



**SOLAR MERCHANT COMPLIANCE GUIDELINES
FOR GREENSKY® HOME IMPROVEMENT LOAN PROGRAM**

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Introduction

Thank you for your participation in the GreenSky® home improvement loan program (the “GreenSky® Program” or the “Program”). We seek to make it easier for businesses of all sizes to make available credit to their customers with a fast point-of-sale solution.

GreenSky, LLC, together with its affiliates (including GreenSky Servicing, LLC, permitted assigns and permitted designees (collectively, the “Program Administrator”, “we”, “us”, or “our”) is a service provider and program administrator to federally-insured, federal and state chartered financial institutions that provide consumers loans under the GreenSky® Program (the “Participating Banks”). GreenSky Servicing, LLC services the loans made by the Participating Banks. The Program Administrator is NOT a lender.

As the service provider and program administrator for the Participating Banks, we publish these Solar Merchant Compliance Guidelines to set forth rules merchants participating in the GreenSky® Program who install solar energy projects (“Merchants”), like you and your company, must follow when participating in the GreenSky® Program. These Solar Merchant Compliance Guidelines (the “Solar Guidelines”) are intended to supplement the Merchant Compliance Guidelines and are part of the Operating Instructions for the GreenSky® Program and are incorporated into the GreenSky® Merchant Program Agreement (the “Program Agreement”). Failure to follow these Solar Guidelines may result in disciplinary action, including up to suspension or termination.

Unless otherwise defined in these Solar Guidelines, terms used in these Solar Guidelines have the same meaning as defined in the Program Agreement. .

Prequalification/Application/Activation Process

The Customer will first apply through a prequalification process and, if the customer wants to move forward with a credit application, the customer will go through a subsequent credit application process.

- Conditional Approval – Customers will be required to provide proof of homeownership as a condition of approval and may also be required to provide proof of income.
 - Proof of income, frozen or locked credit profile, consumer statements, and all credit pends will be identified and will be required to be addressed during the prequalification process.
 - Proof of home ownership, fraud, and compliance (e.g., OFAC) pends will be identified and must be cleared during the credit application process.

In order to use a GreenSky® program loan to pay for a project, the customer will be required to activate his or her loan.

Merchant Funding

Required Documentation for Funding

Merchants will use the Merchant Self Service Portal (“MSSP”) to submit funding requests to the Program. The Merchant will be on either a two-stage funding schedule or a one-stage funding schedule, as determined by Program Administrator in its discretion. The Merchant (regardless of funding schedule) will be required to submit documentation for review as part of the funding processes. The following funding cycles will require the specified documentation and provide the required systems access to be uploaded by the Merchant via MSSP:

- Notice to Proceed Stage: First funding opportunity for Merchants on two-stage funding
 - Required document(s):
 - Merchant Sales Contract (see below for details of required elements)

- Job Completion Stage: Second funding opportunity for Merchants on two-stage funding; only opportunity for funding for Merchants on one-stage funding:
 - Required document(s)/access to verify that solar system has been energized and that equipment has been installed per sales contract:
 - Access to Production Monitoring System
 - Photos (if Production Monitoring system is not available) of:
 - Installed solar system, panels, batteries, and any other equipment related to the solar system as outlined in the sales contract
 - Meter to demonstrate that system has been energized

A Permission to Operate letter or authorization from the customer's utility confirming that the solar system is ready to interconnect and operate ("Permission to Operate") must be received for the solar system and provided to the Program Administrator within 60 days of the Job Completion funding request. After Merchant submits a funding request in the Job Completion stage, the Merchant must upload the Permission to Operate to MSSP within 60 days of the Job Completion funding request. If the Permission to Operate is not received within 60 days of the Job Completion funding request, Merchant will be required to refund all amounts previously funded by the Program to Merchant for the project. Without limiting Program Administrator's rights under the Program Agreement, Program Administrator generally intends to debit the unpaid amount of any such required refund via ACH from Merchant's bank account on file with the Program within 7-10 business days after the refund is due.

In addition to the required documentation from the Merchant to received funding at the Notice to Proceed stage, completion of these additional items will be required for funding at the Notice to Proceed stage:

- Welcome Call (details of the Welcome Call are included in the next section)

Notice to Proceed Funding Stage

The Merchant will alert the Program that it is ready to proceed with the Notice to Proceed review and funding by making the appropriate selection to upload the Sales contract within MSSP.

The Merchant Sales Contract, which must be in a form acceptable to the Program at Program Administrator's and/or the applicable Participating Bank's sole discretion, needs to be clearly labeled and include the following elements:

- Customer signature(s) and date
- Detailed Project Scope, which must include an itemized description of the solar system being purchased with the GreenSky® Program loan and all add-ons (including but not limited to: battery storage, roof improvements, energy efficiency Improvements, etc.). In addition, the following parts of the solar system equipment must be clearly quantified:
 - Number of panels
 - Number of batteries
 - Number of inverters
- Equipment details, including the manufacturers of the panels, inverter, storage
- Total project amount and stages of payments, including any payments to be made through the use of the GreenSky® loan and by any other form/source of funds
- Expected energy output at project completion to determine economic viability
 - Please ensure the cost per watt does not exceed cap of \$10 (\$5.5 Solar and \$4.5 non-solar)

As part of the Notice to Proceed stage, Program Administrator will make a mandatory welcome call (the “Welcome Call”) to the Merchant’s customer to welcome them to the Program and to confirm that the Merchant has reviewed the following items with the customer, in addition to clearing any outstanding application items. Program Administrator will discuss details of the GreenSky® loan and the project, including, but not limited to:

- Loan terms
 - Annual Percentage Rate (“APR”)
 - Payment schedule
 - Total job amount
 - Payment impact if borrower does not pay the Investment Tax Credit towards amounts due on his or her GreenSky® loan
- Expected energy output of solar system
- Merchant’s project financing, milestones, and documentation requirements
- The loan cannot be transferred by the borrower to any other person, including a future property buyer in the event that the customer decides to sell their property

Additionally, the Program will ask the following questions and provide information regarding the Program’s customer self-service portal:

- Does the customer agree to the financing terms for this solar project?
- Is the total project being financed by the Program or is there another source of funding (other lending institution, cash, *etc.*)?
- How did customer hear about Merchant (internet, referral, *etc.*)?

If the Welcome Call does not satisfy the Program’s requirements or an issue is otherwise identified (as determined in the Program Administrator’s and Participating Banks sole discretion), the Merchant will be notified that its funding request cannot proceed until any items discovered in the Welcome Call are remediated satisfactorily in the Program Administrator’s discretion.

Job Completion Funding Stage

The Merchant will alert the Program that it is ready to proceed with the Job Completion review and funding by making the appropriate selection to provide production monitoring system credentials or photos within MSSP.

- As part of the transaction approval process, a Program representative will review and document items using the production monitoring system and/or photos provided by Merchant for accuracy and to ensure consistency with the details outlined in the Merchant Sales Contract.
- The production monitoring system and photos (if production monitoring system is not available) will be reviewed to ensure that the solar system has been energized:
 - Credentials for the production monitoring system are to be provided by Merchant when it alerts Program Administrator that Merchant is ready for Job Completion funding review
 - Demonstrate system has been energized
 - Cross reference equipment (solar panel and battery quantity, system output, *etc.*) against Merchant Sales Contract
- If a Merchant is on one-stage funding, then the Welcome Call (as described above under Notice to Proceed Funding Stage) will be conducted at the Job Completion stage.

As described above under Required Documentation for Funding, if the Permission to Operate is not received from Merchant within 60 days of the Job Completion funding request, then Merchant will be required to refund all amounts previously funded by the Program to Merchant for the project, and Program Administrator may debit the unpaid amount of any such refund via ACH from Merchant's bank account on file with the Program.

Submitting a Funding Request

Funding requests are to be submitted through the MSSP once approved by the Program Administrator.

- The Merchant may submit a funding request for the Notice to Proceed stage after the Program Administrator has satisfactorily completed its review of the Merchant Sales Contract and the Welcome Call.
- The Merchant may submit a funding request for the Job Completion stage after the Program Administrator has satisfactorily completed its review of all documentation required for the Notice to Proceed stage, successful completion of the Welcome Call (if the Merchant is on one-stage funding), and access to and confirmation of the details of the production monitoring system or photos (if production monitoring system is not available).

Program Administrator will inform the Merchant:

- When The Program Administrator has approved the funding request; or
- If the Program Administrator has questions for the Merchant regarding the status of the project; or
- If the Program Administrator identifies any discrepancies concerning the project or submitted documentation that need to be resolved in order to proceed with the funding request.

All transactions are subject to Program Administrator's standard transaction confirmation protocols, such as Merchant Transaction Confirmation.