Documentation Requirements for Financing

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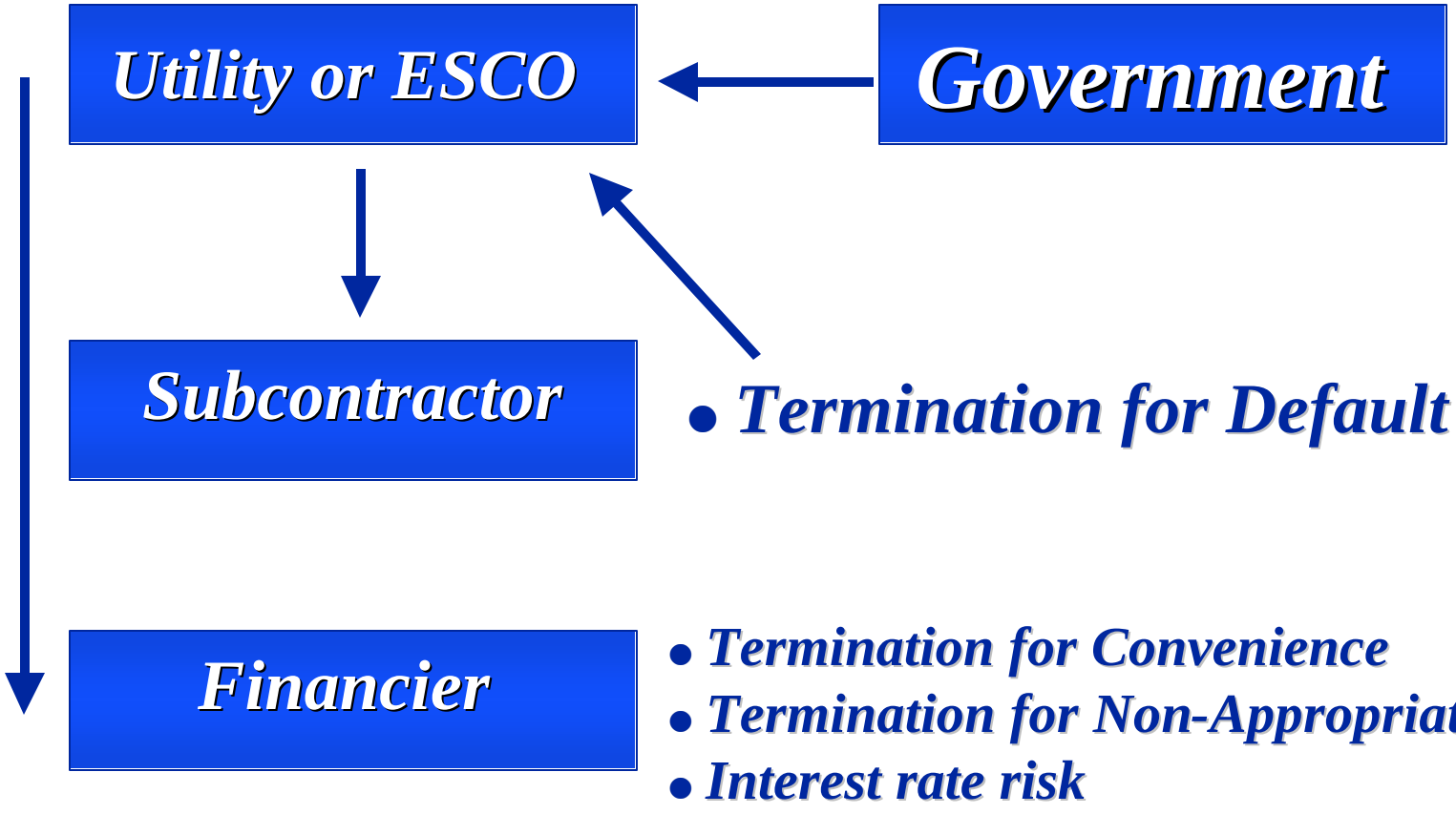
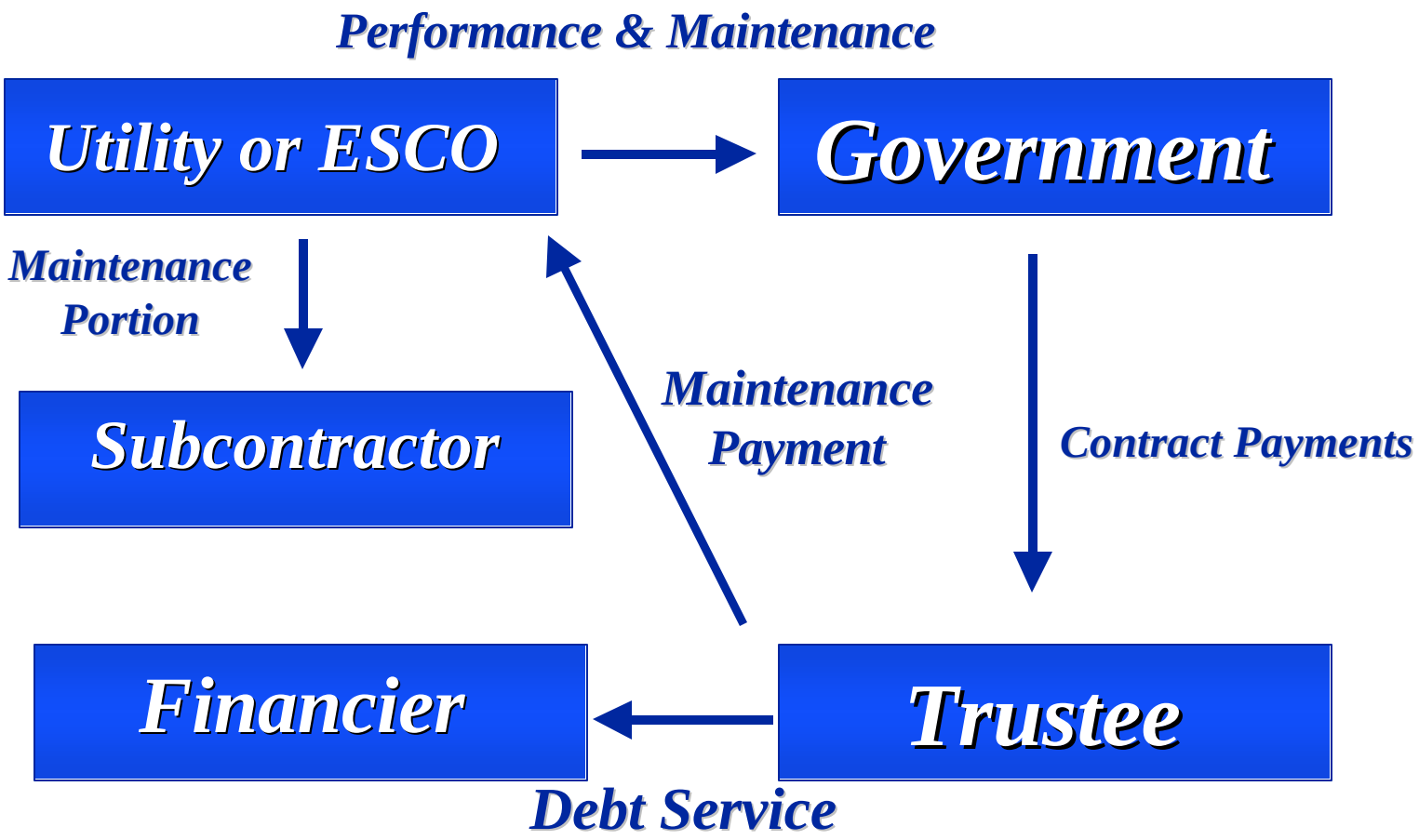
Contractual Structure/Risk Assignment



"Risk translates to pricing"

Contract Administration



"Timely payments are important"

- ***General Platform***
  - Mitigate Risk
  - Worst Documentation
  - Best Credit (U.S. Government)
  - Highly Structured
  - Illiquid Investment
  - Long Term transactions
  - Little uniformity

- ***Utility Energy Savings Contracts (UESC)***
  - Limit Performance
  - Stipulated Payments / Savings
  - No offsets
  - Prepayment language
  - Title transfer to Government
  - FAR 52.232-23 Assignment of Claims Alternate I
  - Warranties Assigned
  - Maintenance, Operation, Risk of Loss
  - Acceptance Certificate

- ***Energy Savings Performance Contracts (ESPC)***
  - Financially strong ESCO
  - Detailed Performance requirements
  - Prenegotiated Termination/Buydown
  - Stipulated Savings
  - Title, Risk of Loss, Insurance
  - Date specific completion

- ***Summary***
  - Financial Institutions DO NOT WANT Prepayments/Buydowns
  - Try to conform contracts
  - Listen to the Financial Institution
  - Bundle projects
  - Shorten Terms
  - Speed up Process