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1 (888) 632-3674 mceCleanEnergy.com Marin Energy Authority Executive Committee Wednesday, August 21, 2013 9:00 A.M.

San Rafael Corporate Center, Boro Room 750 Lindaro Street, San Rafael, CA 94901

Agenda – Page 1 of 1

- 1. Board Announcements (Discussion)
- 2. Public Open Time (Discussion)
- 3. Report from Executive Officer (Discussion)
- 4. Charles F. McGlashan Advocacy Award Nominations (Discussion/Action)
- 5. Economic Consideration of MCE Expansion II (Discussion)
- 6. Single Family On-Bill Repayment Program Operating Agreement (Discussion/Action)
- 7. Review Draft 9.5.13 Board Agenda
- 8. Regulatory Update (Discussion)
- 9. Board Member & Staff Matters (Discussion)
- 10. Adjourn



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August 21, 2013

TO:	Marin Energy Authority Executive Committee
FROM:	Rafael Silberblatt, Project Coordinator
RE:	Charles F. McGlashan Advocacy Award Nominations (Agenda Item #4)

Dear Board Members:

SUMMARY:

The Charles F. McGlashan Advocacy Award was established to recognize individuals and organizations who have demonstrated passion, dedication and leadership on behalf of MCE. The award also honors and commemorates the life and legacy of environmental leadership left behind by former MEA Chairman Charles F. McGlashan.

Recipients of the award are recognized with a ceremony held at a regular meeting of the MEA Board of Directors. Recipients will also have their names inscribed on a plaque that shares other awardee names and is displayed in the McGlashan Room at the MEA offices.

It is the responsibility of the Executive Committee to review nominations and make recommendations for which advocate should be recognized with the Charles F. McGlashan Advocacy award.

To date, the Charles F. McGlashan Advocacy Award has been awarded to Barbara George in 2011 and The Mainstreet Moms in 2012.

This year's Charles F. McGlashan Advocacy Award Nominations include Lea Dutton, Jim Geraghty, and Christine Gregorak.

NOMINATIONS:

Lea Dutton

In her position with the Quality of Life Commission in San Anselmo, Lea has made increasing Deep Green enrollments a priority goal. As a result, the Quality of Life Commission regularly encourages their fellow San Anselmo residents and businesses to sign up for Deep Green by canvassing businesses, tabling at events and marching in the San Anselmo Day Parade.

Jim Geraghty

Jim has relentlessly defended MCE in countless periodicals, most notably in the Marin Independent Journal and the Patch online forums.

Christine Gregorak

Christine, a partner at the Real Estate Law Group in Sausalito specializing in the development of power facilities, successfully nominated MCE for a Climate Change Business Journal award for the San Rafael Airport Feed In Tariff project.

RECOMMENDATION:

Select the 2013 recipient of the Charles F. McGlashan Advocacy Award to be presented at the September 5, 2013 regular meeting of the MEA Board of Directors.

MCE Expansion and Ratepayer Impacts

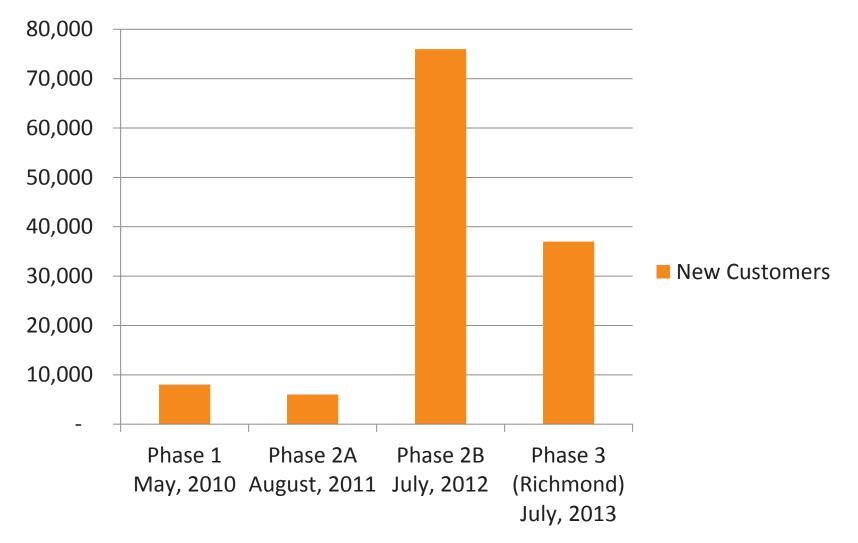


August 21, 2013

Introduction

- Expansion of MCE service to new communities involves several policy issues: political/governance, economic, environmental and strategic.
- Focus of this presentation is on estimating expansion's direct economic benefits to MCE ratepayers from increasing program sales.
- The specific benefits and costs of a contemplated expansion would be determined through a more detailed applicant analysis.

MCE Expansion History



Expansion Experience

- Expansion within the PG&E service territory is operationally straightforward as protocols are well-defined for enrollment of additional customers – expansion to SCE or SDG&E territory would be more challenging.
- Primary workload increases are related to the initial electric procurement, update of Implementation Plan, communications, and customer service (e.g., opt out processing, enrollment and billing).
- Lessons learned from Phase 2B expansion, particularly in communications and opt-out processing, were applied successfully to Richmond.

How Can Expansion Benefit MCE Ratepayers?

- Greater scale efficiencies can reduce MCE program costs and help reduce customer rates.
- Additional electric purchases can reduce average power supply costs if lower cost power is available in the market.
- Growth through expansion offsets customer attrition that might otherwise result in a slow decline.
- Expansion can enhance MEA credit standing as continuing customer/member growth signals health and competitive success.

Estimated MCE Rate Benefits

Source of Rate Benefit	Impact	Est. Rate Impact for +20% Load Growth	Est. Rate Impact for +100% Load Growth
Fixed costs spread over larger sales base	Small rate benefit because these fixed costs represent only about 5% of MEA budget	Approx. 1% reduction	Approx. 3% reduction
Incremental market purchases may reduce average power supply cost	Depends on market at time of expansion; Currently a modest benefit because MEA supply cost is close to market; could be a detriment if market power prices are increasing	Approx. 1% to 2% reduction	Approx. 2% to 5% reduction
Total		2% to 3% reduction	5% to 8% reduction

Expansion Process for Phase 3

- 1. Expansion criteria established
- 2. Member application/fee agreement
- 3. Applicant analysis
- 4. Board approval
- 5. Implementation Plan update
- 6. Electric procurement
- 7. Communications/outreach
- 8. Enrollment

MCE RESIDENTIAL ON-BILL REPAYMENT PROGRAM

OPERATING AGREEMENT

Dated as of _____

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MCE ON-BILL REPAYMENT PROGRAM

OPERATING AGREEMENT

This Operating Agreement for the MCE On-Bill Repayment Program ("Agreement") is hereby made and entered into as of _______, 2013, between Marin Energy Authority, as Program Developer ("MEA"), and First Community Bank, a California corporation ("FCB"). MEA and FCB shall together hereinafter be referred to individually as a "Party" and collectively as "Parties". Other capitalized terms used without definition at first use shall have the meanings set forth for them in Article VII, Definitions, below.

RECITALS

WHEREAS, MEA has developed a program to provide resources and loans for enhancing the energy efficiency of existing buildings (the "Program") in an effort to increase the adoption of energy efficiency measures by residential property owners within its jurisdiction;

WHEREAS, MEA has sought the assistance of FCB in developing the Program to explore on-bill repayment as a way to facilitate long-term financing for investments in energy efficiency to building owners;

WHEREAS, FCB will serve as the lender for qualifying Borrowers;

WHEREAS, the Parties now desire to enter into this Agreement for the duration of the Availability Period to (i) establish the terms of a Pilot Program to test the business assumptions associated with the Program, (ii) identify the roles and responsibilities of each Party during the Availability Period; (iii) set forth the respective rights and obligations of the Parties in managing the Program.

NOW, THEREFORE, in consideration of the foregoing Recitals, of mutual promises of the Parties hereto and of other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties hereby agree to the Program pursuant to the terms and conditions set forth in this Agreement, which reads in its entirety as follows:

ARTICLE I.

PROGRAM OVERVIEW

1.01. Name.

The name of the Program is the MCE On-Bill Repayment Program.

1.02. Program Phases.

The Program shall be delivered in two phases:

(a) **The Pilot Program.** The Pilot Program will be available during the first six (6) months of the Availability Period. The purpose of the Pilot Program is to permit the Parties to

test and evaluate the assumptions, procedures and processes related to (i) the operational and technical aspects of the Program, (ii) the roles and responsibilities of each Party, (iii) the effectiveness of the marketing and web-based information, and (iv) revisions by the Parties to documents, processes, procedures and assumptions prior to Full Implementation.

(b) **Full Implementation.** Full Implementation of the program will occur upon the expiration of the Pilot Program unless there is mutual agreement for program termination at that time.

- 1.03. Pilot Program Goals.
 - (a) During the Pilot Program, the Parties will endeavor to:
 - (i) test the established processes and procedures using funded loans;
 - (ii) evaluate the effectiveness and viability of the Program;
 - (iii) test repayment of energy efficiency loans via the utility bill as a method for reducing potential financial barriers to Borrowers;
 - (iv) evaluate whether the Program is the optimal and most cost-effective vehicle for stimulating the adoption of energy efficiency measures;
 - (v) refine process and procedures as agreed; and
 - (vi) determine if the Program should continue to Full Implementation.

1.04. Service Description.

Operational elements offered under the Program include the following functions: (i) marketing the Program to prospective Borrowers, (ii) loan underwriting, analysis and approval, (iii) loan set-up for qualifying Borrowers, (iv) monthly billing of the OBR Loan, (v) report generation and review, (vi) account maintenance and reconciliation functions, (vii) customer inquiry and problem resolution, (viii) payment processing, (ix) payment remittance to FCB, (x) loan removal, (xi) delinquency management, (xii) ongoing training and refinements to the Program, and (xiii) debits from and credits to the Loan Loss Reserve Account.

1.05. Term of Agreement.

This Agreement takes effect upon the signature of the Parties and shall remain in effect until the first of the following occurs: (a) final repayment in full of all OBR Loans issued in connection with the Program, (b) the mutual agreement of the Parties to terminate this Agreement and (3) termination pursuant to the terms of this Agreement.

1.06. Representations and Warranties

MEA represents and warrants to FCB as follows:

(a) Neither the execution of this Agreement nor compliance with the terms and provisions of this Agreement on the part of MEA shall breach any statute or regulation of any governmental authority or result in any breach of any of the terms, conditions, or provisions of, or constitute a default under, any agreement or other instrument to which MEA is a party or by which it is bound.

(b) The execution, delivery and performance of this Agreement and the transactions contemplated hereunder have been duly and validly authorized by all necessary actions and proceedings to be taken by MEA.

ARTICLE II.

ROLES AND RESPONSIBILITIES

2.01. Marketing and Information Delivery

2.01.1 MEA

(a) MEA will identify potential applicants, oversee the installation of appropriate energy efficiency improvements, certify satisfactory completion of the energy project, and be responsible for maintaining compliance with any and all rules and regulatory requirements that are applicable to it.

(b) Except as provided herein, MEA will not act as a representative or agent of FCB and will ensure that public information does not contain any representations or warranties of FCB in connection with the application, underwriting or approval processes associated with the Loans without the prior express written consent of FCB.

(c) Except as otherwise set forth in this Agreement, MEA, within authority granted to it by the CPUC, shall have full, complete and exclusive discretion to manage and control the delivery of Program information to the public.

(d) MEA will define the business and information technology requirements, processes, procedures and reports necessary to implement the services described in this Agreement to FCB.

(e) Subject to Section 6.03, Confidentiality, MEA will treat all information received from FCB as highly confidential and will ensure that all financial information received by it either directly through FCB, or indirectly through a Borrower or Service Provider, is maintained with the standard of care generally afforded to sensitive information.

(f) MEA will comply with any and all regulatory requirements for information and will respond to any discovery requests issued in accordance with applicable laws and regulations.

2.01.2 FCB

(a) FCB will (i) provide MEA with an approved form of Application for distribution to Borrowers interested in financing options and other information intended for public distribution and (ii) notify MEA of any material regulatory or policy change that may have an impact on the Program.

(b) not withstanding section 2.01.1(c) above, FCB may create and distribute marketing materials to the public in concert with MEA.

2.02. Summary of OBR Loan Terms

2.02.1 Basic Terms

Unless otherwise agreed by FCB, OBR Loans shall be subject to the following terms and conditions:

(a) During the Program, the maximum amount of FCB funded OBR Loans will be determined by the amount of the Loan Loss Reserve and the FICO scores of the OBR loans. (b)

OBR Loans will be no less than \$2,500.00 per Borrower and no more than \$30,000.00 per Borrower; larger loans will be considered on a case by case basis by FCB. In each case, the OBR Loan amount will not be greater than the "Estimated Contractor Cost LESS the Rebate" as provided in the Energy Audit.

(c) The Total Loan Commitment is a non-revolving line of credit offered for the Program during the Availability Period in connection with the funding of OBR Loans; any OBR Loans repaid will not restore availability to, or increase, the Total Loan Commitment.

(d) Any part of the Total Loan Commitment not utilized after the Availability Period will be cancelled and no longer available for OBR Loans.

(e) FCB, in its sole and absolute discretion, will approve Applicants for OBR Loans based on underwriting criteria established by FCB. FCB will notify all Applicants whether or not the Application was approved or declined.

(f) OBR Loans will be disbursed by FCB to each Borrower in a single advance following evidence satisfactory to FCB that all conditions precedent to funding and project completion have occurred in accordance with the terms of this Agreement, the Loan Documents, the Energy Audit, Scope of Work, and Final Inspection Report.

(g) The Loan Documents will require each OBR Loan to be repaid in equal monthly payments of principal and interest amortized over a period between five (5) to ten (10) years as determined by FCB.

(h) Subject to Section 6.01 and provided no default has occurred, the interest rate on OBR Loans will be fixed at a rate of six and one half percent (6.5%) for the life of each OBR Loan. The OBR Loan will accrue interest daily and be calculated on a basis of actual days lapsed/360 days.

(i) The OBR Loans shall be subject to defaults typically enforced by FCB in similar loans, including:

- 1) Payment Default;
- 2) Environmental Default;
- 3) False Statements;
- 4) Insolvency;
- 5) Creditor or Forfeiture Proceedings;
- 6) Events Affecting Guarantor;
- 8) Adverse Change;
- 9) Insecurity, and;
- 10) Cure Provisions.

In addition, Program specific defaults will include; 1) Due on Sale, the OBR Loan will be due and payable in full if the Borrower sells the property on which the improvements were made, 2) the Borrower is no longer an MCE customer, and 3) the Borrower fails to pay Energy Amounts in full, resulting in partial payments such that FCB deems the balance of the OBR Loan uncollectible, though such delinquency will not result in a default in sooner than a 60 day time period.

(j) MEA shall establish a Loan Loss Reserve Account with FCB as provided in Section 5.05

(k) Applicants will be charged a one-time application fee of \$50,

(1) FCB will charge a documentation fee equal to \$150 for each OBR Loan due at the time of loan execution, which may be financed.

(m) FCB shall provide all disclosures to Borrowers in accordance with applicable law.

2.02.2 MEA Delivery of Information in connection with Loan Applications

In connection with an Application for a Loan, MEA will deliver to FCB documentation of the energy project. The documentation will vary for single measure and for Home Energy Upgrade projects. In connection with a loan application, MEA will deliver:

- (a) For Home Energy Upgrade Projects,
 - 1. An Energy Audit (or evidence of a Combustion Appliance Safety test if no Energy Audit is performed);
 - 2. Rebate Acceptance Form;

3. Rebate Confirmation Form.

(b) For Single Measure Projects:

- 1. Scope of Work, including specifications of equipment purchased,
- 2. Permit number and final inspection report, if required pursuant to scope of work, and
- 3. Final invoice or scope of work signed by applicant.

MEA acknowledges and agrees that FCB will rely on the accuracy and content of the information provided for purposes of underwriting and loan approval.

FCB acknowledges that MEA will not provide a guarantee of the projected energy savings as may be reflected in the Energy Audit.

2.03. Documentation, Changes to Scope of Work & Project Completion

2.03.1 FCB approval of Applications

FCB retains the right, in its sole and absolute discretion, to determine whether or not to approve an Application for an OBR Loan.

Following approval by FCB of an Application, FCB will (i) prepare Loan Documents in accordance with its standard practices and procedures, (ii) obtain Applicant's signature on Loan Documents, and (iii) notify MEA that an OBR Loan has been approved and provide MEA with the Borrower information required pursuant to Section 3.02.

MEA will (i) register Borrower information on MEA Systems and (ii) notify Project Consultants and Service Providers of the OBR Loan.

2.03.2 Changes to Scope of Work

The Parties agree that OBR Loans are provided for the sole and exclusive purpose of financing the energy efficiency measures defined in the Energy Audit and / or Scope of Work. Any additional or unforeseen costs and expenses arising during the course of construction are not subject to the OBR Loan or FCB's commitment to fund the OBR Loan.

(a) Under the terms of the Loan Documents, each Borrower will be required to immediately notify FCB of any condition relating to the Energy Project that will result in either an increase or a decrease to the amount stated in the Scope of Work and / or Energy Audit. Failure by a Borrower to promptly notify FCB may result in a cancellation of FCB's obligations under the Loan Documents and the OBR Loan.

(b) FCB will require written confirmation of the change in the Scope of Work and / or the Energy Audit by the Project Consultant and MEA.

(d) If there is an increase that is equal to or greater than a 5% variation from the original estimated cost of the project as provided in either the Energy Audit or Scope of Work, the Loan Documents will require that the Borrower either:

(i) Pay for such increased cost from Borrower's own resources, with confirmation of such amounts paid prior to any funding of the OBR Loan;

(ii) Cancel the OBR Loan with FCB until such time as the conditions resulting in the increase are resolved such that the original Scope of Work can be reinstated; or

(iii) Apply for a separate loan with FCB to finance the cost of the unforeseen condition resulting in the increase. To the extent a separate loan is granted for any purpose other than that contemplated herein, it shall not be deemed an OBR Loan and shall not be subject to the terms and conditions of this Agreement.

2.03.3 Project Completion

(a) MEA and the Project Consultant shall notify FCB of Project Completion by submitting either a Rebate Confirmation Form, a copy of the rebate check, or a signed final invoice for the approved Scope of Work. This documentation shall be accompanied by a copy of (i) the Energy Audit or CAS test (if applicable), (ii) and an executed Unconditional Waiver and Release signed by the Contractor, .

ARTICLE III.

LOAN FUNDING AND PAYMENT PROCESSING

3.01. Loan Balances

The books and records of FCB will serve as the agreed upon contractual outstanding OBR Loan balance, payments due, and payment history of each Borrower. On or before the initial OBR Loan funding, FCB will deliver a Loan Information Notice to MEA substantially in the form of Exhibit C for all new OBR Loans.

Following the initial funding:

(a) FCB will be responsible for notifying MEA of delinquent OBR Loan information;

(b) FCB will review reports and information provided by MEA and provide corrections on OBR Loan information in a timely manner substantially in the form of Exhibit D;

(c) FCB will treat all information received from MEA as highly confidential and all information received by FCB, whether directly or indirectly through a Service Provider will be controlled and maintained with the standard of care generally afforded to sensitive information and as provided in the MEA Non-Disclosure Agreement and CPUC Decision 12-08-045.

(d) FCB will be responsible for complying with any and all regulatory requirements of public content including Office of Foreign Asset Control and will respond to any discovery

requests issued by or under the authority of a governmental agency or court regarding any Borrower or OBR Loan issued under the Program.

3.02. MEA as Billing Agent

MEA shall serve as the "Billing Agent" for FCB and provide the following services outlined in Section 1.04 which include (a) monthly billing of the OBR Loan Payments due, (b) report generation and review, (c) PGE and MEA billing account maintenance and reconciliation functions, (d) customer inquiry and problem resolution for questions regarding the energy portion of the bill, (e) payment processing, and (f) payment remittance to FCB. In addition, MEA will (1) communicate to FCB any issues that will impede timely or accurate remittance of payments.

(a) MEA shall ensure that the amounts due and payable to FCB under any OBR Loan to a Borrower shall be clearly and accurately reflected on the monthly PGE Billing Statement submitted to the Borrower.

(b) The OBR Loan payment will be billed in conjunction with the Borrower's standard PGE Billing Statement.

(c) MEA will comply with all applicable laws and regulations.

3.02.1 Monthly Reports

(a) On or before the 15th business day of each month, MEA will provide to FCB a "Scheduled Payments Report" detailing scheduled payments due for the next month, including delinquent and partial payments due, and the outstanding balance remaining on each OBR Loan.

(b) On or before the last business day of each month, MEA will provide to FCB a "Delinquent Payment Report" detailing payments that were due and not received in the prior month.

(c) On or before the last business day of each month, MEA will provide to FCB a "Partial Payment Report" report detailing payments that were due and not received in full in the prior month.

3.02.2 Reconciliation of Loan Information

(a) MEA and FCB will use all reasonable efforts to ensure the accuracy of the information transmitted to and between each Party. FCB will reconcile the OBR Loan data contained on its systems and records against that of the Scheduled Payment Report on or before the 25th day of each month. FCB will notify MEA of any discrepancies or corrections.

(b) MEA will not make corrections or adjustments to OBR Loan information submitted by FCB unless so authorized under this Article III.

3.02.3 Loan Correction Notice

(a) No later than five (5) business days following receipt of reports as provided in Section 3.02.1, FCB will reconcile the amounts due, delinquent, or partially paid against its records. To the extent there is a discrepancy between the information provided in the report and that contained on the records of FCB, FCB shall complete and submit an "OBR Loan Correction Notice" substantially in the form of Exhibit D attached hereto.

(b) MEA will make good faith efforts to correct the information such that then current energy PGE Billing Statement reflects the correct amounts due from the Borrower as reflected by FCB's records.

3.02.4 Delivery of Payments

(a) Payments of amounts due under the OBR Loans shall be made on each Friday, or if Friday is not a business day, on the next following business day (the "Payment Date").

(b) The payment shall be an aggregate of all payments received by MEA for the prior week as reconciled in accordance with Section 3.02.2.

(c) Payments shall be disbursed by MEA to an account designated by FCB.

3.02.5 Prepayments on OBR Loans

Borrowers shall be permitted to prepay OBR Loans provided that no default has occurred resulting in a Defaulted OBR Payment and provided further that there is no Pro-Rata Sharing of Payments. All prepayments made under an OBR Loan must be sent directly to FCB and not submitted through the Energy Bill. FCB shall notify MEA if a payment is made directly to FCB, outside of the PGE Billing Statement, to confirm that the payment is not subject to Pro-Rata Sharing of Payments. FCB shall (a) apply the payment to the OBR Loan only if Pro-Rata Sharing of Payments is not in effect or (b) remit the excess payment to MEA for allocation if Pro-Rata Sharing of Payments is in effect.

ARTICLE IV

CUSTOMER INQUIRIES – DISPUTE RESOLUTION

4.01. Customer Inquiries

(a) MEA shall cause each PGE Billing Statement to contain the amounts due and payable for the OBR Loan as a clear and distinct line item.

(b) MEA shall cause each PGE Billing Statement to contain the contact information for problem resolution or questions regarding the OBR Loan portion of the PGE Billing Statement including a phone number and address for FCB.

(c) MEA shall refer all OBR Loan questions from Borrowers to FCB for problem resolution.

(d) MEA will provide MEA Service Providers with scripts, pre-approved by FCB, to provide clear guidance on OBR Loan inquiries.

(e) FCB shall refer all questions regarding the Energy Amount to MEA for problem resolution.

(f) During the Pilot Program, MEA and FCB will meet no less than monthly to discuss and resolve any customer inquiries and disputes.

(g) To the extent there is any discrepancy between the OBR Loan Payment due according to FCB records and the amount due according to MEA records, FCB records will prevail.

4.02. Dispute Resolution

The Parties agree to collaborate to resolve customer disputes that may arise from the timing of application of payments, either OBR Loan payments or energy related payments. Notwithstanding the foregoing, MEA shall be able to utilize the Carve-Out portion of the Loan Loss Reserve Account in accordance with Section 5.01 to temporarily stabilize interim billing adjustments.

To the extent the customer dispute results in a non-payment of an OBR Loan, actual delinquency or partial payment, upon receipt, such payment will be processed in accordance with Section 5.02.

ARTICLE V

LATE PAYMENTS, SHARING OF PAYMENTS AND LOAN LOSS RESERVE

5.01. Late Payments

5.01.1 Timing Issues – Corrected Bills

On occasion, PGE will require corrections or adjustments to PGE Billing Statements ("Corrected Bills") that are outside of the control of MEA or FCB. Corrected Bills may result in (i) timing gaps between the due dates for an OBR Loan Payment or (ii) duplicated or omitted OBR Payments for the month subject to correction (each an "Administrative Error"). Administrative Errors are temporary in nature and are generally corrected on the following PGE Billing Statement. Any delayed, past-due or omitted payment that is not temporary in nature or subject to correction in the following PGE Billing Statement does not constitute an Administrative Error and is not subject to the authorities granted in this Section.

As provided herein, MEA shall have the authority to correct or adjust Administrative Errors in an amount not to exceed \$200.00 per Administrative Error in accordance with the Carve-Out provision.

5.01.1 (a) Carve-Out

MEA shall utilize the Carve-Out portion which will not exceed \$5,000 to adjust timing issues associated with Administrative Errors. MEA acknowledges and agrees that any funds debited from the Carve-Out must be restored in full within sixty (60) days after such debit. MEA will record and track the debits and credits to the Carve-Out with such information made available to FCB upon request.

5.01.1 (b) Termination of Carve-Out Availability

The Carve-Out is available for Administrative Errors only to the extent that funds allocated to the Carve-Out do not impede FCB's availability to use the Carve-Out pursuant to a defaulted OBR Loan as contemplated by the Loan Loss Reserve. To the extent Carve-Out funds will be needed by FCB, FCB shall provide a thirty (30) day notice to MEA of the termination of the Carve-Out. MEA shall have a period of thirty (30) days following such notice to restore the Carve-Out to \$5,000.00.

5.02. Payment Default

MEA shall notify FCB of Defaulted OBR Payments on a monthly basis on or before the 15th day of the following month. FCB shall notify MEA of any OBR Loan Payment that is delinquent fifteen (15) days or more that is not reflected on the reports and information provided by MEA.

5.02.1 Notification to Borrower

MEA, upon notice from FCB, will provide a Late Payment Notification substantially in the form of Exhibit F to the applicable Borrower.

5.02.2 Late Fees imposed by FCB

To the extent a Borrower defaults under an OBR Loan, FCB shall have the right to (i) impose a late charge equal to the greater of 6.00% of the regularly scheduled payment or \$25.00 for payments past due in excess of 15 days.

5.03. Pro-Rata Sharing of Payments

It is agreed that all Defaulted OBR Payments shall be subject to Pro-Rata Sharing of Payments as provided herein. Pro-Rata Sharing of Payments shall be in effect the earlier of (i) failure by a Borrower to pay a PGE Billing Statement in full (outside of an Administrative Error), (ii) upon notice from FCB that an OBR Loan Payment is delinquent fifteen (15) days or more, and (iii) upon notice from MEA to FCB that the PGE Billing Statement has not been paid in full (outside of an Administrative Error).

5.03.1 Method for Determining Pro-Rata Sharing

Pro-Rata Sharing will be applied to the funds subsequent to the application of PG&E's Pro Rata Share (as determined in the CCA Tariff, Electric Rule 23); neither MEA nor FCB will dispute the amount of payment applied to PG&E's Pro-Rata Share. The remaining portion of the payment will be applied according to the methodology outlined herein.

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Pro-Rata Sharing of Payments will be determined as follows:

Determining the Pro Rata Percentage: The Pro Rata Percentage is determined by taking i) the sum of a) the total amount of outstanding OBR Loan Payments reflected therein due and payable to FCB (the "FCB Share") and b) the total amount of MCE charges reflected therein due and payable (the "MEA Share") (together the "Total Amount Due") and dividing the Total Amount Due by the FCB Share to arrive at the FCB Pro Rata Percentage and dividing the Total Remaining Payment by the MEA Share to arrive at the MEA Pro Rata Percentage.

Example:

FCB Total Amount Due on bill: \$600.00 MEA Total Amount Due on bill: \$250.00 Total Amount Due on Bill (less PG&E's Pro Rata Share): \$850.00 FCB Pro-Rata Percentage = \$600/\$850 = 70.59% MEA Pro-Rata Percentage = \$250/\$850 = 29.41%

Determining the Pro Rata Sharing of the Payment: Short payments on delinquent Borrowers will be distributed based on the respective FCB Pro-Rata Percentage and MEA Pro-Rata Percentage for the particular billing statement as follows: The actual payment received (which will be less PG&E's Pro Rata Share) multiplied by FCB and MEA's respective Pro-Rata Percentages.

Example:

Total Amount Due: \$850.00 Actual Payment Received: \$600.00 Based on the Pro-Rata Percentages provided above, the actual payment received would be disbursed as follows: FCB Pro Rata Share = \$600.00 * .7059 = \$423.54 MEA Pro Rata Share = \$600.00 * .2941 = \$176.46

In no event will the sum of the FCB Pro-Rata Percentage and the MCE Pro-Rata Percentage exceed 100% (together the "Pro-Rata Percentages"). The respective percentages will be expressed to four decimal places. It is hereby acknowledged that the Pro-Rata Percentages may change on a month to month basis depending on variables such as energy use or increased amounts due to penalty rates or late charges. All payments applied to Defaulted OBR Payments shall be done in accordance with the Pro-Rata Percentages.

5.04. Excess Payments Received During Default

Notwithstanding anything to the contrary contained in Section 3.02.04, neither Party will accept or apply payments to new OBR Loan payments or Energy Amounts when a Defaulted OBR Payment exists. All payments received will be submitted to MEA to be paid in accordance with the Pro-Rata Percentages until such time as the OBR Loan and Energy Amount are either (i) restored to current payment status as mutually agreed between the Parties, or (ii) the OBR Loan has been repaid in full through the Loan Loss Reserve.

5.05. Loan Loss Reserve

Concurrent with the execution of this Agreement, MEA shall establish two accounts with First Community Bank. One account, the MEA Reserve Account, shall be accessible by MEA. The second account, the Active Loan Loss Reserve Account, shall be in the name of MEA but controlled by FCB with debits and credits from and to the Loan Loss Reserve Account restricted as provided herein. The parties agree to maintain coverage against losses per a sliding scale based on FICO, according to table 1. In advance of the program launch, MEA will make a deposit of \$100,000 in the Active Loan Loss Reserve account, which will be equal to the estimated ratio of FICO's in the OBR Loan Program for the upcoming quarter. The parties agree to adjust the balance of the Active Loan Loss Reserve account on a quarterly basis to align coverage with the ratios specified in Table1plus, \$100,000.

Table 1. Ratio of Loan Loss Reserve Coverage by FICO Score of Borrower				
FICO	Percent Coverage			
640-670	15%			
671-700	10%			
700+	5%			

5.05.1 Charges to the Loan Loss Reserve Account

The sole purpose of the Loan Loss Reserve is to provide a source of repayment for OBR Loans whereby the Borrower has defaulted under the terms of the Loan Documents and FCB deems the OBR Loan or a portion thereof as uncollectible. FCB is eligible to draw down from the Active Loan Loss Reserve Account for any default event as defined in section 2.02.1. FCB will notify MEA promptly upon such a withdrawal using a form substantially similar to Exhibit E. Additionally, FCB will provide monthly reports on the status of the Active Loan Loss Reserve account, including all debits and credits to the account.

The amount available from the Loan Loss Reserve Account to FCB for each defaulted OBR Loan will include unpaid principal interest, and fees (excluding late fees as defined in section 5.02.2). Any amounts credited back to the Loan Loss Reserve Account in accordance with Section 5.05.2 shall be available to FCB for future OBR Loans.

FCB will submit a Notice of Loan Loss Reserve Advance to MEA substantially in the form of Exhibit E providing the reason for the advance, a summary of the delinquent amounts and dates, a summary of expenses related to the collection efforts and the amount required to satisfy repayment of the OBR Loan.

5.05.2 Credits to the Loan Loss Reserve Account

FCB will continue collection efforts on defaulted OBR Loans in accordance with its standard practices and procedures, regardless of whether or not the defaulted OBR Loan has been repaid through an advance from the Loan Loss Reserve Account. In the event FCB recovers or collects

amounts on a defaulted OBR Loan where the unpaid balances were advanced from the Loan Loss Reserve Account, FCB shall deposit such recovered amounts into the Loan Loss Reserve Account, less any collection and legal fees necessary to recover the funds.

5.05.3 Reporting of Loan Loss Reserve Balance

From and following the first advance from the Loan Loss Reserve Account (other than Carve-Out charges originated by MEA), FCB shall provide MEA with a monthly summary of transaction activity (including advances and recoveries) within the Loan Loss Reserve Account.

5.05.4 Loan Loss Reserve Account – Early Termination of Program

Should the Parties mutually agree to terminate the Program at any time prior to the end of the Availability Period, the balance of the Loan Loss Reserve shall be reconciled to a coverage amount consistent with the existing proportion of FICO scores of the outstanding funded OBR Loans as established in table 1 and remain in effect until the Loan Loss Reserve Termination Date (the "Remaining Loan Loss Reserve"). Amounts in excess of the Remaining Loan Loss Reserve shall be remitted to MEA.

5.05.5 Loan Loss Reserve Termination Date

The Loan Loss Reserve Account shall remain in effect and available to FCB until the earlier of (i) all collection efforts by FCB have ceased and the Loan Loss Reserve is depleted to a \$0.00 balance, and (ii) until all OBR Loans have been repaid in full (the "Loan Loss Reserve Termination Date"). The CPUC may request the return of any Loan Loss Reserve Funds that have not been committed to an originated loan before January 1, 2015. FCB agrees to cooperate with this return of funds and to provide an account statement showing the status of the fund at that time.

5.05.6 Interest Earned on the Loan Loss Reserve Account

The Loan Loss Reserve Account may be interest bearing so long as such interest bearing account does not violate any applicable regulations. Interest earned on the Loan Loss Reserve Account will be for the benefit of MEA for use in accordance with CPUC requirements.

ARTICLE VI

MISCELLANEOUS

6.01. Modifications to Program

The Parties agree to collaborate on changes that may be required during the Pilot Program or during Full Implementation.

FCB reserves the right to modify the Basic Terms of OBR Loans as may be necessary or deemed appropriate by FCB, provided however, that if FCB determines that the interest rate and maximum term for the OBR Loans may be subject to change, FCB shall give forty-five (45) days' notice of such change to enable MEA to provide comment and to modify any Program

marketing material as appropriate. To the extent MEA does not concur with the proposed change in interest rate, MEA reserves the right to terminate the Program with FCB. Such termination shall not impact any existing OBR Loans.

6.02 Information Security – Delivery of Information

Each Party will take, and include provisions in its contract with its Service Providers to require them to take, all reasonable steps to ensure that any information that is delivered pursuant to this Agreement is delivered in a safe and secure manner so as to protect that information from unauthorized disclosure.

6.03 Confidentiality

(a) Each Party agrees that it shall not use or disclose to any third party including MEA Service Providers, any information that is confidential or proprietary to the other party including, without limitation, such party's business plans and practices, trade secrets, methods, processes or procedures or any other confidential information (collectively, the "Confidential Information") of the other Party which it learns during the course of its performance of this Agreement other than (i) as required by law, regulation, or order of a court or regulatory agency or other authority having appropriate jurisdiction or (ii) to perform its obligations under this Agreement. The Confidential Information may be oral or written or in electronic or tangible form, and all information, unless otherwise indicated, shall be deemed to be confidential. Confidential Information shall not include any information that can be shown through contemporaneous documentation (a) is or becomes publicly known through no fault on the part of the recipient; (b) is, at the time of disclosure, already known to the recipient without obligation restricting disclosure; (c) is, or subsequently becomes, rightfully and without breach of this Agreement, in the recipient's possession without any obligation restricting disclosure; or (d) is independently developed by a recipient without breach of this Agreement or any other agreement, with the recipient bearing the burden of proving such independent development. Any employee to whom the recipient of Confidential Information gives access to any such Confidential Information must have a legitimate "need to know" such Confidential Information and shall be bound in writing to maintain the confidentiality of the Confidential Information under terms and conditions no less stringent than those set forth in this Agreement. Neither Party shall reverse engineer any such Confidential Information of the other Party or, unless expressly permitted in this Agreement, copy the same. Upon termination of this Agreement, each Party shall return all Confidential Information in its possession (including all copies thereof) of the other Party within fifteen (15) days of such termination.

(b) Each Party recognizes and acknowledges that the non-disclosing Party would suffer irreparable injury from the unauthorized use or disclosure of any of its Confidential Information and each Party agrees and acknowledges that the non-disclosing Party shall have the right to obtain injunctive or other equitable relief against the unauthorized use, disclosure or transfer of any of the Confidential Information, as well as the right to pursue all of its other remedies in equity and at law. This Section 6.03 shall survive the termination of this Agreement.

(c) MEA will cause each of its Service Providers to sign nondisclosure agreements pursuant to which each Service Provider will agree to not use or disclose the financial information of an Borrower.

(d) Each Party agrees to notify the other Party within ten (10) business days of any confirmed security breach incident involving the disclosure of confidential, non-public personal customer information to an unauthorized Party, whether the security breach occurred at MEA, FCB, or at one of each Party's Service Providers.

6.04 Reliance among Parties

All information MEA provides to FCB hereunder (including that of MEA Service Providers but excluding confidential information provided within FCB loan applications) other than actual energy savings versus projected energy savings estimated on the Energy Evaluations shall be true, complete and accurate to the best of MEA's knowledge, so that FCB may rely upon its accuracy. MEA shall immediately notify FCB in writing of any change in the accuracy of any information MEA has previously provided to FCB.

6.05 Limitation of Liability

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT. NO PARTY WILL BE LIABLE TO THE OTHER PARTY (NOR TO ANY PERSON CLAIMING RIGHTS DERIVED FROM THE OTHER PARTY'S RIGHTS) FOR INCIDENTAL, INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES OF ANY KIND – INCLUDING LOST REVENUES OR PROFITS, LOSS OF BUSINESS OR LOSS OF DATA – ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PROVIDED HEREUNDER (INCLUDING WITHOUT LIMITATION AS A RESULT OF ANY BREACH OF ANY WARRANTY OR OTHER TERM OF THIS AGREEMENT), REGARDLESS OF WHETHER THE PARTY LIABLE OR ALLEGEDLY LIABLE WAS ADVISED, HAD OTHER REASON TO KNOW, OR IN FACT KNEW OF THE POSSIBLITY THEREOF.

6.06 Communications - Notices

Any notice under this Agreement shall be in writing, and any written notice or other document shall be deemed to have been duly given (i) on the date of personal service on the Parties, (ii) on the third business day after mailing, if the document is mailed by registered or certified mail, (iii) one day after being sent by professional or overnight courier or messenger service guaranteeing one-day delivery, with receipt confirmed by the courier, or (iv) on the date of transmission if sent by telegram, telex, telecopy or other means of electronic transmission resulting in written copies, with receipt confirmed. Any such notice shall be delivered or addressed to the Parties at the addresses set forth below or at the most recent address specified by the addressee through written notice under this provision. Failure to give notice in accordance with any of the foregoing methods shall not defeat the effectiveness of notice actually received by the addressee.

6.07 Amendments

The provisions of this Agreement may be modified at any time by a written agreement signed by all of the Parties.

6.08 Survival – Representations and Warranties

Each representation and warranty contained herein or made pursuant hereto shall be deemed to be material and to have been relied upon, and shall survive the execution and delivery of this Agreement, any investigation at any time made by or on behalf of any Party hereto, and the closing of the transaction.

6.09 No Recourse to Constituent Members of MEA

MEA is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.) pursuant to a Joint Powers Agreement and is a public entity separate from its constituent members. MEA shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. FCB shall have no rights and shall not make any claims, take any actions or assert any remedies against any of MEA's constituent members in connection with this Agreement.

6.10 Entire Agreement

This document, including its exhibits, constitutes the entire agreement between the Parties, all oral agreements being merged herein, and supersedes all prior representations. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the Parties relating to the subject matter of this Agreement that are not fully expressed herein.

6.11 Governing Law

The rights and obligations of the Parties and the interpretation and performance of this Agreement shall be governed by the law of California, excluding its conflict of laws and rules.

6.12 Waiver

Any of the terms or conditions of this Agreement may be waived at any time by the Party entitled to the benefit thereof, but no such waiver shall affect or impair the right of the waiving Party to require observance, performance or satisfaction either of that term or condition as it applies on a subsequent occasion or of any other term or condition.

6.13 Attorneys' Fees; Prejudgment Interest

If the services of an attorney are required by any Party to secure the performance of this Agreement or otherwise upon the breach or default of another Party to this Agreement, or if any judicial remedy or arbitration is necessary to enforce or interpret any provision of this Agreement or the rights and duties of any person in relation thereto, the prevailing Party shall be entitled to reasonable attorneys' fees, costs and other expenses, in addition to any other relief to which such Party may be entitled. Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum amount of interest allowed by law.

6.14 Counterparts

This Agreement may be executed in any number of counterparts with the same effect as if the Parties had all signed the same document. All counterparts shall be construed together and shall constitute one Agreement.

6.15 Severability

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement which can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

6.16. Publicity

Neither Party shall issue or cause to be issued any press release, public announcement or other public statement with respect to the subject matter of this Agreement without the prior written consent of the other Party as to the form, content, and timing of such release.

6.17 Independent Contractors

The Parties shall be considered independent contractors with respect to each other. This Agreement does not authorize either Party to act on behalf of or as the agent of the other Party, and does not create a partnership, joint venture or similar relationship between the Parties, and neither Party shall have the power to obligate or bind the other Party in any manner whatsoever.

6.18 Assignment

No Party may assign this Agreement, in whole or in part, voluntarily or by operation of law, without the prior written consent of the other Party, which consent shall not unreasonably be withheld.

6.19 Arbitration

The Parties agree that any and all disputes arising out of the terms of this Agreement, their interpretation, and any of the matters herein discussed, shall be subject to binding arbitration in Sacramento County before the American Arbitration Association under its Commercial Arbitration Rules. The Parties agree that the prevailing Party in any arbitration shall be entitled to injunctive relief in any court of competent jurisdiction to enforce the arbitration award. The Parties agree that the prevailing Party in any arbitration award. The Parties agree that the prevailing Party in any arbitration shall be awarded its reasonable attorneys' fees and costs. The Parties hereby agree to waive their right to have any dispute between them resolved in a court of law by a judge or jury. The Parties specifically agree that the provisions of Section 1283.05 of the Code of Civil Procedure of the State of California are incorporated into, made a part of, and made applicable to any arbitration pursuant to this Section 6.19. The arbitration shall be conducted by a single arbitrator. The arbitration also will be subject to the following agreed terms:

6.19.1 After written notice of a potential claim by a Party, each Party will have thirty (30) days to submit the names of one or more proposed arbitrators.

6.19.2 The Parties will then have ten (10) days to agree upon the arbitrator based upon the names proposed.

6.19.3 If the Parties cannot agree upon the arbitrator, either Party will have fifteen (15) days to file a motion or petition with a Superior Court in the State of California, in and for the County of Sacramento for the sole purpose of having the court designate the arbitrator.

6.19.4 To the extent applicable in civil actions in California courts, the following shall apply and be observed: all rules of pleading (including the right of demurrer), all rules of evidence, all rights to resolution of the dispute by means of motions for summary judgment, judgment on the pleadings, and judgment under Code of Civil Procedure Section 631.

6.19.5 Resolution of the dispute shall be based solely upon the evidence and the law governing the claims and defenses pleaded, and the arbitrator may not invoke any basis other than such controlling law, including but not limited to, notions of "just cause."

6.19.6 The arbitrator shall not award punitive damages.

6.20 Insurance

During the term of this Agreement, each Party shall maintain in full force and effect such insurance as is maintained by other entities engaged in similar businesses in the same general geographic area as the applicable Party, including comparable coverage amounts and deductibles.

ARTICLE VII.

DEFINITIONS

Adverse Change. A material adverse change occurs in the Borrower's financial condition, or Lender believes the prospect of payment or performance of the Note with FCB is impaired.

Applicant. Any Borrower who submits an Application for an OBR Loan with FCB pursuant to the Program.

Application. A loan request form prepared by FCB available to Borrowers to apply for financing of the energy efficiency measures set forth in the Energy Audit.

Availability Period. The earlier of a) the date which is two years from the funding date of the first OBR Loan made under the Program or b) December 31, 2014.

Borrower. Any Applicant who is approved by FCB in its sole discretion for an OBR Loan pursuant to the Program.

Carve-Out. A portion of the Loan Loss Reserve not to exceed \$5,000.00 for use as provided in Section 5.02.

Contractor. A licensed general contractor engaged by Borrower and in possession of all certifications necessary to complete the Scope of Work in accordance with the Energy Audit.

CPUC. California Public Utilities Commission

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Cure Provisions. If any default, other than a default in payment is curable and if Borrwer has not been given a notice of a breach of the same provision of the Note with FCB within the preceding twelve (12) months, it may be cured if Borrower, after Lender sends written notice Borrower demanding cure of such default: (1) cures the default within ten (10) days; or (2) if the cure requires more than ten (10) days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of

any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this note or perform Borrower's obligations under this note or any of the related documents.

Defaulted OBR Payment. Any payment due pursuant to a PGE Billing Statement that includes the OBR Loan Payment, the PGE Energy Amount and the MCE Energy Amount, and which is not paid when due unless it is a Corrected Bill as defined in Section 5.01.1.

Energy Amount. The amount due and payable to PGE by a Borrower for energy related costs and expenses, which include fees and charges.

Energy Audit. A written report prepared by a certified Building Performance Institute (BPI) Building Analyst or a certified Whole House Home Energy Rating System (HERS) professional which includes a comprehensive evaluation, proposal and line item summary of energy efficiency measures submitted upon the request of a Borrower. The Energy Audit includes the estimated Rebate Amount and is provided to Borrowers to assess potential savings and understand the estimated costs associated with such measures.

Energy Project. The project as outlined in the Energy Audit and Scope of Work form executed by the Borrower and consistent with eligible measures as defined by MEA and included in Exhibit I.

Environmental Default. Failure of any party to comply with or perform when due any term, obligation, covenant or conditions contained in any environmental agreement executed in connection with any loan.

Event of Default. A violation of a payment term, covenant or other condition of the Loan Documents as defined in section 2.02(j).

Events Affecting Guarantor. Any of the defined default events in section 2.02 (j) occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by the Note with FCB.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Full Implementation. The period from the end of the Pilot Program to the date that is eighteen (18) months from the last day of the Pilot Program.

Insecurity. Lender in good faith believes itself insecure.

Insolvency. The dissolution or termination of Borrwer's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrowers property, any

assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Late Payment Notification. A notice sent by MEA on behalf of FCB notifying a Borrower of a delinquent OBR Loan Payment substantially in the form of Exhibit F.

Loan Commitment. Loan Commitment is determined by the combination of the Active Loan Loss Reserve amount and the mix of FICO scores on the OBR loans.

Loan Documents. Documents prepared by FCB obligating the Borrower to repay indebtedness issued in connection with the Program.

Active Loan Loss Reserve Account. A deposit account established to hold reserves controlled by FCB.

Loan Loss Reserve Termination Date. The date as defined in Section 5.05.5.

MEA Systems. Systems of record established by MEA or its Service Provider capturing Borrower and OBR Loan information including billing and payment processing.

MEA Reserve Account. Reserve funds not yet designated to the Active Loan Loss Reserve Account.

MCE. Marin Clean Energy - the energy program provided by MEA.

MCE Charges: Charges for electricity generation provided to customers of the MCE program.

NES. Noble America's Energy Solutions; a Service Provider of MEA.

OBR Loan. A financial accommodation to a Borrower issued by FCB in connection with the Program.

OBR Loan Payment. The scheduled loan payment due and payable to FCB in connection with an OBR Loan which includes, principal, interest, fees and charges.

Other Defaults. Borrower fails to comply with or perform any other term, obligations, convenant or fondition contained in the Note or in any of the related documents with FCB, or to comply with or to perform any term, obligation, convenant or condition contained in any other agreement between Lender and Borrower.

Payment Default. Borrower fails to make any payment when due under the Note with FCB.

PGE. Pacific Gas & Electric Company.

PGE Billing Statement. The monthly energy billing statement produced by PGE detailing energy usage and costs associated with such usage; the MCE charges for the PGE Billing Statement is processed by NES on behalf of MEA.

Pilot Program. During the Availability Period, the date which is six (6) months from the funding date of the first OBR Loan made under the Program.

Pro-Rata Sharing of Payments. The method for determining the pro-rata allocation of payments between the amount due under an OBR Loan and the Energy Amount due from a Borrower as provided in Section 5.01.3.

Project Completion. The date on which all work is completed by the Contractor in accordance with the Scope of Work and Energy Audit.

Project Consultant. A Service Provider of MEA; any consultant engaged by MEA to provide services on behalf of MEA related to the Program including assessment and preparation of the Energy Audit, review and inspection of project progress reports, requests for approval to changes to Scope of Work, and certification of project completion.

Rebate Amount. The amount of the Energy Project that is subject to refund by the CPUC as outlined on the Energy Audit.

Service Provider. Any associated person, company or other entity directly or indirectly contracted by or related to either party for goods or services offered in connection with the delivery and ongoing maintenance of the Program.

Scope of Work. The work to be done under a contract or agreement prepared and signed by a licensed contractor engaged by an Borrower to complete work as proposed in the Energy Audit and consistent with eligible measures as defined in Exhibit I.

Termination Date. The date on which all OBR Loans are repaid in full or terminated to the satisfaction of FCB.

FCB:

FIRST COMMUNITY BANK

MEA:

MARIN ENERGY AUTHORITY

By:	By:
Its:	Its:
Address:	Address:
Fax No.: (916)	Fax No.: ()

DRAFT DOCUMENT

EXHIBIT A – CERTIFICATE OF COMPLETION

Date of Certificate:
Borrower Name:
Property Address:
Date of Energy Audit:
Date of Scope of Work:
Estimated Contractor Cost:
Final Contractor Cost:
Rebate Amount:
Rebate Amount Assigned to Contractor:YesNo
Were there any changes to the Scope of Work provided by the Contractor: YesNo
If Yes – Explain:
Dollar cost change:
Description of change:
Date of Final Inspection:

The undersigned Program Manager, Auditor and Marin Energy Authority do hereby certify that the above referenced energy project (the "Project") has been completed to the full satisfaction of the undersigned and in accordance with the Energy Audit and Scope of Work. There are no outstanding obligations incumbent upon the Contractor or Borrower. We attach the following in connection with this Certification:

- 1) Executed Borrower-Contractor Affidavit (notarized); and
- 2) Executed Unconditional Waiver and Release on Progress payment.

DRAFT DOCUMENT

This Certificate is issued to First Community Bank in connection with the MCE On-Bill Repayment Program with the understanding and knowledge that First Community Bank will rely on this information in providing loan funds to the above referenced Borrower.

By:	Date:
By: Program Manager	
By:	Date:
Auditor	
By:	Date:
By: Marin Energy Authority	

EXHIBIT B – BORROWER/CONTRACTOR AFFIDAVIT

Under penalty of perjury, the undersigned Borrower and General Contractor do hereby swear, certify and affirm that:

- General Contractor was engaged to perform improvements to property located at:
 <u>in accordance with a Scope of Work</u>
 <u>dated ______</u> for a contract amount equal to: \$ ______.
- 2) General Contractor has completed all work as agreed to the full satisfaction of Borrower.
- 3) There is no unfinished work or claims by either Borrower or General Contractor against each other.
- 4) Borrower has executed an assignment of the Rebate Amount equal to \$ ______ to General Contractor to satisfy that portion of the Scope of Work.
- 5) Borrower will pay to General Contractor the balance due under the Scope of Work through loan proceeds, with said proceeds paid directly to General Contractor.
- 6) Contractor has executed a Conditional Waiver and Lien Release and Unconditional Waiver and Release which shall be effective as of the date of receipt of the loan proceeds.
- 7) There are no silent or written agreements, claims or disputes between Borrower and General Contractor.

Attested to this day, the _____ of _____, 201___

By:

Borrower (insert full name)

By:

General Contractor (insert full name)

EXHIBIT C - LOAN INFORMATION NOTICE

CONFIDENTIAL

From:	First Community Bank
	Loan Servicing Department

To: Marin Energy Authority Noble America's Energy Solutions

Re: New Borrower Notice MCE On-Bill Repayment Program

Date:

Please accept this notice as authorization to add the following information to the On-Bill Repayment Program:

_____ New Borrower

_____ Change to Existing Borrower

Borrower Name:

Reference Number: XXXXX-1234

Funding Date:

Total Payment Due:

First Payment Date:

Term:

Monthly Payment:

Authorized by:

Date:

EXHIBIT D – OBR LOAN CORRECTION NOTICE

PLEASE NOTE THAT A CORRECTION IS REQUIRED FOR THE FOLLOWING OBR LOAN CUSTOMER:

BORROWER NAME:

BORROWER REFERENCE NUMBER:

REPORT DATE:

THE CORRECTION IS REQUIRED IN THE FOLLOWING FIELD:

- OUTSTANDING OBR LOAN BALANCE SHOULD BE CHANGED FROM: TO:
- CURRENT OBR LOAN PAYMENT SHOULD BE CHANGED FROM: TO:
- DELINQUENT AMOUNT SHOULD BE CHANGED FROM: TO:
- o LATE FEES: \$

OTHER:

AUTHORIZED BY:

DATE:

EXHIBIT E – NOTICE OF LOAN LOSS RESERVE ADVANCE

From: First Community Bank

Loan Servicing Department

- To: Marin Energy Authority
- Re: Defaulted OBR Loan

Date:

Please be advised that First Community Bank will be advancing \$______ from the Loan Loss Reserve Account effective as of ______ (Date) for the following Borrower:

Borrower Name:

Reference Number: XXXXX-1234

Date Last Payment Received:

Next Payment Due Date:

Total Delinquent Payments: \$

Other costs:

Comment: (describe collection efforts)

Authorized by:

Date: ____

(First Community Bank)

EXHIBIT F – FORM OF LATE PAYMENT NOTIFICATION

NOTICE OF PAST DUE PAYMENT – IMMEDIATE ACTION REQUIRED

Page 34 of 41



Dawn Weisz Executive Officer

Damon Connolly Chair City of San Rafael

Kathrin Sears Vice Chair County of Marin

Bob McCaskill City of Belvedere

Alexandra Cock Town of Corte Madera

Larry Bragman Town of Fairfax

Len Rifkind City of Larkspur

Ken Wachtel City of Mill Valley

Denise Athas City of Novato

Tom Butt City of Richmond

Carla Small Town of Ross

Ford Greene Town of San Anselmo

Ray Withy City of Sausalito

Emmett O'Donnell Town of Tiburon

781 Lincoln Avenue Suite 320 San Rafael, CA 94901

NOTICE OF OVERDUE PAYMENT: IMMEDIATE ACTION REQUIRED

[INSERT DATE]

[INSERT NAME] [INSERT ADDRESS LINE 1] [INSERT ADDRESS LINE 2]

Electric Account Service ID [INSERT SAID#] at [INSERT ADDRESS]

Our records indicate that your payment for Electric Account Service ID [INSERT SAID#] is overdue. Our records also indicate that this account is participating in the On-Bill Repayment program offered by MCE in partnership with First Community Bank. Under the terms of the OBR Loan documents, failure to pay the full amount due as provided on your monthly PG&E Billing Statement may result in a delinquency to both your OBR Loan and your PG&E Bill. If full payment has already been made or a payment arrangement has been established, thank you, and please disregard this notice.

If, however, your account is still outstanding, we ask that full payment of your PG&E bill be made by [INSERT DATE]. Making this payment by [INSERT DATE] will ensure you remain a customer of MCE and will avoid late fees and penalty charges per the terms of your agreement with First Community Bank. Please see the reverse page for payment options.

When you review your bill you will notice that MCE only charges for generating your electricity while PG&E charges for the transmission and delivery of your electricity. MCE's charge for generation replaces what PG&E would charge you for generation. There are no duplicate charges. You will also notice a line item labeled "On-Bill Repayment Charge." This is your loan charge, which is due to First Community Bank and collected on your energy bill. Failure to pay this charge may result in a default on your loan.

Please note: This is the only reminder you will receive. Should you fail to make your payment in full, your service from MCE will be suspended and your electric generation service will be returned to PG&E. If your electric account is returned to PG&E, your loan with First Community Bank will be considered in default as provided in your loan documents.

Additionally, If you are returned to PG&E's electric generation service, PG&E will prohibit you from returning to MCE for one year and will enroll you in their Transitional Bundled Commodity Cost (TBCC) rate program, whose rates and terms may vary from PG&E's standard bundled rates. For information about PG&E's TBCC program, please contact PG&E at 1-866-743-0335.

If you think you are receiving this notice in error, you have questions about your bill, or you are experiencing financial hardship and wish to discuss possible payment options, please contact MCE Customer Service at 1-888-632-3674, Monday to Friday between 7 A.M. and 7 P.M. For questions about your On-Bill Repayment charge only, please contact First Community Bank at (707) 636-XXXX.

PAYING YOUR ELECTRIC BILL

Payment can be made at any of PG&E's local offices, at pay stations, by mail, by phone, or online.

By Phone:

To pay by phone using an ATM/debit card with STAR, ACCEL, PULSE or NYCE symbol or by electronic check, call 1-866-735-7742 at any time. You will be charged a small convenience fee for each transaction. PG&E will determine how payments are applied.

Online:

To pay online, sign up for e-bills at www.pge.com.

By Mail: To pay by mail send payment to:

PG&E 750 Lindaro St, STE 160 San Rafael CA 94901

In Person:

To pay in person go to any PG&E local office or pay station.

Things to remember when paying in person:

- Credit cards payments may be made over the phone by calling PG&E at 1-866-735-7742 and are not accepted as a payment method in person.
- You may pay by cash, check or money order in person.
- Bring your bill or 11 digit account number with you.
- Retain the receipt for your records (you will need this if you call PG&E about your payment).
- Payments made by 5:00 P.M. post to your account on the same day.

Marin Payment Locations:

Marin Energy Authority | 781 Lincoln Avenue, Suite 320 | San Rafael, CA 94901 | (888) 632-3674 | mceCleanEnergy.com

PG&E OFFICE AND DROP BOX	CHUBIS STORE*
750 Lindaro Street, Suite 160	801 4th Street, San Rafael, CA
San Rafael, CA	
SUPERMERCADO MI TIERRA*	MARIN CHECK CASHING*
175 Belvedere Street	9 Vivian Way, San Rafael, CA
San Rafael, CA	
MARIN CHECK CASHING*	North Bay Check Cashing*
638 4th Street, San Rafael, CA	926 Grant Avenue, Novato, CA

*Authorized Neighborhood Payment Centers are stores or other places of business where you can pay your PG&E bill.

EXHIBIT G – SCHEDULE OF MEA SERVICE PROVIDERS

- PGE Pacific Gas and Electric (provide brief description of relationship)
- NES Noble America's Energy Solutions
- Project Consultants (list and describe roles)

EXHIBIT H – CUSTOMER DISCLOSURE AND CERTIFICATION

You have applied for a loan with First Community Bank to finance certain energy efficiency improvements using the MCE On-Bill Loan Program to facilitate the payments of your On-Bill Repayment Loan (the "OBR Loan").

This On-Bill Repayment Certification and Consent Form will be included in your executed loan documents with First Community Bank.

<u>Please read this information carefully as it contains important information regarding the</u> <u>OBR Loan.</u>

NOTICE:

- 1) Monthly installment payments to your OBR Loan will be included as a separate line item on your monthly [PG&E][MEA]Billing Statement;
- 2) The OBR Loan installment payment is a separate obligation from your agreement and obligations with [PG&E][MEA].
- 3) Failure to pay your monthly PG&E Billing Statement, which includes both the [PG&E][MEA]amounts due and the OBR Loan payment due, in full each month <u>can</u> <u>result in a short or delinquent payment to your OBR Loan.</u>
- 4) If you become delinquent on any portion of an OBR Loan or a [PG&E][MEA], <u>all future</u> payments will be applied on a pro-rated basis between the OBR Loan and the [PG&E][MEA] portion of the billing statement.
- 5) First Community Bank may bill you separately for any delinquent or late charges due, these amounts are due and payable even if they are not included on the PGE Billing Statement.
- 6) If you are not delinquent and choose to repay your OBR Loan in full before the anticipated final installment, this payment must be made directly to First Community Bank.
- 7) Your OBR Loan will be immediately due in payable in full if any of the following conditions occur: 1) You sell the property to which the improvements are made, 2) You no longer participate in MCE's [Program], 3) The information provided in obtaining the OBR Loan was fraudulent and/or 4) You default under any term or condition of your OBR Loan.
- 8) The purpose of the OBR Loan is to fund energy efficient improvements as provided on a project summary energy audit (the "Energy Audit"); you will be required to notify First Community Bank immediately upon the discovery of any condition during installation or construction that would alter or increase the costs provided in the Energy Audit.

CONSENT

- 1) I HAVE READ AND UNDERSTOOD THE INFORMATION IN THIS DOCUMENT;
- 2) I HEREBY AUTHORIZE [PGE-MEA] TO SHARE MY PGE INFORMATION WITH FIRST COMMUNITY BANK
- 3) I HEREBY AUTHORIZE FIRST COMMUNITY BANK TO SHARE INFORMATION WITH [MEA-PGE]
- 4) I UNDERSTAND THAT IF MY PAYMENTS ARE DELINQUENT, THAT A DELINQUENCY COULD OCCUR UNDER OBLIGATIONS TO BOTH [PGE-MEA] AND FIRST COMMUNITY BANK

I UNDERSTAND THAT I MUST NOTIFY FIRST COMMUNITY BANK OF ANY INCREASED COSTS ASSOCIATED WITH THE SCOPE OF THE WORK APPROVED BY FIRST COMMUNITY BANK. FIRST COMMUNITY BANK IS UNDER NO OBLIGATION TO FUND THE OBR LOAN IF THE INCREASED COSTS ARE NOT COVERED BY SOURCES OUTSIDE OF THE OBR LOAN. Agenda Item #6 SF OBR Prog. Agrmnt, Att. A: FCB-MEA Op Agrmnt

First Community Bank's FAQ's for Marin Clean Energy Loans

What is the "OBR" loan program?

- An "OBR" loan is a Marin Clean Energy "MCE" On-Bill Repayment Loan
- OBR loans are originated and funded by First Community Bank

What are the terms of the loan program?

- Minimum loan amount of \$2,500.00; maximum loan amount of \$30,000.00
- Fixed rate of 6.50%
- 5 or 10 year term determined based on the scope of work being performed.
- Fully amortized monthly principal and interest payments
- Monthly billing included on your current PG&E billing
- Annual statements will be mailed directly by First Community Bank

What are the costs associated with the loan?

- Non-refundable application fee of \$50.00 is collected with your application and covers administrative costs to process your application including credit report and property report fees.
- Documentation fee of \$150.00 is collected at consummation of the loan and at your option may be financed into the loan.
- Late fees may apply

How do I apply?

- Complete a First Community Bank Loan Application
- Pay the \$50.00 non-refundable loan fee

How do I qualify for the First Community Bank Loan?

- Borrower or Borrowers must have a minimum FICO score of 640
- A title search is performed to verify your home ownership
- Property taxes must be current

If I am approved for the loan, what next?

- You will receive a written communication from FCB notifying you of your loan approval
- Work is completed at your home. MCE will notify FCB when your project is complete and forward the necessary notices to the Bank.
- Once the work is confirmed, your loan documents are prepared and arrangements are made for you to sign the loan documents.

What if the actual project costs change compared to my original loan amount?

- If the funds needed to complete the project are lower than the loan amount approved, the final loan amount will be adjusted when your loan documents are prepared. You will only repay the total amount paid for the improvements.
- If the loan amount approved is not sufficient to cover the total amount of the improvements, you will have the following options:
 - Pay for the increase with your own resources;
 - Cancel the loan request; or
 - Request an increase to the loan amount.
- Note: if the total costs are with 5% of the original loan amount, there will be no adjustments made to the loan.

First Community Bank's FAQ's for Marin Clean Energy Loans

How do I receive my loan funds?

- Once your loan documents are signed, the Bank will fund your loan within XX business days.
- You will have the choice of receiving your loan funds by check, wire, or direct deposit to a FCB deposit account.
- In most cases the loan funds will be paid directly to the contractor who performs your work, unless otherwise specified

What if I want to pre-pay or make extra payments on my loan?

- <u>ALL</u> payments in excess of the exact amount billed on your PG&E billing statement <u>MUST</u> be made directly to FCB.
- Excess amounts paid directly to PG&E will be credited to your PG&E account, and will not be allocated to your loan.
- Pre-payments are made without any penalty to you.
- These payments can be made to FCB at the following address or any branch location:
 - o First Community Bank, 438 First Street, Santa Rosa, CA 95401
 - See FCB's website for branch locations: <u>www.fcbconnect.com</u>
- If you want to pay your loan in full, please contact FCB's Loan Operation Department at (707) 636-9060 for a payoff quote. Please note that the payoff figure will vary daily based on payments received and the amount of interest that is accrued.

What if I have questions about my loan?

- Questions regarding your loan are made directly to First Community Bank.
- You can contact the Bank by phone or e-mail
 - o Loan Operations Department (707) 636-9060 or (800) xxx-xxxx
 - loanhelp@fcbconnect.com



Consumer Loan Application Marin Clean Energy On-Bill Loan Program

Type of Credit:

Appropriate Box

MCE On-Bill Loan Program

Include a copy of your most recent PG&E monthly billing statement with this application.	
--	--

Loan Amount Requested:	\$ Loan Purpose:

IMPORTANT: Read these Directions before completing this Application Check If you are applying for an individual account in your na

If you are applying for an individual account in your name and are relying on your own income or assets and not the income or assets
of another person as the bais for repayment of the credit requested, complete only Sections A and D.

Home Improvement

If you are applying for a joint account or an account that you and another person will use, complete all Sections, providing
information in B about the joint applicant or user.
We intend to apply for joint credit.

Applicant	Co-Applicant
If you are applying for an individual account, but are relying on income	from alimony, child support, or separate maintenance or on
the income or assets of another person as the basis for repayment of the	credit requested, complete all Sections to the extent possible
providing information in B about the person on whose alimony, support	, or maintenance payments or income or assets you are
relying.	

If you would like to be contacted via e-mail in association with this loan request, please provide your e-mail address:

Section A – Information Regarding Applican	ıt			•			
Full Name (Last, First, Middle):					Date of Birth	1:	
Home Address:					Yrs. There:		
City:	State:	Zip Cod	le:		Home Phone	:	
Social Security No.:	Driver's Lice	nse No.:					
Previous Home Address:					Yrs. There:		
City:	State:	Zip Cod	le:				
Present Employer:			Yrs. There:		Work Phone	:	
Position ot Title:			Name of Superviso	or:	I		
Employer's Address:		City:	I			State:	Zip Code:
Previous Employer:					Yrs. There:		
Previous Employer Address:	*	City:			I	State:	Zip Code:
Present net salary or commission: \$ per					No. Depende	ents:	Ages:
Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation. Alimony, child support, separate maintenance received under: court order written agreement or al understanding							
Other Income: \$ per				Source(s	s) of other inco	ome:	
Is any income listed in the Section likely to be reduced in the next two years? Yes (Explain in detail on a separate sheet) No							
Have you ever received credit from us? Yes No When?: Type:							
Checking Account No.:	Institution and Branch:						
avings Account No.: Institution and Branch:							
Name of nearest relative not living with you:		1				Telephone:	
Relationship:	Address:						



Marin Clean Energy On-Bill Loan Program

Section B – Information Regarding Joint Applicant, User, or Other Party (Use separate sheets if necessary.)							
Full Name (Last, First, Middle):			Date of	Birth:			
Relationship to Applicant (if any):							
Home Address:			Yrs. Th	ere:			
City: Sta	ate: Zip Co	de:	Home	Home Phone:			
Social Security No.: Dri	iver's License No.:						
Previous Home Address:			Yrs. Th	ere:			
City: Sta	tte: Zip Coo	le:					
Present Employer:		Yrs. There:	Work P	hone:			
Position ot Title:		Name of Supervis	or:				
Employer's Address:	City:	1		State:	Zip Code:		
Previous Employer:			Yrs. Th	ere:			
Previous Employer Address:	City:			State:	Zip Code:		
Present net salary or commission: \$ per			No. Dej	pendents:	Ages:		
Alimony, child support, or separate maintenance income n Alimony, child support, separate maintenance received under:			e it considered as a] oral understanding		this obligation.		
Other Income: \$ per			Source(s) of other	r income:			
Is any income listed in the Section likely to be reduced in the Yes (Explain in detail on a separate sheet)	next two years?						
Have you ever received credit from us? Yes No	When?:		Туре:				
Checking Account No.:	Institution an	d Branch:					
Savings Account No.:	Institution an	d Branch:					
Name of nearest relative not living with you: Telephone:							
Relationship: Address:							
Section C – Marital Status							
Applicant: 🗌 Married 🗌 Separated 🗍 Unmarried	l (includes single divorce	d and widowed)					
Applicant: Married Separated Unmarried (includes single, divorced, and widowed) Other Party: Married Separated Unmarried (includes single, divorced, and widowed)							
		, ,	should be sounds	4 .]	ation about both		
Section D – Asset and Debt Information (If Secti The Applicant and Joint Applicant, J was not completed only give inform	User, or Other Person	. Please mark Aj	oplicant-related in				
was not completed, only give information about the Applicant in this Section.) ASSETS OWNED (use separate sheet if necessary)							
Description of Assets	Value		ubject to Debt? Yes/No	Name(s) of Owner(s)		
Cash	\$						
Automobiles (Make, Model, Year)	\$						
	<i>*</i>						
Cash Value of Life Insurance (Issuer, Face Value)	\$						



Marin Clean Energy On-Bill Loan Program

		has been completed, this Sec						
Cont. The Applicant and a	Joint Applicant, User	, or Other Person. Please man	k Applica	nt-related	information	with an "A". If	Section B	
		about the Applicant in this S	ection.)					
ASSETS OWNED (use separate sheet	if necessary)							
				to Debt?				
Description of Ass	ets	Value	Yes/No		Name(s) of Owner(s)			
Real Estate (Location, Date Acquired)		\$						
Marketable Securities (Issuer, Type, No. o	\$							
Other (List)		\$						
Total Assets		\$						
OUTSTANDING DEBTS (Include ci	harge accounts, installme	nt contracts, credit cards, rent, mo	rtgages, etc.	Use separat	te sheet if neces	ssary)		
	Type of Debt or				Present	Monthly	Past Due?	
Creditor	Acct. No.	Name in Which Acct. Carried	Orig	inal Debt	Balance	Payments	Yes/No	
1. (Landlord or Mortgage Holder)	Rent Payment Mortgage		\$		\$	\$		
2.			\$		\$	\$		
3.			\$		\$	\$		
4.			\$		\$	\$		
5.			\$		\$	\$		
6.			\$		\$	\$		
Total Debts			\$		\$	\$		
Are you a co-maker, endorser, or guarantor on any loan or contract?	Yes No	If yes, for whom?		To W	hom?			
Are there any unsatisfied judments against you?	☐ Yes ☐ No	Amount:		If yes	, to whom owe	d?		
Have you been declared bankrupt in the				If yes, where? Year				
last 14 years?								
Other Obligations – (E.g., liability to pay	alimony, child support, sp	pearate maintenance. Use separate	sheet if nec	essary.)				
Acknowledgement and Agreement:		-						
The undersigned acknowledge and certify that all	of the information you have	provided, or will provide, in conjunction	with this app	blication is true	and complete. Y	ou authorize First Con	mmunity Bank to	
obtain any and all information necessary to process and investment balances; and, if applicable, an app								
returns, employment verification, and income veri					ineraaling (

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Applicant's Signature

Date

In person Phone Mail

Other Signature (Where Applicable)

Date:

Information for Government Monitoring Purposes

The following information is requested by the federal government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are nor required to furnish this information, but are encouraged to do so. You may select one or more designations for "Race". The law provides that a lender may not discriminate on the basis of this information, or on whether you choose to furnish it. However, if you choose not to furnish the information and you have made this application in person, under federal regulations the lender is required to note ethnicity, race, and sex on the basis of visual observation or surname. If you do not wish to furnish the information, please check below.

APPLICANT I do not wish to furnish this information.	CO-APPLICANT I do not wish to furnish this information.				
Ethnicity: Hispanic or Latino Not Hispanic or Latino	Ethnicity: 🔲 Hispanic or Latino 🔲 Not Hispanic or Latino				
Race: American Indian or Asian Black or African American	Race: American Indian or Asian Black or African American				
Alaskan Native	Alaskan Native				
☐ Native Hawaiian or ☐ White	□ Native Hawaiian or □ White				
Other Pacific Islander	Other Pacific Islander				
Sex: Female Male	Sex: 🗌 Female 🔲 Male				
BANK USE ONLY:					

Date Received:



Marin Clean Energy On-Bill Loan Program

CUSTOMER DISCLOSURE AND CERTIFICATION

You have applied for a loan with First Community Bank to finance certain energy efficiency improvements using the MCE On-Bill Loan Program to facilitate the payments of your On-Bill Repayment Loan (the "OBR Loan").

This On-Bill Repayment Certification and Consent Form will be included in your executed loan documents with First Community Bank.

Please read this information carefully as it contains important information regarding the OBR Loan.

NOTICE:

- 1) Monthly installment payments to your OBR Loan will be included as a separate line item on your monthly [PG&E][MEA]Billing Statement;
- 2) The OBR Loan installment payment is a separate obligation from your agreement and obligations with [PG&E][MEA].
- 3) Failure to pay your monthly PG&E Billing Statement, which includes both the [PG&E][MEA]amounts due and the OBR Loan payment due, in full each month *can result in a short or delinquent payment to your OBR Loan*.
- 4) If you become delinquent on any portion of an OBR Loan or a [PG&E][MEA], *all future payments will be applied on a pro-rated basis between the* <u>OBR Loan and the [PG&E][MEA] portion of the billing statement</u>.
- 5) First Community Bank may bill you separately for any delinquent or late charges due, these amounts are due and payable even if they are not included on the PGE Billing Statement.
- 6) If you are not delinquent and choose to repay your OBR Loan in full before the anticipated final installment, this payment must be made directly to First Community Bank.
- 7) Your OBR Loan will be immediately due in payable in full if any of the following conditions occur: 1) You sell the property to which the improvements are made, 2) You no longer participate in MCE's [Program], 3) The information provided in obtaining the OBR Loan was fraudulent and/or 4) You default under any term or condition of your OBR Loan.
- 8) The purpose of the OBR Loan is to fund energy efficient improvements as provided on a project summary energy audit (the "Energy Audit"); you will be required to notify First Community Bank immediately upon the discovery of any condition during installation or construction that would alter or increase the costs provided in the Energy Audit.

CONSENT:

- 1) I HAVE READ AND UNDERSTOOD THE INFORMATION IN THIS DOCUMENT;
- 2) I HEREBY AUTHORIZE [PGE-MEA] TO SHARE MY PGE INFORMATION WITH FIRST COMMUNITY BANK
- 3) I HEREBY AUTHORIZE FIRST COMMUNITY BANK TO SHARE INFORMATION WITH [MEA-PGE]
- 4) I UNDERSTAND THAT IF MY PAYMENTS ARE DELINQUENT, THAT A DELINQUENCY COULD OCCUR UNDER OBLIGATIONS TO BOTH [PGE-MEA] AND FIRST COMMUNITY BANK

I UNDERSTAND THAT I MUST NOTIFY FIRST COMMUNITY BANK OF ANY INCREASED COSTS ASSOCIATED WITH THE SCOPE OF THE WORK APPROVED BY FIRST COMMUNITY BANK. FIRST COMMUNITY BANK IS UNDER NO OBLIGATION TO FUND THE OBR LOAN IF THE INCREASED COSTS ARE NOT COVERED BY SOURCES OUTSIDE OF THE OBR LOAN.

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Applicant's Signature

Date

Other Signature (Where Applicable)

Date:

Agenda Item #6, SF OBR Prog. Agrmnt, Att. D: MCE Sample Loan Docs

First Community Bank PROMISSORY NOTE

Principa \$20,000.		Maturity 09-26-2023	Loan No 123456	Cail / Coll	Account	Officer CM	Initials
Reference Borrower:	es in the boxes above are Any ite Marin Energy User	for Lender's use o m above containin	g "***" has been omit	ed due to text leng	s document to any par th limitations. mmunity Bank	rticular loan o	r item.
Denomon	123 Main Street San Rafael, CA 94901			Santa R 438 Fir	osa Main Office st Street losa, CA 95401		

Principal Amount: \$20,000.00

Date of Note: July 30, 2013

PROMISE TO PAY. I ("Borrower") promise to pay to First Community Bank ("Lender"), or order, in lawful money of the United States of America, the principal amount of Twenty Thousand & 00/100 Dollars (\$20,000.00), together with interest on the unpaid principal balance from September 15, 2013, calculated as described in the "INTEREST CALCULATION METHOD" paragraph using an interest rate of 6.500%, until paid in full. The interest rate may change under the terms and conditions of the "INTEREST AFTER DEFAULT" section.

PAYMENT. I will pay this loan in 119 payments of \$228.49 each payment and an irregular last payment estimated at \$228.05. My first payment is due October 26, 2013, and all subsequent payments are due on the same day of each month after that. My final payment will be due on September 26, 2023, and will be for all principal and all accrued interest not yet paid. Payments include principal and interest. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; and then to any unpaid collection costs. I will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

INTEREST CALCULATION METHOD. Interest on this Note is computed on a 365/360 basis; that is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding. All interest payable under this Note is computed using this method.

PREPAYMENT. I agree that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be refunded to me upon early payment (whether voluntary or as a result of default), except as otherwise required by law. Except for the foregoing, I may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve me of my obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in my making fewer payments. I agree not to send Lender payments marked "paid in full", "without recourse", or similar language. If I send such a payment, Lender may accept it without losing any of Lender's rights under this Note, and I will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or as full satisfaction of a disputed amount must be mailed or delivered to: First Community Bank, 438 First Street Santa Rosa, CA 95401.

INTEREST AFTER DEFAULT. Upon maturity, whether scheduled or accelerated by Lender because of my default, the interest rate on this Note shall, if permitted under applicable law, immediately increase by 5.000 percentage points.

DEFAULT. I will be in default under this Note if any of the following happen:

Payment Default. I fail to make any payment when due under this Note.

Break Other Promises. I break any promise made to Lender or fail to perform promptly at the time and strictly in the manner provided in this Note or in any agreement related to this Note, or in any other agreement or loan I have with Lender.

False Statements. Any representation or statement made or furnished to Lender by me or on my behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished.

Death or Insolvency. Any Borrower dies or becomes insolvent; a receiver is appointed for any part of my property; I make an assignment for the benefit of creditors; or any proceeding is commenced either by me or against me under any bankruptcy or insolvency laws.

Taking of the Property. Any creditor or governmental agency tries to take any of the property or any other of my property in which Lender has a lien. This includes taking of, garnishing of or levying on my accounts with Lender. However, if I dispute in good faith whether the claim on which the taking of the property is based is valid or reasonable, and if I give Lender written notice of the claim and furnish Lender with monies or a surety bond satisfactory to Lender to satisfy the claim, then this default provision will not apply.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any guarantor, endorser, surety, or accommodation party of any of the indebtedness or any guarantor, endorser, surety, or accommodation party dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance under this Note and all accrued unpaid interest immediately due, and then I will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if I do not pay. I will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. I also will pay any court costs, in addition to all other sums provided by law.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of California.

CHOICE OF VENUE. If there is a lawsuit, | agree upon Lender's request to submit to the jurisdiction of the courts of Sonoma County, State of California

COLLATERAL. This loan is unsecured.

DUE ON SALE. Borrower agrees that this loan is immediately due and payable in full if any of the following conditions occur: (a) the Borrower sells the property on which the clean energy improvements were made; (2) the Borrower no longer participates in MCE's [program]; (3) the information provided in obtaining this loan was fraudulent; or (4) Borrower defaults under any term or condition of this loan.

PROMISSORY NOTE (Continued)

BILLING. Borrower agrees that the monthy principal and interest payment for this loan will be billed on their monthly PG&E billing statement. Borrower understands that all amounts they wish to pay above and beyond the exact amount billed by PG&E must be paid directly to First Community Bank, Attn: Loan Operations, 438 First Street, CA 95401.

CUSTOMER DISCLOSURE AND CERTIFICATION. See Exhibit A, which is attached to this Promissory Note and made part of this Promissory Note as if fully set forth herein.

DEFINITIONS. The following words shall have the following meanings when used in this Promissory Note or any other related documents:

FCB. The acronym "FCB" means First Community Bank.

MCE . The acronym "MCE" means Marin Clean Energy.

MEA . The acronym "MEA" means Marin Energy Authority.

OBR. The acronym "OBR" means On-Bill Repayment Loan.

PG&E or PGE. These acronyms "PG&E" or "PGE" mean Pacific Gas and Electric.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon me, and upon my heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. I may notify Lender if Lender reports any inaccurate information about my account(s) to a consumer reporting agency. My written notice describing the specific inaccuracy(ies) should be sent to Lender at the following address: First Community Bank 438 First Street Santa Rosa, CA 95401.

GENERAL PROVISIONS. If any part of this Note cannot be enforced, this fact will not affect the rest of the Note. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. I and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive any applicable statute of limitations, presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several. This means that the words "I", "me", and "my" mean each and all of the persons signing below.

PRIOR TO SIGNING THIS NOTE, I READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. I AGREE TO THE TERMS OF THE NOTE.

I ACKNOWLEDGE RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

Marin Energy User

Loan No: 123456

LASER PRO Lending Ver. 13 2 20 010 Copr Herland Financial Solutions Inc. 1997 2013 All Rights Reserved. - CA HARLAND/CFRLPL/020 FC TR-2205 PR-81

EXHIBIT A - CUSTOMER DISCLOSURE AND CERTIFICATION

Principa \$20,000.		Maturity 09-26-2023	Loan No 123456	Call / Coll	Account	Officer CM	Initials
Reference	s in the boxes above are Any iter		only and do not limit the g "***" has been omit			cular loan or	item.
Borrower:	Marin Energy User 123 Main Street San Rafael, CA 94901		Len	Santa Ro 438 Firs	nmunity Bank osa Main Office t Street osa, CA 95401		

You have applied for a loan with First Community Bank to finance certain energy efficiency improvements using the MCE On-Bill Loan Program to facilitate the payments of your On-Bill Repayment Loan (the "OBR Loan").

NOTICE:

Monthly installment payments to your OBR Loan will be included as a separate line item on your monthly [PG&E][MEA]Billing Statement;

The OBR Loan installment payment is a separate obligation from your agreement and obligations with [PG&E][MEA].

Failure to pay your monthly PG&E Billing Statement, which includes both the [PG&E][MEA]amounts due and the OBR Loan payment due, in full each month can result in a short or delinguent payment to your OBR Loan.

If you become delinquent on any portion of an OBR Loan or a [PG&E][MEA], all future payments will be applied on a pro-rated basis between the OBR Loan and the [PG&E][MEA] portion of the billing statement.

First Community Bank may bill you separately for any delinquent or late charges due, these amounts are due and payable even if they are not included on the PGE Billing Statement.

If you are not delinquent and choose to repay your OBR Loan in full before the anticipated final installment, this payment must be made directly to First Community Bank.

Your OBR Loan will be immediately due in payable in full if any of the following conditions occur: 1) You sell the property to which the improvements are made, 2) You no longer participate in MCE's [Program], 3) The information provided in obtaining the OBR Loan was fraudulent and/or 4) You default under any term or condition of your OBR Loan.

The purpose of the OBR Loan is to fund energy efficient improvements as provided on a project summary – energy audit (the "Energy Audit"); you will be required to notify First Community Bank immediately upon the discovery of any condition during installation or construction that would alter or increase the costs provided in the Energy Audit.

CONSENT:

I HAVE READ AND UNDERSTOOD THE INFORMATION IN THIS DOCUMENT;

I HEREBY AUTHORIZE [PGE-MEA] TO SHARE MY PGE INFORMATION WITH FIRST COMMUNITY BANK

I HEREBY AUTHORIZE FIRST COMMUNITY BANK TO SHARE INFORMATION WITH [MEA-PGE]

I UNDERSTAND THAT IF MY PAYMENTS ARE DELINQUENT, THAT A DELINQUENCY COULD OCCUR UNDER OBLIGATIONS TO BOTH [PGE-MEA] AND FIRST COMMUNITY BANK.

BORROWER:

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Marin Energy User

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DISCLOSURE STATEMENT

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$20,000.00		09-26-2023	123456			CM	
References in the	e boxes above are Any iter	for Lender's use or m above containing	nly and do not limit t g "***" has been om	ne applicability of this itted due to text lengt	document to any p h limitations.	particular loan or	item.
123	i Energy User Main Street Rafael, CA 94901		Le	Santa Ro 438 Firs	nmunity Bank Isa Main Office t Street Isa, CA 95401		· · · · · ·
ANNUAL PER RATE The cost of my or yearly rate.		FINANCE CH/ The dollar amour will cost me.	nt the credit T	mount Financed ne amount of credit rovided to me or on m ehalf.	y The a after	I of Payment mount I will hav I have made all ents as scheduk	e paid
6.815%		\$7,618.36	\$	19,800.00	\$27,	418.36	
				id finance charges, a			
I will look at my c scheduled date, and	contract document I prepayment refur n a completed cop	ts for any additior nds.	nal information abou	id finance charges, an nonpayment, defaul 30, 2013, prior to sign	t, any required re		
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I will look at my c scheduled date, and I read and was give BORROWER: X	er Amount paid \$19,850.0 Total Finance Note Principa Prepaid Finan Financed: \$150.0 In Cash:	ts for any addition nds. y of this Disclosure to others on my be 00 to Joe Contract of Prepaid Finance I: nce Charges:	e Statement on July mount Financed ehalf: or Charges: \$15 Fee	temization \$20,00 \$19,8 \$19,8 \$20,0 \$20,0 \$2	t, any required re ning the Note. 50.00 50.00		



DISBURSEMENT REQUEST AND AUTHORIZATION

Principa \$20,000.		Loan Date 07-30-2013	Maturity	Loan No 123456	Call	/ Coll	Account	Officer CM	Initials
Reference	es in the	boxes above are f Any iten	for Lender's use or n above containing	ly and do not limit the "***" has been omit	e applicat ted due t	oility of this of this of this of the text length	document to any par n limitations.	ticular loan oi	r item.
Borrower:	123 N	Energy User lain Street afael, CA 94901		Ler	nder:	Santa Ro 438 First	nmunity Bank sa Main Office Street sa, CA 95401		

LOAN TYPE. This is a Fixed Rate (6.500%) Disclosable Loan to an Individual for \$20,000.00 due on September 26, 2023.

PRIMARY PURPOSE OF LOAN. The primary purpose of this loan is for:

Personal, Family, or Household Purposes or Personal Investment.

Business (Including Real Estate Investment).

SPECIFIC PURPOSE. The specific purpose of this loan is: Marin Clean Energy Home Improvement Loan.

DISBURSEMENT INSTRUCTIONS. I understand that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$20,000.00 as follows:

Amount paid to others on my behalf: \$19,850.00 to Joe Contractor	\$19,850.00
Total Financed Prepaid Finance Charges: \$150.00 Documentation Fee	\$150.00
Note Principal:	\$20,000.00
CHARGES PAID IN CASH. I have paid or will pay in cash as agreed the following charges:	
Prepaid Finance Charges Paid in Cash: \$50.00 Non-Refundable Application Fee	\$50.00

Total Charges Paid in Cash:

FINANCIAL CONDITION. BY SIGNING THIS AUTHORIZATION, I REPRESENT AND WARRANT TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN MY FINANCIAL CONDITION AS DISCLOSED IN MY MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED JULY 30, 2013.

\$50.00

BORROWER:

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Marin Energy User



438 First Street Santa Rosa, CA 95404 / Phone: (707) 636-9060 / Fax: (707) 636-9135

September XX, 2013

Marin Energy User 123 Main Street San Rafael, CA 94901

Re:Marin Clean Energy On-Bill Loan ProgramProperty Address:123 Main Street, San Rafael, CA 94901

Dear Mr. User:

First Community Bank ("FCB") is pleased to inform you that you have been approved for a Marin Clean Energy ("MCE") Loan in the amount of \$30,000.00.

MCE and the Project Consultant will notify FCB when your project has been completed. At that time, your loan documents will be prepared and you will be contacted to arrange a signing date and time. Once your documents have been executed, FCB will fund your loan within XX business days. In most cases the loan funds will be paid directly to the contractor who performs your work, unless otherwise specified.

In the event this loan amount is not sufficient to cover the cost of your home improvements, you must immediately notify FCB. You will have the following options: (a) pay for the increase with your own resources; (b) cancel this loan request; or (c) request an increase to the loan amount. Failure to promptly notify FCB may result in a cancellation of this obligation.

In the event this loan amount exceeds the actual cost of your home improvements, the loan amount may be adjusted to the lower amount.

This letter serves as evidence of your loan approval, and is good through __(3-4 months?)__. If this loan is not originated by this date, we will regrettably have to withdraw your loan request. This loan may only be used for home improvements completed under the MCE On-Bill Loan Program. Please feel free to contact me direct at (707) 636-9053 or toll free at (800) xxx-xxxx should you have any questions.

Sincerely,

Cindy McConnell SVP/Loan Administrator



Dawn Weisz Executive Officer

Damon Connolly Chair City of San Rafael

Kathrin Sears Vice Chair County of Marin

Bob McCaskill City of Belvedere

Sloan C. Bailey Town of Corte Madera

Larry Bragman Town of Fairfax

Len Rifkind City of Larkspur

Ken Wachtel City of Mill Valley

Denise Athas City of Novato

Tom Butt City of Richmond

Carla Small Town of Ross

Ford Greene Town of San Anselmo

Ray Withy City of Sausalito

Emmett O'Donnell Town of Tiburon

781 Lincoln Avenue Suite 320 San Rafael, CA 94901

1 (888) 632-3674 mceCleanEnergy.com

Marin Energy Authority Board of Directors Meeting Thursday, September 5, 2013 7:00 P.M.

San Rafael Corporate Center, Tamalpais Room 750 Lindaro Street, San Rafael, CA 94901

Agenda – Page 1 of 2

- 1. Board Announcements (Discussion)
- 2. Public Open Time (Discussion)
- 3. Report from Executive Officer (Discussion)
- 4. Consent Calendar
 - C.1 7.11.13 Board Meeting Minutes
 - C.2 Monthly Budget Report
 - C.3 Approved Contract Update
 - C.4 Update to MCE Electric Vehicle Rate
 - C.5 Administrative Updates to JPA Agreement
- 5. Charles F. McGlashan Advocacy Award (Discussion/Action)
- 6. MEA Audited Financials 2012-2013 (Discussion)
- 7. Energy Efficiency Single Family OBR Program Operating Agreement (Discussion/Action)
- 8. Energy Efficiency Update (Discussion)



Agenda material can be inspected in the Marin County Sheriff's lobby, located at 3501 Civic Center Drive, San Rafael, CA 94903. The meeting facilities are in accessible locations. If you are a person with a disability and require this document in an alternate format (example: Braille, Large Print, Audiotape, CD-ROM), you may request it by using the contact information below. If you require accommodation (example: ASL Interpreter, reader, note taker) to participate in any MEA program, service or activity, you may request an accommodation by calling (415) 464-6032 (voice) or 711 for the California Relay Service or by e-mail at djackson@mceCleanEnergy.com not less than **four work days** in advance of the event.

- 9. MCE Power Source Disclosure Report (Discussion/Action)
- 10. PG&E Bill Redesign (Discussion)
- 11. Appointment of Chair, Vice Chair, Treasurer and Secretary Positions (Discussion/Action)
- 12. Appointment of Members to Executive Committee (Discussion/Action)
- 13. Regulatory Update (Discussion)
- 14. Board Member and Staff Matters (Discussion)
- 15. Adjourn