HERO Financing Program™ Application

P: 855-HERO-411 **A**: 16409 W. Bernardo Drive, San Diego, CA, 92127 **E:** info@renovateamerica.com

The Missouri Clean Energy District (the "District") HERO Program (the "Program") finances installation of renewable energy and energy efficient improvements ("Eligible Products") that are permanently fixed to a property owner's real property ("Property"). The cost of the purchase and installation of Eligible Products (the "Project Cost") will be financed upon the signing of an assessment contract ("Assessment Contract") between the District and the property owner(s) (collectively, the property owner(s) shall be referred to herein as the "Property Owner," "you" or "your"). The District has retained Renovate America, Inc. ("Renovate America" or "Program Administrator") to facilitate the Program, and you will see this name throughout the Program materials. The District and Renovate America are referred to collectively herein as "Program Administrator."

Property Owner Acknowledgments

You are applying for HERO Program financing. By signing this application (the "Application"), you hereby declare under penalty of perjury under the laws of the State of Missouri all of the following:

1. That the information provided in this Application is true and correct as of the date set forth opposite your signature on the Application and that you understand that any intentional or negligent misrepresentation(s) of the information contained in this Application may result in civil liability and/or criminal penalties including, but not limited to, liability for monetary damages to the District, its agents, or successors and assigns, insurers and any other person who may suffer any loss due to reliance upon any misrepresentation which you have made in this Application, or both.

2. You understand that it is your responsibility to receive, read and understand all documents comprising the Program, which, in addition to information on the Program website, include the following:
   a. This Application;
   b. Privacy Notice;
   c. Assessment Contract; and
   d. Program Handbook.

   You have had an opportunity to speak with Program representatives and your legal counsel on any questions you have regarding the documents listed above. You are also aware that Property owners are encouraged to consult with legal counsel or a tax professional of their choice before entering into an Assessment Contract.

3. You have the authority, without the consent of any third party, to execute and deliver this Application, the Assessment Contract, and the various other documents and instruments referenced herein.

4. You understand that the financing provided pursuant to the Assessment Contract will be a lien levied against the Property. You understand that such assessment lien will be recorded by the District against the Property in the real estate records of the county recorder of deeds upon execution of the Assessment Contract and will be repayable through regular installments over the term of the Assessment Contract. The property tax bill (which include the assessment payments) for the Property will increase by the amount of these assessment installment payments. The Assessment Contract will specify the total amount of the assessment, the assessment installments and the interest on the assessment to be collected on the property tax bill for the Property each year during the term specified in the Assessment Contract. The annual special assessments and the interest and any penalties thereon will constitute a lien against the Property until they are paid. As with all taxes and other assessment liens, this lien will be senior to all existing and future private liens against the Property, including mortgages, deeds of trust and other security instruments.

5. If you have obtained or are in the process of obtaining another property assessed clean energy (PACE) financing from a non-HERO PACE program as of the date of this Application or any time before your HERO project is complete, you will notify the Program as part of your Application process (or at such other time before your HERO project is complete) and will provide all relevant information requested by the Program in order to determine if you have met the applicable underwriting requirements.

6. The property taxes for your Property have not been paid late more than once in the past three (3) years or since the purchase of your Property, whichever period is shorter.

7. Your HERO Program financing will not be used to finance any equipment that is not an Eligible Product on the Program's Eligible Product List or approved as a custom product by the Program.

Disclosures

The following describes some (but not all) characteristics and risks of participation in the Program as well as laws to which the Program is subject. A full understanding of any item listed below can be gained only by reviewing the relevant laws, policy statements, and/or the contractual documents related to the Program. The Program Administrator is available to answer questions regarding the items listed below before you enter into an Assessment Contract, and invites you to ask Program representatives any questions regarding these items or if you need copies of any document related to the Program.

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1. Program Disclosures and Disclaimers.

a. **Existing Mortgage.** The Program establishes the manner by which the District may finance, pursuant to Sections 67.2800 through 67.2835, of the Revised Statutes of Missouri, as amended, the installation of Eligible Products. Eligible Products will be financed pursuant to an Assessment Contract between you and the District.

BEFORE COMPLETING A PROGRAM APPLICATION, YOU SHOULD CAREFULLY REVIEW ANY MORTGAGE AGREEMENT(S) OR OTHER SECURITY INSTRUMENT(S) WHICH AFFECT THE PROPERTY OR TO WHICH YOU AS THE PROPERTY OWNER ARE A PARTY. ENTERING INTO A PROGRAM ASSESSMENT CONTRACT WITHOUT THE CONSENT OF YOUR EXISTING LENDER(S) COULD CONSTITUTE AN EVENT OF DEFAULT UNDER SUCH AGREEMENTS OR SECURITY INSTRUMENTS. DEFAULTING UNDER AN EXISTING MORTGAGE AGREEMENT OR SECURITY INSTRUMENT COULD HAVE SERIOUS CONSEQUENCES TO YOU, WHICH COULD INCLUDE THE ACCELERATION OF THE REPAYMENT OBLIGATIONS DUE UNDER SUCH AGREEMENT OR SECURITY INSTRUMENT. IN ADDITION, FANNIE MAE AND FREDDIE MAC, THE OWNER OF A SIGNIFICANT PORTION OF ALL HOME MORTGAGES, STATED THAT THEY WOULD NOT PURCHASE HOME LOANS WITH ASSESSMENTS SUCH AS THOSE OFFERED BY THE DISTRICT. THIS MAY MEAN THAT PROPERTY OWNERS WHO SELL OR REFINANCE THEIR PROPERTY MAY BE REQUIRED TO PREPAY SUCH ASSESSMENTS AT THE TIME THEY CLOSE THEIR SALE OR REFINANCING.

If your lender requires an impound for your property taxes, please consider notifying them of the annual assessment payment amount so they can adjust your impound amount.

b. **Foreclosure.** After January 1st of each year, the District or the county collector shall have the right to have such delinquent special assessment, penalties and interest immediately enforced through a foreclosure action or a land tax sale that could result in a sale of the Property for the payment of such delinquent special assessment, penalties, interests and associated costs.

c. **Program Administration Fee.** At the time of closing, the District will charge you a one-time program administration fee of 5.21% of the Project Cost to cover the cost of administering the Program. This fee will be included in the principal amount of the assessment.

d. **Recording Fee and One-Time Assessment Administration Fee.** At the time of closing, the District will pass-through the assessment recording fee of approximately $90.00 to you to cover the costs of recording the assessment, which will be added to the assessment amount. At the time of closing, a one-time assessment administration fee of $35.00 will be also be added to the assessment amount.

e. **Ongoing Assessment Administration Fee and Tax Collection Administration Fee.** Each year, an annual assessment administration fee will be added to the assessment lien amount on your property tax bill. This fee is currently $35.00, but is subject to increase to an amount not to exceed $65.00. Each year, an annual tax collection administration fee may also be added to the assessment lien amount on your property tax bill. This fee is collected by your local county tax collector as part of the ordinary tax collection process, and generally ranges between 1.5%–2% of the annual assessment payment amount (depending upon the county where the Property is located), but is subject to change in subsequent years. However, the tax collection administration fee may exceed this estimate. The Program does not determine or guarantee the amount of the fee, which may vary by year depending upon the county where the Property is located. Please contact your local county tax collector for more information.

f. **Interest Before First Payment.** Interest will be added to your assessment amount for the period between the date funds are disbursed to your contractor and April 1st of the year in which you make your first assessment payment. The maximum amount of interest will be disclosed in your financing documents. Depending on the date the assessment is recorded on your property, your first assessment payment may not be due until the following tax year.

g. **Automated Valuation Model Disclosure.** You have the right to a copy of the automated valuation model (AVM) report used in connection with your application for credit. If you want to obtain a copy, please email or write to us at the address we have provided. We must hear from you no later than 90 days after we provide you with a notice of the action taken on your application or a notice of incompleteness, or in the case of a withdrawn application, 90 days after the withdrawal. An AVM is not an appraisal. It is a computerized property valuation system that is used to derive a real property value.

h. **Prepayment.** You have the option to pay off your assessment amount at any time in full, or in any amount of at least $2,500. A prepayment is calculated to include the principal amount of the assessment to be prepaid (Assessment Prepayment Amount) and interest on the Assessment Prepayment Amount to the second business day of the second month following the date the prepayment is made.

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i. **No Endorsement, Warranty or Liability.** The District, Renovate America, Inc., and the Program do not endorse any manufacturer, contractor, product, or system, or in any way warranty such equipment, installation, or the efficiency or production capability of any equipment. The District, Renovate America, Inc. and the Program make no representations and have no responsibility regarding the equipment and its installation, including the quality, safety, cost savings, efficiency or production capability of any equipment; or any compliance of the equipment or its installation with any applicable laws, regulations, codes, standards or requirements. You are responsible for verifying that all equipment installed is either on the Program's Eligible Product List or approved as a custom product by the Program. Further, the District, Renovate America, and the Program shall not be in any way liable for any incidental or consequential damages resulting from the equipment or its installation.

j. **Validation.** The Program may validate that installed Eligible Products meet Program eligibility requirements including requiring the applicant to provide additional sales receipts, contractor invoices, home improvement contracts, serial numbers or other identifying details, portions of packages or stickers originally attached to the installed Eligible Products beyond what the Program already requires to be provided. The Program reserves the right to perform independent on-site validation(s) of any Eligible Products financed by the Program even if permit inspections have already been completed. If a validation visit is required, Program staff will schedule any such on-site validation visit with the Property Owner, at any reasonable time and with reasonable notice. In addition, the Program reserves the right to perform online monitoring of any installed renewable energy systems' generation data, if applicable, as well the tracking of energy consumption impacts and utility usage for any installed/financed product via property utility bill data. You, by submitting this application, consent to any such onsite validations, online monitoring, and utility bill energy usage analysis. By submitting this application, you also agree to sign the authorization form to participate in utility billing energy usage analysis to measure Program impact savings and participant satisfaction.

k. **Additional Homeowner Information Disclosure.** Please see the HERO Website Privacy Policy for additional information on disclosure practices.

l. **Property Transfers, Notice, and Acknowledgement.** To the extent required by applicable law, the Property Owner hereby agrees to provide written notice of the obligation to pay the assessment pursuant to an Assessment Contract to any subsequent purchaser or transferee of the Property or any interest therein, including any subdivision of the Property, at or before the time of sale or transfer of the Property. Property Owner understands and acknowledges that the assessment, and obligation to pay the assessment pursuant to such Assessment Contract, runs with the land and, upon sale or transfer of the Property or any interest therein, any subsequent owner or transferee shall be required to pay the assessment pursuant to such Assessment Contract. If a subsequent owner or transferee fails to pay the assessment pursuant to such Assessment Contract, then the provisions of this Contract, including the "Foreclosure" provision listed above, shall apply to the subsequent owner or transferee's interest in the Property to the extent permitted by law. Property Owner further understands and acknowledges that a subsequent purchaser or transferee, or any interested party to the sale or transfer (such as a lender), may require as a condition of sale or transfer, that the assessment be paid in full prior to sale or transfer. Information regarding assessment prepayment can be found in the Assessment Contract.

m. **Contractor Fee.** CONTRACTORS THAT HAVE REGISTERED WITH THE PROGRAM HAVE AGREED NOT TO CHARGE YOU A DIFFERENT AMOUNT FOR A HOME IMPROVEMENT PROJECT IF YOU FINANCE THAT PROJECT THROUGH THE PROGRAM INSTEAD OF PAYING FOR THE PROJECT WITH CASH.

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2. Legal Disclosures

a. **Communications with Legal Advisers.** If you have any questions about any agreements or security instruments which affect the Property or to which you are a party, or about your authority to execute the Program Application or enter into an Assessment Contract with the District without the prior consent of your existing lender(s), the Program strongly encourages you to consult with your own legal counsel and your lender(s). Program staff cannot provide you with advice about existing agreements or security instruments.

b. **Monitoring and Recording Telephone Calls.** The Program may monitor or record telephone calls for security and customer service purposes. By applying for HERO Financing, you consent to have any phone conversations with the Program recorded or monitored.

c. **Terms for Electronic Transactions and Records.**
By signing this Application, you hereby agree as follows: (A) you have read the consent in this subsection (c); (B) you consent to use electronic signatures and Records; (C) you have the necessary hardware and software to view and print copies of Records and additional communications online and to receive Records and communications that we send to you; and (D) your consent applies to every Record, as defined here, that we may send you during our business relationship unless you revoke your consent.

i. Definitions. For purposes of this subsection (c), the following definitions apply:
"Records" means all documents related to Program financing and all other communications or information related to the product or service you obtain with us.

ii. Scope of Consent. You consent to conduct transactions that occur prior to and after executing application electronically, use electronic signatures and Records, and receive electronic mail (email) and electronic communication with respect to these transactions and Records regarding your account, instead of receiving them in paper or by regular mail. Your consent will be effective unless you withdraw it in the manner provided below. The Program may provide Records to you electronically by posting them online or by email, which may include attachments or embedded links.

iii. How to Update Your Contact Information. You agree to provide the Program with your accurate email address (if available) and personal contact information and to promptly notify the Program of any changes. You can update your information (including your email address) by contacting the Program at 855-HERO-411.

iv. Obtaining Paper Copies. You may obtain a paper copy of a Record by printing it from your computer or by contacting the Program at 855-HERO-411. The Program may charge you a reasonable service charge for providing you with a paper copy of any Record. The request for a paper copy of a Record will not by itself constitute a withdrawal of your consent to receive Records electronically. The Program reserves the right, but is not required, to send a paper copy of any Record you authorize the Program to provide electronically.

v. Withdrawing Consent. You may at any time withdraw your consent to receive Records electronically, and instead elect at any time to use the U.S. Postal Service to obtain Records, by updating your profile information through your online account or by contacting the Program at 855-HERO-411. The Program will not impose any fee if you withdraw your consent to receive Records electronically, but communications between you and the Program will be slower. If you withdraw your consent to receive Records electronically, such withdrawal will not apply to Records that were furnished by the Program to you electronically before the date on which the withdrawal of your consent takes effect.

vi. Hardware and Software Requirements. In order to use Electronic Transactions and Records you need to have an electronic device that supports the use of Microsoft Internet Explorer 7.0 or higher, Mozilla Firefox 3.5 or higher, Chrome, Safari 5.0 or higher, or an equivalent. You also need hardware as necessary to support this software, including, without limitation, an electronic device using a Windows 98, NT, 2000, ME XP, Vista or 7 operating system that supports 128-bit encryption, sufficient storage space to save copies of your Records, a modem with internet access, and a printer if you wish to print paper copies. You will need a screen resolution of minimum 800 x 600 and a program that can view, save and print PDF files (such as Adobe Reader 6.0 or higher). Please save and print a copy of these Terms for Electronic Transactions and Records to confirm that you have the required hardware and software to conduct electronic transactions with us.

d. **Telephone Communications Consent.** By providing the Program Administrator with a telephone number, including a number that you later convert to a mobile device number, you are expressly consenting to receiving communications—including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system—from the Program Administrator and its affiliates and agents at that number. This express consent applies to each such telephone number that you provide to the Program Administrator now or in the future. Calls and messages may incur access fees from your mobile services provider. You understand that you may revoke your express consent by informing the Program Administrator that you no longer wish to receive prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system from the Program Administrator.

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Arbitration Agreement

Please read this Section ("Arbitration Agreement") carefully. It is part of this Application and affects your rights. It contains A JURY TRIAL WAIVER and procedures for MANDATORY BINDING ARBITRATION AND A CLASS ACTION WAIVER.

a. Arbitration Agreement. Before asserting a claim against Renovate America in any proceeding, you agree that you shall engage in a good faith attempt to resolve the claim. All claims and disputes between you and Renovate America that cannot be resolved informally or in small claims court shall be resolved by binding arbitration on an individual basis under the terms of this Arbitration Agreement. This Arbitration Agreement applies to you (including any of your successor(s) in interest) and Renovate America (including any of Renovate America's parents, subsidiaries, affiliates, agents, privities, employees, predecessors, successors, assigns, registered contractors and sub-contractors).

b. Waiver of Jury Trial. YOU HEREBY WAIVE THE CONSTITUTIONAL AND STATUTORY RIGHTS TO GO TO COURT AND HAVE A TRIAL IN FRONT OF A JUDGE OR A JURY, instead electing that all claims and disputes shall be resolved by arbitration under this Arbitration Agreement. Arbitration procedures are typically more limited, more efficient and less costly than rules applicable in court and are subject to very limited review by a court.

c. Arbitration Rules. The Federal Arbitration Act governs the interpretation and enforcement of this dispute resolution provision. Arbitration shall be initiated through JAMS, Inc., an established alternative dispute resolution provider ("ADR Provider"). If the selected ADR Provider is not available to arbitrate, Renovate America shall select an alternative ADR Provider. The rules of the ADR Provider shall govern all aspects of this arbitration, except to the extent such rules are in conflict with this Application or to the extent that application of this Application provisions would result in the unenforceability of this Arbitration Agreement. The JAMS rules governing the arbitration are available online at www.jamsadr.com or by calling JAMS at 1-800-352-5267. Any arbitration hearing will be held in your federal judicial district. Any judgment on the award rendered by the arbitrator may be entered in any court of competent jurisdiction.

d. Decision of Arbitrator. The arbitrator shall issue a written award and statement of decision describing the essential findings and conclusions on which the award is based. The arbitrator has the same authority to award relief on an individual basis that a judge in a court of law would have. The award of the arbitrator is final and binding upon the Property Owner and Renovate America.

e. Waiver of Class or Consolidated Actions. ALL CLAIMS AND DISPUTES WITHIN THE SCOPE OF THIS ARBITRATION AGREEMENT MUST BE ARBITRATED ON AN INDIVIDUAL BASIS AND NOT ON A CLASS BASIS, AND ARBITRATION CLAIMS OF MORE THAN ONE PROPERTY OWNER CANNOT BE ARBITRATED OR LITIGATED JOINTLY OR CONSOLIDATED WITH THOSE OF ANY OTHER PROPERTY OWNER.

f. Severability. If any part or parts of this Arbitration Agreement other than the Waiver of Class or Consolidated Actions are found under the law to be invalid or unenforceable, then such specific part or parts shall be of no force and effect and shall be severed and the remainder of the Arbitration Agreement shall continue in full force and effect. If the Waiver of Class or Consolidated Actions is found to be unenforceable, then as to the specific dispute in which that ruling of unenforceability was made, this entire Arbitration Agreement shall be unenforceable.

g. Survival of Agreement. This Arbitration Agreement shall survive the termination of this Application.

h. Small Claims Court. Notwithstanding the foregoing, you or Renovate America may bring an individual action in small claims court.

i. Property Owner's Right to Opt Out of Arbitration. You may opt out of this Arbitration Agreement by sending a written notice of your election to do so, signed by all application hereunder, within 30 days of the date of this Application. Such election shall be sent to Renovate America, Attn: Compliance Department, at 16409 W. Bernardo Drive, San Diego, CA, 92127.

By signing below, you acknowledge and agree to the terms set forth in this Arbitration Agreement.

Property Owner Signature(s)

You declare that (i) you have received, read and understand the risks and characteristics of the Program described in this Application and (ii) by executing this Application, you (a) agree to its terms, without the need for any third party consent and (b) have been informed that you must take sole responsibility to ensure that executing the Assessment Contract, receiving financing for Eligible Products, and consenting to the assessment levied against the Property will not constitute a default under any other agreement or security instrument (specifically the terms of any mortgage on the Property) which affects the Property or to which you are a party. You hereby authorize Renovate America to obtain a copy of your credit report and all other necessary information and documentation to show that you meet all HERO Program underwriting requirements.

Property Owner 1 Signature	Date	Property Owner 2 Signature	Date
Property Owner 3 Signature	Date	Property Owner 4 Signature	Date

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FOR CONTRACTOR CALL IN ONLY **Contractor ID#** **HERO ID#**

Property Address

Property Type: ☐ Single Family Home ☐ Condo/Townhome ☐ Manufactured/Mobile Home ☐ Multi Family Home (1-3 units)

Property Address

City **State** **Zip Code**

Property Owner

Ownership Type: ☐ Individual ☐ Joint ☐ Trust ☐ Corporation/LLC/etc. ☐ Other: _____

First Name **M. Initial** **Last Name**

Social Security Number - - **DOB** **Month** / **Day** / **Year** **Phone Number**

Email Address

Mailing Address (if different from Property Address)

City **State** **Zip Code**

Property Owner 2

First Name **M. Initial** **Last Name**

Social Security Number - - **DOB** **Month** / **Day** / **Year**

Property Owner Signature(s)

I declare that I have the authority, without the consent of any third party which has not been previously obtained, to execute and deliver the Application, Assessment Contract, and the various documents and instruments referenced therein.

Property Owner 1 Signature Date Property Owner 2 Signature Date

Property Owner 3 Signature Date Property Owner 4 Signature Date

If you do NOT wish to receive email communications from the Program and would prefer all communications to occur through the U.S. mail instead, please contact us.

☐ Please check this box if you do NOT want to receive newsletters or other marketing materials from the Program or Renovate America, Inc.

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