The NEIF Commercial Finance Process

A Contractor's Guide to the NEIF Commercial Portal & Process

There are typically two ways a customer can access NEIF Commercial Financing.

1. Initiated by a NEIF-Approved Contractor (instructions below)

- NEIF **makes it easy** for contractors to integrate financing into their sales process.
- **Create a monthly payment proposal in 2-minutes or less** on the NEIF Commercial Finance Portal (www.neifcommercial.org) and send your customer an application already partially filled out.

2. Initiated by a Customer

- Send NEIF's **Credit Application** (commercial.neifund.org/apply) directly to your customer.

What to Submit

When creating a monthly payment proposal on the NEIF Commercial Finance Portal (Option 1 above), you'll need the following data points. Often, this info can be found in a customer report, audit, or scope of work.

**If someone on your team needs a free portal demo, contact NEIF.*

- Project Location (address at which project is to be installed)
- Project Information
  - Total Project Cost (including sales tax, if applicable)*
  - Estimated Rebate/Incentive (If applicable)
  - Equipment Selection (Lighting, HVAC, Controls, etc.)
  - Estimated Energy Savings (OPTIONAL)
  - Maintenance Cost Savings (OPTIONAL)
- Program Selection (if applicable)
  - Learn more: neifund.org/commercial-program-pages/
- Customer Information
  - Entity Type (Commercial, Non-Profit, Government)
  - Customer's Legal Business Name
  - Point of Contact Name and Email
    - NEIF will not contact without being requested to

Any questions?

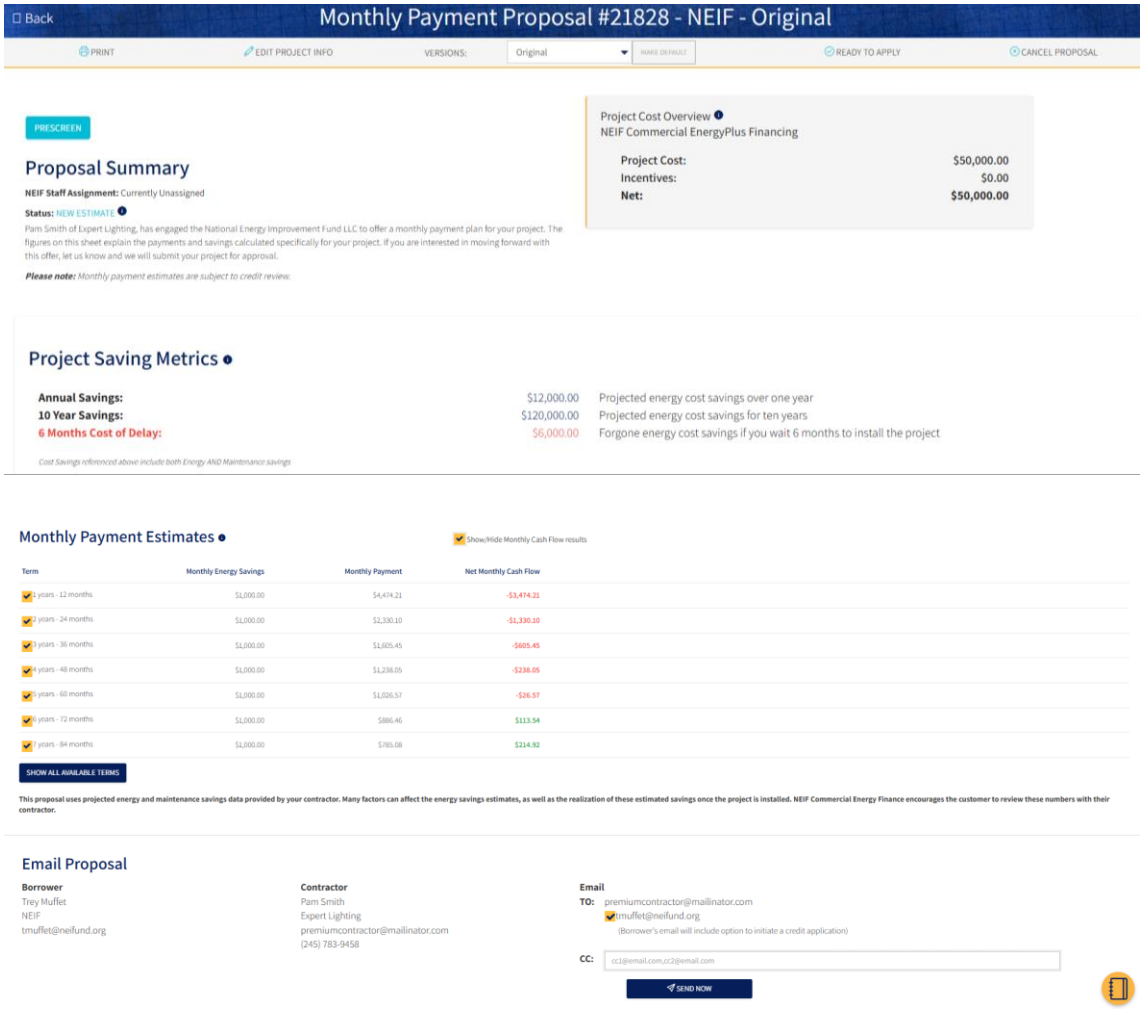
We would love to answer them! Contact the NEIF Commercial Financing team:

Phone	|	(720) 724-7673
Email	|	commercialfinance@neifund.org
Portal	|	neifcommercial.org/
Website	|	neifund.org/

**Some larger projects (>$250,000) may be eligible for lower rates than what is shown on portal. Please contact your NEIF Representative to learn more.*

Navigate the Portal's Main Action Screen

After providing the necessary data on the "Create a New Proposal" form on the portal, you will click "Finalize my Proposal" and arrive at the Monthly Payment Overview screen. This is the main action screen of the portal. Refer to this cheat sheet to help guide you through some of its most important functions.

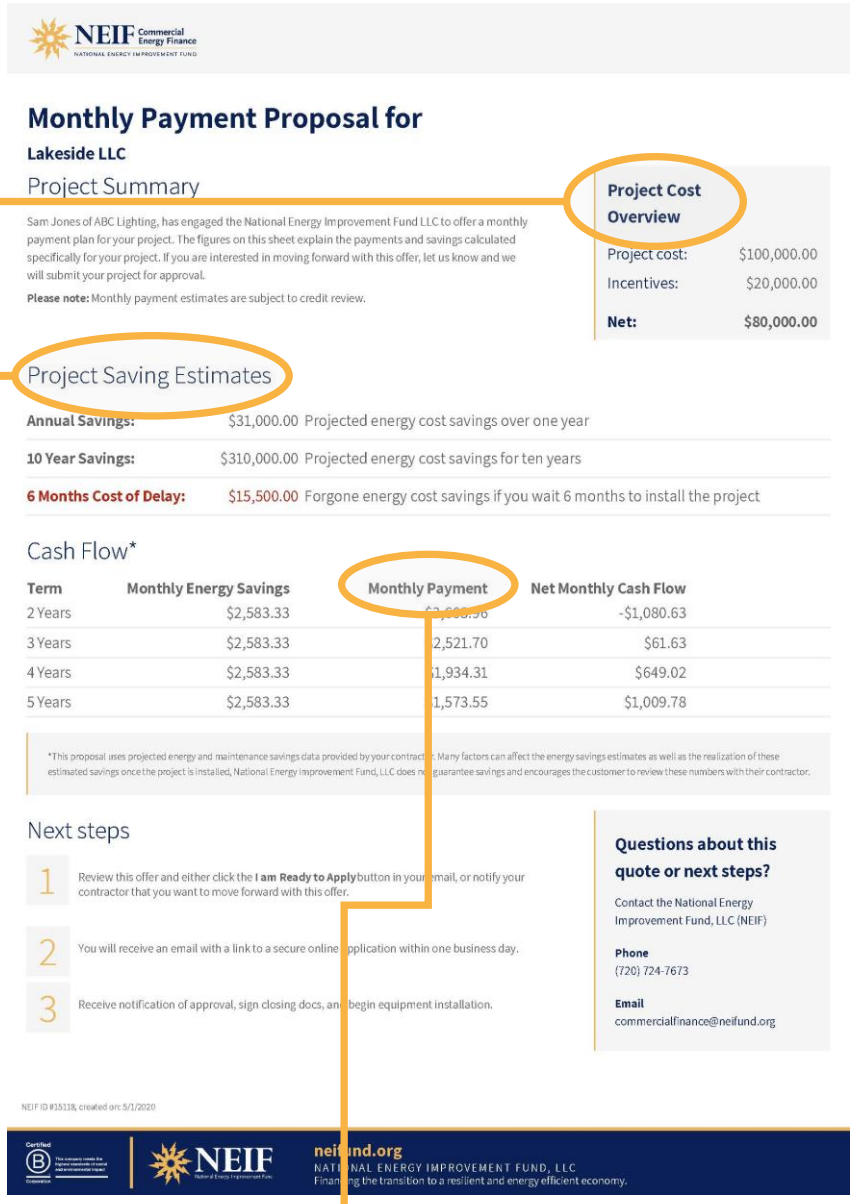


1. **Print** or download a PDF of the proposal to share with the customer or to save in your files.
2. **Edit Project Info** to create different versions of the proposal & reflect multiple project cost scenarios.
3. **Click Ready to Apply** to send your customer a credit application and then upload the Scope of Work.
4. **Navigate** the Proposal and Application Dashboards to see where all your projects are in the finance process.
5. **Select** what terms you would like to share with your customer.
6. **Click Send Now** to email a copy of the finance proposal to yourself. If you send to your borrower, it will provide them the option to initiate a credit application.
7. **Take notes** on project details.

How to Decipher a Finance Proposal

Download, save, or send the finance proposal generated by the NEIF portal.* This *is not an approved offer but* shows your customer monthly payment estimates.

***Reminder:** The NEIF Portal provides instant estimates for equipment secured financing. NEIF prepares custom solutions for Energy Service Agreements, PPAs, and C-PACE . Contact NEIF to learn more.*



NEIF Commercial Energy Finance
NATIONAL ENERGY IMPROVEMENT FUND

Monthly Payment Proposal for

Lakeside LLC

Project Summary

Sam Jones of ABC Lighting, has engaged the National Energy Improvement Fund LLC to offer a monthly payment plan for your project. The figures on this sheet explain the payments and savings calculated specifically for your project. If you are interested in moving forward with this offer, let us know and we will submit your project for approval.

Please note: Monthly payment estimates are subject to credit review.

Project Cost Overview

Project cost:	$100,000.00
Incentives:	$20,000.00
Net:	**$80,000.00**

Project Saving Estimates

Annual Savings:	$31,000.00	Projected energy cost savings over one year
10 Year Savings:	$310,000.00	Projected energy cost savings for ten years
6 Months Cost of Delay:	$15,500.00	Forgone energy cost savings if you wait 6 months to install the project

Cash Flow*

Term	Monthly Energy Savings	Monthly Payment	Net Monthly Cash Flow
2 Years	$2,583.33	[illegible]	-$1,080.63
3 Years	$2,583.33	2,521.70	$61.63
4 Years	$2,583.33	1,934.31	$649.02
5 Years	$2,583.33	1,573.55	$1,009.78

*This proposal uses projected energy and maintenance savings data provided by your contract[illegible]. Many factors can affect the energy savings estimates as well as the realization of these estimated savings once the project is installed, National Energy Improvement Fund, LLC does no[illegible] guarantee savings and encourages the customer to review these numbers with their contractor.

Next steps

1. Review this offer and either click the **I am Ready to Apply** button in your email, or notify your contractor that you want to move forward with this offer.
2. You will receive an email with a link to a secure online application within one business day.
3. Receive notification of approval, sign closing docs, and begin equipment installation.

Questions about this quote or next steps?

Contact the National Energy Improvement Fund, LLC (NEIF)

Phone
(720) 724-7673

Email
commercialfinance@neifund.org

NEIF ID #15118, created on: 5/1/2020

Certified B Corporation | NEIF National Energy Improvement Fund
neifund.org
NATIONAL ENERGY IMPROVEMENT FUND, LLC
Financing the transition to a resilient and energy efficient economy.

Project Cost Overview

Project Cost Overview reflects:
(1) total project cost; (2) estimated utility incentive; and, (3) net financed amount (if you elected to use the rebate to reduce financed amount)

Project Savings Estimates

Project Savings Estimates are based on savings estimates that you provide. They show customers (1) annual utility cost savings; (2) savings over 10 years; and (3) forgone energy cost savings if they wait 6 months to install the project

Monthly Payment Estimates

Monthly Payment Estimates show your customer the options and the resulting monthly **cash flow**

Cash flow = [Monthly Energy Cost Savings] – [Monthly Payment]. If a project is cash flow positive, it means your customer is saving money on day one

START to FINISH

NEIF	Contractor	Customer
	Contractor creates monthly payment proposal on NEIF Portal and reviews with the customer	
		Applies for Financing via either: • **Direct to Customer App URL**; • **Contractor sends partially completed application** via Portal (click *Ready to Apply)* Submits Credit Application and uploads financials directly to application (if requested)
	Contractor uploads Proposal/ Scope of Work (SOW) to portal & indicates if they want to request prefunding.	
Potential Program Verification If participating one of NEIF's sponsored programs, program staff may need to review/verify key project details prior to NEIF reviewing the credit app.		
NEIF reviews application package		Receive credit decision typically in **3-5 business days**
If approved, NEIF generates & sends Closing Documents to customer		Review and Sign Closing Documents
Issue Notice-to-Proceed (NTP)		
	Receives NTP; and, if applicable/approved, submits Pre-Funding Invoice to NEIF.	
NEIF coordinates pre-funding	Receives pre-funding in **1-2 business days** via ACH	
	Job is complete! Contractor uploads Final Invoice to Portal.	
Potential Program Verification If applicable, sponsor program staff may need to verify final project details prior to NEIF funding.		
NEIF coordinates final funding, including verbal or electronically-signed project verification from customer.		
	NEIF issues final funding via ACH typically within **2 business days** of project completion and verification.	Customer typically makes first monthly payment 30 days after project completion and makes equal monthly payments over duration of lender's term.

NEIF Commercial Financing

APPLICATION SUBMISSION GUIDELINES

See below for a guide to the application package NEIF needs to review/approve customers for financing.

Eligibility Includes:

- Valid business entity with proper registration (LLC, Corp, Sole Proprietor, etc.)
- Satisfactory credit history and financial statements
- Minimum of 2 years in business (start-up businesses may require additional scrutiny, personal guarantees)
- No outstanding tax liens, bankruptcies, or major legal issues

Commercial & Non-Profit Entities

- **Amount Financed < $150,000**
  - NEIF Commercial Financing application: http://commercial.neifund.org/apply
  - Contractor scope of work/proposal
  - May need additional documents if credit approval proves challenging, such as business financials, personal guarantee, cross corporate guarantee, etc.
- **Amount Financed > $150,000**
  - NEIF Commercial Financing application: http://commercial.neifund.org/apply
  - Contractor scope of work/proposal
  - 3 years of business tax returns OR 3 years of audited financials
  - Most recent interim financials (income statement and balance sheet)
  - Current debt schedule (short- and long-term debt obligations)
- **Other Common Occurrences**
  - Up-to-date debt service schedule
  - Contractor scope of work/proposal
  - 3 years of business tax returns OR 3 years of audited financials
  - Most recent interim financials (income statement and balance sheet)
  - Current debt schedule (short- and long-term debt obligations)

Municipalities/Public Schools

- **Regardless of Project Size**
  - Up-to-date debt service schedule
  - Contractor scope of work/proposal
  - 3 years of audited financials
  - Most recent interim financials (income statement and balance sheet)

When Does NEIF Need a Personal Guarantee?

Generally, commercial finance is based only on an evaluation of business credit. In some cases, NEIF will require a personal guarantee **(PG).** A PG is a very common feature of commercial equipment financing. We have found that it is commonly the added factor that makes a business finance request earn an approval— when the business credit itself isn't sufficient.

A PG will always be required if the borrower is either:

- Sole proprietorship or single member LLC, and/or
- Time in business </= 2 years

Upon initial credit review, a PG may be requested to bolster creditworthiness.

A Cross Corporate Guarantee (CCG) of a similarly owned business may be considered in place of a PG (case by case). See next page for more information.

What is a Personal Guarantee, and Why Might NEIF Ask For It?

When you sign a Personal Guarantee (PG), it means that you are personally standing behind your business' financial obligation

Here are a few things to know:

- A personal guarantee **DOES NOT** involve a loan. It stands behind a loan and only comes into play if the loan defaults (i.e. your business defaults). It does not show up in a credit report, and it does not require that you make payments— unless your business defaults.
- A personal guarantee **DOES NOT** involve a personal credit pull.
  - The credit inquiry will show up on your credit report. In and of itself— that is not a negative factor, but if you have many instances of different creditors pulling your credit, it can eventually affect your credit.
  - If you have a recent personal bankruptcy or if your personal credit is not good, then the PG may not be enough to get your business' loan request approved.

NEIF will never pull your personal credit or initiate a PG without your permission.

The first step is that you sign our Personal Guarantee Request Form. Then, and only then, we will pull your personal credit. If the PG is approved, then you will sign that personal guarantee form when you sign your business financing documents.

What is a Cross Corporate Guarantee, and Why Might NEIF Ask For It?

A Cross Corporate Guarantee **(CCG)** means that another related business that you own is standing behind the financing you've requested. Like a PG, it is common to use the CCG to support a financing request for a small, new, or not-so-profitable business. A CCG and PG are interchangeable and serve the same purpose as one another. Like a PG, a CCG is sometimes the factor that helps move a finance request to approval.

Here are a few things to know about a CCG:

- A CCG is NOT a loan. It stands behind a loan and only comes into play if the loan defaults (i.e. your business defaults). It does not require that you make any payments— unless the business that you are financing defaults. It also does not require that the business providing the CCG make any payments unless the business seeking the new financing defaults.
- A CCG DOES NOT involve personal credit or a personal credit pull.
- A CCG is only as good as the credit of the business offering the guarantee; it works in many, but not all, cases.

NEIF will never consider a CCG and review the associated credit of your other business without your permission.

The first step is that you agree to have us look at your other, related business' credit quality. We will need the legal name, corporate address, and EIN of the other business. Depending on the size of the request, we may request the corporate guarantor's financials. If the CCG is approved, then you (and any other key owners of the CCG company) will sign for the CCG when you sign your business financing documents.

QUESTIONS?

Phone: (710) 724-7673

Email: commercialfinance@neifund.org

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NATIONAL ENERGY IMPROVEMENT FUND
A Certified B Corp™

Additional Resources for Contractors

Cheat Sheets, Guides, One-Pagers, and More…

NEIF has several resources designed to help contractors take control of every sale to propose and close more projects with easy monthly payment solutions.

Visit the NEIF Commercial Contractor Center (www.neifund.org/commercial-contractors/) for additional resources. Alternatively, click the hyperlinks directly below.

Important Links

- NEIF Commercial Finance Portal – Create financing proposals and track projects in your pipeline
- Commercial Financing Application – Customers can apply for financing directly using this link
- Sponsored Commercial Programs – Learn more about special offers through utility and other partners

Frequently Asked Questions

- Frequently Asked Questions

Customer-Facing Marketing

- Commercial Financing Brochure – How to close more deals with NEIF Financing
- Benefits of Equipment Financing – Key benefits of financing energy projects with NEIF
- NEIF Solar Financing – A guide to NEIF's suite of solar financing solutions

Other Information

- RebateBridge™ – Improve cash flow by getting paid for utility rebates/incentives in less than one week!