/RE) upgrades to their buildings. C-PACE financing can allow building owners to increase the value of their buildings and meet important energy policy goals of the State and its municipalities. (See [Exhibit A for legislation](#))

The Connecticut Green Bank ("the Green Bank") is responsible for administering a statewide C-PACE program. With C-PACE, financing for EE/RE projects is repaid with a benefit assessment, a mechanism long used to finance improvements to real property that meet a public policy objective, such as sidewalks, parks, lighting districts, and water and sewer projects. Like other municipal assessments, C-PACE assessments must be current upon the sale of a property and remain with a property upon sale. As with other municipal assessments, any assessments in arrears (but only those in arrears) have a lien status senior to mortgages upon the sale of a property.

Connecticut's C-PACE program has been designed to meet the needs and concerns of Connecticut's residents, property owners, and existing mortgage lenders. To qualify, the proposed project must meet the following basic criteria:

- The property is located in a municipality that has signed a legal agreement with the Green Bank regarding C-PACE. (see [Exhibit B for a copy of the legal agreement between the Green Bank and the municipality](#))
- The property is a commercial, industrial, or multi-family (5 or more units) property
- The proposed measures reduce energy consumption and/or increase the production of on-site renewable energy
- The proposed measures are permanently affixed to the property
- The property is current on all municipal property tax and assessment payments
- The proposed project results in energy savings in excess of the assessment (a savings-to-investment ratio greater than 1 as determined by the GREEN BANK and/or the Administrator of C-PACE.
- **The property owner receives consent of the current mortgage holder(s)**

Why should you provide consent?

1. Measures financed through C-PACE should reduce building operating costs. Through the Technical Standards the Green Bank has established to govern the C-PACE program, a proposed project must have a Savings to Investment Ratio (SIR) greater than one, meaning that projected lifetime savings from the energy measures must exceed the total investment, inclusive of financing costs over the full term of the C-PACE assessment, over the useful life of the measures. For example, if the total eligible project investment cost is \$1.5 million and the project's expected useful life is 15 years, then the energy savings must be greater than \$100,000 per year.
2. C-PACE Assessments do not accelerate. In the event the mortgage holder forecloses on the property for any reason, only the amount of the C-PACE assessment currently due and/or in arrears, a relatively small proportion of the C-PACE assessment, would come due. In the event of a property sale, C-PACE assessments transfer to the new property owner.
3. Measures financed through C-PACE improve properties, often reducing maintenance and repair costs. In addition, energy measures improve the efficiency, health, and comfort of a building, making it more attractive to tenants and future owners.

What should you know?

[Building owner/address] has indicated its intention to apply for C-PACE financing for the improvements outlined in Exhibit C on the property listed above. The benefit assessment is to be levied on the property pursuant to an agreement between the property owner, the Green Bank, and the funding source for the C-PACE improvements. The related payment terms are proposed to consist of the following:

Total cost of improvements*:

Utility rebates/incentives:

Total C-PACE financing requested*:

Interest rate not to exceed:

Term of repayment period:

Total estimated annual installment*:

Payments per year:

**THE GREEN BANK may provide financing for up to 110% of the financing amount requested contingent upon the savings-to-investment ratio being greater than 1. As such, the above amounts are subject to minor deviation.*

Estimated Benefits of the Authorized Improvements:

Based on a recent audit by [redacted] which is detailed in Exhibit C, the following cash flow savings – as a result of the installation of the Authorized Improvements and using the assumptions noted in the audit – are expected to accrue to the property:

Electric and Fuel Bill Savings:

Other Savings (specify):

TOTAL:

NOTE: The savings noted above represent estimated based on the assumptions contained in the audit attached as Exhibit C. Actual results are likely to be different and may be greater or less than estimated.

Purpose of this Notice. As required by the C-PACE enabling legislation (Section 16a-40g of Connecticut General Statutes, as amended), [Name of Property Owner] is sending this Notice of Proposed Benefit Assessment to Lender to (i) provide notice of the proposed participation of the property above in C-PACE financing; (ii) request confirmation from you (the current lender) that the levy of the Benefit Assessment pursuant to the Assessment Agreement will not trigger an event of default or the exercise of any remedies under the Loan documents, (iii) provide notice that the Contractual Assessment will be collected in installments on the property tax bill in the same manner as and subject to the same penalties, remedies and lien priorities as real property taxes and (iv) declare the [Name of Property

Owner's agreement to pay on a timely basis both the existing obligations secured by the property (including the Loan) and the proposed Benefit Assessment.

Execution and Return of Consent. The Property Owner would appreciate you executing the attached Lender Consent to Proposed Benefit Assessment and returning it to the undersigned at your earliest convenience.

Very truly yours,

BY: (signature): _____

PROPERTY OWNER NAME: _____

MAILING ADDRESS (if different than Property address): _____

LENDER CONSENT TO BENEFIT ASSESSMENT

Date: _____

Property/Loan Information: _____

Address: _____

Owner: _____

Municipality: _____

APN: _____

Loan Number: _____

This Lender Consent to Benefit Assessment (this "Consent") is given by the undersigned entity (the "Lender") with respect to the above-referenced loan (the "Loan") and the above-referenced property (the "Property").

RECITALS

A. Lender is in receipt of written notice (the "Notice") from the above-referenced owner of the Property (the "Property Owner") that it intends to finance installation on the Property of certain energy efficiency and/or renewable energy improvements that will be permanently fixed to the Property (the "Authorized Improvements") by participating in the Commercial Property-Assessed Clean Energy (C-PACE) financing program (the "Program"), sponsored by the Municipality.

B Lender understands that, as a result of an agreement between the Municipality and the Property Owner (the "Assessment Agreement"), the Benefit Assessment described in the Notice will be levied on the Property, and that the Benefit Assessment will be collected in installments on the property tax bill in the same manner as and subject to the same penalties, remedies and lien priorities as real property taxes.

CONSENT

The undersigned hereby represents that it is authorized to execute this Consent on behalf of the Lender. The Lender hereby confirms:

A. Lender is in receipt of written notice (the "Notice") from the above-referenced owner of the Property (the "Property Owner") that it intends to finance installation on the Property of certain energy efficiency and/or renewable energy improvements that will be permanently fixed to the Property by participating in the Commercial Property-Assessed Clean Energy financing a program sponsored by the Municipality.

B Lender understands that, as a result of an agreement between the Municipality and the Property Owner, the Benefit Assessment described in the Notice will be levied on the Property, and that the Benefit Assessment will be collected in installments on the property tax bill in the same manner as and subject to the same penalties, remedies and lien priorities as real property taxes.

C. The Lender agrees that the levy of the Benefit Assessment will not constitute an event of default or trigger the exercise of any remedies under the Loan documents.
 The Lender hereby acknowledges that the Property Owner and the Municipality will rely on the representation and Consent of the Lender set forth in this Consent.

LENDER:	
	By: _____
	<i>Authorized Representative</i>
	By: _____
	<i>Name</i>
	By: _____
	<i>Title</i>
	By: _____
	<i>Date</i>

EXHIBIT A OF LENDER CONSENT FORM

Connecticut General Statutes § 16a-40g. Commercial sustainable energy program.

(a) As used in this section:

(1) “Energy improvements” means (A) participation in a district heating and cooling system by qualifying commercial real property, (B) participation in a microgrid, as defined in section 16-243y, including any related infrastructure for such microgrid, by qualifying commercial real property, provided such microgrid and any related infrastructure incorporate clean energy, as defined in section 16-245n, (C) any renovation or retrofitting of qualifying commercial real property to reduce energy consumption, (D) installation of a renewable energy system to service qualifying commercial real property, or (E) installation of a solar thermal or geothermal system to service qualifying commercial real property, provided such renovation, retrofit or installation described in subparagraph (C), (D) or (E) of this subdivision is permanently fixed to such qualifying commercial real property;

(2) “District heating and cooling system” means a local system consisting of a pipeline or network providing hot water, chilled water or steam from one or more sources to multiple buildings;

(3) “Qualifying commercial real property” means any commercial or industrial property, regardless of ownership, that meets the qualifications established for the commercial sustainable energy program;

(4) “Commercial or industrial property” means any real property other than a residential dwelling containing less than five dwelling units;

(5) “Benefited property owner” means an owner of qualifying commercial real property who desires to install energy improvements and provides free and willing consent to the benefit assessment against the qualifying commercial real property;

(6) “Commercial sustainable energy program” means a program that facilitates energy improvements and utilizes the benefit assessments authorized by this section as security for the financing of the energy improvements;

(7) “Municipality” means a municipality, as defined in section 7-369;

(8) “Benefit assessment” means the assessment authorized by this section;

(9) “Participating municipality” means a municipality that has entered into a written agreement, as approved by its legislative body, with the bank pursuant to which the municipality has agreed to assess, collect, remit and assign, benefit assessments to the bank in return for energy improvements for benefited property owners within such municipality and costs reasonably incurred in performing such duties;

(10) “Bank” means the Connecticut Green Bank; and

(11) “Third-party capital provider” means an entity, other than the bank, that provides loans directly to benefited property owners for energy improvements.

(b) (1) The bank shall establish a commercial sustainable energy program in the state, and in furtherance thereof, is authorized to make appropriations for and issue bonds, notes or other obligations for the purpose of financing, (A) energy improvements; (B) related energy audits; (C) renewable energy system feasibility studies; and (D) verification reports of the installation and effectiveness of such improvements. The bonds, notes or other obligations shall be issued in accordance with legislation authorizing the bank to issue bonds, notes or other obligations generally. Such bonds, notes or other obligations may be secured as to both principal and interest by a

pledge of revenues to be derived from the commercial sustainable energy program, including revenues from benefit assessments on qualifying commercial real property, as authorized in this section.

(2) When the bank has made appropriations for energy improvements for qualifying commercial real property or other costs of the commercial sustainable energy program, including interest costs and other costs related to the issuance of bonds, notes or other obligations to finance the appropriation, the bank may require the participating municipality in which the qualifying commercial real property is located to levy a benefit assessment against the qualifying commercial real property especially benefited thereby.

(3) The bank (A) shall develop program guidelines governing the terms and conditions under which state and third-party financing may be made available to the commercial sustainable energy program, including, in consultation with representatives from the banking industry, municipalities and property owners, developing the parameters for consent by existing mortgage holders and may serve as an aggregating entity for the purpose of securing state or private third-party financing for energy improvements pursuant to this section, (B) shall establish the position of commercial sustainable energy program liaison within the bank, (C) may establish a loan loss reserve or other credit enhancement program for qualifying commercial real property, (D) may use the services of one or more private, public or quasi-public third-party administrators to administer, provide support or obtain financing for the commercial sustainable energy program, (E) shall adopt standards to ensure that the energy cost savings of the energy improvements over the useful life of such improvements exceed the costs of such improvements, and (F) may encourage third-party capital providers to provide loans directly to benefited property owners in lieu of or in addition to the bank providing such loans.

(c) Before establishing a commercial sustainable energy program under this section, the bank shall provide notice to the electric distribution company, as defined in section 16-1, that services the participating municipality.

(d) If a benefited property owner requests financing from the bank or a third-party capital provider for energy improvements under this section, the bank shall:

(1) Require performance of an energy audit or renewable energy system feasibility analysis on the qualifying commercial real property that assesses the expected energy cost savings of the energy improvements over the useful life of such improvements before approving such financing;

(2) If financing is approved, either by the bank or the third-party capital provider, require the participating municipality to levy a benefit assessment on the qualifying commercial real property with the property owner in a principal amount sufficient to pay the costs of the energy improvements and any associated costs the bank or the third-party capital provider determines will benefit the qualifying commercial real property;

(3) Impose requirements and criteria to ensure that the proposed energy improvements are consistent with the purpose of the commercial sustainable energy program;

(4) Impose requirements and conditions on the financing to ensure timely repayment, including, but not limited to, procedures for placing a lien on a property as security for the repayment of the benefit assessment; and

(5) Require that the property owner provide written notice, not less than thirty days prior to the recording of any lien securing a benefit assessment for energy improvements for such property, to any existing mortgage holder of such property, of the property owner's intent to finance such energy improvements pursuant to this section.

(e) (1) The bank or the third-party capital provider may enter into a financing agreement with the property owner of qualifying commercial real property. After such agreement is entered into, and upon notice from the bank, the participating municipality shall (A) place a caveat on the land records indicating that a benefit assessment and a lien are anticipated upon completion of energy improvements for such property, or (B) at the direction of the bank, levy the benefit assessment and file a lien on the land records based on the estimated costs of the energy improvements prior to the completion or upon the completion of such improvements.

(2) The bank or the third-party capital provider shall disclose to the property owner the costs and risks associated with participating in the commercial sustainable energy program established by this section, including risks related to the failure of the property owner to pay the benefit assessment. The bank or the third-party capital provider shall disclose to the property owner the effective interest rate of the benefit assessment, including fees charged by the bank or the third-party capital provider to administer the program, and the risks associated with variable interest rate financing. The bank or the third-party capital provider shall notify the property owner that such owner may rescind any financing agreement entered into pursuant to this section not later than three business days after such agreement.

(f) The bank or the third-party capital provider shall set a fixed or variable rate of interest for the repayment of the benefit assessment amount at the time the benefit assessment is made. Such interest rate, as may be supplemented with state or federal funding as may become available, shall be sufficient to pay the bank's financing and administrative costs of the commercial sustainable energy program, including delinquencies.

(g) Benefit assessments levied pursuant to this section and the interest, fees and any penalties thereon shall constitute a lien against the qualifying commercial real property on which they are made until they are paid. Such lien, or if the financing agreement provides that the benefit assessments shall be paid in installments then each installment payment, shall be collected in the same manner as the property taxes of the participating municipality on real property, including, in the event of default or delinquency, with respect to any penalties, fees and remedies. Each such lien may be recorded and released in the manner provided for property tax liens and, subject to the consent of existing mortgage holders, shall take precedence over all other liens or encumbrances except a lien for taxes of the municipality on real property, which lien for taxes shall have priority over such benefit assessment lien. To the extent benefit assessments are paid in installments and any such installment is not paid when due, the benefit assessment lien may be foreclosed to the extent of any unpaid installment payments and any penalties, interest and fees related thereto. In the event such benefit assessment lien is foreclosed, such benefit assessment lien shall survive the judgment of foreclosure to the extent of any unpaid installment payments of the benefit assessment secured by such benefit assessment lien that were not the subject of such judgment.

(h) Any participating municipality may assign to the bank any and all liens filed by the tax collector, as provided in the written agreement between the participating municipality and the bank. The bank may sell or assign, for consideration, any and all liens received from the participating municipality. The consideration received by the bank shall be negotiated between the bank and the assignee. The assignee or assignees of such liens shall have and possess the same powers and rights at law or in equity as the bank and the participating municipality and its tax collector would have had if the lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection. The assignee shall have the same rights to enforce such liens as any private party holding a lien on real property, including, but not limited to, foreclosure and a suit on the debt. Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to this section and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.

EXHIBIT B OF LENDER CONSENT FORM

**COMMERCIAL PROPERTY ASSESSED
CLEAN ENERGY (“C-PACE”) AGREEMENT**

THIS AGREEMENT is made and entered into as of the ____ day of _____, 2014, by and between [**TOWN NAME CAPS**], **CONNECTICUT**, a municipal corporation organized and existing under the laws of the State of Connecticut (the “Municipality”), and the **CONNECTICUT GREEN BANK**, a quasi-public agency of the State of Connecticut, having its business address at 845 Brook Street, Rocky Hill, Connecticut 06067 (the “Green Bank”).

RECITALS

WHEREAS, Commercial Property Assessed Clean Energy (“C-PACE”) is a program to facilitate loan financing for clean energy improvements to commercial properties by utilizing a state or local assessment mechanism to provide security for repayment of the loans.

WHEREAS, section 16a-40g, as amended, of the Connecticut General Statutes (the “Act”) established the C-PACE program in Connecticut.

WHEREAS, subsection (b)(1) of the Act directs the Green Bank to establish a commercial sustainable energy program, and authorized the Green Bank to make appropriations for and issue bonds, notes or other obligations to finance the program costs. A commercial sustainable energy program is a program that facilitates energy improvements to commercial or industrial property and utilizes municipal benefit assessments authorized by the Act as security for financing the energy improvements.

WHEREAS, to secure financing for the program, the Green Bank and the Municipality are authorized to enter into a written agreement, as approved by the Municipality’s legislative body, pursuant to which the Municipality has agreed to assess, collect, remit and assign, benefit assessments to the Green Bank in return for energy improvements for benefited property owners within the Municipality and for costs reasonably incurred by the Municipality in performing such duties.

WHEREAS, this Agreement constitutes the written agreement authorized by the Act.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein and in order to effectuate the purposes of the Act, it is hereby agreed as follows:

Section 1 - Definitions.

- (a) "Energy improvements" means (A) participation in a district heating and cooling system by qualifying commercial real property, (B) participation in a microgrid, as defined in section 16-

243y, including any related infrastructure for such microgrid, by qualifying commercial real property, provided such microgrid and any related infrastructure incorporate clean energy, as defined in section 16-245n, as amended by this act, (C) any renovation or retrofitting of qualifying commercial real property to reduce energy consumption, (D) installation of a renewable energy system to service qualifying commercial real property, or (E) installation of a solar thermal or geothermal system to service qualifying commercial real property, provided such renovation, retrofit or installation described in subparagraph (C), (D) or (E) of this subdivision is permanently fixed to such qualifying commercial real property.

- (b) "District heating and cooling system" means a local system consisting of a pipeline or network providing hot water, chilled water or steam from one or more sources to multiple buildings.
- (c) "Qualifying commercial real property" means any commercial or industrial property, regardless of ownership, that meets the qualifications established for the commercial sustainable energy program.
- (d) "Commercial or industrial property" means any real property other than a residential dwelling containing less than five dwelling units.
- (e) "Benefited property owner" means an owner of qualifying commercial real property who desires to install energy improvements and provides free and willing consent to the benefit assessment against the qualifying commercial real property.
- (f) "Commercial sustainable energy program" means a program that facilitates energy improvements and utilizes the benefit assessments authorized by this Agreement as security for the financing of the energy improvements.
- (g) "Benefit assessment" means the assessment authorized by the Act.

Section 2 - Obligations of the Green Bank.

- (a) Program Requirements. Pursuant to the Act, the Green Bank:

- (1) Shall develop program guidelines governing the terms and conditions under which state financing may be made available to the commercial sustainable energy program, including, in consultation with representatives from the banking industry, municipalities and property owners, developing the parameters for consent by existing mortgage holders and may serve as an aggregating entity for the purpose of securing state or private third-party financing for energy improvements pursuant to the Act;

- (2) Shall receive and review applications submitted by benefitted property owners within the Municipality for financing of energy improvements, and approve or disapprove such applications in accordance with underwriting procedures and requirements established by the Green Bank;

- (3) Shall prepare and deliver to the Municipality an annual report which shall contain information related to each qualifying commercial real property within the Municipality, including:

- i. A list of each qualifying commercial real property for which the benefitted property owner executed a financing agreement during the prior year;
 - ii. A list of each qualifying commercial real property where all obligations under the financing agreement have been satisfied or paid in full during the prior year, including the satisfaction date and a copy of the notice of satisfaction;

- iii. The total benefit assessment payments made to the Green Bank in respect of all qualifying commercial real properties; and
- iv. For each non-satisfied (not paid in full) benefit assessment (including each benefit assessment approved in the prior year):
 - A. The date of the financing agreement;
 - B. The outstanding amount of the financing;
 - C. The total principal balance and accrued interest outstanding; and
 - D. The annual payment(s) due to the Green Bank (which shall include principal and accrued interest) associated with such benefit assessment (including the amount of accrued interest on the initial payment, if different).

(4) Shall establish the position of commercial sustainable energy program liaison within the Green Bank;

(5) Shall establish a loan loss reserve or other credit enhancement program for qualifying commercial real property;

(6) May use the services of one or more private, public or quasi-public third-party administrators to administer, provide support or obtain financing for the commercial sustainable energy program; and

(7) Shall adopt standards to ensure that the energy cost savings of the energy improvements over the useful life of such improvements exceed the costs of such improvements.

(b) Project Requirements. If a benefitted property owner requests financing from the Green Bank for energy improvements under the Act, the Green Bank shall:

(1) Require performance of an energy audit or renewable energy system feasibility analysis on the qualifying commercial real property that assesses the expected energy cost savings of the energy improvements over the useful life of such improvements before approving such financing;

(2) Impose requirements and criteria to ensure that the proposed energy improvements are consistent with the purpose of the commercial sustainable energy program; and

(3) Require that the property owner obtain the consent of any existing mortgage holder of such property, prior to the execution of the financing agreement or the recording of any lien securing a benefit assessment for energy improvements for such property, to have a Benefit Assessment Lien levied on the property to finance such energy improvements pursuant to the Act.

(c) Financing Agreement for Project. The Green Bank may enter into a financing agreement with the property owner of qualifying commercial real property (the "Financing Agreement"). The Financing Agreement shall clearly state the estimated benefit assessment that will be levied against the qualifying commercial real property. The Green Bank shall disclose to the property owner the costs and risks associated with participating in the commercial sustainable energy program, including risks related to the failure of the property owner to pay the benefit assessment provided for in the Financing Agreement. The Green Bank shall disclose to the

property owner the effective interest rate on the benefit assessment, including fees charged by the Green Bank to administer the commercial sustainable energy program, and the risks associated with variable interest rate financing, if applicable. The Green Bank shall notify the property owner that such owner may rescind any Financing Agreement entered into not later than three business days after such Financing Agreement is executed by the property owner and delivered to the Green Bank. The Financing Agreement shall provide for the consent of existing mortgage holders for the Benefit Assessment Lien to be continued, recorded and released by the Municipality, as required by the Act and described in Section 3(c) herein.

(d) Determination of Estimated and Final Benefit Assessments and Payments.

(1) Upon execution of the Financing Agreement, the Green Bank shall determine the total benefit assessment amount, including fees charged by the Green Bank to administer the commercial sustainable energy program, and shall set a fixed or variable rate of interest for the repayment of the benefit assessment amount. Such interest rate, as may be supplemented with state or federal funding as may become available, shall be sufficient to pay the financing and administrative costs of the commercial sustainable energy program, including delinquencies. The Green Bank shall provide written notice of the total benefit assessment amount and interest rate to the Municipality.

(2) It is anticipated that the Green Bank will decide that the benefit assessment shall be payable in two equal payments respectively payable on July 1 and January 1 of each year so that they are due at the same time as the installments of the Municipality's real property taxes. If the Municipality changes its practices concerning the billing of annual real property taxes as to the number of installments and their due dates, the Green Bank will change its practices to the extent possible to correspond with the Municipality's practices.

Section 3 - Obligations of the Municipality.

- (a) Levy of Benefit Assessment. Upon receiving written notice from the Green Bank of the benefit assessment as provided in Section 2(d)(1) herein, the Municipality shall promptly levy the benefit assessment against the qualifying commercial real property to be benefited by the energy improvements financed by the Green Bank and described in the Financing Agreement, and shall place a lien on the qualifying commercial real property to secure payment of the benefit assessment in the form of the attached Exhibit A ("Benefit Assessment Lien"). The Benefit Assessment Lien will have two attachments: (1) the legal description of the benefited property and (2) the Financing Agreement payment schedule provided by the Green Bank. As provided in the Act, the benefit assessments levied pursuant to this Agreement and the interest, fees and any penalties thereon shall constitute a lien against the qualifying commercial real property on which they are made until they are paid. The Green Bank will reimburse the Municipality the cost charged by the Town Clerk for recording the Benefit Assessment Lien. Such Benefit Assessment Lien shall be levied and collected in the same manner as the property taxes of the Municipality on real property, including, in the event of default or delinquency, with respect to any penalties, fees and remedies and lien priorities as provided by the Act.

(b) Continuation, Recording and Release of Lien. As provided in the Act, each Benefit Assessment Lien shall be continued, recorded and released in the manner provided for property tax liens, subject to the consent of existing mortgage holders, and shall take precedence over all other liens or encumbrances except a lien for taxes of the Municipality on real property, which lien for taxes shall have priority over such Benefit Assessment Lien. The Green Bank shall provide to the Municipality written notice of the consent of existing mortgage holders for the lien to be continued, recorded and released by the Municipality.

(c) Assignment of Benefit Assessment Lien.

(1) Upon the written request of the Green Bank, the Municipality shall assign, in the form of the attached Exhibit B, to the Green Bank any and all Benefit Assessment Liens filed by the Municipality's tax collector, as provided in this Agreement. The Green Bank may sell or assign, for consideration, any and all Benefit Assessment Liens received from the Municipality. The assignee or assignees of such Benefit Assessment Liens shall have and possess the same powers and rights at law or in equity as the Green Bank and the Municipality and its tax collector would have had if the Benefit Assessment Lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection. The assignee shall have the same rights to enforce such Benefit Assessment Liens as any private party holding a lien on real property, including, but not limited to, foreclosure and a suit on the debt. Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to the assignment and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.

(2) The Municipality hereby acknowledges that the Green Bank may sell or assign any and all Benefit Assessment Liens received from the Municipality under Section 3(c) of this Agreement to a trustee for the benefit of the holders of the Green Bank's bonds, notes or other obligations issued to finance the costs of the commercial sustainable energy program, and that the holders of the Green Bank's bonds, notes or other obligations will rely on the Municipality to levy, collect and remit the benefit assessments to the Green Bank. Therefore, the Municipality unconditionally agrees that in the event the Municipality does not discharge its duties under this Agreement, the trustee shall have the right to enforce the Municipality's obligations under this Agreement by institution of legal action against the Municipality.

(d) Amendment of the Benefit Assessment Lien. Pursuant to the Financing Agreement, the final amount of the benefit assessment may be adjusted after the levy of the Benefit Assessment Lien. Such an adjustment would likely be the result of a change in the energy improvement service contract amount during the construction period, a change in the amount of capitalized interest, or an amendment to the Financing Agreement. In the event that the final benefit assessment amount needs to be adjusted at the completion of the project, or any other time, the Green Bank

will inform the Municipality of such change, provide the Municipality with an updated payment schedule and new lien amount, and the Municipality shall amend the Benefit Assessment Lien to reflect such adjustment. The Green Bank will reimburse the Municipality the cost charged by the Town Clerk for amending the Benefit Assessment Lien.

(e) Billing and Collection; Payment to the Green Bank.

(1) The Municipality shall bill the benefit assessments in the same manner and at the same time as it bills its real property taxes. The benefit assessment payments shall be a separate clearly defined line item or separate bill and shall be due on the same dates as the Municipality's real property taxes. The amount of the benefit assessment will be recorded on the Municipality's tax rolls in the same manner as any other benefit assessment, such that the public will have access to its existence and payment status. The penalties and interest on delinquent benefit assessments shall be charged in the same manner and rate as the Municipality charges for delinquent real property taxes.

(2) Payments of the benefit assessments collected by the Municipality shall be segregated from all other funds of the Municipality and deposited in a separate account for the benefit of the Green Bank and identifying the Green Bank as the beneficial owner. The Municipality disclaims any ownership interest or other interests in such account or the amount collected.

(3) The Municipality shall pay all amounts collected with respect to the benefit assessments within any calendar month to the Green Bank or its assignee no later than thirty days after the month that the amounts are collected. The Municipality will provide collection reports to the Green Bank, and the Green Bank, at its own expense, shall have the right to audit the records relating to the benefit assessments upon reasonable notice at reasonable times. The Green Bank and Municipality agree to provide each other with such reasonable information as they may request and the Green Bank and the Municipality agree to provide such information in a computer format satisfactory to the other.

(f) Collection of Delinquent Payments.

(1) In the event that any benefited property owner fails to make a benefit assessment payment pursuant to the payment schedule of the Benefit Assessment Lien in any property tax billing cycle, the Municipality shall provide written notice to the Green Bank of such delinquency in a reasonably timely manner. After providing such notice to the Green Bank, the Municipality has no obligation to collect delinquent benefit assessment payments unless it enters into a separate agreement with the Green Bank described in the following subsection (2).

(2) If the Green Bank makes a written request to the Municipality for its assistance in the collection of delinquent benefit assessments and related charges, the Municipality, in its sole discretion, and the Green Bank may enter into a separate agreement for those services, which agreement shall provide for compensation to be paid to the Municipality for its collection services. The agreement may provide for the Municipality to pursue the collection of any delinquent benefit assessments with the same diligence it employs in the collection of the Municipality's real property taxes, including the commencement of foreclosure proceedings to the extent provided by the then-current statutes of the State of Connecticut, and to take such actions that are required to preserve the Benefit Assessment Lien securing the delinquent benefit assessments. The agreement may also provide that the Green Bank shall have the right to take over the enforcement of any delinquent benefit assessments upon written notice to the Municipality, and thereupon the Municipality will have no further responsibility to collect such amount.

(3) The Municipality will provide written notice to the Green Bank of any sale or assignment of its real property taxes or any institution of a judicial foreclosure or other proceeding against any real property for delinquent real property taxes if such real property is subject to a lien securing a delinquent benefit assessment. Similarly, the Green Bank shall provide written notice to the Municipality of the institution of a judicial foreclosure or other proceeding against any qualified commercial real property for a delinquent benefit assessment.

(g) Promotion of Program; Assistance for Green Bank Financing; Payment to Municipality.

(1) The Municipality shall use good faith efforts to assist the Green Bank in local marketing efforts and outreach to the local business community to encourage participation in the commercial sustainable energy program, such as including commercial sustainable energy program information on the Municipality's website, distributing an informational letter from chief elected official to local businesses regarding the program, and conducting one or more business roundtable event(s).

(2) The Municipality shall use good faith efforts to assist in gathering and providing information for the Green Bank to offer, sell and issue its bonds, notes or other obligations to provide funds for the commercial sustainable energy program.

(3) The Green Bank agrees to pay the Municipality annually a fee of \$500 (the "Annual Fee") for its services hereunder. In the event such payment is not sufficient to cover the Municipality's out of pocket costs and expenses in discharging its duties hereunder, the Green Bank shall reimburse the Municipality for its actual reasonable costs and expenses associated with the collection and enforcement of the benefit assessments in excess of the Annual Fee. Such costs and expenses include reasonable costs incurred by the Municipality in conjunction with any and all proceedings to collect and enforce the benefit assessments and delinquent benefit assessments, including foreclosure proceedings.

Section 4 - Indemnification.

The Green Bank agrees that it will protect, defend, indemnify and hold harmless the Municipality and its officers, agents and employees to the extent of available proceeds derived from the benefit assessments from and against all claims, demands, causes of action, damages, judgments, losses and expenses, including reasonable attorney's fees, arising out of or in connection with the actions of the Green Bank's officers, employees and agents under this Agreement. This provision shall survive termination of this Agreement.

Section 5 - Term.

The term of this Agreement shall commence upon the date first written above. This Agreement shall be in full force and effect until all of the benefit assessments have been paid in full or deemed no longer outstanding. The Municipality may opt-out of continuation in the program at any time on sixty (60) days advance notice to the Green Bank, provided that the provisions of this Agreement shall continue with regard to benefit assessments assessed prior to such termination date until those benefit assessments have been paid in full or are no longer outstanding.

Section 6 - Default.

Each party shall give the other party written notice of any breach of any covenant or agreement under this Agreement and shall allow the defaulting party 30 days from the date of its receipt of such notice within which to cure any such default or, if it cannot be cured within the 30 days, to commence and thereafter diligently pursue to completion, using good faith efforts to effect such cure and to thereafter notify the other party of the actual cure of any such default. The parties shall have all other rights and remedies provided by law, including, but not limited to, specific performance, provided however, in no event shall either party have the right to terminate this Agreement prior to the expiration of the Term, except as provided in accordance with Section 7(c) of this Agreement.

Section 7 - Miscellaneous Provisions.

- (a) Assignment or Transfer. Except as provided in Section 3(c) hereof, a party may not assign or transfer its rights or obligations under this Agreement to another unit of local government, political subdivision or agency of the State of Connecticut or to a private party or entity without the prior written consent of the other party and, if required, the prior approval of the holders of the Green Bank's bonds, notes or other obligations. If approval of the assignment by the holders of the Green Bank's bonds, notes or other obligations is required, such approval shall be obtained in accordance with the indenture or other documents entered into by the Green Bank in connection with the bonds, notes or other obligations.

- (b) Amendment and Termination. After the Green Bank sells and issues its bonds, notes or other obligations to finance the costs of the commercial sustainable energy program, this Agreement may not be amended or terminated by the parties without the prior approval of the holders of the Green Bank's bonds, notes or other obligations, which approval shall be obtained in accordance with the indenture or other documents entered into by the Green Bank in connection with the bonds, notes or other obligations.
- (c) Severability. If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, provision or section has not been contained in it.
- (d) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute but one and the same instrument.
- (e) Notices. All notices, requests, consents and other communications shall be in writing and shall be delivered, mailed by first class mail, postage prepaid, or overnight delivery service, to the parties, as follows:

If to the Municipality:

INSERT TOWN NAME

INSERT STREET ADDRESS

CITY, STATE, ZIP CODE

Attention:

If to the Green Bank:

Connecticut Green Bank

845 Brook Street

Rocky Hill, Connecticut 06067

Attention: President

- (g) Amendment and Waivers. Except as otherwise set forth in this Agreement, any amendment to or waiver of any provision of this Agreement must be in writing and mutually agreed to by the Green Bank and the Municipality.
- (h) Applicable Law and Venue. This Agreement and its provisions shall be governed by and construed in accordance with the laws of the State of Connecticut. In any action, in equity or law, with respect to the enforcement or interpretation of this Agreement, venue shall be in the State of Connecticut.

- (i) Entire Agreement. This instrument constitutes the entire agreement between the parties and supersedes all previous discussions, understandings and agreements between the parties relating to the subject matter of this Agreement.
- (j) Headings. The headings in this Agreement are solely for convenience, do not constitute a part of this Agreement and do not affect its meaning or construction.

IN WITNESS WHEREOF, the Municipality and the Green Bank have each caused this Agreement to be executed and delivered as of the date indicated above:

(SEAL)

ATTEST:

INSERT TOWN NAME

_____ By: _____

Its: _____

CONNECTICUT GREEN BANK

By: _____

Bryan T. Garcia, President

Appendix E

C-PACE Technical Application Form

The purpose of the C-PACE Technical Application Form is to summarize the C-PACE Program's technical standards and the requirements therein for Borrowers and/or Capital Providers submitting Eligible Projects for Green Bank approval. The Connecticut Green Bank adopted Technical Standards for the C-PACE program, which can be found online at http://www.cpace.com/assets/pdf/Program_Guidelines.pdf. All projects financed with C-PACE must demonstrate a "Savings-to-Investment" ratio (SIR) of greater than 1 using analytical methods in accordance with the technical standards for C-PACE.

Eligible projects will complete this form and submit the requested attachments. The sections of this application form are:

- I. Project technical submitter & qualifications
- II. Project summary
- III. Energy Use Baseline
- IV. Audit/Feasibility study
- V. Commissioning and Measurement & Verification plan

In its Technical Standards, the Green Bank utilizes nationally accepted, "best-practice" methodologies to collect and analyze information on building energy use and savings. These should be adhered to where possible:

- Baseline data collection and development
 - [ASTM E2797-11, Building Energy Performance Assessment \(BEPA\)](#)
- Audit/Feasibility Study
 - [ASHRAE Level I, Level II and Level III Energy Audit Guidelines for targeted or whole building energy efficiency retrofits](#)
- Measurement and Verification M&V and Commissioning Plan
 - [International Performance Measurement and Verification Protocol \(IPMVP\)](#)

The Connecticut Green Bank has the sole discretion to determine an Eligible Project has demonstrated a positive SIR in conformance with the C-PACE Program Guidelines.

I. Project Technical Submitter and Qualifications

Applications must be prepared and submitted by an energy engineer or by a team including an energy engineer. An energy engineer is defined as a professional holding a Certified Energy Manager or Certified Energy Auditor accreditation, a Professional Engineer with demonstrated relevant energy experience, or a contractor with relevant demonstrated experience as determined by the C-PACE Technical Administrator. Other certifications or relevant experience will be evaluated by the Connecticut Green Bank at its sole discretion.

Name _____

Company _____

Address _____

Phone _____

Email _____

C-PACE Registered Contractor

- Yes
- No

License/Certification Name: _____

License/Certification Number:

- Certified Energy Manager _____
- Certified Energy Auditor _____
- Professional Engineer _____
- Other _____

II. Project Summary

Address			
Type of Building			
Total Project Cost			
Proposed Assessment*			
Term (years)			
Annual Interest Rate			
Proposed Energy Measures			
Savings-to-Investment Ratio			
Clean Energy Installed (kW)			
Baseline Energy Use		Actual	Normalized
	Electricity (kWh/year)		
	Electricity (MMbtu/year)		
	Fuel (MMbtu/year)		
	Total (MMbtu/year)		
Estimated Post ECM Energy Use	Electricity (kWh/year)		
	Electricity (MMbtu/year)		
	Fuel (MMbtu/year)		
	Total (MMbtu/year)		
Proposed Energy Saved and/or Produced		Renewable	Energy Efficiency
	Over Term (MMBtu) **		
	Over EUL (MMBtu)***		
Estimated Cost Savings	Over Term (\$)		
	Over EUL (\$)		

* Proposed assessment is the total C-PACE financing amount

** Energy savings 'over term' is the total energy saved over the C-PACE benefit assessment term.

*** Energy savings 'over EUL' is the total energy saved over the weighted-average effective useful life of all the financed energy improvements.

III. Energy Use Baseline

The [ASTM Building Energy Performance Assessment \(BEPA\)](#) protocol established a standardized methodology for building energy use data collection, compilation and analysis. The methodology is intended to fill data collection and analysis gaps in the ASHRAE energy audit guidelines and establish a sound, representative building energy use baseline. Please complete the following checklist to confirm the baseline was prepared in accordance with the ASTM BEPA Standard:

- Baseline time period identified where no “major renovation” has been performed (must be a minimum of one year, but preferably three years)

- Baseline type identified:
 - Conventional (*energy use data is available for baseline period*)
 - Minimum 12 months utility bills used for all meters and energy accounts impacted to the proposed energy improvements
 - Non-conventional (*energy use data is not or only partially available*)
 - Fully or partially vacant existing building whose use is not expected to change (e.g., office space remains as office space)
 - Existing buildings undergoing repositioning or new use (e.g., former industrial space being converted to office space)
 - Existing multi-tenant building where tenants are sub-metered

- (If applicable) Building energy use simulation model used (*should be eQUEST, EnergyPlus, or equivalent. Baseline for energy-using equipment must meet the current CT energy code (2009 IECC with amendments).*)

- Major independent variables impacting building energy use identified (e.g., Heating Degree Days, Cooling Degree Days, occupancy rate, operating hours, other)

The following documents are attached under III. Energy Use Baseline:

- Description of property including:
 - Gross, leasable and vacant square footage
 - Occupancy type (e.g. owner occupied, single tenant, multi tenant)
 - Number of utility meters servicing the property and their ID numbers
 - Date of last major renovation
 - Fuel type (e.g. oil, natural gas, propane, etc)
- (If applicable) copies of utility bills for baseline period and the most recent bill
- (If applicable) copy of building energy use simulation model
- Building energy use equation (using regression analysis) for energy use in the baseline time period as a function of the independent variables and R^2 for building energy use equations
- Projection of the energy use baseline each month under average (normalized) weather conditions over the proposed finance term

IV. Energy Audit / Feasibility Study

Energy Audit Checklist Energy Efficiency Measures:

[ASHRAE Level I, Level II and Level III Energy Audit Guidelines](#) describe how the audit should establish a representative baseline, identify and recommend ECMs, estimate the useful life of each ECM, determine total capital cost and the expected energy savings of each ECM that can confidently be achieved and identify the uncertainty associated with the methodology used to establish ECM costs and savings.

- Energy audit provided (consistent with ASHRAE guidelines) N/A
 - Level 1 conducted N/A
 - Level 2 conducted N/A
 - Level 3 conducted N/A
 - Other (describe):

- ECM(s) are eligible under the C-PACE program
- EUL for each ECM is identified
- Estimated savings for each ECM is identified
- Project cost for each ECM is identified
- Non-utility bill savings are broken out and identified
- Non-equipment-related (but financed) costs are broken out and identified
- SIR >1

The following documents are attached under IV. Energy Audit/Feasibility Study:

- List of recommended ECMs including:
 - cost for each ECM and indication of estimated (e.g. quote) or fixed (e.g. contract) cost
 - cost-weighted and savings-weighted EUL for each ECM as well as the average for the project.
 - utility incentives used for each ECM (if applicable)
 - non-energy saving costs financed (e.g. audit, M&V, appraisal, etc)
- List of all assumptions used in the energy savings calculations including:
 - average weather conditions
 - building occupancy profile
 - building operating schedule
 - building envelope construction (walls, roof, etc)

- building energy management system operation/control strategy
 - temperature set points
 - ECM interactive effects
 - utility rate escalators (ISO New England 20 year projected electricity cost escalation (3% typical; if other than 3%, provide reference) *
 - equipment degradation rates
 - non-utility bill related energy savings (these should be broken out and clearly identified)
 - uncertainty around energy savings and/or project costs
- List of existing major building mechanical systems utilizing energy and energy use of major building mechanical systems in baseline period
- Photographs of equipment to be replaced
- Copy of energy savings analysis and description of method:
 - Modeling
 - eQuest
 - EnergyPro
 - Trace 700
 - Other _____
 - Calculation/Spreadsheet (please send digital copy)
 - Vendor software
- Copy of default data used in the energy savings calculations (e.g., use of TMY weather conditions, occupant density, plug load energy consumption, ventilation rates, etc.)
- SIR Calculation (demonstrating that the SIR >1) *
 - Total Project Cost
 - Total CEEF Incentives (estimated or actual)
 - Total amount of C-PACE financing
 - If <100% project cost, note how remaining project costs are funded
 - Financing term (maximum is 20 years and cannot exceed weighted-average EUL of all ECMs)
 - Interest Rate
 - Total savings (energy and related) over finance term

Feasibility Study Checklist for Renewable & Energy Generation Measures:

For a clean energy generation project, the feasibility study should describe the proposed renewable energy system; identify and evaluate site suitability; assess system expected performance and requirements to maintain optimized operation; compare system expected performance against total energy demand of the building; identify performance guarantees and effective useful life; analyze energy savings including assumptions on avoided future utility electricity costs including assumed rate escalations, equipment degradation, rebates or incentives, REC credits/sale, potential excess electricity sale back to the grid, etc.

- Solar PV and/or CHP Feasibility Study provided according to C-PACE Program Guidelines, Appendix G, Section I: “Solar PV Feasibility Study requirements” and/or “VII Fuel Cell Feasibility Study Requirements”
 - Yes No (explain)_____
- ECM(s) are eligible under the C-PACE program
- EUL for each ECM is identified
- Estimated savings for each ECM is identified
- Project cost for each ECM is identified
- Non-utility bill savings are broken out and identified
- Non-equipment-related (but financed) costs are broken out and identified
- SIR >1

The following documents are attached under IV. Energy Audit/Feasibility Study:

- List of ECMs including:
 - cost for each ECM and indication of estimated (e.g. quote) or fixed (e.g. contract) cost
 - cost-weighted and savings-weighted EUL for each ECM as well as the average for the project.
 - non-energy saving costs financed (e.g. equipment warrantee, etc)
 - ECM component replacement costs financed (e.g. inverters/restacking)
- List of all assumptions used in the energy savings calculations including:
 - (for solar) de-rate factor used (default de-rate factor is 0.77)
 - (for solar) area where solar radiation data was collected
 - average weather conditions
 - building occupancy profile
 - building operating schedule
 - utility rate escalators (ISO New England 20 year projected electricity cost escalation (3% typical; if other than 3%, provide reference) *

- equipment degradation rates
- non-utility bill related energy savings (these should be broken out and clearly identified)

For Solar Systems

- Description of PV system type
 - Roof Mounted
 - Ground Mounted
 - Parking Canopy
 - Nameplate Capacity (kW)
 - Annual Estimated Production (kWh/year)

- Copy of shading study

- (If roof mounted), profession opinion on roof remaining useful life and professional structural engineer opinion on structure's capability of supporting Solar PV system (under wind conditions, snow load, etc.)

- Copy of model used to project system output (electricity production)
 - PV Watts
 - PowerCLerk/Solar Anywhere
 - RETScreen
 - SAM
 - Other: _____

- Comparison of projected solar electricity production (kWh) by month at average (normalized) weather conditions versus normalized building electricity consumption by month

- SIR Calculation (demonstrating that the SIR >1) *
 - Total Project Cost
 - Total CEEF Incentives (estimated or actual)
 - Total amount of C-PACE financing
 - If <100%, note how remaining project costs are funded
 - Financing term (maximum is 20 years and cannot exceed weighted-average EUL of all ECMs)
 - Interest Rate
 - Total savings (energy and related) over finance term

**For solar projects, see C-PACE Program Guidelines, Appendix G, Section IV: "C-PACE Solar PV Savings-to-Investment Ratio (SIR) Calculation Guidelines".*

V. Commissioning and Measurement & Verification

The Connecticut Green Bank requires C-PACE applicants to base their M&V plan on the International Performance Measurement and Verification Protocol (IPMVP)) **or an alternative protocol defined by the project energy consultant** (as appropriate for the project size and ECMs installed). M&V plans should address – what will the actual electricity production data collected in the reporting period under actual weather conditions be compared to in order to assess performance.

- Commissioning plan Provided
- M&V plan Provided
 - IPMVP used as basis
 - Option A. Retrofit Isolation: Key Parameter Measurement
 - Option B. Retrofit Isolation: All Parameter Measurement
 - Option C. Whole Facility
 - Option D. Calibrated Simulation.
 - Calculations used as basis (with metering)
 - Calculations used as basis (without metering)
 - Other _____

