

**Kansas Corporation Commission Energy Efficiency Revolving Loan Fund Program
Lender Participation Agreement**

_____ (LENDER) hereby certifies that the Kansas Corporation Commission (PROGRAM SPONSOR) has contributed a sum of \$ _____ toward a current advance evidenced by a promissory note signed as maker by the Borrower, the amount, date and maturity of the note and security therefor, if any, being shown below.

Borrower's Name

County of Residence For Borrower

Borrower's Mailing Address

Promissory Note Amount: \$ _____

PROGRAM SPONSOR Participation \$ _____
(50% of Promissory Note)

Promissory Note Interest Rate: _____ %
(50% of LENDER's normal and customary rate for borrower/project)

Promissory Note Date: _____ Maturity Date: _____

This promissory note is (check one): unsecured secured.
If secured, the security is:

The terms and conditions of this note are further detailed in a promissory note and other forms of agreement from borrower, which is/are made a part hereof by reference.

It is agreed:

1. The LENDER is a federal- or state-chartered bank, savings institution or credit union, or a certified community development finance institutions and the promissory note evidencing this shared obligation will be held and serviced by one of its offices located within the State of Kansas.

2. This loan participation evidences a sale of a percentage ownership in the approved loan and the corresponding note or notes, collateral security, and other loan documents and shall in no way be construed as an extension of credit by PROGRAM SPONSOR to LENDER.

3. PROGRAM SPONSOR's share of the amount advanced under the promissory note bears no interest.

4. The LENDER will exercise the same degree of care and discretion in continuing to service the loan and collecting the payments thereunder as LENDER would ordinarily take in the payments thereunder solely for its own account. The loan is considered in default if any scheduled

payment is past due ninety (90) days or more. In the event such a default occurs, the LENDER is required to pursue the collection of the defaulted loan until it is brought current, collected in full or reduced to a judgement which has been executed and has resulted in no less than a lien on the borrower's real property. Should the borrower have no real property, the lien is to be on personal property or a garnishment of wages. Collection efforts by the LENDER on a defaulted loan may be terminated upon providing documentation to PROGRAM SPONSOR that the borrower has been discharged of their debts by the U.S. Bankruptcy Court and the LENDER has filed a claim with the Court if permitted, or that the borrower has died, and a claim was filed against the estate and there were insufficient assets in their estate for a full recovery. All costs of collecting shall be borne by the LENDER. Any recovery on the loan will go first to repay the LENDER its share of the principal balance, accrued interest due, and the collection costs, with the balance applied to PROGRAM SPONSOR's share.

5. LENDER will report on the status of all loans in default, on PROGRAM SPONSOR forms, within thirty (30) days of the end of each calendar quarter. LENDER will no longer be obligated to report on a defaulted loan after receiving written notice from PROGRAM SPONSOR that it has received proper documentation pursuant to paragraph 4 showing the LENDER has no further recourse against the borrower.

6. LENDER makes no representations or warranties, whether expressed or implied, to PROGRAM SPONSOR as to the collectability of the loan, the continued solvency of the Borrower or as to the existence, sufficiency or value of the collateral securing the loan; or to PROGRAM SPONSOR as to the validity and enforceability of the documentation for the loan, other than that to the extent required under applicable law, the deed of trust and/or security agreements under the loan were (and/or will be) properly recorded in order to result in the valid perfection of a security interest on the collateral subject to such agreements. The parties hereto further agree that PROGRAM SPONSOR shall have no interest in any other property of the Borrower or of any co-maker, guarantor, endorser, taken as security for any other and/or additional loan or loans made by LENDER or acquired by LENDER or in any property now or hereafter in the possession or control of LENDER, which other property may indirectly secure repayment of the loan by reason of "cross-collateralization"; except that if any such other property or the proceeds thereof is applied to the reduction of the loan, then PROGRAM SPONSOR shall be entitled to share in such an application of payment or payments as provided herein.

7. LENDER will make available to PROGRAM SPONSOR, during its ordinary business hours, the Borrower's loan file, as it relates to the loan, for PROGRAM SPONSOR's review and will arrange with the Borrower for PROGRAM SPONSOR staff to make an on-site inspection, as PROGRAM SPONSOR deems necessary, of any improvement(s), replacement(s), or equipment purchases made under this program or accompany PROGRAM SPONSOR staff on inspections.

8. LENDER will include language in its promissory note with borrower requiring the borrower's contractors/subcontractors to comply with provisions of the Davis-Bacon Act using language provided by PROGRAM SPONSOR. PROGRAM SPONSOR shall be responsible for monitoring compliance by contractor/subcontractor. LENDER shall consider federal grant compliance requirements as a covenant of its loan agreement with the borrower and shall require the borrower to certify in writing its compliance with such requirements prior to each loan advance to the borrower.

9. LENDER will retain the Borrower's loan file for a period of at least five (5) years after the loan has been paid in full.

10. LENDER will remit PROGRAM SPONSOR's share of any loan payment collected during the course of a calendar month no later than 30 days following each month to PROGRAM SPONSOR.

11. LENDER will submit information on the status of the loan to PROGRAM SPONSOR no later than 30 days after each month end. The LENDER will provide this information on forms supplied by PROGRAM SPONSOR.

12. LENDER certifies that the approved loan is a new loan, not a refinance of an existing debt or the financing of work completed, or replacements made prior to loan approval, unless it is a refinance of a previously approved loan under the program, which was a construction loan or an amortized loan with a balloon payment prior to the end of the maximum loan term.

13. LENDER shall have the right, at its sole and exclusive option, to repurchase PROGRAM SPONSOR's ownership interest in the approved loan. The repurchase price shall be equal to PROGRAM SPONSOR's principal interest in the approved loan as then outstanding.

14. LENDER will not without PROGRAM SPONSOR's written consent (a) renew, extend or consent to a revision in the provisions of the note evidencing the shared obligation or a security document; (b) make or consent to any release, subordination, substitution or exchange of security for the shared obligation (provided that if the security is collateral in the form of accounts or inventory, then when no portion of the shared obligation is overdue or where PROGRAM SPONSOR has not otherwise instructed LENDER in writing, LENDER may permit the Borrower to collect accounts, sell inventory and use the proceeds thereof, all in the ordinary course of the Borrower's business); (c) sell, assign or transfer any of said security, waive any claim against the Borrower, the guarantor or a standby or substituted creditor in connection with the shared obligation; (d) cause or allow the principal of the shared obligation to be increased; (e) to negotiate, sign, discount, endorse or guarantee any note or obligation of the Borrower or issue any letter of credit as to the Borrower.

15. LENDER will notify PROGRAM SPONSOR in writing within thirty (30) calendar days if the ownership of the note evidencing this shared obligation has been transferred and will provide PROGRAM SPONSOR with the name, mailing address, and telephone number of the entity to whom ownership has been transferred and which will hold and service the note.

16. LENDER will notify PROGRAM SPONSOR in writing within thirty (30) calendar days following sale or contract of loan service and will provide PROGRAM SPONSOR with name, mailing address and telephone number of the company to whom loan service has been sold or contracted and the office which will provide the service.

17. No employee of PROGRAM SPONSOR shall participate in any decision relating to the agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is indirectly interested or have any interest, direct or indirect, in the agreement or the proceeds thereof.

18. Any amendment to this Agreement will not be effective without the express written agreement of all parties, except that in the event of changes in any applicable federal and state statutes, regulations, or guidance regarding the use of funds, this Agreement shall be deemed to be amended when the statutory requirements for use of grant funds are changed or when required to comply with any law or guidance so amended. Such deemed amendments shall be effective as of the effective date of the statutory or regulatory change or the date the guidance is issued.

19. If a court holds that any term of this Agreement is invalid, that holding shall not affect the other terms, which shall remain in full force and effect.

20. Parties' failure to comply with the terms of this agreement will be considered a breach of contract. In the event of breach, or any provision thereof, the failure of PROGRAM SPONSOR to exercise any of its rights or remedies under this Agreement shall not be construed as a waiver of any such provision of the Agreement breached or as acquiescence in the breach. The remedies herein reserved shall be cumulative and additional to any other remedies at law or in equity.

21. The Parties agree that where the KCC may rely upon the certification of the LENDER that such expenses for which LENDER shall permit Borrower to use the funds meet the requirements of the Infrastructure Investment and Jobs Act ("IIJA") of 2021 Energy Efficiency Revolving Loan Fund Capitalization Grant Program and where the U.S. Department of Energy, or any other person, official, or department which is charged with the auditing and review of expenditures of these Infrastructure Investment and Jobs Act ("IIJA") of 2021, Energy Efficiency Revolving Loan Fund Capitalization Grant Program funds determines that such use was not permitted under Infrastructure Investment and Jobs Act ("IIJA") of 2021, Energy Efficiency Revolving Loan Fund Capitalization Grant Program, LENDER agrees to indemnify, reimburse and make whole the PROGRAM SPONSOR for any funds which the United States Government or its agencies seeks to recoup or collect, either by litigation, or by withholding other federal funds owed to the PROGRAM SPONSOR or the State of Kansas. LENDER further agrees to indemnify, reimburse, or make whole the PROGRAM SPONSOR or the State of Kansas for any penalties associated with the federal government seeking to recoup the expended Infrastructure Investment and Jobs Act ("IIJA") of 2021, Energy Efficiency Revolving Loan Fund Capitalization Grant Program funds which the PROGRAM SPONSOR disbursed to LENDER.

22. This Agreement shall be governed and construed in accordance with the laws of the State of Kansas.

23. The promises, conditions, benefits and powers herein contained shall bind and inure to the respective successors of the parties. Whenever used herein, the singular number shall include the plural, the plural the singular, and the terms LENDER and PROGRAM SPONSOR will include any payee thereof, whether by operation of law or otherwise.

FOR LENDER

Signature _____

Name _____

Title _____

Date _____

FOR PROGRAM SPONSOR

Signature _____

Name _____

Title _____

Date _____