

APPENDIX F

Connecticut Green Bank – C-PACE Third-Party Capital Provider Terms and Conditions

Pursuant to the Connecticut commercial property assessed clean energy (“C-PACE”) program guidelines (the “Program Guidelines”) published by the Connecticut Green Bank (the “Program Administrator), the Program Administrator hereby presents these terms and conditions for Approved Third-Party Capital Providers (as defined in the Program Guidelines, each being a “Capital Provider”) interested in originating and funding C-PACE transactions for qualifying properties within the State of Connecticut.

This document is intended as an outline of the key material terms of the originating, funding and administration relationship between the Program Administrator and any Capital Provider. Any agreement between the parties and/or commitment by the Program Administrator and a Capital Provider shall be effective only upon the execution of a model Benefit Assessment and Lien Assignment and Administration Agreement (“Administration Agreement”) setting forth the terms of such agreement, in substantially the form attached hereto as [Appendix I of the Program Guideline](#).

All C-PACE and Program Administrator transactions are subject to the Program Guidelines, all applicable laws (including, but not limited to, sections 16-245n and 16a-40g of the Connecticut General Statutes), and all necessary Program Administrator approvals, as directed by the Program Administrator’s bylaws.

CAPITALIZED TERMS NOT DEFINED HEREIN SHALL HAVE THE MEANING ASCRIBED TO THEM IN THE PROGRAM GUIDELINES. IN THE EVENT OF A CONFLICT BETWEEN A DEFINED TERM IN THIS DOCUMENT AND THE PROGRAM GUIDELINES, THE PROGRAM GUIDELINES SHALL GOVERN.

TRANSACTION PROCESS FLOW AND OUTLINE

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

1. Capital Provider must be approved by and in good standing with Green Bank as a “Qualified Capital Provider” as described in the Program Guidelines.
2. Capital Provider or Property Owner may submit a completed C-PACE Application and all associated documents described in Capital Provider’s or Property Owner’s Obligations for any Qualifying Project, as such terms are defined below.
3. Program Administrator shall review such documents and, in its sole discretion, provide Program

- Administrator Approval of the Qualifying Project (thereby becoming an “Approved Project”).
4. Capital Provider may then enter into a Financing Agreement with Property Owner (thereby becoming a “Closed Project”).
 5. Capital Provider shall enter into an Administration Agreement with the Program Administrator for such Closed Project.
 6. Program Administrator will facilitate the filing, and assignment to Capital Provider, of Benefit Assessment.
 7. 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 C-PACE Program authorized by Section 16a-40g of the Connecticut General Statutes (the “Act”).
Capital Provider:	A capital provider which (i) has been approved by the Program Administrator in accordance with the Program Guidelines, and (ii) plans to fund Qualifying Projects.
Technical Reviewer:	A Technical Reviewer, as such term is defined in the Program Guidelines, which has been approved and is currently in good standing with the Program Administrator. Such Technical Reviewer may be a Technical Reviewer which has previously been approved by Program Administrator or Capital Provider may recommend a different individual/entity for Program Administrator’s approval in accordance with the Program Guidelines.
Technical Administrator:	Any designee as determined from time to time by the Program Administrator in accordance with the Program Guidelines.
Program Administrator’s Servicer:	Cortland Capital Market Services LLC, or any designee as determined from time to time by the Program Administrator.
Property Owner:	A Benefited Property Owner, as such term is defined in the Program Guidelines.
Municipality:	A Participating Municipality, as such term is defined in the Program Guidelines.

PROJECT ORIGINATION, ELIGIBILITY AND APPROVAL

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 .
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Capital Provider's or Property Owner's Obligations:

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

1. Recent (within sixty days) title search of the real property on which Qualifying Project would be located.
2. If applicable, a mortgage holder notice and consent form signed by the Property Owner and any mortgage holder(s) of any mortgage(s) on the property on which the Qualifying Project is located. Program Administrator's recommended mortgage holder notice and consent form may be found on www.c-pace.com, as may be modified from time to time by Program Administrator in its sole discretion. The Property Owner may use a different agreement, subject to Program Administrator review and approval, which shall not be unreasonably conditioned or delayed. Any mortgage holder consent must be for not less than the financing amount of the Qualifying Project for which Property Owner 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 Qualifying Project as described in the Program Guidelines.
5. Any documentation reasonably required by Program Administrator which demonstrates that the Qualifying Project meets the SIR Requirement (as described below).
6. A disclosure of risk form signed by the Property Owner summarizing the risks to Property Owner for C-PACE financing [the form of which may be found in Appendix H of the Program Guidelines](#), 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 Qualifying Project is located and any additional documentation reasonably required by Program Administrator to confirm that the Qualifying Project is located on a qualifying property pursuant to the Act and the Program-Guidelines.

SIR Requirement:

Pursuant to the Act and the Program Guidelines, the energy cost savings associated with any Qualifying 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), as more particularly described in the Program Guidelines. For each Qualifying Project the Property Owner 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 Technical Administrator in the manner and format required by the Technical Administrator and with sufficient detail for it to perform the SIR review for such Qualifying Project.
2. Submit a report prepared by a Technical Reviewer and signed by such Technical Reviewer, or a Professional Engineer employed by such Technical Reviewer, together with the audit and/or feasibility study and requisite supporting documentation, confirming SIR of Qualifying Project, to Program Administrator's reasonable satisfaction. Such report must be submitted in the manner and format requested by the Program Administrator, in its reasonable discretion.
3. Submit Investor Ready Energy Efficiency certification from the Investor Confidence Project ("ICP") and provide a letter from the ICP Quality Assurance Provider stating that the SIR for the project is greater than one.
4. If the Qualifying Project includes third party-owned renewable energy system(s), the Program Administrator, in its sole discretion, may permit the Capital Provider to submit the feasibility study and requisite supporting documentation associated such Qualifying Project, deemed necessary in Program Administrator's sole discretion, for Program Administrator to review such Qualifying Project in accordance with the Program Guidelines. Such information must be submitted in the manner and format requested by the Program Administrator, in its reasonable discretion. For the avoidance of doubt, this option is available at Program Administrator's sole discretion and the Program Administrator reserves the right to require the SIR review method outlined in subsection (1), (2), or (3) above, for any such project.
5. If the Qualifying Project consists solely of third party-owned renewable energy system(s) AND the financing structure is a power purchase agreement (PPA), submit (A) a feasibility study and requisite supporting documentation associated such Qualifying Project that Program Administrator may require its reasonable discretion and (B) a certification by Capital Provider that that such project meets SIR in accordance with the Technical Standards, including providing a completed [SIR representation letter](#) and [SIR calculator](#). Such information must be submitted in the manner and format requested by the Program Administrator, in its reasonable discretion. For the avoidance of doubt, this option is available at Program Administrator's sole discretion and the Program Administrator reserves the right to require the SIR review method outlined in subsection (1), (2), or (3) above, for any such project.

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 Property Owner'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 Benefit Assessment lienholders.

Program Administrator Approval:

Once Capital Provider or Property Owner has submitted all necessary documents described under Capital Provider's or Property Owner's Obligations for each Qualifying 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, and any documentation thereunder. Upon completion of such review, Program Administrator, in its sole discretion, will provide a signed approval to Property Owner or Capital Provider, which shall not be unreasonably withheld, for each Qualifying Project in a reasonable time (thereby becoming an "Approved Project").

BENEFIT ASSESSMENT FUNDING

Financing Agreement:

Once an Qualifying Project has become an Approved Project, Capital Provider and Property Owner 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 the Program Guidelines, the Administration Agreement, the Act, and 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 substantively in the form of [Appendix I](#). Capital Provider and Program Administrator must enter into this agreement for every Closed Project, unless otherwise specified by Program Administrator.

Benefit Assessment:

Benefit assessments levied and filed pursuant to the Act 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 benefit assessment lien, shall be paid in installments and 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 benefit assessment lien may be recorded and released in the manner provided for property tax liens 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, and provided that the precedence of such benefit assessment lien over any lien held by an existing mortgage holder shall be subject to the written consent of such existing mortgage holder. To the extent any benefit assessment lien installment is not paid when due, the benefit assessment lien may be foreclosed to the extent of any unpaid installment payments due and owing and any penalties, interest and fees related thereto. In the event a benefit assessment lien is foreclosed or a lien for taxes of the municipality on real property is foreclosed or enforced by levy and sale in accordance with chapter 204, the benefit assessment lien shall be extinguished solely with regard to any installments that were due and owing on the date of the judgment of such foreclosure or levy and sale and the benefit assessment lien shall otherwise survive such judgment or levy and sale to the extent of any unpaid installment payments of the benefit assessment secured by such benefit assessment lien that are due after the date of such judgment or levy and sale.

Benefit Assessment Filing Process:

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.

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.

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 into the Concentration Account and subsequent disbursement to the Capital Provider, or its assignee, pursuant to the Administration Agreement.

Concentration Account:

That certain bank account, set up in Program Administrator's name, which is used as the collection account for all C-PACE funds received by Program Administrator from all participating municipalities. The Program Administrator's Servicer may be an authorized agent for this account and remit funds from such account to the appropriate Benefit Assessment lienholders.

PROGRAM ADMINISTRATOR COSTS

Program Administrator Costs: Program Administrator's costs shall be as follows:

1. Program Administration Fee
 - a. For any C-PACE or New Construction project, the lesser of 0.5% of the C-PACE Finance Amount in the Financing Agreement (less Capital Provider's fees and project development passthrough costs) or \$3,000, but no less than \$500 per Closed Project
 - b. For a C-PACE-secured Power Purchase Agreement (PPA), or a C-PACE-secured Energy Services Agreement (ESA) project: \$550
2. \$31/month 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 Property Owner upon submission of energy audit/feasibility study and supporting documentation:
 - a. If utilizing the Technical Administrator :
 - i. Solar PV-only project - \$2,250
 - ii. Up to four (4) energy efficiency measures project - \$3,250
 - iii. Solar PV plus up to four (4) energy efficiency measures project - \$4,500
 - iv. For each additional energy efficiency measure reviewed above and beyond 4 improvements - \$650
 - b. If utilizing the Technical Administrator for New Construction projects:
 - i. Energy efficiency project - \$6,000
 - ii. Energy efficiency & solar PV project - \$6,750
 - c. If utilizing a Technical Reviewer or ICP Certification, then no fee is due to Program Administrator. Capital Provider should contract directly with the Technical Review, or ICP Quality Assurance Provider, for any SIR review service.
 - d. If utilizing the Program Administrator as a reviewer in the context of a project which includes a third-party owned renewable energy system, the fee for such review will be negotiated with the Program Administrator.
 - e. If utilizing an SIR certification from the Capital Provider in the context of a project which consists solely of a third party-owned renewable energy system(s) AND the financing structure is a PPA, then no SIR review fee is due to Program Administrator.

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:	If applicable, Capital Provider will provide, or cause to be provided, funding after the execution of the Financing Agreement and consistent with the terms and conditions therein.
Capital Provider's Rate:	If applicable, interest rates for the Capital Provider's funding will be determined by the Capital Provider
Term:	Term of the Benefit Assessment will not exceed 25 years (unless written approval is provided by Program Administrator), 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 Property Owner.
Prepayment:	If applicable, Capital Provider may charge a prepayment penalty at its discretion.
Collections, Repayment and Amortization Schedule:	<p>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.</p> <p>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 Concentration Account. Funds which are received into the Concentration Account shall be remitted by Program Administrator or Program Administrator's Servicer to the applicable Benefit Assessment lienholders within [5] business days, pursuant to the Administration Agreement.</p>
Exclusivity:	For any Property Owner of any Qualifying Project for which the Capital Provider submits a C-PACE Application, the Program Administrator shall not enter into a C-PACE Finance Agreement with such Property Owner for a period of six months (measured from the date of a complete submission of all documents outlined in Capital Provider's or Property Owner's Obligations). This section does not apply if (1) the same Property Owner requests Program Administrator funding or financing for a materially different Qualifying Project, or (2) the Capital Provider fails to submit all necessary documents pursuant to Capital Provider's or Property Owner's Obligations for an Qualifying Project within in a commercially reasonable time.

Representations:

The Program Administrator shall represent, among other things, that the Administration Agreement, and the Benefit Assessment, comply with the Act and the Program Guidelines.

The Capital Provider shall represent, among other things, that any submitted Qualifying Projects meet the requirements of the Program Guidelines, and the Administration Agreement.

Indemnification:

Capital Provider shall indemnify and hold harmless Program Administrator and any of its directors, officers, employees or agents (the "Program Administrator Indemnitees"), 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 Program Administrator Indemnitee in any way relating to or arising out of any action taken or omitted by Capital Provider or a breach of the Administration Agreement by the Capital Provider, provided that Capital Provider shall not be liable to Program Administrator for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgment, suits, costs, expenses or disbursements resulting from the negligence of willful misconduct of a Program Administrator Indemnitee.