

CUSTOMER TERMS AND CONDITIONS CAPE & VINEYARD SOLAR LOAN

Solar Loan Specific Terms & Conditions

1. ***Solar Loan Description.*** The Cape Light Compact JPE (“Compact”) is offering a low-interest residential solar loan (the “Solar Loan”) to residential customers (“Customers”) to enable them to reduce their energy costs by purchasing new solar photovoltaic (“PV”) systems (the “Solar Loan Measures”). Each Solar Loan will be capped at fifty-thousand dollars (\$50,000) for approved Solar Loan Measures and the interest rate will be fixed at a rate of approximately 2.75%. The term of the Solar Loan will not exceed ten (10) years. Solar Loans will have a monthly repayment schedule and can be repaid early without a penalty. The Solar Loan Measures will be installed at the location identified below Customer’s signature (the “Property”).
2. ***Solar Loan Eligibility.*** In order to receive in the Solar Loan, a Customer must meet the following eligibility requirements: (i) the Customer’s Property must be located in Barnstable County or Dukes County (the Compact’s service territory) and be the Customer’s primary, year-round residence; (ii) the Property must be deemed as sufficiently weatherized by the Compact. This can be satisfied by a) the Property was constructed in 2000 or later, b) Customer has had an Energy Assessment since 2013 and implemented all recommended insulation and air sealing, c) Customer has scheduled a new Energy Assessment and either has less than \$1,000 worth of recommended weatherization work proposed, or if higher than \$1,000, has completed all weatherization recommendations; (iii) Customer must own the Property; (iv) Customer must be creditworthy as determined by the Compact’s Solar Loan service provider; (v) Customer must contract with a solar installer for installation of the Solar Loan Measures and the Solar Loan Measures and associated application must be approved prior to installation of the solar panels as further described in Section 4 below; (vi) if the Property is located in a historic district or has received other historic designation, Customer must provide proof of installation approval from applicable governmental authorities; (vii) if the Property is new construction, construction must be complete and the Property must be occupied prior to submitting an application; and (viii) any other requirements that may be established by the Compact. The Compact may determine at any time in its sole discretion that a Customer no longer meets Solar Loan eligibility requirements, and may terminate a Customer’s application.
3. ***Solar Loan Service Providers.*** The Compact has engaged Cape & Islands Self-Reliance Corporation, Inc. (“Self-Reliance”) to review proposed Solar Loan Measures submitted by Customers and their installers. Once Solar Loan Measures have been approved as evidenced by the Solar Authorization Letter described below, Customers will apply for Solar Loans through the Compact’s Solar Loan service provider, The Cape Cod Five Cent Savings Bank (“CC5”).
4. ***Solar Installation Contract.*** Customers applying for a Solar Loan must enter into a solar installation contract governing installation of the Solar Loan Measures (“Customer Installation Agreement”). Each Customer must work with its solar installer to prepare a Solar Loan Measures installation proposal. This proposal must be submitted for the Compact’s review

with the Customer's application prior to any solar installation work. Once the Compact has determined that Customer's application is complete, it will send the Solar Loan Measures installation proposal to Self-Reliance for technical review and approval. If approved, Customer will receive an approval letter from Self-Reliance (the "Solar Authorization Letter"). Each Customer acknowledges that Customer is responsible for direction and controlling all decisions related to the Solar Loan Measures installation. The Compact does not recommend, endorse, supervise or manage any solar installers, and has no liability for any acts or omissions of Customer's solar installer.

5. ***CC5 Loan Closing and Solar Loan Payments.*** The Solar Authorization Letter will provide Customer with important information as to how to proceed with the CC5 Loan Closing and key deadlines. Customer payments for the Solar Loan Measures will be governed by the loan documents provided by CC5 and executed by Customer at the CC5 loan closing, and will include a Promissory Note (the "Loan Documents"). In order for the second and final installment payment to be released under the Loan Documents, Customer agrees to immediately notify the Compact that it has received permission to operate from Eversource.

6. ***Failure to Make Solar Loan Payments.*** If Customer fails to make required payments under the Loan Documents and the Compact is notified by CC5 that it has unsuccessfully pursued all collection efforts available under the Loan Documents or by law, or fails to comply with these Terms and Conditions (a "Solar Loan Default"), the Compact may exercise the remedies set forth in Section 7 below (Security Interest and Compact Remedies).

7. ***Security Interest and Compact Remedies.*** In exchange for the Solar Loan, Solar Loan benefits and other consideration provided by the Compact to Customer, Customer grants to the Compact a security interest in the Solar Loan Measures and Collateral to secure the Obligations, and agrees that the Compact shall have the rights stated in these Terms and Conditions (including the Security Agreement Provisions set forth in Appendix A to these Terms and Conditions). The terms "Collateral" and "Obligations" are defined in Appendix A. Customer acknowledges and accepts that removal of the Solar Loan Measures is a remedy for nonpayment as set forth in the Security Agreement Provisions.

8. ***Customer's Representations and Warranties.*** Each Customer signing below represents and warrants that Customer: (i) is the lawful owner of the Property and has authority to enter into these Terms and Conditions and there are no other owners of the Property not listed in the signature blocks of these Terms and Conditions; (ii) has no knowledge of any condition or hazard on the Property that would impede or interfere with installation of the Solar Loan Measures; (iii) will work cooperatively with its solar installer to ensure that installation is completed expeditiously; (iv) will only use the Solar Loan Measures at the Property and only for the purposes intended; (v) will not permit any alteration, remodeling or landscaping of the Property that would have an adverse effect on operation of the Solar Loan Measures; (vi) will keep the Solar Loan Measures free of all security interests, liens, or other encumbrances, except those permitted by these Terms and Conditions; (vii) will not sell, lease, license, loan or otherwise transfer or dispose of the Solar Loan Measures until Customer has satisfied all obligations under the Loan Documents and these Terms and Conditions; and (viii) will execute any other required Solar Loan documentation as may be required by the Compact in order to continue to be eligible to receive Solar Loan payments.

9. ***Other Solar Loan Related Documents.*** In addition to these Terms and Conditions, in order to receive a Solar Loan, each Customer must execute the Loan Documents with CC5.

10. ***Solar Loan Contact.*** Any questions regarding these Terms and Conditions or the Solar Loan should be directed to:

Dan Schell
Customer Service and Outreach Manager
508-744-1275
Dan.Schell@CapeLightCompact.org

General Terms & Conditions

11. ***Tax Liability.*** The Compact is not responsible for any tax liability that may be imposed on a Customer as a result of Customer's receipt of the Solar Loan.

12. ***Limitation of Compact's Liability.*** The Compact is not liable to Customer or any other party for any other obligations, losses, damages or claims. To the fullest extent allowed by law and as part of the consideration for receiving the Solar Loan, Customer waives and releases the Compact from all obligations, and for any liability or claim associated with the Solar Loan Measures, the installation and performance of the Solar Loan Measures, the Solar Loan, or these Terms and Conditions. By way of example, Customer understands and agrees that if the solar panels cause a leak or other damage to Customer's roof, the Compact has no liability. Customer understands and agrees that if there are damage claims, Customer will look to its solar installer or insurance company to cover such losses.

13. ***Risk of Loss and Insurance.*** Customer bears the entire risk of loss, theft or damage to the Solar Loan Measures from any cause during the term of these Terms and Conditions. The Compact recommends verifying that the Solar Loan Measures are covered under Customer's homeowner's insurance, and that any damage to the Property caused by the Solar Loan Measures is also covered.

14. ***Information Sharing, Data Collection and Publicity.*** By signing these Terms and Conditions, until the Solar Loan has been repaid, each Customer agrees to share information related to its Solar Loan, the details of the Solar Loan Measures, including production information related to the solar PV system and the energy savings, the amount of financial benefits paid to Customer, and any other information relating to Customer's receipt of the Solar Loan. Customer grants to the Compact the right to use such information for promotional and regulatory purposes.

15. ***Solar Loan Changes; Changes to Terms and Conditions.*** The eligibility requirements for a Solar Loan may be altered, suspended, or canceled by the Compact at any time without prior notice. The availability of Solar Loans is subject to certain sources of outside funding. These Terms and Conditions may be changed by the Compact at any time on a prospective basis. The Compact will provide notice of such changes by electronic mail.

16. **Termination.** Subject to Section 17 below, these Terms and Conditions will terminate when the Solar Loan has been fully repaid and all Obligations have been satisfied. At such time, the Compact will file a UCC-3 Termination Statement.

17. **Survival.** The provisions of Section 7 (Security Interest), Section 8 (Representations and Warranties), Section 12 (Limitation of the Compact's Liability), and Section 14 (Information Sharing, Data Collection and Publicity), as well as any other Section herein that specifies by its terms that it survives termination, will survive satisfaction of the Obligations for a period of three (3) years.

By signing below, each undersigned Customer affirms that Customer wishes to receive a Solar Loan, has read these Terms and Conditions, and agrees to be bound by all of the above and the appended Terms and Conditions.

Signature

Date

Customer's Name: _____

Customer's Name: _____

Customer's Email Address:

Customer's Mailing Address (if different):

APPENDIX A SECURITY AGREEMENT PROVISIONS

1. *Collateral*. The term “Collateral” as used in these Terms and Conditions means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located, in which Customer is giving to the Compact a security interest for the payment of the Obligations and performance of all other obligations under the Promissory Note and these Terms and Conditions:
 - a. The solar panels and easily removable components of the solar PV system to be purchased through the solar installation contract (“Solar Loan Equipment”) that are part of the Solar Loan Measures;
 - b. All additions, replacements of and substitutions for all or any part of the Solar Loan Equipment;
 - c. All insurance payouts/proceeds relating to the Solar Loan Equipment; and
 - d. All products and proceeds of or relating to the Solar Loan Equipment.
2. *Obligations*. The term “Obligations” means all of the Customer’s liabilities and obligations under these Terms and Conditions, and any obligations due or to become due, or that are now or may be hereafter contracted or acquired, under the Loan Documents, including, without limitation: (i) principal of, and interest on the Promissory Note and the Solar Loan; (ii) any and all other fees, indemnities, costs, obligations and liabilities of the Customer from time to time under or in connection with these Terms and Conditions or the Loan Documents.
3. *Perfection of Security Interest*. Customer agrees to take whatever actions are requested by the Compact to perfect and continue the Compact’s security interest in the Collateral.
4. *Financing Statements*. Customer authorizes the Compact to file a UCC financing statement. The Compact may file a copy of these Terms and Conditions as a financing statement. At the Compact’s request, Customer additionally agrees to sign all other documents that are necessary to perfect, protect, and continue the Compact’s security interest in the Collateral. Customer irrevocably appoints the Compact to execute documents necessary to transfer title to the Solar Loan Equipment if there is a default under the Loan Documents. If Customer changes Customer’s name or address, or the name or address of any person granting a security interest under these Terms and Conditions changes, Customer will promptly notify the Compact of such change.
5. *Removal of the Collateral*. Until the Customer has satisfied the Obligations, Customer shall not remove the Collateral from the Property without the Compact’s prior written consent.
6. *Liens*. Customer shall not pledge, mortgage, encumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in these Terms and Conditions, without the prior written consent of the Compact.

7. *Repairs and Maintenance.* Customer agrees to keep and maintain, and to cause others to keep and maintain, the Collateral in good order, repair and condition at all times while these Terms and Conditions remain in effect. Customer further agrees to pay when due all claims for work done on, or services rendered or material furnished in connection with the Collateral so that no lien or encumbrance may ever attach to or be filed against the Collateral.

8. *Inspection of Collateral.* The Compact and the Compact's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Collateral wherever located.

9. *Taxes, Assessments and Liens.* Customer will pay when due all taxes, assessments and liens upon the Collateral.

10. *Solar Loan Default.* If a Solar Loan Default occurs, at any time thereafter, the Compact shall have all the rights of a secured party under the Massachusetts Uniform Commercial Code. In addition and without limitation, the Compact may exercise any one or more of the following rights and remedies:

Removal of Collateral. The Compact also shall have full power to enter upon the Property of Customer to take possession of and remove the Collateral.

Sale of the Collateral. The Compact shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in the Compact's own name or that of Customer. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Collateral, shall become a part of the Obligations secured by these Terms and Conditions and shall be payable on demand, with interest at the interest rate described in Section 1 of the Terms and Conditions.

Other Rights and Remedies. The Compact shall have all the rights and remedies of a secured creditor under the provisions of the Massachusetts Uniform Commercial Code, as may be amended from time to time. In addition, the Compact shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.