



INTERLOCAL CONTRACT

THIS AGREEMENT, entered into pursuant to 24 V.S.A. §§3266 and 4901-4902, by and among _____ and _____, political subdivisions of the State of Vermont (each a “Participating Municipality”), and _____ and _____ financial institutions conducting business within the State of Vermont, or persons who are “purchasers” under 9 V.S.A. §5202(14), (each an “Investor” or “Investors”).

WHEREAS, the Investors have committed to funding a financing program to assist property owners in making property-assessed clean energy (“PACE”) improvements; and

WHEREAS, in order to implement such commitments, Investors have agreed to provide funds to a financing vehicle (the “Credit Facility”), the proceeds of which shall be advanced to eligible property owners (“Participating Property Owners”) within the Participating Municipalities; and

WHEREAS, each Participating Municipality has elected to designate itself a PACE district in accordance with 24 V.S.A. §3261; and

WHEREAS, each Participating Municipality is an exempt lender under 8 V.S.A. §2201(d)(1); and

WHEREAS, Participating Municipalities have entered into agreements (Exhibit A) with Vermont Energy Investment Corporation, Inc., a domestic non-profit public benefit corporation, d/b/a Efficiency Vermont (“Efficiency Vermont”), to serve as PACE Program Administrator with respect to the financing program which is the subject of this Interlocal Contract.

NOW THEREFORE, in consideration of One Dollar and other good and valuable consideration, payment, receipt and sufficiency of which is hereby severally acknowledged, and in consideration of the undertakings, representations and inducements set forth herein, the parties agree as follows:

- (1) At such time or times as determined by the PACE Program Administrator, each Investor shall deliver to the PACE Program Administrator or its designee such portion of the Investor’s committed Credit Facility contribution for deposit in the Credit Facility.
- (2) Each Participating Municipality shall be responsible for the execution, filing and recording of documentation evidencing loans made to their respective Participating Property Owners.
- (3) The Participating Municipality shall undertake and prosecute such remedial actions (including foreclosure) as may be necessary for the PACE Program Administrator to certify a remaining past due balance as defined in 24 V.S.A. §3270(e) for payment out of the PACE Reserve Fund or the State PACE Reserve Fund.
- (4) Under no circumstances shall any Participating Municipality be liable for the payment or performance of any loan made to a Participating Property Owner. This Interlocal

Contract shall not be construed as an agreement of surety, joint venture, partnership, indemnification or guaranty, nor shall it be deemed to create an agency, except as explicitly provided herein.

- (5) In the event a Participating Municipality undertakes foreclosure or other collection remedy with respect to a financing made to a Participating Property Owner, it shall be entitled to recover and retain its incurred costs, including any statutory penalty. All net sums recovered, including collected accrued interest on such delinquent accounts shall be paid over to the PACE Program Administrator for deposit in the Credit Facility.
- (6) No part of this Interlocal Contract may be assigned or assumed without the prior written consent of all parties.
- (7) Additional Investors and Participating Municipalities may become parties to this Interlocal Contract upon subscribing to these presents.
- (8) Periodic reports called for hereunder may be disseminated electronically. Any formal notice to be given hereunder shall be deemed sufficient if in writing addressed to the parties at the addresses indicated below, and deposited for delivery with the United States Postal Service, first-class postage prepaid:

If to the Participating Municipality:

Attn: _____

If to the Investor:

Attn: _____

IN WITNESS WHEREOF, the parties have caused these presents to be executed as of the date first set out above by their respective authorized officers.