

**CONTRACT REQUEST FORM (CRF)**



A) New Agreement \_\_\_\_\_ (To be completed by CGL Office)

B) Division	Agreement Manager:	MS-	Phone
600 Fuels and Transportation Division	Jacob Orenberg	23	916-654-3888

C) Contractor's Legal Name	Federal ID Number
Pacific Coast Regional Small Business Development Corporation	95-3182187

D) Title of Project
Loan Servicing for Existing CEBFP Agreements

E) Term and Amount	Start Date	End Date	Amount
	6 / 24 / 2013	7 / 31 / 2018	\$ 275,000

**F) Business Meeting Information**

Operational agreement (see CAM Manual for list) to be approved by Executive Director

ARFVTP agreements under \$75K delegated to Executive Director.

Proposed Business Meeting Date	6 / 12 / 2013	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Discussion
Business Meeting Presenter	Jacob Orenberg	Time Needed:	5 minutes

Please select one list serve. Select

**Agenda Item Subject and Description**

Possible approval of Agreement [insert #] with Pacific Coast Regional Small Business Development Corporation for a \$275,000 contract to provide loan servicing and financial review for the existing Clean Energy Business Financing Program through the end term of each loan.

**G) California Environmental Quality Act (CEQA) Compliance**

1. Is Agreement considered a "Project" under CEQA?

Yes (skip to question 2)       No (complete the following (PRC 21065 and 14 CCR 15378)):

Explain why Agreement is not considered a "Project":  
 Agreement will not cause direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment because agreement does not involve physical property.

2. If Agreement is considered a "Project" under CEQA:

a) Agreement **IS** exempt. (Attach draft NOE)

Statutory Exemption. List PRC and/or CCR section number: \_\_\_\_\_

Categorical Exemption. List CCR section number: \_\_\_\_\_

Common Sense Exemption. 14 CCR 15061 (b) (3)

Explain reason why Agreement is exempt under the above section: \_\_\_\_\_

b) Agreement **IS NOT** exempt. (Consult with the legal office to determine next steps.)

Check all that apply

<input type="checkbox"/> Initial Study	<input type="checkbox"/> Environmental Impact Report
<input type="checkbox"/> Negative Declaration	<input type="checkbox"/> Statement of Overriding Considerations
<input type="checkbox"/> Mitigated Negative Declaration	

**H) List all subcontractors (major and minor) and equipment vendors: (attach additional sheets as necessary)**

Legal Company Name:	Budget	SB	MB	DVBE
Minor Subcontractors, TBD if needed	\$ 40,000.00	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	\$ 0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	\$ 0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**I) List all key partners: (attach additional sheets as necessary)**

Legal Company Name:



J) Budget Information			
Funding Source	Funding Year of Appropriation	Budget List No.	Amount
Other	Continuous	601.003FA	\$275,000
Funding Source			\$
R&D Program Area:	Select Program Area	TOTAL:	\$275,000
Explanation for "Other" selection	Clean and Renewable Energy Business Financing Revolving Loan Fund		
Reimbursement Contract #:	Federal Agreement #:		

K) Contractor's Administrator/ Officer				Contractor's Project Manager			
Name:	Kenneth Smith			Name:	Nestor Correa		
Address:	3255 Wilshire Blvd., Suite 1501			Address:	3255 Wilshire Blvd., Suite 1501		
City, State, Zip:	Los Angeles, CA 90010			City, State, Zip:	Los Angeles, CA 90010		
Phone:	213-739-2999	Fax:	213-739-0639	Phone:	213-739-2999	Fax:	213-739-0639
E-Mail:	Kenneth.Smith@pcrcorp.org			E-Mail:	Nestor.Correa@pcrcorp.org		

L) Selection Process Used (For amendments, address amendment exemption or NCB, do not identify solicitation type of original agreement.)	
<input type="checkbox"/> Solicitation	Select Type Solicitation #: _____ - _____ # of Bids: _____ Low Bid? <input type="checkbox"/> No <input type="checkbox"/> Yes
<input checked="" type="checkbox"/> Non Competitive Bid	(Attach CEC 96)
<input type="checkbox"/> Exempt	Select Exemption (see instructions)

M) Contractor Entity Type
<input checked="" type="checkbox"/> Private Company (including non-profits)
<input type="checkbox"/> CA State Agency (including UC and CSU)
<input type="checkbox"/> Government Entity (i.e. city, county, federal government, air/water/school district, joint power authorities, university from another state)

N) Is Contractor a certified Small Business (SB), Micro Business (MB) or DVBE?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
If yes, check appropriate box:	<input type="checkbox"/> SB <input type="checkbox"/> MB <input type="checkbox"/> DVBE

O) Civil Service Considerations
<input type="checkbox"/> Not Applicable (Agreement is with a CA State Entity or a membership/co-sponsorship)
<input type="checkbox"/> Public Resources Code 25620, et seq., authorizes the Commission to contract for the subject work. (PIER)
<input checked="" type="checkbox"/> The Services Contracted:
<input type="checkbox"/> are not available within civil service
<input type="checkbox"/> cannot be performed satisfactorily by civil service employees
<input checked="" type="checkbox"/> are of such a highly specialized or technical nature that the expert knowledge, expertise, and ability are not available through the civil service system.
<input type="checkbox"/> The Services are of such an:
<input type="checkbox"/> urgent
<input type="checkbox"/> temporary, or
<input type="checkbox"/> occasional nature
that the delay to implement under civil service would frustrate their very purpose.
<b>Justification:</b>
Civil Service Employees lack the highly specialized technical knowledge required for the financial review and loan servicing of the Clean Energy Business Financing Program loans.

P) Payment Method
<input checked="" type="checkbox"/> A. Reimbursement in arrears based on:
<input checked="" type="checkbox"/> Itemized Monthly <input type="checkbox"/> Itemized Quarterly <input type="checkbox"/> Flat Rate <input type="checkbox"/> One-time
<input type="checkbox"/> B. Advanced Payment
<input type="checkbox"/> C. Other, explain:

Q) Retention	
1. Is Agreement subject to retention?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes
If Yes, Will retention be released prior to Agreement termination?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes



**R) Justification of Rates**

The price offered as part of this Non-Competitive Bid proposal was derived from the fee structure initially negotiated between BTH and the FDCs in 2010. Staff researched a similar government loan program, the Small Business Administration 504 Loan Program ("504 Program"), to determine if these prices are still fair and reasonable.

Minimum and maximum loan servicing fees for the 504 Program are set in Title 13 Section 120.971 of the Code of Federal Regulations, which states "The CDC [Certified Development Company] will charge a monthly servicing fee of at least 0.625 percent per annum and no more than 2 percent per annum on the unpaid balance of the loan..." The fee of 0.8 percent per annum originally negotiated between BTH and the FDCs is very fair and reasonable when compared to the fees allowed by CDCs for near identical servicing in the 504 Loan Program. An internet search for CDCs which published fees online quickly found three participating lenders with servicing fees ranging between 0.825 and 1.23 percent per annum.

**s) Disabled Veteran Business Enterprise Program (DVBE)**

1.  Exempt (Interagency/Other Government Entity)
2.  Meets DVBE Requirements DVBE Amount:\$ 0 DVBE %: \_\_\_\_\_  
 Contractor is Certified DVBE  
 Contractor is Subcontracting with a DVBE: Name of DVBE Company
3.  Contractor selected through CMAS or MSA with no DVBE participation.
4.  Requesting DVBE Exemption (attach CEC 95)

**T) Miscellaneous Agreement Information**

1. Will there be Work Authorizations?  No  Yes
2. Is the Contractor providing confidential information?  No  Yes
3. Is the contractor going to purchase equipment?  No  Yes
4. Check frequency of progress reports  
 Monthly  Quarterly  Other... \_\_\_\_\_
5. Will a final report be required?  No  Yes
6. Is the Agreement, with amendments, longer than a year? If yes, why?  No  Yes  
 The existing loans are amortized through July 2018 and will require loan servicing while still active.

**U) The following items should be attached to this CRF (as applicable)**

- |   |   |  |
|---|---|--|
| 1. Exhibit A, Scope of Work                         | <input type="checkbox"/> N/A            | <input checked="" type="checkbox"/> Attached |
| 2. Exhibit B, Budget Detail                         | <input type="checkbox"/> N/A            | <input checked="" type="checkbox"/> Attached |
| 3. CEC 96, NCB Request                              | <input type="checkbox"/> N/A            | <input checked="" type="checkbox"/> Attached |
| 4. CEC 30, Survey of Prior Work                     | <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached            |
| 5. CEC 95, DVBE Exemption Request                   | <input type="checkbox"/> N/A            | <input checked="" type="checkbox"/> Attached |
| 6. CEQA Documentation                               | <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached            |
| 7. Resumes  | <input checked="" type="checkbox"/> N/A | <input type="checkbox"/> Attached            |
| 8. CEC 105, Questionnaire for Identifying Conflicts |   | <input checked="" type="checkbox"/> Attached |

\_\_\_\_\_  
 Agreement Manager                      Date                      Office Manager                      Date                      Deputy Director                      Date

**Exhibit A  
SCOPE OF WORK**

**TASK LIST**

<b>Task #</b>	<b>Task Name</b>
1	Agreement Management
2	Sign Non-Disclosure Agreements
3	Review Transferred Loans
4	Review of Borrower Requests
5	Maintain Loan Files and Review Audited Financial Statements
6	Revise Existing Loan Documents and Other Related Documents; Prepare New Documentation as Necessary
7	Collect, Foreclose, and/or Liquidate Loan in the Event of Borrower Default
8	Other Financial Review Services
9	Update, Maintain, and Monitor Loan Security Interest
10	Additional Technical Assistance

**ACRONYMS/GLOSSARY**

*Specific acronyms and terms used throughout this scope of work are defined as follows:*

<b>Acronym</b>	<b>Definition</b>
Action Memorandum	A memorandum from the Contractor to the Commission Agreement Manager, the contents and format of which are more thoroughly described in Attachment A-1 to this agreement. Action Memoranda may be submitted either as a hard-copy or via email as a high-quality scan in Adobe PDF format. Action Memoranda must be signed and dated by the Contractor. Action Memoranda should not contain any confidential or proprietary information about the Borrowers.  Action Memoranda are the formal method of communication between the Contractor and the Commission Agreement Manager, used to document the outcome of many of the tasks in the Scope of Work for this solicitation. The Energy Commission relies on information in Action Memoranda to make decisions on loans and loan modification requests.
ARRA	American Recovery and Reinvestment Act of 2009
Borrower	The recipient of Energy Commission CEBFP funds.
Borrower Agreement	The agreement governing the disbursement, repayment, and the terms and conditions for the use of Energy Commission CEBFP funds.
CAM	Commission Agreement Manager
CAO	Commission Agreement Officer
CEBFP	Clean Energy Business Financing Program

Acronym	Definition
Loan Guidance Document	The Existing final Clean Energy Business Financing Program Loan Guidance Document, prepared under agreement number 600-09-011 dated April 22, 2011.
SEP	State Energy Program

## BACKGROUND/PROBLEM STATEMENT

The California Energy Commission's Clean Energy Business Financing Program provides low-interest loans to private-sector manufacturers of renewable energy technology products using American Recovery and Reinvestment Act (2009) funds. The Borrower Agreements contain federal and state government requirements, covenants (both affirmative and negative), and other terms and conditions.

To protect the public interest and taxpayer assets, the Energy Commission requires loan servicing, underwriting, collection, and other related services from the Contractor.

## GOALS OF THE AGREEMENT

The goal of this agreement is for the Contractor to directly continue to provide the Energy Commission with all necessary and reasonable financial services for existing Clean Energy Business Financing Program loans to protect the public interest and taxpayer assets.

## FORMAT/REPORTING REQUIREMENTS

### Deliverables/Reports

When creating reports, the Contractor shall use and follow, unless otherwise instructed in writing by the Commission Agreement Manager (CAM), the latest version of the Consultant Reports Style Manual published on the Energy Commission's web site:

[http://www.energy.ca.gov/contracts/consultant\\_reports/index.html](http://www.energy.ca.gov/contracts/consultant_reports/index.html)

Each final deliverable shall be delivered as one original, reproducible, 8 ½" by 11", camera-ready master in black ink. Illustrations and graphs shall be sized to fit an 8 ½" by 11" page and readable if printed in black and white.

### Electronic File Format

The Contractor shall deliver an electronic copy (as an email attachment) of the full text in a compatible version of Adobe Portable Document Format (\*.pdf), unless otherwise specified by the CAM. The CAM may require electronic copies in different formats and/or delivered by different methods.

The following describes the accepted formats of electronic data and documents provided to the Energy Commission as contract deliverables and establishes the computer platforms, operating systems and software versions that will be required to review and approve all software deliverables.

- Data sets shall be in Microsoft (MS) Access or MS Excel file format.
- PC-based text documents shall be in MS Word file format.

- Documents intended for public distribution shall be in PDF file format, with the native file format provided as well.
- Project management documents shall be in MS Project file format.

### **Software Application Development**

If this scope of work includes any software application development, including but not limited to databases, websites, models, or modeling tools, contractor shall utilize the following standard Application Architecture components in compatible versions:

- Microsoft ASP.NET framework (version 3.5 and up) Recommend 4.0
- Microsoft Internet Information Services (IIS), (version 6 and up) Recommend 7.5
- Visual Studio.NET (version 2008 and up) Recommend 2010
- C# Programming Language with Presentation (UI), Business Object and Data Layers
- SQL (Structured Query Language)
- Microsoft SQL Server 2008, Stored Procedures Recommend 2008 R2
- Microsoft SQL Reporting Services Recommend 2008 R2
- XML (external interfaces)

Any exceptions to the Software Application Development requirements above must be approved in writing by the Energy Commission Information Technology Services Branch.

## **TASK 1- AGREEMENT MANAGEMENT**

### ***Task 1.1 Kick-off Meeting***

The goal of this task is to establish the lines of communication and procedures for implementing this Agreement.

#### ***The Contractor shall:***

- Attend a “kick-off” meeting with the CAM, the Contracts Officer, and a representative of the Accounting Office. The meeting will be held via Web-Ex or teleconference. The Contractor shall include its Project Manager, Contracts Administrator, Accounting Officer, and others designated by the CAM in this meeting. The administrative and technical aspects of this Agreement will be discussed at the meeting.
- If necessary, prepare an updated Schedule of Deliverables based on the decisions made in the kick-off meeting.

#### ***The CAM shall:***

- Arrange the meeting including scheduling the date and time.
- Provide an agenda to all potential meeting participants prior to the kick-off meeting.

#### **Deliverables:**

- An Updated Schedule of Deliverables (if applicable)

### **TASK 1.2 Invoices**

The goal of this task is to timely produce, process, and submit invoices

#### **The Contractor shall:**

- Prepare invoices for all reimbursable expenses incurred performing work under this Agreement in compliance with the Exhibit B of the Terms and Conditions of the Agreement. Invoices shall be submitted with the same frequency as progress reports (task 1.4). Invoices must be submitted to the Energy Commission's Accounting Office.

**Deliverables:**

- Invoices

**TASK 1.3 Manage Subcontractors (if any)**

If this contract results in the award of any subcontracts, the goal of this task is to ensure quality products, to enforce all subcontractor Agreement provisions, and in the event of failure of the subcontractor to satisfactorily perform services, recommend and implement solution to resolve the problem.

**The Contractor shall:**

- Manage and coordinate all subcontractor activities, if any. The Contractor is responsible for the performance and quality of all subcontractor work. The Energy Commission will assign all work to the Contractor. If the Contractor decides to add new subcontractors, it shall 1) comply with the Terms and Conditions of the Agreement, and 2) notify the CAM who will follow the Energy Commission's process for adding or replacing subcontractors.

**Deliverables:**

- Subcontractor addition document

**Task 1.4 Progress Reports**

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement.

**The Contractor shall:**

- Prepare progress reports which summarize all Agreement activities conducted by the Contractor for the reporting period, including an assessment of the ability to complete the Agreement within the current budget and any anticipated cost overruns. A progress report is due with each invoice. The format for the progress reports is detailed further in Attachment A-2.

**Deliverables:**

- Progress Report with each invoice

**Task 1.5 Final Report**

The goal of this task is to prepare a comprehensive written Final Report that describes the original purpose, approach, results and conclusions of the work completed under this Agreement. The Final Report shall be prepared in language easily understood by the public or layperson with a limited financial background. The Final Report shall not include any confidential, sensitive, or proprietary information about the Borrowers.

The Final Report must be completed before the termination date of the Agreement in accordance with the Schedule of Deliverables.

The Final Report shall be a public document. If the Contractor has obtained confidential status from the Energy Commission and will be preparing both a public and a confidential version of the Final Report, the Contractor shall perform the following subtasks for both the public and confidential versions of the Final Report.

**The Contractor shall:**

- Prepare the draft Final Report for this Agreement
- Submit the draft Final Report for review and comment. The CAM will provide written comments to the Contractor. The Contractor shall review the comments and discuss any issues with the recommended changes with the CAM.
- Prepare and submit the Final Report, incorporating CAM comments.

**Deliverables:**

- Draft Final Report
- Final Report

## **TECHNICAL TASKS**

In performing the following Technical Tasks, Contractor shall continue to provide full and complete loan servicing as set forth in the detailed Loan Guidance Document . Contractor shall comply with all provisions of the Loan Guidance Document that relate to providing on-going loan services to the Energy Commission for existing CEBFP loans already in place as of the date of this agreement (as opposed to services for any new or future CEBFP loans, if any).

### **Task 2 – Protect Confidential Borrower Information**

All tasks in this Scope of Work may involve the use of confidential and proprietary information and documentation about Borrowers, including, but not limited to, financial information. Because the Borrowers are private-sector companies in a highly competitive sector, it is imperative that no confidential or proprietary information about the Borrowers is released to the public. Releasing any confidential or proprietary information may severely damage the business concerns of the Borrowers.

The goal of this task is to ensure all non-public and/or confidential information provided to Contractor by the Energy Commission, the Borrower, or any other related party is not disclosed to anyone outside the Energy Commission, in order to protect any confidential and/or proprietary information about the Borrower or the Borrower's operations.

**The Contractor shall:**

- Sign and submit to the Energy Commission a Non-Disclosure Agreement for each of Contractor's staff assigned to work on this contract. The Non-Disclosure Agreement can be reviewed as Attachment A-3 to this Agreement.

**Deliverables:**

- Signed Non-Disclosure Agreement(s).

### **Task 3 – Review Transferred Loans**

Two CEBFP loans were previously developed, underwritten, and serviced by a different financial service provider. Loan servicing duties for these loans will be transferred to the Contractor under this agreement.

The goal of this task is for the Contractor to review the loan documentation and perform a site visit for the two aforementioned loans so that the Contractor is familiar with the loan terms, the collateral, and the borrower as a business entity.

#### **The Contractor shall:**

- Obtain all documentation for each transferred loan, either from the Energy Commission or the Borrower.
- Review the documentation for each transferred loan.
- Perform a site visit at each of the California facilities associated with the transferred loans to review collateral and interview borrower staff, if necessary.
- Prepare and submit a signed Action Memorandum for each transferred loan that outlines the findings from the review and site visit and provides a best-practices course of action to resolve discovered problems, if any.

#### **Deliverables:**

- Separate signed Action Memorandum for each transferred loan.

### **Task 4 – Review of Borrower Requests**

Occasionally, Borrowers submit requests to the Energy Commission for actions such as modifying loan documents or loan terms, including but not limited to, providing written consent to obtain additional debt or signing an inter-creditor agreement with a third party.

The goal of this task is for the Contractor to provide the Energy Commission with underwriting for the Borrower requests, including but not limited to an objective financial review of the requests. When relevant, the Contractor shall take into consideration lending industry (loan underwriting and servicing) best practices and California financial and bankruptcy code requirements. Based on the underwriting, the Contractor shall also identify a best-practices course of action to handle the request.

#### **The Contractor shall, at the direction of the CAM:**

- Obtain all information from the Energy Commission or the Borrower reasonably necessary for a competent financial review of the request.
- Prepare an updated analysis of the Borrower's financial condition and operations using both historical and projected results and when possible compare those results to previously completed analysis.
- Determine whether or not the Borrower request, if granted, would have a significant negative impact on the Energy Commission and/or the State of California. Examples of negative impacts include, but are not limited to:
  - a reduction in the value or lien priority of Energy Commission collateral.

- an increase in the likelihood of default with and without approval of the request.
  - a decrease in the Borrower's ability to service the debt.
  - an increase in the likelihood of additional requests future requests being needed.
- Provide an outline of and justification for the best-practices course of action to handle the request, based on the above analysis.
- Determine the repercussions of denying the Borrower's request.
- Prepare and submit a signed Action Memorandum that summarizes the above five bullet points in easy-to-understand, non-technical language.

**Deliverables:**

- Separate signed Action Memorandum for each request, signed by an officer of the Contractor with authority to bind the Contractor.

**Task 5 – Maintain Loan Files and Review Audited Financial Statements**

The goal of this task is for the Contractor to maintain complete copies of loan files and provide the Energy Commission with an objective review of all of the Borrowers' financial condition on an annual basis.

**The Contractor shall:**

- Maintain copies of files, documents, and all other pertinent information related to the Borrower Agreements collected both before this agreement and during this agreement according to the procedures described in Section E – File Maintenance Procedures of the Loan Guidance Document.
- Communicate with each Borrower to ensure the timely delivery of any required documentation.
- Obtain the annual audited financial statements from each Borrower, according to the terms of the Borrower Agreement.
- Ensure the annual audited financial statements meet the requirements specified in each of the Borrower Agreements. If not, obtain additional or revised information from the Borrower.
- Obtain any other necessary information required for this task from the Energy Commission or the Borrowers.
- Determine whether or not each Borrower is in compliance with the covenants of its respective Borrower Agreement. Examples of covenants include, but are not limited to:
  - total debt to net worth and/or debt, interest and cash coverage ratios.
  - total debt limits.
  - prohibition on new encumbrances and liens.
- Prepare a narrative describing the financial condition and operations of the Borrower.
- Prepare and submit a signed Action Memorandum that summarizes the above five bullet points in easy-to-understand, non-technical language.

**Deliverables:**

- Copies of any Borrower Agreement file, document, or information maintained by the Contractor, if requested.
- Separate signed Action Memorandum for each Borrower, signed by an officer of the Contractor with authority to bind the Contractor.

**Task 6 – Revise Existing Loan Documents and Other Related Documents; Prepare New Documentation as Necessary**

From time to time, CEBFP loan documents require updating, modification or amendment. The goal of this task is for the Contractor to develop new or provide revisions to existing loan documents, including but not limited to commercial loan agreements, security agreements, promissory notes, intercreditor agreements, consent and/or waiver agreements, and related loan documentation, for use in or as a supplement to the Borrower Agreements, upon request by the Energy Commission. This task may arise as a result of the review of a Borrower request in other Tasks described in this Solicitation.

**The Contractor shall, at the direction of the CAM:**

- Prepare and submit revised draft documents for use as an amendment to Borrower Agreements.
- Prepare and submit new documentation for loans and related transactions.

**Deliverables:**

- Revised and/or new CEBFP loan documents, as requested.

**Task 7 – Collect, Foreclose, and/or Liquidate Loan in the Event of Borrower Default**

The goal of this task is for the Contractor to recover loan funds to the greatest extent possible, based on relevant agreements and law, in the event of actual, probable or threatened Borrower default. The Contractor may be reimbursed at-cost for time and expenses associated with this task from available funds allocated to this agreement. Time is of the essence for this task.

**The Contractor shall, at the direction of the CAM:**

- Review Borrower Agreements, other relevant agreements, and relevant law to determine the best course of action to recover loan funds.
- Prepare a plan for the Energy Commission outlining how the Energy Commission, Contractor, and/or any subcontractor should proceed to minimize loss and maximize recovery of assets. Also prepare an estimate of expenses for this plan and an estimate of whether recovery of assets is cost-effective or not. The Contractor shall follow the procedures described in parts 3, 4, and 5 of Section D – Loan Servicing Procedures of the Loan Guidance Document.
- Prepare and submit a signed Action Memorandum that summarizes the above two bullet points in easy-to-understand, non-technical language.
- Prepare for filing and/or communication all notice, public disclosure and other correspondence as may be required by law or as instructed by the Energy Commission.

- Collect on debt and/or foreclose on collateral, or subcontract to collect and/or foreclose, as agent for the Energy Commission, in the event of Borrower default.
- Upon authorization by the Energy Commission, conduct, or subcontract to conduct, a commercially reasonable sale of relevant Borrower assets as agent for the Energy Commission, and, pending sale, make arrangements and/or recommendations for the safe storage of Energy Commission assets.
- Prepare and submit a signed Action Memorandum that documents the sequence of events and outcome of the default, collections and/or foreclosure, storage, and commercially reasonable sale.

**Deliverables:**

- Signed Action Memoranda.
- Any relevant documentation related to this task.
- Collections and/or sales activities.

**Task 8 – Other Financial Review Services**

The goal of this task is for the Contractor to provide other relevant, related financial review services for the CEBFP under terms mutually agreed upon between Contractor and the Energy Commission, if needed to protect the interests of the Energy Commission and/or the State of California.

**The Contractor shall, if mutually agreed upon, at the direction of the CAM:**

- Provide other relevant, related financial review services under terms mutually agreed upon between Contractor and the Energy Commission.
- Prepare and submit a signed Action Memorandum that summarizes the outcome of the mutually agreed upon services in easy-to-understand, everyday language.
- Prepare and submit other deliverables, as mutually agreed upon between Contractor and the Energy Commission.

**Deliverables:**

- Signed Action Memorandum.
- Other deliverables.

### **Task 9 – Update, Maintain, and Monitor Loan Security Interests**

Time is of the essence for this task. The goal of this task is for the Contractor to proactively to inform the Energy Commission of and prepare any relevant and/or necessary new loan security documentation, or updates to current loan security documentation, necessary in order to maintain, secure, and/or perfect the Energy Commission's CEBFP loan security interests. Upon approval by the CAM, Contractor shall prepare and file such loan documentation at appropriate locations in order to fully protect and/or perfect the Energy Commission's CEBFP collateral security interests, as appropriate. An example of loan security documentation includes, but is not limited to, a UCC Financing Statement filed with the Secretary of State in the appropriate jurisdiction(s). Filing fees incurred by the contractor shall be reimbursed by the Energy Commission at cost. The Contractor shall also ensure each Borrower maintains insurance on the loan security interest, if applicable, as required in the Borrower Agreement.

#### **The Contractor shall:**

- Identify, prepare, file, re-file, and/or update appropriate loan security interest documentation, as-needed at the direction of the CAM.
- Ensure each borrower maintains insurance on the security interest, if applicable, as required in the Borrower Agreement.
- Take any other action necessary to maintain the Energy Commission's loan security interest. The Contractor shall obtain CAM direction prior to taking any action, and shall obtain advance written CAM approval for any reimbursable cost in excess of \$250.

#### **Deliverables:**

- Original loan security documentation and evidence of filing.

### **Task 10 – Additional Technical Assistance**

The goal of this task is for the Contractor to subcontract with qualified specialists to provide the Energy Commission with additional expert assistance if any of the above tasks cannot be completed in whole or in part by Contractor. Additional expert assistance shall be provided in compliance with California state law.

#### **The Contractor shall, at the direction of the CAM:**

- Subcontract with specialists, as needed and as approved by Energy Commission staff.
- Submit to the Energy Commission a signed Non-Disclosure Agreement for each of subcontractor's staff assigned to work on this contract. The Non-Disclosure Agreement can be reviewed as Attachment A-3 to this Agreement.
- Ensure that all subcontracts contain all applicable state and federal flow-down provisions and that subcontractors perform under the terms of the subcontracts.
- Prepare and submit a signed Action Memorandum that summarizes the services provided by the subcontractor and the outcome of these services.

#### **Deliverables:**

- Copy of subcontract, if requested by Energy Commission staff.
- Signed Action Memorandum.
- Signed Non-Disclosure Agreements

## SCHEDULE OF DELIVERABLES AND DUE DATES

<b>Task Number</b>	<b>Deliverable</b>	<b>Due Date</b>
<b>1</b>	Agreement Management	
1.1	Kick-off Meeting	July 1, 2013
1.2	Invoices	As needed, no more than once per month
1.4	Progress Reports	With each invoice
1.5	Draft Final Report	June 13, 2018 -- or -- Within 30 calendar days of final repayment from the Borrowers, whichever is sooner.
	Final Report	July 18, 2018 -- or -- Within 60 calendar days of final repayment from the Borrowers, whichever is sooner.
<b>2</b>	Signed Non-Disclosure Agreements.	July 1, 2013 -- and -- Before any Contractor or subcontractor staff begins work on Tasks 3 through 10
<b>3</b>	Separate signed Action Memorandum for each transferred loan.	August 1, 2013
<b>4</b>	Separate signed Action Memorandum for each request.	Within 10 calendar days of receiving CAM direction
<b>5</b>	Separate signed Action Memorandum for each Awardee.	Within 45 calendar days of receiving annual audited financial statements
	Copies of files, documents, or information.	Within 5 calendar days of receiving CAM request
<b>6</b>	Revised or new documents.	Within 15 calendar days of receiving CAM direction
<b>7</b>	Signed Action Memorandum.	Within 5 calendar days of receiving CAM direction or notice of default
	Signed Action Memorandum.	Within 15 calendar days of completing collection activities

	Any relevant documentation related to this task.	Within 5 calendar days of preparation or after receiving CAM direction
	Collections or sales activities.	To be individually determined
<b>8</b>	Signed Action Memorandum.	Within a mutually agreed upon timeframe
	Other deliverables.	Within a mutually agreed upon timeframe
<b>8</b>	Copies of loan security documentation with appropriate evidence of filing	Within 5 calendar days of Contractor receipt of documentation
<b>10</b>	Copy of subcontract, if requested by Energy Commission staff.	Within 5 calendar days of executing subcontract
	Signed Action Memorandum.	Within 5 calendar days of completion of the subcontract task.
	Signed Non-Disclosure Agreements	Within 5 calendar days of executing subcontract.