

### eFunder Frequently Asked Questions

Question	Response
What's driving the current need for funding by buildings?	With higher occupancy duration and intensity since the onset of COVID-19, older buildings are finding the need to repair or upgrade older assets sooner than planned, and many are experiencing revenue challenges from financial hardships of their occupants.
Why not just extend funding based on customer needs?	We are offering this product to align our commitment to energy efficiency with a unique method of funding installed energy efficiency equipment. We want to reward customers for making smart decisions by enabling them to make even more of them.
Who would find this product valuable, and why?	<p>This product is attractive for a traditional building owner who wants funding without disrupting their mortgage, increasing rents or fees, with less paperwork and associated legal fees.</p> <p>For condominiums boards it can be an easier and more convenient way to get funding than from their bank.</p> <p>This is also a new and attractive method for social housing buildings in need of creative funding options not otherwise available from banks and financial services organizations.</p>
Is funding available from the equipment value alone, or from the entire installation cost?	We'll work to find the best solution for your needs.
What comparable products and pricing are in the market today?	Standard equipment financing rates can be in the higher single-digit to lower double-digit range but is traditionally offered for new equipment purchases. We're taking a new approach and rewarding buildings for making smart energy efficiency equipment decisions by funding against recently completed retrofits and upgrades.
How is eFunder pricing different than that of a bank?	<p>Banks typically do not serve this market segment. They traditionally offer mortgage-backed funding secured by the building assets, with a focus on maximizing their security and larger transaction sizes.</p> <p>Efficiency Capital is focused on smaller, equipment-backed funding opportunities with a lower security position than typically required by banks.</p>

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What's the minimum and maximum value of equipment that you're able to fund?	We will fund customers seeking \$50,000 or more in the value of energy efficiency equipment installed in the last 2 years. There is no maximum – we can fund millions of dollars in upgrades, based on customer needs.
Is equipment maintenance an important or essential component of the product proposition?	Yes, equipment maintenance is an important part, and it can be performed either by the customer or by Efficiency Capital based on the customer's needs.
What information do you need from me?	<p>We need to know your:</p> <ul style="list-style-type: none"> <li>• Equipment type</li> <li>• Equipment manufacturing age</li> <li>• Original project cost</li> <li>• Current equipment book value</li> <li>• Estimated monthly \$ efficiency savings from equipment</li> <li>• Building financials, etc...</li> </ul>
Are there minimum energy efficiency thresholds for equipment to be eligible for funding?	It depends on the type of equipment you've installed. We want to reward smart energy efficiency decisions with a new funding product for recent installations. We're glad to talk with you to explore how we can help you get the best possible financial and environmental benefits.
What happens if equipment fails / breaks and/or needs replacement during term?	It depends on the nature of the agreement between the customer and Efficiency Capital. In certain circumstances Efficiency Capital takes over the performance risk of the equipment.
What kind of security would Efficiency Capital take for this type of financing?	The security depends on the nature of the transaction between the customer and Efficiency Capital. Typically, there would be a charge against the equipment being funded, in addition to other requirements.