

NOTICE TO BORROWER
Green Jobs – Green New York On-bill Recovery Program

You are about to enter into a loan transaction to pay for energy efficiency improvements to your home or business (the “**Property**”). You will be required to repay the loan through payments for a special charge on your periodic electric and/or gas utility bill. If your electric and/or gas service is terminated or suspended for any reason, however, the current property owner will be billed directly by the New York State Energy Research and Development Authority (“**NYSERDA**”) or its loan servicer, no sooner than thirty (30) days after account closure or suspension, for each installment due under the loan until you re-establish service or service is established by a successor customer. In relation to this transaction, you should be aware of the following:

Effect of Failure to Pay

The on-bill recovery charge will be billed by your utility company and failure to pay such on-bill recovery charge by the due date indicated on your bill may result in your having your electricity and/or gas service terminated for non-payment. If you are a residential customer of the utility, the utility is required to follow the requirements of Article 2 of the Public Service Law with respect to termination of service. If your electricity and/or gas service is terminated and then subsequently restored, you will be billed a reconnection fee by your utility company in accordance with your utility’s applicable rate schedule approved by and on file with the New York Public Service Commission. If you fail to pay a bill issued directly by NYSERDA or its loan servicer by the due date indicated, it will result in late payment charges of 1.5% being assessed on any unpaid principal and interest. You may also be subject to a collection fee charge by your utility company as authorized by the Public Service Commission and if your payment to your utility company is returned due to insufficient funds, you may be charged a fee by your utility company as authorized by the Public Service Commission.

Your Monthly Energy Costs

While the energy efficiency improvements being made to your home or business are designed to reduce your energy costs, incurring this loan to undertake these energy efficiency projects may not result in lower monthly energy costs over time, based on additional factors that contribute to monthly energy costs.

Consumer Complaints and Inquiries

The program is operated by NYSERDA and it is the sole responsibility of NYSERDA to handle consumer inquiries and complaints related to the operation and lending associated with the program. Attached is a copy of NYSERDA’s Process for Submission and Resolution of Customer Complaints. Should you have a complaint about the energy efficiency work performed in your home or business or about your on-bill recovery charge, you may contact NYSERDA by telephone at 1-866-NYSERDA (697-3732), by e-mail at nyserdaloan@nyserda.org, or by mail at 17 Columbia Circle, Albany, New York, 12203.

Notice to Prospective Purchaser of the Property

If you are the owner of the property, prior to any sale of the Property, or rental of the Property where a tenant will become the utility customer with primary meter account responsibility regarding electric and/or gas utility service, you must provide written notice to the prospective purchaser or tenant or the prospective purchaser’s or tenant’s agent, stating as follows: “This property is subject to a Green Jobs-Green New York on-bill recovery charge”. Such notice shall also state the total amount of the original charge, the payment schedule and the approximate remaining balance, a description of the energy efficiency services performed, including improvements to the Property, and an explanation of the benefit of the Green Jobs-Green New York qualified energy efficiency services, and information concerning the collection of information as set forth below. Such notice shall be provided prior to accepting a purchase or lease offer.

Collection of Information

By accepting this loan, you agree to authorize the utility company named in your application to provide to NYSERDA, upon request, information on your energy usage. You also agree to authorize other utilities and other retail energy suppliers to provide NYSERDA, upon request, information on other sources of energy used in the Property. All information collected by NYSERDA will be kept confidential and will be used exclusively for the purposes of evaluating the cost-effectiveness of the on-bill recovery program on an on-going basis.

Declaration With Respect to Property

Upon entering into this loan transaction, the owner of the Property will be required to execute a declaration which will cover the Property and be recorded in the public real estate records. This declaration would not represent a mortgage, lien or security interest on the property but would provide notice to others of the obligations under this loan transaction.

NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

On-Bill Recovery Mechanism

Process for Submission and Resolution of Customer Complaints

In the Power New York Act of 2011 (Chapter 388 of the Laws of 2011) the New York State Energy Research and Development Authority (“**NYSERDA**”) was directed to establish an on-bill recovery mechanism to provide loans to customers for certain energy efficiency improvements and allow for such loans to be repaid through customers’ utility bills (the “**NYSERDA Loan Installment**”). This document is intended to set forth procedures for the submission and resolution of customer complaints related to the energy efficiency improvements performed or loan installment payments being billed by utilities as part of the on-bill recovery mechanism.

1. Submission of Complaints

Complaints concerning the operation of the on-bill recovery mechanism, including complaints concerning the amount of the NYSERDA Loan Installment, any energy efficiency work performed by the contractor, the amount of energy savings realized as a result of the improvements, or matters associated with the lender and/or the loan should be addressed to NYSERDA On-Bill Recovery Complaints and submitted by: (a) mail to 17 Columbia Circle, Albany, New York 12203; (b) e-mail to nyserdaloan@nyserda.org; or (c) phone through the toll-free number 1-866-697-3732.

2. Investigation of Complaints

Upon receipt of a complaint, NYSERDA staff will log in the complaint, open a complaint file and commence an investigation. NYSERDA staff may request further information from the customer, or from the contractor that performed the energy efficiency work. If information is required from the utility, NYSERDA may ask the customer to sign a letter authorizing the utility to release the required information to NYSERDA. If the customer refuses to sign such a letter, the complaint may be dismissed. NYSERDA staff may order an inspection of the premises. A customer making a complaint is responsible for responding to any requests for information and for arranging access for inspections. Failure to respond to such requests within a reasonable time may result in dismissal of the complaint.

3. Initial Decision on Complaint

When necessary information has been obtained and reviewed, a member of NYSERDA’s staff will make an initial decision on the complaint based on his or her findings, applicable State laws, NYSERDA program rules and guidance, Public Service Commission rules, regulations, orders and opinions, and utility tariffs.

NYSERDA staff shall provide a written decision to the customer, which will explain NYSERDA’s actions and if applicable, the actions of its contractors and participating program contractors, and will include copies of any bills, statements, field reports, documents, or other information that it relied upon in reaching a decision on the merits of the complaint. The written decision will inform the customer of the decision, the reasons for the decision and what actions must be, or may be, taken by NYSERDA, the customer, the contractor, or the utility. As necessary, the contractor will be notified of the decision and any action that the contractor must undertake. The utility will also be notified of the decision.

4. Appeals

Within 15 days of receipt by mail or e-mail of a written initial decision resolving the complaint, the customer may appeal the decision to NYSERDA’s Vice President for Operations and Energy Services by filing a written appeal by mail to 17 Columbia Circle, Albany, New York 12203. An appeal must be based on one or more of the following grounds: (a) the initial decision is based upon a mistake in the facts or in

the interpretation of the applicable laws, rules, regulations, or guidance; (b) facts or evidence presented during the investigation was not considered, resulting in an unfavorable decision; or (c) new facts or evidence, not available at the time of the initial investigation, have become available which would have affected the initial decision on the complaint. NYSEDA's Vice President for Operations and Energy Services will render a decision on the appeal in writing and will send a copy to the customer by mail.

5. Continuation of Service while a Complaint is under Review

(a) Upon receipt of a complaint, NYSEDA will notify the customer's utility and will request that the utility not disconnect service based on NYSEDA Loan Installment amounts that have been billed and not paid and are in dispute, until any appeal is decided or the time to appeal has expired.

(b) In order to continue service during the time a complaint or an appeal of an initial decision is pending, the customer may be required to pay any amount that is not in dispute. Upon receipt of the complaint, NYSEDA staff will make a reasonable estimate to establish the disputed amount.

(c) Until the complaint is finally resolved, the customer will continue to receive bills from the utility that include the full NYSEDA Loan Installment amounts. Upon receipt of such bills, the customer must contact NYSEDA to update the disputed amount as needed.

(d) Upon final resolution of the complaint, NYSEDA will determine whether the customer is entitled to any credits or other relief from the NYSEDA Loan Installment amounts previously billed, and/or any adjustments to future NYSEDA loan installment amounts. Depending on such determination, the customer may be required to pay the amount in dispute in full or in part, or such amount may be determined to be not due and owing. Such requirement shall not take effect until fifteen (15) days after the final determination is rendered.

6. Complaint Files

(a) NYSEDA shall maintain the complaint file at one of its offices. It will contain all information in NYSEDA's possession relating to the complaint.

(b) Customers or their authorized representatives may look at and copy complaint files concerning cases regarding their own complaints. NYSEDA may charge for copying in accordance with the fees permitted under the Freedom of Information Law.

(c) Complaint files shall be kept for at least one (1) year after a case is closed.