APPLICATION – PART II
CERTIFICATIONS OF THE ELIGIBLE FINANCIAL INSTITUTION

Pursuant to Section 10091.2 of the Program regulations, by signing below, ____________________________:

(Name of Eligible Financial Institution)

1. Agrees to follow the Program regulations described in Title 4, Division 13, Article 5 of the California Code of Regulations, commencing with Section 10091.1.

2. Acknowledges and agrees that the Program regulations constitute a lender services agreement.

3. Certifies that it is not subject to a cease and desist order, or other regulatory sanction from the appropriate federal or state regulatory body, which would impair its ability to participate in the Program.

4. Agrees to permit an audit, by the Authority, of any of its records relating to Enrolled Loans, during normal business hours on its premises, and to supply such other information concerning Enrolled Loans as shall be requested by the Authority.

5. Acknowledges that the Authority and the State will have no liability to the Participating Financial Institution (PFI) or Successor Servicer under the Program except from funds deposited in the Loss Reserve Account(s) of the PFI or Successor Servicer pursuant to section 10091.2(b)(3) of the regulations.

6. Agrees to include in its loan documentation Customer Data Release Form, California Hub for Energy Efficiency Financing Disclosures and the Certificate of Completion or Self-Installer Project Submission described in Section 10091.8 of the Program regulations to be signed by the Borrower and/or Qualified Contractor.

7. Agrees to and acknowledges that, upon enrollment in the Program:

   (a) The PFI or Successor Servicer is solely responsible for identifying and making any and all disclosures and providing periodic reports to its borrowers as required under applicable laws.

   (b) The PFI or Successor Servicer shall comply with all applicable laws, possess and maintain all required state and federal licenses, and remain in good standing with all governmental authorities having jurisdiction over its business.

   (c) The Investor Owned Utilities (IOUs) are third party beneficiaries of the lender services agreement and may pursue their rights against the PFI or Successor Servicer individually. Alternatively, any IOU may, in its sole discretion, authorize CAEATFA or another IOU to pursue such rights (including by instituting legal proceedings or alternative dispute resolution proceedings) on its behalf.

   (d) The PFI or Successor Servicer shall indemnify, defend and hold harmless CAEATFA, each of the IOUs, their affiliates, and each of their respective officers, directors, employees, agents and representatives from and against any and all losses arising in connection with any claim:
1) resulting from the negligent or unlawful acts or omissions, or willful or tortious conduct of the PFI or Successor Servicer, including any failure of the PFI or Successor Servicer, or its agents, to comply with applicable laws in connection with Enrolled Loans;

2) resulting from any error or omission by the PFI, Successor Servicer, or any third party in the calculation or presentation of Enrolled Loan-related interest, fees and charges, the receipt and processing of payments received from customers, or any collection or enforcement action;

3) alleging any misrepresentation with respect to the energy savings to be achieved in connection with an Enrolled Loan, or any failure or deficiency in the products, materials or work supplied to a Borrower in connection with an Enrolled Loan; and/or,

4) arising from the PFI or Successor Servicer’s failure, or alleged failure, to comply with the provisions of the regulations and/or its confidentiality or privacy obligations.

8. Acknowledges that the IOUs are not responsible for, and shall have no liability for, (i) the energy efficiency improvements funded through the Enrolled Loans supported through the Loss Reserve Accounts, (ii) the assessment of potential benefits and costs associated with those improvements, (iii) the qualification of PFIs or Successor Servicers, (iv) the PFI’s or Successor Servicer’s marketing, and lending policies and practices, or (v) CAEATFA’s educational and outreach activities.

9. Certifies that the undersigned is authorized to legally bind the applicant.

Note: All capitalized terms are defined in Section 10091.1 of the Program regulations.

I, the undersigned, hereby certify that all of the information provided in this application is true and accurate to the best of my knowledge.

Authorized Representative Signature: ___________________________ Date: ______________

Printed Name: ___________________________________ Title: _______________________

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