Clay Electric Cooperative, Inc.
A Touchstone Energy® Cooperative

ENERGY LOAN APPLICATION INSTRUCTIONS

Clay Electric Cooperative, Inc.

A $25 loan processing fee will be charged for all applications submitted for loan consideration and will appear as a one-time charge on your monthly electric bill after the application is received. Credit approvals or denials will be communicated in writing via email and/or postal mail. (Once an application has been received, the member must act upon their Clay Electric Cooperative (CEC) credit approval within 30 days and complete the entire loan process within 90 days. Applications not completed within the required time frame may be canceled. If the application must be resubmitted, an additional $25 loan processing fee will apply.) If total costs are beyond the maximum $10,000 loan amount, proof of payment/receipt for the remaining balance beyond $10,000 shall be provided before Energy Loan funds are distributed.

Loan Program Considerations:

- The member(s)/account must be active with Clay Electric Cooperative (CEC) for at least 12 continuous months. An Energy Survey must be conducted by CEC if not previously completed within last 12 months. (Other loan types may be excluded from the Energy Survey requirement.)
- A member's payment history with CEC, along with a credit report from Experian Credit Information Services, will be reviewed.
- A history of delinquent payments, service disconnections for non-payment by CEC, unsatisfied judgments or liens, and bankruptcies may result in automatic disqualification from the loan program. (Accounts deemed "cash only" will receive automatic denial.)

The following documents must be completed/submitted to apply for a CEC Energy Loan.

1. **Loan Credit Application** (front & back of form) - Please take time to fill out this form in its entirety. All incomplete loan applications will be returned to the member for completion, resulting in delays with the loan process.
   - Application must be completed and signed jointly if: 1) your CEC account is listed jointly, or 2) if both incomes are being used to show ability to repay. If only one name appears on the account and only their income is being used to show ability to repay loan, one signature is required. (The "Joint/Co-Maker" can only be the spouse of the member applicant and must also be listed on the CEC account.)

2. **Proposal(s)/Estimate(s)/Receipt** - CEC recommends obtaining estimates from multiple contractors, of your choice, for comparison purposes. You must submit your selected estimate with all required information outlined in the Contractor Information Sheet along with your application. If you are completing the work yourself, you must provide a materials estimate/receipt that includes the quantity of materials needed and associated costs from the company where the materials will be purchased.
   - These documents must include the business info, total project cost, member name, date, installation address, and the brand & model numbers of the equipment being installed – see additional details in "Proposal requirements & Contractor Information." (**Please note:** Refinancing existing loans are not eligible for this program.)

3. **Load Calculation – Using industry-standard "Manual J" method** (HVAC HP loans only) As referred to in the ES Loan Proposal Requirements & Contractor Information document.
   - This is to ensure HVAC is accurately sized to your specific insulated home/business (adding attic insulation may be required prior to distributing loan funds).

4. **Other Loan Types – Please refer to the details specified within our Proposal Requirements & Contractor Information document.**
   - Insulation Applications
   - Heat Pump Window Units & Electric Hybrid Heat Pump Water Heaters
   - Thermal Double Pane Windows
   - High Reflective Galvanized Metal Roof

Please return the completed forms by emailing energyservices@clayelectric.com, (or) by mail to the Energy Services Division, Clay Electric Cooperative Inc., P.O. Box 308, Keystone Heights, FL, 32656; (or) deliver to the nearest District Office of the Cooperative, (or) by fax to 352-473-1731.

Loan Process

LOAN CREDIT APPLICATION - The original application is submitted by the member(s) to CEC – Energy Services along with proposal(s)/estimates, receipts and load calculation estimate/cost/fuel source cost (if applicable), to be evaluated.

CREDIT APPROVAL/DISAPPROVAL - Approval or disapproval notification will be provided by email/letter to the member(s). Terms for loan repayment will vary depending on the amount of loan and approved interest rate. The member must act upon their Clay Electric Cooperative (CEC) credit approval within 30 days and is responsible for completing the loan process within 90 days.

LOAD CALCULATION DOCUMENTATION (if applicable) – After credit approval, member(s) will then be required to provide CEC - Energy Services the "Manual J" Load Calculation, which will be conducted by the member's HVAC contractor, as required.

ENERGY SURVEY – Site survey is required and performed by a CEC representative to assess attic insulation and/or provide energy efficiency recommendations. (Some loan types may be excluded from the Energy Survey requirement.)

WORK APPROVAL & SERVICE COMPLETION - Upon receiving Work Commence approval from CEC – Energy Services, the member(s) are then responsible for initiating work to be completed by their contractor as outlined in their written/submitted proposal(s). Once all work has been completed, the member(s) must notify (email/call) the CEC – Energy Services to schedule the final CEC - ES inspection at the member(s)/account location.

INSPECTION - Most counties require a county permit, and those final/completed inspections must be inspected by the county (if applicable) prior to CEC inspection, to then be provided to CEC – Energy Services. If the work is satisfactory, the CEC representative and the approved member(s) will sign the final loan documents for disbursement of funds. The Promissory Note, Truth-In-Lending Disclosure and Right of Rescission will be signed by the member(s)/borrower(s) at this time. (This step requires ALL signees to be present to finalize the loan, allowing loan funds to be issued.)

CHECK DISBURSEMENT - A check(s) will be distributed within a few days of approved inspection by CEC. Your first loan payment will be due and listed as a line item on your next electric bill.

ES loan funds will not be issued/disbursed to the member/contractor until after: 1. all equipment has been completely installed & operational, 2. a Clay Electric site inspection has been performed, and 3. the member(s) signs/completes their final loan documents.

Once the loan check is issued/disbursed (one check will be issued, made jointly payable to the member and their contractor which will be mailed directly to the member), it then will be the member's responsibility to ensure their contractor is paid.

IF a member refuses to complete their loan requirements/documents listed above after the installation of equipment/service provided by their contractor, Clay Electric WILL NOT release loan funds. ALL payment obligations to contractors for services provided to the member are between the member and their contractor.

Energy Loan Guidelines

i. Loans are granted on a first-come, first-approved basis, within limits of available funds and are re-paid monthly at an annual interest rate of either 6% or 9%, depending on your credit history. There is no pre-payment penalty.
ii. Minimum loan amount is $1,500; maximum loan amount is $10,000.
iii. Loans to be granted require an energy survey within the past year.
iv. On tenant loans, the owner will be required to be a co-maker. Owner must be a member of Clay Electric.
v. For manufactured and/or modular homes, both the home and land must be owned by the member borrower. In rental situations, the landowner may qualify as the applicant, provided they are a member of Clay Electric Cooperative. Proof of ownership may be required. The Energy Services (ES) Loan Program is available only to its members.
vi. All work must be completed and must pass county and CEC inspection prior to loan proceeds disbursal.
vii. Loan proceeds shall be issued jointly to borrower(s) and contractor or materials supplier, if the work is not paid for in full by borrower(s) prior to disbursal. If paid in full by borrower(s), a paid receipt must be submitted in order for check to be made payable solely to the borrower(s).
viii. Loans are considered part of the electric service, and non-payment may result in disconnection of electric power/services. Borrower(s) must agree to pay all costs of collection on note. (Accounts that are closed and/or changed will require the loan debt to be paid in full.)
ix. All applicants must have at least 12 months of continuous service from the date of application and have an acceptable credit history.
x. All co-makers (can only be spouse of member and also be listed on the account) must be Clay Electric members with an active account and at least 12 months of continuous service from the date of application.

If you have any questions, please contact the Energy Services Division at (352) 473-8000, ext. 8263, or at energyservices@clayelectric.com.