C-PACE Disclosure of Risks

(Green Bank Transaction)

This C-PACE Disclosure of Risks (the “Disclosure”) is made pursuant to Connecticut General Statutes Section 16a-40g (the “Act”) and the program established thereunder (the “C-PACE Program”). The undersigned individual/entity (the “Property Owner”) is receiving this Disclosure because they have expressed interest in financing an energy improvement project through the C-PACE Program. As a potential participant in the C-PACE Program, Property Owner should consider carefully the risks associated with accepting C-PACE Program financing, which include, but are not limited to, the following:

1. **Connecticut Green Bank (“Green Bank”) do not guarantee energy savings.** Any energy improvement measures proposed to be installed at Property Owner’s property (collectively, the “Project”) may, amongst other things, break down or underperform due to technical malfunction or improper installation. Additionally, any projected cost saving associated with the Project are NOT guaranteed projections and are based on assumptions and data provided by the Property Owner or their contractor(s). Project success and performance depends on third parties who are capable of designing, installing and managing projects as well as structuring contracts that provide appropriate protection against these construction and operational risks. Green Bank does not endorse, guarantee, warranty, make any representations, or assume any liability for: (1) workmanship or performance of any Project or third party, (2) any estimated cost savings associated with the Project including but not limited to the savings to investment ratio, (3) the design, engineering or construction of the Project, (4) the adequacy or safety of the Project, or (5) the applicability of any Beneficial Policies (as defined below).

2. **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 Project. Please review any equipment warranties carefully.

3. **Please seek any necessary outside legal counsel or engineering support to review contracts and agreement.** Property Owner is encouraged to have any installation, servicing and financing agreements or contracts reviewed by competent legal counsel and engineering/energy consultants before execution.

4. **Fluctuations in energy prices, occupancy or property use may affect the savings associated with the Project.** The Project’s estimated savings are based on assumptions which include the future price of electricity/fuels, occupancy and uses of the benefited property. To the extent that these, or other, factors change or fluctuate in the future, the Project savings may be less than projected.

5. **C-PACE financing has limitations on refinancing.** The balance of the C-PACE benefit assessment may be prepaid at any time subject to any applicable prepayment premiums set forth in
associated financing agreement. However, Property Owner will not be able to refinance through a different eligible C-PACE capital provider or Green Bank to achieve a lower rate through the C-PACE Program.

6. **C-PACE assessments are secured by and attached to the property.** Pursuant to the Act, C-PACE Program financing is secured by a benefit assessment and benefit assessment lien which will be levied and recorded against the benefited real property upon closing of C-PACE financing. Failure to pay the C-PACE benefit assessment in a timely manner may lead Green Bank, or any assignee, to foreclose on the Property. Additionally, upon any sale, conveyance or transfer of such benefited real property, the benefit assessment will travel with the property and become an obligation of the new property owner.

7. **The success of the Project may depend in part on various U.S. Federal or State of Connecticut policies and incentives.** Certain State and Federal laws, regulations, initiatives, policies or incentives (e.g. tax credits, tax deductions, bonus depreciation, renewable energy credits, utility incentives etc., collectively “Beneficial Policies”) may support or enhance the Project’s economic feasibility and be included in any estimated savings calculations for the Project. If any of such Beneficial Policies are adversely amended, delayed, eliminated, reduced or not extended beyond their current expiration dates, the economics of the Project may be harmed. Additionally, the economics of the project may be harmed if the Property Owner is not able to monetize any of the applicable Beneficial Policies. Property Owner should conduct its own due diligence with regard to the applicability of any Beneficial Policies and Property Owner’s ability to monetize any such Beneficial Policies.

8. **Green Bank is a quasi-public agency of the State of Connecticut authorized pursuant to Section 16-245n of the Connecticut General Statutes.** As a quasi-public agency, Green Bank cannot provide any assurance that future legislative actions will not have a material adverse effect on Green Bank’s ability to perform its responsibilities as presently provided in statute.

9. **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 or indirectly, will considered public records and may be subject to disclosure under FOIA.

10. **Green Bank Indemnification.** Property Owner hereby acknowledges that in consideration for participation in the C-PACE Program, Property Owner does disclaim, release and forever discharge 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 Property Owner for participating in the C-PACE Program.

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The undersigned signatory herby (1) certifies that he/she is authorized to execute this document on behalf of Property Owner and (2) acknowledges and agrees, on behalf of Property Owner, to the above described C-PACE Program transaction risks and associated provisions of this Disclosure.

Property Owner: __________________________

By: __________________________

Name: __________________________

Title: __________________________