



**HERO Financing Program  
Registered Contractor Participation Agreement  
Reference Materials  
September 2016 – Version 3.0**



Table of Contents

1. Introductory and Contact Information ..... 3
1.1 Introduction ..... 3
1.2 HERO Program Consumer Protection ..... 3
1.3 Program Website ..... 3
1.4 Program Call Center ..... 3
1.5 Program Contact Information ..... 3
2. Property Owner Participation Information ..... 4
2.1 Program Eligibility Requirements..... 4
2.2 HERO Financing Terms (Please refer to the HERO Commercial Program Handbook for HERO Commercial Program financing terms) ..... 7
2.3 Detailed Program Process ..... 8
2.4 Defaults on Assessment Payments ..... 13
2.5 Property Owner Dispute Resolution ..... 13
2.6 Disclosure of Property Owner Information ..... 14
2.7 Program May Inspect Products ..... 14
2.8 Monitoring and Recording of Telephone Calls ..... 14
2.9 Other Useful Information ..... 15
3. Program Privacy Policy ..... 16
4. Contractor Information ..... 18
4.1 How to Register your Company ..... 18
4.2 How to Register your Affiliated Individuals ..... 19
4.3 HERO Training Program ..... 19
4.4 How to get Paid for your HERO Projects ..... 19
4.5 Changes in Projects ..... 20
4.6 Contractor Marketing Guidelines ..... 20
5. Reference Materials ..... 20
5.1 HERO Eligible Product List ..... 20
5.2 Sample Financing Docs ..... 21
Appendix A: Contractor Marketing Guidelines ..... 21



# 1 Introductory and Contact Information

## 1.1 Introduction

- 1.1.1 **Purpose.** The HERO Program (the “HERO Program” or the “Program”) was launched to create jobs and reduce utility costs and greenhouse gas emissions. The HERO Program offers onsite financing approval for qualifying energy efficient residential and commercial property improvements for those Property Owners who meet the eligibility criteria. Most Property Owners are introduced to the HERO Program through a Registered Contractor. If a Property Owner is interested in the HERO Program, they will submit an application for financing. The HERO Program funds at the conclusion of the work upon receipt of the signed HERO Program Completion Certificate and required attachments.
- 1.1.2 **Registered Contractors.** Registered Contractors are entitled to present the HERO Program to their customers as a financing option for their proposed work. Contractor participation is voluntary; Contractors are required to register with the HERO Program, complete the required HERO Program training, and maintain their relationship with the HERO Program in good standing.

## 1.2 HERO Program Consumer Protection

- 1.2.1 **Commitment.** The HERO Program is committed to ensuring that every project is reasonably priced, that products are certified as energy efficient, and that Property Owners are working with Registered Contractors who meet all Program requirements.

## 1.3 Program Website

- 1.3.1 **Educational Materials.** The Program website provides a variety of useful information, including information on how the Program works, Eligible Products, available rebates and tax credits, a list of contractors who have registered with the Program and attended the Program orientation, and Program news and events. In addition, Property Owners will be able to apply to participate in the Program online and contractors will be able to register online. The Eligible Products List and certain other documents will be available for download. The Program website address is [www.heroprogram.com](http://www.heroprogram.com).

## 1.4 Program Call Center

- 1.4.1 **Hours.** Property Owners and contractors may call 855-HERO-411 to ask questions about the financing Program or request a copy of the application by mail or email. Program Call Center hours are:

Monday – Thursday	8 am to 10 pm
Friday	8 am to 9 pm
Saturday	10 am to 8 pm
Sunday	10 am to 6 pm

- 1.4.2 **Updates.** Please see the Program website at [www.heroprogram.com](http://www.heroprogram.com) for recent updates about the call center operation times, phone number and other relevant information.

## 1.5 Program Contact Information

- 1.5.1 **Contact Information.** General questions about the Program can be answered by visiting the Program website at [www.heroprogram.com](http://www.heroprogram.com), calling the Program’s toll free number at 855-HERO-411, or clicking “Chat Now” at the top of any HERO Program webpage.

HERO Program – Primary Location	<b>Call Center Number:</b> 855-HERO-411	<b>Mailing Address:</b> 15073 Avenue of Science
<b>Program Email:</b> <a href="mailto:info@heroprogram.com">info@heroprogram.com</a>	<b>Program Fax Number</b> 858-815-6860	San Diego, CA 92128
<b>Contractor Email:</b> <a href="mailto:contractor@heroprogram.com">contractor@heroprogram.com</a>		

## 2 Property Owner Participation Information

### 2.1 Program Eligibility Requirements

- 2.1.1 Evaluate Prospective Customers for Program Eligibility. Contractors should carefully review this section in order to determine whether their customers are eligible for the Program before submitting an application. Program eligibility requirements under the HERO Commercial Program for commercial properties can be found in a separate HERO Commercial Program Handbook.
- 2.1.2 Eligible Properties
- 2.1.3 Requirements. To be eligible, the Property Owner must pay property taxes. Residential properties are generally eligible, with the following limitations:
  - 2.1.3.1 “New Construction”: Only improved properties will qualify for Program financing. New construction is not eligible, unless ownership has been transferred from the developer to the Property Owner. “New construction” includes new homes under construction and additions to existing habitable residential structures.
  - 2.1.3.2 Mobile Homes, Manufactured Homes, Condominiums, and HOAs: Mobile homes and manufactured homes are eligible if the homes are permanently attached to the real property, and if the mobile/manufactured home owner(s) also own the underlying land and pay real property taxes (not DMV fees). Condominiums are eligible to participate in the Program, but such participation may be restricted to the Eligible Products that may be installed depending on the rules of the condominium association as well as the physical design of the unit. At the time a condominium owner’s request for Program financing to install Eligible Product is approved, such owner must provide written authorization from the condominium association’s management stating that the Property Owner is permitted to install the requested Eligible Products. Single family homes that are subject to Home Owner Association (“HOA”) restrictions shall also be required to provide written documentation that the Eligible Products listed in the application materials meet all applicable HOA guidelines or requirements.
  - 2.1.3.3 Property Must Be Located in a HERO Community: All financed properties must be located in a city, county, town, village or other municipality or state that has signed up to be a HERO community. To see if your city, county, town, village or other municipality is a participating HERO community, enter your zip code at [www.heroprogram.com](http://www.heroprogram.com). If your city, county, town, village or other municipality has not yet signed up, we recommend you contact one of your local elected officials and ask them to contact us so you can obtain HERO Financing.
  - 2.1.3.4 Maximum Assessment Amount: Through the HERO program, an assessment is levied against a participating property that will be repayable through regular payment over the term of the assessment. There is a minimum and maximum assessment amount applicable to HERO program financing.
  - 2.1.3.5 Liens on Property: The property must not have any unresolved federal or state income tax liens, judgment liens, mechanic’s liens, or similar involuntary liens on the property. Prohibited liens do not include special taxes, assessments or other financing liens placed on all properties in that particular financing district; provided that certain exceptions to this requirement may apply. The property also cannot currently be an asset in a bankruptcy proceeding.
- 2.1.4 Eligible Property Owners
- 2.1.5 Requirements. In addition to the property eligibility requirements, residential Property Owners must meet specific criteria in order to be eligible to participate in the Program. The eligibility criteria for residential Property Owners are as follows:
  - 2.1.5.1 Owners of Record. Applicant(s) must be the owner(s) of record of the property upon which the Eligible Products are to be installed;
  - 2.1.5.2 Current on Property Taxes. Property Owner(s) must be current on their property taxes for the property upon which the Eligible Products are to be installed, and there must be no more than one late payment in the past three years;

- 2.1.5.3 Current on Mortgage Payments. Property Owners must be current on all property debt of the property upon which the Eligible Products are proposed to be installed at the time of application and cannot have had more than one 30 day mortgage late payment over the previous 12 months;
- 2.1.5.4 No Active Bankruptcy. Property Owner(s) must not have had any active bankruptcies within the last seven years, and the property must not be an asset in an active bankruptcy. However, in certain HERO communities, if a bankruptcy was discharged between two and seven years prior, and the Property Owner(s) have not had any additional late payments more than 60 days past due in the last 24 months, the Property Owner(s) may be approved; and
- 2.1.5.5 Execute All Required Documentation. All Property Owners must sign all required documentation, including but not limited to the application, the Completion Certificate and the Assessment Contract with all other required documents applicable to the HERO Program at the time such Property Owner is seeking financing (collectively, the "Financing Documents").
- 2.1.5.6 Trust Ownership of the Property. If the subject property is owned by a Trust, the property is eligible for Program participation if adequate documentation of the Trust and the applicants' authority under the Trust is provided with the application. All Trustees must sign all Financing Documents, including the Assessment Contract.
- 2.1.5.7 Business Entity Ownership of the Property. If the property is owned by a business entity, the property is eligible for Program participation if adequate documentation of nature and existence of the business entity and the applicants' authorization to act on behalf of the entity is provided with the application, such as a corporate resolution authorizing named officers to apply and sign the Assessment Contract and other Program required documents on behalf of the corporation.
- 2.1.6 Eligible Products
- 2.1.7 Description. The Program offers financing for various energy efficiency and renewable energy products and, where allowed under state law, water efficiency systems and other improvements allowed under applicable state law ("Eligible Products"). The HERO Program follows four guiding principles when approving eligible products:
  - 2.1.7.1 Each product category/type must contribute to direct energy savings or renewable energy generation.
  - 2.1.7.2 Energy saving and/or renewable energy products must be widely available and proven in the marketplace.
  - 2.1.7.3 Product energy savings and performance must have been measured and verified by a credible third-party certification source, generally the United States Department of Energy.
  - 2.1.7.4 The product's energy efficiency must be valid in the geographic region of installation and use.
- 2.1.8 Limitation. While the Program cannot warrant performance, only products that satisfy all four of the foregoing principles are considered for the HERO Financing Residential Eligible Products List. This list is publicly available and updated regularly to ensure that Registered Contractors and Property Owners have a trusted source for validating products that are installed in their homes.
- 2.1.9 Residential Eligible Product List: The Residential Eligible Product List is included in Section 5. Reference Materials (below). The Eligible Product List provides the minimum technical and energy efficient specifications, certifications, and other requirements for Eligible Products. Products that do not meet these requirements are not eligible for HERO Financing. If a Property Owner wishes to finance a product which is not listed on the Eligible Products List, the Program will accept a Custom Product Application for consideration.
- 2.1.10 Eligible Products Must Be Permanently Fixed, New Products: Only permanently fixed, new Eligible Products can be financed by the Program.
- 2.1.11 Excluded Products. The following are not eligible for Program financing:
  - 2.1.11.1 Remanufactured, refurbished, slightly used, or new equipment transferred from a previous location;
  - 2.1.11.2 Previously installed products;
  - 2.1.11.3 Products that are not permanently fixed, including appliances, light bulbs and other non-fixtures; and

- 2.1.11.4 Any structural alteration of the roof, the building, or the property related to the installation of a solar PV system or solar thermal system.
- 2.1.12 Proposed Products Must Meet Minimum Eligibility Requirements: Property Owners will be responsible to confirm with their contractor(s) that only bids with at least the minimum specifications set forth in the Eligible Products List will be acceptable for Program financing.
- 2.1.13 Solar Systems Must Meet Requirements: The Program recommends that energy efficiency measures be completed prior to installing solar PV systems, as reducing a property's energy demands may also reduce the recommended size of the solar PV systems, solar thermal systems and other renewable energy systems. Additionally, the Program will not finance any structural alteration of the roof, the building, or the property related to the installation of a solar PV system or solar thermal system.
- 2.1.14 Eligible Costs
- 2.1.15 Included Costs: Eligible costs that may be financed under the Program include both the cost of the Eligible Products and the installation costs for such Eligible Products. Installation costs may include, but are not limited to, energy audit costs, appraisals, labor, design, drafting, engineering, permit fees, and inspection charges. The installation must be completed by a licensed contractor (if required by applicable state, local or other law) of the Property Owner's choice who is registered with the Program.
- 2.1.16 Excluded Costs: For Property Owners who elect to complete their Program retrofits at the same time as a larger remodeling project, financing is only available for the retrofitting of the existing structure with retrofit Eligible Products. Repairs to the existing building's envelope, systems, and/or infrastructure are not eligible except where they are necessitated by the installation of the Eligible Product. If a Property Owner is planning to finance Eligible Products included in a larger remodeling project, they should first contact Program Representatives to determine what costs will be eligible for financing.
- 2.1.17 Reasonable Pricing: The price of installing the Eligible Products must be reasonable and accomplished within industry cost guidelines. The Program shall have the right to refuse to finance any portion of pricing reflected in a Completion Certificate that exceeds such guidelines, and/or to request additional documentation or other information to determine the reasonableness of any Completion Certificate.
- 2.1.18 Eligible Contractors
- 2.1.19 Registered Contractors: Only contractors who have registered with the Program in accordance with Paragraph 2.1 of the Renovate America Registered Contractor Participation Agreement may undertake Program-financed installation work.
- 2.1.20 Insurance Requirement: Registered Contractors are required to maintain the following levels of insurance coverage: (i) Commercial form General Liability: \$2,000,000 General Aggregate; \$1,000,000 Each Occurrence – combined single limit for bodily injury and property damage; (ii) Business Automobile Liability: \$1,000,000; (iii) Workers' Compensation and Employers' Liability: \$1,000,000; (iv) if providing Design, Engineering, or other Professional Services (including Design- Build), Professional Liability/Errors and Omissions insurance is required: \$1,000,000.
- 2.1.21 Contractor Listing: A current listing of contractors registered for the Program who have also attended the Program orientation can be found on the Program website ([www.heroprogram.com](http://www.heroprogram.com)).
- 2.1.22 Eligible Assessment Amounts
- 2.1.23 Minimum Amount: The minimum assessment amount may vary depending on the state in which contractor is installing the Eligible Product (i.e. the minimum assessment amount is \$5,000 in California and is \$2,500 in other states, as applicable).

- 2.1.24 **Valuation.** For residential properties, the value of the property will be the market value based on an automated valuation model (“AVM”) value provided by a third party independent vendor selected by the Program. If an AVM value is not available for a particular property, the Program will use the assessed value unless the Property Owner can provide an appraisal prepared by a licensed appraiser with a date of value not older than 6 months. In addition, if a Property Owner disagrees with the AVM value, the Property Owner may choose to pay for an appraisal from a licensed appraiser approved by the Program and the Program will review the appraisal and provide a determination, which shall be final, whether such AVM may be used for eligibility calculations.
- 2.1.25 **Eligible Assessment Term(s)**
- 2.1.26 **5 to 25 Years.** Assessment Contracts may include financing with a 5 to 25-year term, depending on the state and eligible product, but the financing term may not exceed the “useful life” of the installed Eligible Product. A listing of Eligible Products and useful life can be found on the Program website. The Program reserves the right to approve a different assessment term than requested by a Property Owner based on the useful life of the Eligible Product(s) to be installed. When installing multiple Eligible Products, the maximum financing term available is the financing term associated with the greatest financing amount.
- 2.1.27 **Eligible Rebate Programs and Tax Credits**
- 2.1.28 **Credits and Rebates.** For energy efficiency and renewable energy efficiency Eligible Products, various federal tax credits, state and local rebates, and incentive programs may exist.
- 2.1.29 **Qualifying.** Not all Eligible Products under the Program will qualify for available federal tax credits and/or state or local utility rebates. For example, some of the federal tax credit specifications require a higher energy efficiency standard than those required by the Program.
- 2.1.30 **No Representations.** Neither Renovate America, the governmental agency sponsoring the HERO Program nor their respective officers, employees, agents and assigns make any representation or warranty whatsoever that any Eligible Product or Eligible Products will qualify for or be granted any tax credits, deductions, depreciation, rebates or other incentives. The Program makes no representation or warranty that Eligible Products will qualify for any tax credits, rebates or other incentive programs.
- 2.1.31 **Resources.** For information on rebates and tax credits, please visit the rebates pages listed below in Other Useful Information, as well as any applicable state resources.
- 2.1.32 **Deductions from Financing Amount**
- 2.1.33 **Rebates and Tax Benefits Deducted from Assessment Amount.** All available up front federal, state, or utility rebates that are assignable to the contractor should be deducted from the assessment amount at the time of financing. The Property Owner and the contractor will be responsible for notifying the Program of the qualification, award or grant of the Eligible Products for any such assignable rebates. **The Property Owner and the contractor will be responsible for notifying the District and Renovate America of the qualification for award or grant of any such assignable rebates for the Eligible Products installed or to be installed on such owner’s property.**
- 2.1.34 **Performance-Based Incentives.** If applicable, performance-based incentives which are paid over time do not need to be deducted. State or federal tax credits and rebates that are not assignable to the contractor shall also not be deducted from the assessment amount, but Property Owners may wish to consider these additional benefits in determining the amount of their financing request. The Program does not offer tax advice; Property Owners and contractors should seek and follow the advice of their tax advisors.
- 2.1.35 **Eligible Number of Assessments**
- 2.1.36 **No Limit.** A Property Owner may apply for another assessment under the Program for the same property or an additional property(s), as long as all assessments under the Program for a particular Property Owner still meet all Program requirements, including, but not limited to, guidelines as to maximum assessment limits.

## 2.2 HERO Financing Terms (Please refer to the HERO Commercial Program Handbook for HERO Commercial Program financing terms)

- 2.2.1 **Costs to Apply.** There are no costs to apply for HERO Financing.

- 2.2.2 Assessment Costs. Below are the costs associated with Program financing for the installation of Eligible Products:
- 2.2.3 Program Financing Fee. A Program Financing Fee is a onetime fee that can be financed or paid by the Property Owner. The Program Financing Fee covers the cost of issuing bonds by the governmental agency sponsoring the HERO Program to finance the installation of Eligible Improvements and the costs to approve and fund installation of such Eligible Products. The amount of the Program Financing Fee is identified on the Program website and in the Financing Documents.
- 2.2.4 Interest Rate. The interest rate on the assessment will be based on market rates. The final interest rate will be set at the time the Financing Documents are issued and sent to the Property Owners. The current estimated interest rate(s) will be available on the Program website, with the actual interest rate identified in the Financing Documents.
- 2.2.5 Interest Before First Payment. In California, based on the date that funds representing the assessment on a participating property are disbursed to pay the costs of installation of Eligible Products for a participating parcel (the "Closing Date"), payments on an assessment may not begin until the following year's tax bill. Capitalized interest is the amount of interest that is added to the principal amount of such assessment for the period between the Closing Date and the first bond payment date. The amount of capitalized interest on the assessment will be included on the Financing Documents.
- 2.2.6 Recording Fees. In California, Property Owners will need to pay for any and all fees their respective municipality charges to record the assessment lien documents and related notices. These fees are added to the assessment amount. The total recording fee amount will be listed on the Assessment Contract.
- 2.2.7 Annual Assessment Administrative Fee. In California, each tax year an Annual Assessment Administrative Fee will, in addition to the Assessment amount (defined below), be added to property taxes. This fee covers the annual costs to administer collection and disbursement of the assessment payments and to administer the bonds issued to finance the installation of Eligible Products. The maximum annual assessment administrative fee may be adjusted annually for cost of living increases. The Annual Assessment Administrative Fee will be identified in the Financing Documents.
- 2.2.8 Annual Repayments. Property Owners will repay principal and interest over 5, 10, 15, 20, or 25 years, depending on their approved term, the state and eligible product. Payment will be added to my property taxes until paid in full and will due and owing at substantially equal intervals. The estimated not-to-exceed payment schedule will be attached to the Assessment Contract that Property Owners sign, which sets forth the estimated maximum annual payments due during the assessment term. The final payment schedule will be provided to each Property Owner by Renovate America prior to the Disbursement Date pertaining to such Property Owner's Assessment Contract. Failure to pay the Assessment payments and the Annual Administrative Assessment Fees when due will result in the accrual of additional interest and penalties and may result in foreclosure on and the sale of the property of the delinquent Property Owner.
- 2.2.9 Prepayments Provisions. Property Owners may choose to prepay their assessment lien 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. No prepayment premium applies.
- 2.2.10 Prepayment Process. In order to prepay an assessment, the Property Owner, or their designee, will need to contact the Program.

## 2.3 Detailed Program Process



- 2.3.1 **Overview.** The Program Process section describes the entire process for residential and commercial Property Owners, Contractors, and Program Representatives from before the project begins, though all steps of the financing process.



- 1 Apply**  
Property owner submits application online, through a contractor, or by hard copy.
- 2 Product Approval**  
Contractor or property owner calls HERO Program Representative with specific product details before installing products.
- 3 Sign Financing Documents**  
Property owner is emailed Financing Documents, which they sign and return.
- 4 Install Eligible Products**
- 5 Payment Issued**  
The contractor and property owner must sign and submit a Completion Certificate. Payment is then issued.

### 2.3.2 Step 1: Apply

Each Property Owner will need to complete an application. Property Owners have the option of submitting the application online at [www.heroprogram.com](http://www.heroprogram.com); over the phone (858-HERO-411); or by mail to The HERO Program, 15073 Avenue of Science, San Diego, CA 92128.

- 2.3.3 **No Guaranty.** Submission of an application does not guarantee that a Property Owner will be approved for financing. Also, if a Property Owner proceeds with ordering or the installation of any Eligible Products prior to approval of the application and entering into an Assessment Contract with the governmental agency sponsoring the HERO Program, the Property Owner risks becoming ineligible for Program financing. Furthermore, if a Property Owner is approved for financing but then installs products that are not eligible, those products will not be funded.
- 2.3.4 **Representation.** By submitting an application, Property Owners are specifically authorizing and agreeing that the Program staff has permission to obtain a credit report for each Property Owner and any other informational reports needed to verify bankruptcy and current property debt, obtain a property valuation, verify the Property Owners' declarations regarding title to the property and current and historical property tax status, and complete any other necessary record checks to verify information in the application or confirm eligibility for the Program.
- 2.3.5 **Secure Online Application.** A secure online application for the Program is available on the Program website ([www.heroprogram.com](http://www.heroprogram.com)). The online application is a step-by-step process where each applicant provides personal and property information. Applicants who receive an "approved" response to their application may then obtain approval of the proposed Eligible Products by calling the Program at 855-HERO-411. Applicants who receive a "conditionally approved" or "in review" message regarding their application will be contacted by a Program Representative once the application has been reviewed, but may also correspond with the Program either by email at info@heroprogram.com or through the call center at 855-HERO-411. Applicants will also receive notification emails regarding their application status.

- 2.3.6 **Hard Copy Application.** In addition to the online application, a hard copy application is also available for Property Owners to fill out. The applicant may obtain the hard copy application by downloading it from the Program website, calling Program Representatives at 855-HERO-411, emailing Program representatives at info@heroprogram.com. Program information and documents are available through these same methods. Once completed, a Property Owner may submit a hard copy application by mail, e-mail, facsimile, or in person to the contact information stated above.
- 2.3.7 **Contractor Call In.** Contractors who have registered with the Program may, with the approval of a Property Owner, call in an application to the Program and receive approval over the phone. A contractor who calls in an application to the Program must ensure that the Property Owner(s) provides their personal private information directly to the Program over the phone. As with the online application, calling in the application allows quick processing and official notification of financing eligibility.
- 2.3.8 **Application Results.** Applicants will receive official notification of the status of their applications immediately if applying through the online system or through the contractor call in method (with a confirming email). If applying through a hard copy application, the Program will notify applicants of the application status determination by email or mail once the application is processed. There are four possible application review results:
- 2.3.8.1 **Approved.** An application will be approved if Program staff has verified all of the items listed in the Eligibility Requirements for properties and Property Owners. An “approved” applicant will receive an Approval Letter with instructions about the next steps for obtaining Program approval of Eligible Products, signing Financing Documents, installation of Eligible Products, and submitting the Completion Certificate. **An “approved” applicant must comply with all Program requirements for these items, or will not be approved for funding at a later date.**
- 2.3.8.2 **Conditionally Approved.** An application will be conditionally approved if all the submitted information meets the underwriting eligibility requirements, but, based on certain information that was encountered during processing, additional information or documentation is required. If the Property Owner complies with the listed additional conditions, the application will then be approved. Examples of “conditions” that might be required are trust documents for property in a trust’s name or corporate authorization documentation when the property is owned by a corporation. It is within the Program staff’s discretion to request specific types of additional documentation depending on the issues related to the application.
- 2.3.8.3 **In Review.** An application will be “in review” if the Program staff and/or the automated underwriting system is unable to connect the property with the Property Owner using the information that was submitted by the applicant or any issues arise during verification of eligibility requirements. “In review” applicants will be notified by email or mail of the issues that need to be resolved before the application can move forward. If the applicant has any questions, he or she can always call the Program to speak with a Program representative at 855-HERO-411.
- 2.3.8.4 **Denied.** An application will be denied if Program staff determines the Property Owner or the property do not meet the eligibility requirements. A Property Owner will be notified in writing by mail of the specific reason(s) why his or her application was denied. If the Property Owner believes there has been an error based on the stated reasons in the declination letter and is unable to resolve it quickly by contacting Program staff, the Property Owner must follow the steps set forth in Paragraph 2.5, Dispute Resolution, in order to formally contest the Program’s decision.
- 2.3.9 **Step 2: Obtain Product Approval**
- 2.3.10 **Product Approval.** Property Owners must obtain approval of all Eligible Products and enter into an Assessment Contract with the governmental agency sponsoring the HERO Program PRIOR TO ordering the contractor to order or install the Eligible Products.

- 2.3.11 Scope of Project - Obtain Quote. Property Owners must determine which Eligible Product(s) they wish to finance through the Program. Property Owners can work directly with an energy auditor and/or contractors to determine the scope of their project. Funding is only available for products listed on the Eligible Products List and Custom Products, if approved by the Program.
- 2.3.12 Product Resource. Contractors may explore what products and models are eligible by using the “Product Look Up” function of the Program website at [www.heroprogram.com/products](http://www.heroprogram.com/products).
- 2.3.13 Energy Audit. It is highly recommended that Property Owners perform a comprehensive energy audit on their property before considering any Eligible Products. A comprehensive audit applies building science principles from data collected on the subject property utilizing sophisticated diagnostic equipment including a blower door, duct blaster, and digital infrared camera to precisely detect the cause and measure the effects of building performance related problems.
- 2.3.14 Audit Resources. Energy auditors may provide home performance contracting work and specialize in energy efficiency products.
- 2.3.15 Solar Considerations. As some homes may not have proper solar exposure or the structural framework to support the weight of a solar system, Property Owners who are considering the installment of a solar PV or solar thermal system are encouraged to contact one or more qualified solar system installers for a solar site evaluation.
- 2.3.16 Eligible Product Look Up: Prior to submitting an application, contractors and Property Owners may do preliminary research to determine whether a product is eligible in two ways: download and review the current Eligible Products List from the Program website or use the “Product Look Up” function of the Program website ([www.heroprogram.com/products](http://www.heroprogram.com/products)) to explore eligibility of particular products in advance. However, contractors may not purchase or install Eligible Products until they have received an email from the Program with an attached Completion Certificate, listing the approved Eligible Products (including the particular model and its cost) for all of the items they plan to install and entered into an Assessment Contract with the governmental agency sponsoring the HERO Program.
- 2.3.17 New Products or Custom Projects: The Property Owner and contractor will need to provide the following information on the Custom Product Application form:
  - 2.3.17.1 The product/project they wish to install;
  - 2.3.17.2 The cost to install;
  - 2.3.17.3 The basis for eligibility (energy savings, savings, or renewable energy production); and
  - 2.3.17.4 The product, if any, they are removing.
- 2.3.18 During review, Program Representatives may request additional documentation or additional contractor(s) bid(s) for proposed products/project for any reason, including if the Program determines that the submitted bid(s) appear to be unreasonable as to cost or scope.
- 2.3.19 The Program reserves the right to deny any New Product or Custom Project. Reasons for denial may, but need not, include any of the following: it appears that the proposed product is not cost effective, is too experimental or unreliable, the claimed energy or savings or renewable energy generation product is not clearly supported, the costs do not appear to be in conformance with industry standards, or installation of the product may violate local laws or regulations. The Program will provide a written explanation for any denial of a New Product Request Form.
- 2.3.20 Step 3: Sign Financing Documents
- 2.3.21 After products are Approved. Program Representatives will email Property Owners their Financing Documents, which must be signed and received by the Program at 15073 Avenue of Science, San Diego, CA 92128 by the date stated on the signature page of the Assessment Contract:
  - 2.3.21.1 Signed Financing Summary;
  - 2.3.21.2 Signed Assessment Contract (and memorandum thereto, if applicable) with exhibits thereto;
  - 2.3.21.3 Signed Application; and
  - 2.3.21.4 Acknowledged Right to Cancel.

- 2.3.22 Signatures Due Date. The due date on the signature page of the Assessment Contract will generally be ten (10) calendar days from the date of issuance of the Financing Documents. This means that the original, executed Financing Documents must be received by the Program by the close of business on the stated due date.
- 2.3.23 Signatures Missing and Delays. If all Property Owner(s) for a particular property fail to sign and submit Financing Documents by the required date, new Financing Documents will need to be issued with a new interest rate. Repeated delays requiring repeated reissuance of Financing Documents, however, may result in a cancellation of approval or processing fee charges for Program financing.
- 2.3.24 Progress Communication. The Property Owner will also receive an email, which informs the Property Owner and contractor of the next steps. Included with the Financing Documents will be the Completion Certification, which will list the approved Eligible Products and the date by which the installation of the Eligible Products must be completed.
- 2.3.25 Step 4: Notice to Proceed and Installation of Eligible Products
- 2.3.26 Financing Documents Signed. A Property Owner and the District must enter into an Assessment Contract and the Property Owner must sign all Financing Documents (see Step 3 above) and the Program must issue the Notice to Proceed PRIOR to ordering Eligible Products or commencing or causing the commencement of installation of such products.
- 2.3.27 Registered Contractors. Installation may only be completed by a contractor who has registered with the Program. Eligible contractors may register with the Program if they have met all the requirements and sign an agreement to comply with all Program terms and conditions.
- 2.3.28 Completion Certificate. All Eligible Product installations, inspections or validations, and submission of the Completion Certificate and required attachments must be completed on or before the date specified on the Completion Certificate. Applicants who are completing larger projects and/or who believe they need more time than the date specified in the Completion Certificate may contact the Program to come to an agreement on an appropriate completion period.
- 2.3.29 Completion Date Failure. If the completion date occurs without the Program agreeing to an extension in writing, the Property Owner may be required to sign new Financing Documents.
- 2.3.30 Building Permit Requirements. Property Owners are responsible for obtaining building permits and completing inspections, including final inspection sign-off, by the appropriate city, county or other municipal Building Department. Property Owners are also responsible for ensuring that their Eligible Products have met all other applicable federal, state and local laws and regulations. Property Owners should speak with their contractors to determine if their Eligible Products require a building permit and/or inspection and what requirements must be met.
- 2.3.31 Step 5: Payment Issued
- 2.3.32 Submit Completion Certificate. Once installation of the Eligible Products is complete, the Property Owner must complete and submit an executed Completion Certificate and all required attachments to the Program for approval. To do so, the following conditions must be met: (1) all installed Eligible Products or Custom Products have been specifically approved by the Program in advance of installation and listed in one or more Completion Certificate(s); (2) all Eligible Products or Custom Products to be financed have been completed and installed in compliance with Program rules; and, (3) Property Owner(s) are submitting a complete Completion Certificate within the financing period set forth in the application approval letter.
- 2.3.33 Professional Advice. If any Property Owner has any questions regarding the certifications contained in the Completion Certificate or concerns regarding the effect of executing such Completion Certificate, the Property Owner is advised to consult such Property Owner's own legal counsel prior to executing the Completion Certificate.
- 2.3.34 Additional Documents. The Completion Certificate must be submitted with signatures from the contractor and Property Owners with the following documents, as applicable:
  - 2.3.34.1 A final invoice from all contractor(s);

- 2.3.34.2 If required by the jurisdiction, a pulled building permit from the appropriate city, county or other municipality building department for all permitted Eligible Products or Custom Products;
- 2.3.34.3 Specific Eligible Product Attachments:
- 2.3.34.4 A current list of the required attachments for the Completion Certificate will be provided on the Program website ([www.heroprogram.com/products](http://www.heroprogram.com/products)) and on the Completion Certificate Instructions page that a Property Owner receives with their Completion Certificate.
- 2.3.35 Delivery. Completion Certificates and required attachments may be submitted to the Program by facsimile, email, mail or hand delivery.
- 2.3.36 On-Site Validation. If an on-site validation visit is required before approval or the Completion Certificate is incomplete, Program Representatives will notify the Property Owner by email or mail of the next steps.
- 2.3.37 Timing of Payment. The Program sends payment in 48 business hours after approving the Completion Certificate and associated documents, however, the time to receive payment may take a longer period of time.
- 2.3.38 Record Lien on Property and Issue Payment. After receiving the executed Completion Certificate, the Program will record the assessment lien documents with the County in which the property is located, issue bonds to finance the cost of the installation of the Eligible Products and other costs of the financing and issue payment. Payment will be issued to the contractor(s) listed in the Completion Certificate(s) and signed by the Property Owner.
- 2.3.39 Add Assessment to Property Taxes. This assessment payment will be added to the Property Owner's property taxes until paid in full and will be due and owing in substantially equal intervals.
- 2.3.40 Assessment Payments. Property Owners who apply to the Program must be able to pay the agreed-upon assessment regardless of a change in personal financial circumstances, the condition of the property, or the condition or operation of the installed Eligible Products. As with property taxes, failure to pay the assessment may result in penalties, interest, and, eventually, foreclosure of the property by the District or tax sale of the property.
- 2.3.41 Annual Lien. Recordation of the assessment lien on the property will establish a continuing annual lien.
- 2.3.42 Selling Property. If the Property Owner wishes to sell the property, under the applicable laws, property taxes typically stay with the property when it is sold and the same is true with assessments. Under the HERO Program, when a Property Owner sells or refinances their property, the District and the municipality in which the owner's property is located will permit their assessment to stay with the property; however, the seller's lender or the buyer's lender may require that the seller pay off the remaining outstanding balance of their assessment when the Property Owner refinances their home or sells their property. Accordingly, depending upon the requirements of the lenders, the assessment lien may be able to remain (or in the case of a refinancing allow it to remain with the property), or the seller may need to pay the unpaid balance at the time of transfer or refinance. Property Owners should consult with their lenders at the time of refinance or sale of the property to determine whether their Program assessment will need to be paid in full. In addition, Property Owners must provide notice of the assessment to the buyer prior to sale of the property.
- 2.3.43 Fees. The contractual assessment amounts and any associated ongoing fees will be based on the installation costs, Program financing fees, ongoing administrative fees and the effective interest rate of the Program. Amounts will be specified in the Financing Documents in the Schedule of Assessment Payments attached to the Assessment Contract.

## 2.4 Defaults on Assessment Payments

- 2.4.1 Foreclosure. After written notification, defaults in payment of assessments may result in the initiation of foreclosure proceedings following such default.

## 2.5 Property Owner Dispute Resolution

- 2.5.1 **Resolution Process.** Any dispute between the parties who have signed an Assessment Contract for the Program shall attempt in good faith to promptly resolve any dispute arising out of or relating to any Assessment Contract under the Program by negotiations between the Agent or his or her designated representative and the Property Owner. Either party must give the other party or parties written notice (sent by certified mail) of any dispute. Within thirty (30) calendar days after delivery of the notice, the Agent and the Property Owner shall meet at a mutually acceptable time and place, and shall attempt to resolve the dispute. If the matter has not been resolved within thirty (30) calendar days of the first meeting, any party may pursue other remedies agreed upon in the Assessment Contract. All negotiations and any mediation (if applicable) conducted pursuant to this clause are confidential and shall be treated as compromise and settlement negotiations, to which the applicable laws regarding the confidentiality of settlement negotiations shall apply, and these statutory provisions and case law regarding the confidentiality of settlement negotiations are incorporated herein by reference. Each party is required to continue to perform its obligations under the Assessment Contract pending final resolution of any dispute arising out of or relating to the Assessment Contract.
- 2.5.2 **Disputes.** Property Owners who wish to dispute decision(s) made by the Program, but who have not signed a formal Assessment Contract, shall use a similar process. Written notice must be sent by certified mail to HERO Program at 15073 Avenue of Science, San Diego, CA 92128. The notice must identify the issue(s) for resolution, the circumstances that surround the issue(s), the section in the Handbook that the issue(s) pertain(s) to, and a timeline of events. Within thirty (30) calendar days after delivery of the notice, the District with the Property Owner, and shall attempt to resolve the dispute. The Program shall render a written decision in 30 calendar days and send that decision to the Property Owner. The decision of the Program is final.

## 2.6 Disclosure of Property Owner Information

- 2.6.1 **Disclosure.** By submitting a Program application, Property Owner agrees that the District may disclose his or her personal information to Program staff, and that the District and Program staff may disclose that information to third parties when such disclosure is essential to the conduct of the District's or its member agencies' business or to provide services to Property Owner, including, but not limited to, where such disclosure is necessary to (i) comply with the law, legal process or our regulators, (ii) enable the District or the Program staff or consultants to provide services to Property Owner and to otherwise perform their duties, and (iii) obtain and provide credit reporting information.
- 2.6.2 **Release of Information.** In order to receive funding for this Program Property Owner agrees to the release of his or her name and contact information and the subject property's utility usage data as well as data from the online monitoring of any renewable energy system installed for 12 months before installation of the improvements and up to 24 months after installation of the improvements from the local utility company to the participating municipal agency sponsoring the HERO Program, Program staff, its grantors, and its designated contractors for the purpose of conducting surveys and evaluating the Program and its impact. The Program reserves the right to access utility bill information and online monitoring of installed renewable energy systems (if the Property Owner or system owner has elected to set up online monitoring). In addition, Property Owner understands that the governmental agency sponsoring the HERO Program is a public agency which, in certain circumstances, may have an obligation to release information under any relevant public disclosure law(s) or pursuant to court order.

## 2.7 Program May Inspect Products

- 2.7.1 **Inspection.** The Program may make independent site visits or telephone calls to Property Owners to verify compliance with the Agreement, the Program Assessment Contract or Eligible Product installations. The Program performs inspections of projects for the purpose of verifying the products which have been installed and financed by the Program. Projects are chosen for inspection based on many factors including, but not limited to, random compliance monitoring and testing, project pricing triggers, type of work being performed, and the Program experience profile of the Registered Contractor.

## 2.8 Monitoring and Recording of Telephone Calls



2.8.1 Recorded Calls. The Program may monitor and/or record phone calls between the Registered Contractor and any other person involved in a HERO Program project. By registering with the HERO Program, the Registered Contractor consents to the monitoring or recording of all such phone calls. The Program may listen to these recorded calls for quality assurance and training purposes. Recorded calls may also be listened to and analyzed during investigation proceedings.

2.9 Other Useful Information

DSIRE	DSIRE is a comprehensive source of information on state, federal, local, and utility incentives and policies that support renewable energy and energy efficiency.	<a href="http://www.dsireusa.org">www.dsireusa.org</a>
Energy Star	Energy Star is a government-backed program helping businesses and individuals protect the environment through superior energy efficiency. Energy Star provides energy efficiency standards, qualified and labeled energy efficiency products and recommended installation methods, among other things.	<a href="http://www.energystar.gov">www.energystar.gov</a> Energy Star Hotline for specific questions about specific products (888) 782-7937
Federal Tax Credits	Information page about federal tax credits available for energy efficiency and renewable energy improvements.	<a href="http://www.energysavers.gov/financial/70010.html">www.energysavers.gov/financial/70010.html</a>

### 3 Program Privacy Policy

- 3.1 **Privacy Commitment.** The Program, Renovate America, Inc. ("RA"), all participating municipalities, and all Program service providers are dedicated to protecting the privacy of your information. This policy applies solely to information that users and visitors such as contractors, participating municipalities, consumers, etc. provide through this Renovate America online interface (i.e., website or mobile application) and any Renovate America affiliate or subsidiary online interface that links to this policy, for example, [www.renovateamerica.com](http://www.renovateamerica.com) and [www.heroprogram.com](http://www.heroprogram.com) (our "Website"). This policy describes the types of information we may collect from you or that you may provide when you visit our Website and our practices for collecting, using, maintaining, protecting and disclosing any non-public private information that you provide Renovate America (the "Privacy Policy").
- 3.2 **We Protect Property Owner Information.** By using Secure Sockets Layer (SSL) technology supporting up to 128-bit encryption to prevent unauthorized parties from viewing any personal information transmitted to or from the Program and by limiting access to your personal information to only those authorized parties that have a "need to know".
- 3.3 **Covered Information.** This Privacy Policy covers the information provided to us when you visit our Website and obtain or seek to obtain Renovate America's services. The policy also applies to information we collect in e-mail, text and other electronic messages between you and our Website. Renovate America services are intended for U.S. residents 18 years of age and above. Please be aware that other websites that you may access through our Website may collect personally identifiable information about you. Our Privacy Policy does not cover those third party websites, and we encourage you to read their privacy policies prior to providing them with your personal information. To assist you with reading through our Privacy Policy, we have provided answers to questions you may find most important, and have created the following sections.
- 3.4 **How Does the Program Collect and Use my Information?:** The Program may collect and use your personal information to respond to your requests for Program financing or to provide you with information about products or services that may be of value to you. Certain personal information the Program collects about you may be publicly available via government records, telephone books, and other widely available media (i.e. the Internet).
- 3.5 **Information you Provide:** The Program collects the personal information you provide when you: (i) use our planning tools; (ii) apply for Program financing; (iii) register with the Program; (iv) participate in a promotion or online survey; or (v) contact Program Representatives with a question or suggestion.
- 3.6 **Planning Tools:** When you use our planning tools we collect information including email address, Program financing you may be considering, interest rate, and financing terms. We use this information to provide you email communications that you may have requested.
- 3.7 **Contacting the Program:** When you contact the Program with a question or suggestion, we collect your name, email address, and telephone number. We only use personal information we collect to respond to and/or resolve your question or concern.
- 3.8 **Optional Information:** When accessing the Program website, we may give you the option of submitting general information, for purposes related to providing you with new energy efficiency or renewable energy products or financial services that may be of value to you. Certain information must be provided at the time you submit your request for a financial service or product.
- 3.9 **Information Collected from Other Sources:** The Program may also collect information about you from the following sources: (i) Consumer reporting agencies: We may receive information regarding your credit history from a consumer-reporting agency. We use this information to approve and process your Program application, and to offer you Program products that may be of interest to you; (ii) Outside sources: We may request and/or receive information regarding you, your property, or your proposed or installed eligible products, from others who may or may not have relationships with you, in order to process and approve your Program application. The Program uses this information to verify eligibility for the Program financing or to verify representations you make in your application or funding request.



- 3.10 Technical Information: We use technology to: (i) gather technical information from your Web browser (IP address, operating systems); (ii) set persistent cookies on your computer; and (iii) use "action tags" or invisible tracking "gifs" on our systems (to collect anonymous information about your navigation throughout the Program website). We use this information for routine website maintenance; to establish that you are a unique user; to assist you in the Program financing process; and/or for purposes of assessing the effectiveness of our website, products and services. If you choose to disable cookies, you will still be able to access most of the Program website. However, as a security precaution, in order to apply for Program financing, you may be required to enable cookies on your Internet browser. You may also use cookies to remember your log-in username, if you elect this option. If you do not elect this option, you will be required to re-enter your username and password each time you access your account. These cookies do not contain any personally identifiable information.
- 3.11 Third Party Advertisement: The Program does NOT use third party advertising companies to provide advertisements or allow third party advertisers to track your browsing activities on the Program website for their own purposes.
- 3.12 Sharing. Does the Program Share my Personal Information with Third Parties?:The Program may share your personal information:
- 3.12.1 With companies involved in the Program financing process—Examples: Property valuation companies and credit reporting agencies are a necessary part of the Program financing approval process. Therefore, we must provide some of your information to these companies in order to process your request for Program financing. Additionally, because the Program does not service contractual assessments that secure repayment of Program financing provided to you (a "Program Assessment"), we will provide your information to a company who provides such services. In addition, the Program may sell bonds secured by your Program financing and we will need to provide your information to service providers involved in this activity.
  - 3.12.2 With companies that perform services on our behalf—Examples: We sometimes use service providers to assist us with specific processes or functions such as distributing emails or processing automatic assessment payments that you may have requested as part of your Program financing. Some of these processes may be performed by a service provider located overseas.
  - 3.12.3 With companies that install Eligible Products-Examples: We may share your contact information with companies that are registered with the Program and offer services and/or products that are eligible for financing under the Program. If you wish to opt out and not have your information shared with companies that install Eligible Products, please contact us by email (info@heroprogram.com) or phone (855-HERO-411).
  - 3.12.4 With government entities—Examples: We may share your information with municipalities, counties, joint power authorities and the state (collectively "Interested Government Officials") for the purposes of identifying demand for the Program, identifying environmental and economic benefits created by the Program, and reviewing matters related to Program Consumer Protection. If you wish to opt out and withhold your information from Interested Government Officials, please contact us by email (info@heroprogram.com) or phone (855-HERO-411).
  - 3.12.5 As required by law—Examples: We may need to share your information with law enforcement or government agencies in response to a subpoena, state/federal audit or other similar circumstances. Additionally, the law requires that all Program financing agreements be recorded with the local county recorder's office. The Program website may link you to other companies' websites that offer services that may be of interest to you. These companies do not obtain any specific information about you or your transaction on the Program website. You may also access the Program website from another company's website. We may collect Web traffic statistics from you and other consumers' Web browsers, and we may share this aggregated information with outside companies to assist them with assessing the effectiveness of their website content. No personal information is shared in this aggregated information.
- 3.13 Does the Program use an Overseas Service Provider?: The Program service center is located in California.
- 3.14 Can I Access my Information?: At present, you can access your information by contacting Program Representatives by phone.
- 3.15 Program Financing Applications. You may view your disclosures, including your application. If you request paper copies of your disclosures when you submit your application, we will send you a paper copy in addition to providing your disclosures electronically.

- 3.16 How does the Program Safeguard my Personal Information?: The Program uses a variety of security safeguards to protect your information from loss, misuse, alteration or destruction. For example, you will only be able to access information in your Program account by submitting the username and password you created during registration. We provide access to your personal information to Program employees and other authorized parties on a "need to know" basis. The Program also uses Secure Sockets Layer (SSL) technology supporting up to 128-bit encryption to prevent unauthorized parties from viewing any personal information transmitted to or from the Program during your session.
- 3.17 Who can I contact for Privacy Related Issues?: You can contact us by mail at: The HERO Program, Attn: Privacy Department, 15073 Avenue of Science, San Diego, CA 92128.
- 3.18 How Long will my Information be Stored?: We maintain electronic and hardcopy Program financing application information for funded/closed/withdrawn assessments for a period of 7 years in accordance with federal and state laws.
- 3.19 Will this Privacy Policy Change?: To accommodate changes on the website, changing technology, and legal developments, the Program may change this Privacy Policy from time to time. When we do so we will prominently post the current version of the Privacy Policy on the Program website.

## 4 Contractor Information

### 4.1 How to Register your Company

- 4.1.1 Contractor Registration Page. Contractors operating in California can register at <https://www.heroprogram.com/Contractors>. Contractors operating outside of California can register at <https://register.renovateamerica.com>.
- 4.1.2 A Qualifying Individual Must Register the Company. A Qualifying Individual (as defined in the HERO Registered Contractor Participation Agreement, or "Agreement") operating in California must register with the HERO Program online at <https://www.heroprogram.com/Contractors>; those operating outside of California must register with the HERO Program online at <https://register.renovateamerica.com>. The Qualifying Individual agrees to and accepts the Agreement on behalf of the Company by registering, and becomes the initial account administrator ("Original Company Admin"). The Agreement is available online and will be attached to the registration confirmation email. Registration by anyone other than a Qualifying Individual shall constitute an invalid registration.
- 4.1.3 Send Agreement to the Program. After completing the HERO identify verification process, the qualifying individual may have the option to electronically sign the Agreement. If available, electronic signature is required. If electronic signature is not available, upon receipt of the confirming email, the Company Admin must print, complete, sign, and return the required Agreement to the Program by one of the following methods:
- Email to [contractor@heroprogram.com](mailto:contractor@heroprogram.com);
  - Fax to 858-815-6860; or
  - Mail to HERO Program, 15073 Avenue of Science, San Diego, CA 92128

## 4.2 How to Register your Affiliated Individuals

- 4.2.1 User Management Page. <https://contractor.heroprogram.com/Account>
- 4.2.2 Individual User Accounts. Your Portal allows you to register your Affiliated Individuals by adding and managing individual user accounts.

## 4.3 HERO Training Program

- 4.3.1 Training. For HERO-Registered Individuals to receive a Certificate of Registration, they must satisfactorily complete a comprehensive training program. The Program training curriculum is dependent on the HERO-Registered Individual's job function and consists of in-person sessions, computer-based learning, in-the-field instruction, and interactive testing.

## 4.4 How to get Paid for your HERO Projects

- 4.4.1 Enter your Payment Instructions. <https://contractor.heroprogram.com/Account>. These instructions will be used to send payment for all HERO Projects where the Contractor and Property Owner indicate that the Contractor should receive payment from the Program.
- 4.4.2 Valid Payment Instructions. The primary Program payment method is Automated Clearing House (ACH) disbursement to receiving bank accounts that meet the requirements listed below. If ACH information is not provided by the Contractor or if information is inaccurate or does not meet the requirements below, payment processing delays will occur and the Program reserves the right to issue payment via check.
  - 4.4.2.1 Account must be a checking account.
  - 4.4.2.2 Account must be located in the United States.
  - 4.4.2.3 Account must be a corporate checking account and in the name of the entity, if the receiving entity is Corporation or LLC.
- 4.4.3 Payment Protocols. The Program will pay the Registered Contractor in accordance with the payment instructions entered by the Contractor at this page: <https://contractor.heroprogram.com/Account>. To be paid by HERO for a project, the following must be completed:
  - 4.4.3.1 Approved Property Owner. The Property Owner has applied to, and been approved by, the HERO Program and has verified their identity online, over the phone, or by notary.
  - 4.4.3.2 Compliance with Agreement. The contractor seeking payment is a Registered Contractor in compliance with all terms and conditions of this Agreement.
  - 4.4.3.3 Prior Approval. Before ordering or installing products, contractors or Property Owners are required to obtain approval that the proposed products are Eligible Products, which they can do by calling the Program. When calling in, contractors or Property Owners will need to have all details pertaining to the proposed products such as manufacturer, model number, and other typical identification information readily available in order to complete eligibility approval in a timely manner.
  - 4.4.3.4 Reasonable Pricing. HERO conducts a Reasonable Pricing Test by comparing the pricing with historical prices for similar projects and products. Those with prices beyond HERO-defined control limits are flagged and reviewed with the Registered Contractor.
  - 4.4.3.5 Registered Contractor Acknowledgment. The Registered Contractor acknowledges that it/he/she has informed the Property Owner of all terms that are material to the HERO Program financing.
  - 4.4.3.6 Confirmation. The HERO Program may place a phone call to the Property Owner after sending the HERO Program Financing Documents to confirm that they have read and are aware of all terms and to answer any questions they may have regarding the HERO Program.
  - 4.4.3.7 Documents Executed. The Property Owner has executed all HERO Financing Documents.
  - 4.4.3.8 Notice to Proceed. The HERO Program has provided advance written approval, in the form of a Notice to Proceed (sent after the Three-Day Right to Cancel has expired) and a Completion Certificate, to the Registered Contractor with respect to all Eligible Products, including but not limited to the pricing of such products, which are installed on the Property Owner's property.

- 4.4.3.9 **Building Permits and Sign Off.** The Registered Contractor, on behalf of the Property Owner, has pulled all required building permits related to the installation of the Eligible Products and has obtained final sign off or approval (as required by the Program for the HERO community and Eligible Products installed) from any authority with jurisdiction over such permits. Although compliance with building permit requirements are the Property Owner's responsibility, the Program does require verification that the Registered Contractor, on behalf of the Property Owner, has obtained the necessary permits, and final inspections, for qualifying products.
- 4.4.3.10 **Completion Certificate.** The Property Owner and Registered Contractor have executed and delivered to the HERO Program the Completion Certificate and all required attachments. Before the requirement in the immediately preceding sentence shall be satisfied, the Program may require additional completion and performance confirmation or documentation from the Property Owner, and an inspection of the Project, OR the Program expressly shall waive the requirements set forth in this sentence.
- 4.4.3.11 **Investigation.** The HERO Program is responsible for all representations made about the financing terms and only that component of any project. If a Property Owner has a dispute with their Registered Contractor about representations that were made concerning the HERO Financing Documents, the Program will conduct an investigation and will make the findings transparent to all parties. Once the Property Owner and the Registered Contractor has signed the Completion Certificate and agreed that the project was completed to their satisfaction, the HERO Program is no longer able to withhold payment or manage disputes.

## 4.5 Changes in Projects

- 4.5.1 **Change Orders.** If, after signing the HERO Financing Documents but prior to installation of the Eligible Products, the Property Owner wishes to make any changes to their HERO project this can be accommodated with a new set of Financing Documents, an Assessment Contract Addendum, or a new Completion Certificate (depending on the nature of the change). The Property Owner and Contractor should call the HERO hotline and inform the HERO Program of the necessary changes. The revised documents will be created and sent to the Property Owner for signature before proceeding with the installation.

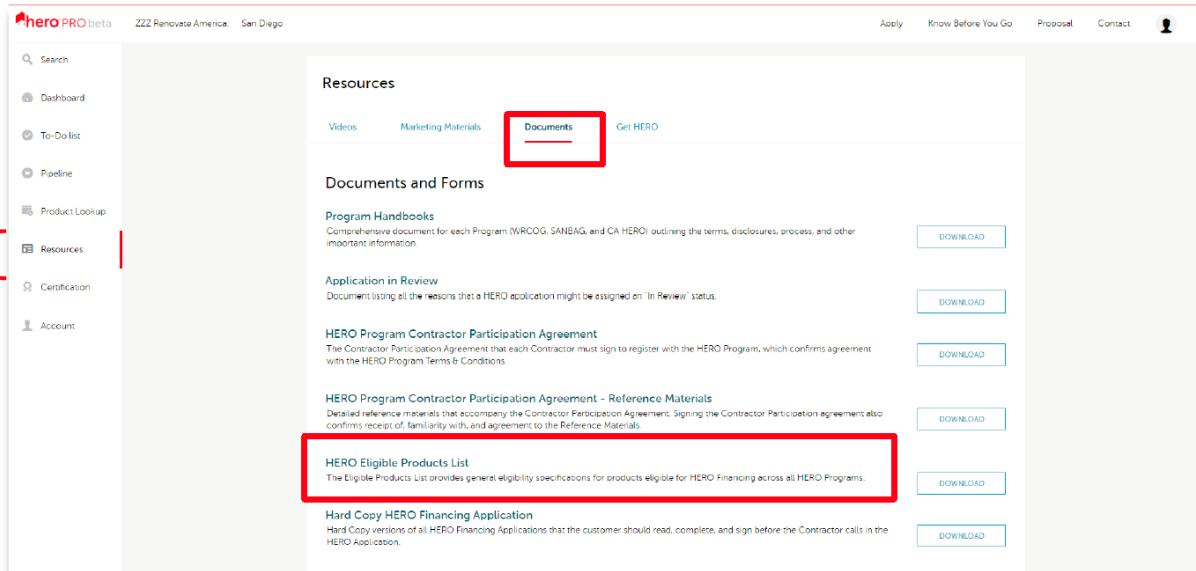
## 4.6 Contractor Marketing Guidelines

- 4.6.1 **Marketing Guidelines.** HERO Registered Contractors have the benefit of co-marketing with HERO creative assets. The HERO Program has developed guidelines to keep the HERO message clear and consistent across all partners and channels. Sticking to these guidelines helps ensure that all legal and regulatory requirements relating to HERO advertising and marketing are met. Please review these guidelines before creating any co-branded marketing materials. By participating in the HERO Program, HERO Registered Contractors agree to the Contractor Marketing Guidelines, a current version of which may be found at: [https://cdn.heroprogram.com/contractor/HERO\\_Contractor\\_Marketing\\_Guidelines.pdf](https://cdn.heroprogram.com/contractor/HERO_Contractor_Marketing_Guidelines.pdf).)When in doubt, email HERO at [marketing@heroprogram.com](mailto:marketing@heroprogram.com).
- 4.6.2 **Violation of Program Requirements.** Marketing is an important part in generating interest in energy-efficient, water-saving and renewable energy products. It is important for contractors to follow the guidelines set forth in this document, and in other materials provided by the HERO Program, to maintain the health of PACE as a whole. Contractors who do not follow the guidelines may be suspended from marketing or participating in the HERO Program. If a contractor has any questions about any marketing that includes the HERO Program, please feel free to contact our marketing department for assistance at [marketing@heroprogram.com](mailto:marketing@heroprogram.com).

## 5 Reference Materials

### 5.1 HERO Eligible Product List

The Eligible Products List is available within the Resources tab of HERO Pro. Once in the Resources section, select the Documents tab in the navigation panel, then click to download the HERO Eligible Products list.



## 5.2 Sample Financing Docs

Scrolling down on the Documents page will display a section dedicated to Sample Documents and Forms. Within that section, users may click to download the Sample Financing Documents, allowing them to understand the HERO process.

