

ENERGY LOAN APPLICATION INSTRUCTIONS

Clay Electric Cooperative, Inc.

A \$25 loan processing fee will be assessed on all applications submitted for loan consideration (approved and disapproved) and will appear as a one time line-item on the monthly electric statement following application.

A member's payment history with Clay Electric Cooperative (CEC) and a credit report from Experian Credit Information Services will be evaluated. A history of delinquent payments, disconnects for non-payment by CEC, unsatisfied judgements and liens, and bankruptcies are considered automatic disqualification from the loan program.

The following forms must be completed in order to apply for a loan.

1. **Loan Credit Application** (front & back) - Please take time to fill out this form in its entirety. All incomplete loan applications will be returned to the customer for completion resulting in a delay in loan processing.

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.

2. **Proposal(s)/Estimate(s)** - CEC recommends obtaining estimates from several contractors, of your choice, for comparison purposes. You will submit your estimate of choice with all pertinent information as outlined in the Contractor Information Sheet (including total costs) with your application. If you are doing the work yourself, an estimate of materials including amount of materials and cost must be submitted from the company where materials are being purchased.
3. **Load Calculation** (Air conditioning and heat pump loans only) As referred to in the Contractor Information Sheet.

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

Loan Process

ENERGY SURVEY - Survey is required and performed by a CEC representative. Loan Credit Application is given to customer for completion.

LOAN CREDIT APPLICATION-The original application is submitted by the customer to CEC along with proposal(s) /estimates, and load calculation (if applicable).

LOAN APPROVAL/DISAPPROVAL - Approval or disapproval notification will be provided by letter. Terms for loan repayment will vary depending on the amount of loan.

WORK COMPLETION - Upon receiving approval from CEC, customer is responsible for initiating work to be done as outlined on the written proposal(s) submitted. Once all work is completed, the customer must call the CEC representative listed on the approval letter to schedule the CEC final inspection.

INSPECTION - Most counties require a county permit. This work must be inspected by the county (if applicable) prior to CEC inspection. If the work is satisfactory, the CEC representative and the customer will sign the Customer Checklist Form. The Promissory Note, Truth In Lending Disclosure and Right of Rescission will be signed by the borrower at this time.

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.

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 5% or 8%, depending on your credit history. There is no pre-payment penalty.
- II. Minimum loan amount is \$1,000; 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. On manufactured homes, home and land must be owned by borrower, unless the land owner is an individual who will co-sign for the loan. (Proof of ownership may be required.) Land owner must be a member of Clay Electric.
- VI. All work must be completed and must pass county and CEC inspection prior to loan proceeds disbursal.
- VII. Loan proceeds shall be paid jointly to borrower and contractor or materials supplier, if the work is not paid for in full by borrower prior to disbursal. If paid in full by borrower, a paid receipt must be submitted in order for check to be made payable solely to the borrower.
- VIII. Loans are considered part of the electric service, and non-payment may result in disconnection of electric power. Borrower must agree to pay all costs of collection on note.
- IX. All applicants must have at least 12 months of continuous service from the date of application.
- X. All co-makers must be Clay Electric members with an active account and at least 12 months of continuous service from the date of application.