

Vendor Financing Information Package

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NEWFOUNDLAND POWER CUSTOMER FINANCING PLAN

Newfoundland Power's Customer Financing Plan provides customers with a means of financing products that promote the wise and efficient use of energy and improve home comfort.

WHO MAY OFFER THIS PLAN?

Any business that retails any of the eligible products or services may be authorized by the Company to offer this plan to the general public. To be registered as a participating supplier/contractor you will be required to complete the registration form included in this package.

WHO IS ELIGIBLE FOR THE PLAN?

Newfoundland Power's Customer Financing Programs are available to residential customers of Newfoundland Power who have an active account and own the premises for which the loan is required. Customers applying for rebates under the takeCHARGE programs *must meet the eligibility criteria*. Customers who are renting or have a non-registered rental purchase agreement are not eligible for financing. All financing is subject to credit approval.

IS A DOWN PAYMENT REQUIRED?

No down payment by the customer is required unless the purchase and/or installed costs exceed the maximum amount for the program as set by the Company.

HOW IS INTEREST CHARGED?

Interest rates are subject to change on a quarterly basis. However, when the customer signs the loan agreement, the interest rate in effect at that time becomes fixed for the period of the loan. Interest rates will be updated on our website quarterly and if required a copy can be faxed to you.

HOW ARE PAYMENTS MADE?

Depending on the item being financed, repayment schedules up to 60 months can be arranged and monthly payments will be included on the customer's electricity bill. Loans may be repaid at any time without penalty; however, loans are not life insured. No loan shall be granted in excess of \$10,000 (see each program for financing limits).

takeCHARGE ELIGIBILITY CRITERIA:

- Homeowner with an active electricity account.
- Home is detached, semi-detached, or a mobile/modular home on a permanent foundation and intended as the primary residence of the customer.
- The home is all-electric, or if a supplementary heating system is in place that the home has an annual electricity usage of equal to or greater than 15,000 kWh.

Interest Rate Calculator: To determine the current interest rate when calculating financing for a customer, please use our interest rate calculator located at:

<http://www.newfoundlandpower.com/CustomerRelations/FinancingProgram/LoanPaymentCalculator.aspx>

Procedures and Instructions to Suppliers for Completing a Transaction

1. First, determine if the applicant and type of installation is eligible for the plan under the conditions outlined.
2. Obtain the customer's account number and Newfoundland Power credit approval number. Customers without a credit approval number can apply to Newfoundland Power's Customer Contact Centre by phone at 737-2802 or 1-800-663-2802, or by completing Newfoundland Power's Loan Application online at www.newfoundlandpower.com. Credit approval will be provided over the phone from 8:00 a.m. to 5:00 p.m., Monday to Friday or by email within 2 business days. Newfoundland Power will not accept Loan Agreements without credit approval.
3. Place the credit approval number and the customer's account number on the Loan Agreement form, complete the remainder of the form and obtain signatures in the appropriate spaces. See the "Completing a Loan Agreement" instructions attached.
4. Visit www.newfoundlandpower.com to obtain current financing interest rates. Interest rates are update at the beginning of each quarter. Use our convenient online Loan Payment Calculator to calculate the customer's monthly payment.
5. For all installation work the following is required under the Acknowledgement" section of the Loan Agreement.
 - Signature of borrower to indicate that the work completed was to their satisfaction. **Please note that the signature of the borrower is the only signature acceptable. A husband or wife cannot sign for their spouse.**
 - Signature of vendor to indicate that the work completed met local and provincial code requirements.
6. Forward your invoice and the original copy of the Loan Agreement to Newfoundland Power at PO Box 8910, St. John's, NL. A1B 3P6, Attention: Customer Contact Centre, Customer Financing Program.
7. Retain the Seller's copy of the agreement and give the customer copy to the customer.
8. An agreement will be accepted when the following conditions are met:
 - Newfoundland Power has given credit approval for the amount requested.
 - The loan agreement is properly completed and executed.
 - On receipt and acceptance of the above documents by Newfoundland Power payment will be made to the Seller within 30 days. If the loan agreement is not properly completed or if the invoice is not enclosed, the loan agreement will be returned to the seller identifying the deficiencies. A delay in payment will result.

To obtain additional rebate forms and loan agreements you can email customerrelations@newfoundlandpower.com or by calling our Customer Contact Centre at 737-2802 or 1-800-663-2802.

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Eligible Products and Services for Financing

All electrical work must be completed by a certified electrician and a copy of the Certificate of Electrical Inspection and an official receipt or invoice must be submitted with the loan agreement.

Electric Heating Systems and Electrical Upgrades

Financing is available for up to 60 months for the purchase and installation of:

- Electric Home heating system, including baseboard heaters, wall mounted heaters, panel convector heaters, electric forced air furnaces, electric hot water radiation systems and heat pumps.
- Wiring and associated material, including the addition of general use outlets, heavy appliance outlets and ground fault interrupters, high performance thermostats, and wiring for heating, appliances and lighting.
- Electric service upgrades for new and existing homes, including amperage upgrades, voltage upgrades and relocation of panel and meter.

Requirements for Heat Pumps:

- Financing is available for the following types of heat pumps:
 - Air Source
 - Ground Source (Geothermal)
 - Ductless Mini-Split
- A signed loan agreement must be accompanied by an official invoice or receipt.
- The heat pump installation installer must be **a certified refrigeration and air conditioning mechanic and a certified electrician**. First time installers for our financing program must show proof of certification.
- Mini Split heat pumps (single head) must have a Heating Seasonal Performance Factor of 10 or higher. Multi Split heat pumps (multiple heads) must have a Heating Seasonal Performance Factor of 9 or higher.

Heat Recovery Ventilation (HRV) Systems

Financing of up to \$5000 is available for up to 60 months for the purchase and installation of energy efficient mechanical ventilation systems.

- Heat Recovery Ventilation Systems must be rated to have 70% or higher sensible heat-recovery efficiency (SRE) at 0 degrees Celsius, and 63% at -25 degrees Celsius, Fan efficacy of at least 1.2 cfm/watt. If the SRE is 75% or higher, fan efficacy can be 0.8 cfm/watt.
- Heat Recovery Ventilation Systems must be installed by an installed registered with HRAI (Heating, Refrigeration and Air Condition Institute of Canada).
- A signed loan agreement must be accompanied by an official invoice or receipt for a certified HRAI installer.
- Only Heat Recovery Ventilation Systems that are certified by HVI (Heating, Ventilation Institute) are eligible for financing.
- Qualifying Models: <http://takechargenl.ca/residential/heat-recovery-ventilator/>
- List of Certified Installers: <http://takechargenl.ca/residential/heat-recovery-ventilator/>

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To obtain HRV rebates, customers should visit the takeCHARGE website or contact Newfoundland Power via phone or e-mail. Once the HRV installation is complete qualifying customers can apply for a rebate through the takeCHARGE Program. Visit <http://takechargenl.ca> for more details.

Electric Fireplaces

Financing is available for up to 60 months for the purchase of an electric fireplace and mantle. All equipment must be permanently installed and be CSA approved. A signed loan agreement must be accompanied by an official invoice or receipt.

R2000 Upgrades

Financing is available to cover the cost difference between a conventionally constructed home built to the National Building Code Standard and the same house built as a registered R-2000 home by a certified R-2000 contractor.

Electric Water Heaters

Electric Water Heaters can be financed over a 12 to 36 month period. Financing limits for the combined purchase and installation costs are:

- \$1000 for electric water heaters;
- \$1425 for long-life electric water heaters with a minimum 15 year warranty

The cost of structural alterations or plumbing and wiring costs not directly related to the water heater installation are not to be included in the amount to be financed.

Thermostats

Rebates and financing up to 36 months is available for the purchase and installation of high performance electronic or programmable thermostats with a rating of +/- 0.5 degree Celsius or less in a home where electric heat is the primary heating source. Customer's purchasing qualifying thermostats may apply for a rebate through the takeCHARGE Program. For more information please visit <http://takechargenl.ca>.

Insulation

Rebates and financing are available for insulation upgrades to attic and basement insulation in existing homes (retrofit projects).

Customers can finance up to \$2500, over 48 months, to cover the labour and material costs of an insulation upgrade in a home where electric heat is the primary heating source. Insulation is to be installed to National Building Code standards.

To obtain insulation rebates, customers should visit the takeCHARGE website or contact Newfoundland Power via phone or e-mail. Once the insulation work is complete qualifying customers can apply for a rebate through the takeCHARGE Program. Visit <http://takechargenl.ca> for more details.

ENERGY STAR® Windows

Financing is available for qualifying ENERGY STAR Windows for existing homes (retrofit projects). To qualify for financing, windows must meet the ENERGY STAR qualifications.

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Financing is available for up to 60 months to cover the labour and material costs of installing qualifying windows in a home where electric heat is the primary heating source.

Instructions for Completing a Loan Agreement

The Loan Agreement is a legal document and the information supplied must be correct.

The Newfoundland Power Customer Financing Program Loan Agreement is in triplicate and provides a copy for Newfoundland Power, the Customer and the Contractor. Please complete in ink or type.

Borrower/Customer Information

Insert the customer's Newfoundland Power account number, meter number, borrower's name and address as it appears on their electrical bill. Note that persons under 21 years of age cannot enter into an agreement.

Contractor Information:

Insert your business name and address as follows:

- If you operate a limited company, print your corporation name in full. (i.e. Acme Installations Limited)
- If you operate as an individual or an unregistered partnership, print your own name(s) in full.
- If you operate as a registered partnership, print your registered partnership name.

Vendor Number: Insert your Newfoundland Power vendor number. Newfoundland Power will assign a vendor number upon registering as a participating dealer.

Credit Approval Number: Insert the credit approval number supplied by Newfoundland Power. Call our Customer Service Center at 737-2802 or toll free at 1-800-663-2802 to request credit approval.

Cheque to be made payable to: If a cheque is to be made payable to a party, other than the customer, please indicate the dealers name here.

Description of Work

Print a description of the equipment purchased and/or installed, include manufacturer, model number and serial number where applicable.

Cost of Goods: The cost of the water heater and other materials as shown on the customer's invoice.

Installation Cost: The cost of labour to install (if applicable).

Taxes: Calculate the HST amount. (13%)

Total Purchase Price: The total of the Cost of Goods, Installation Cost and HST as shown on the customer's invoice.

Less Down Payment: A down payment is not required however, if the customer wants to finance only a portion of the amount they can by making a down payment.

PARTICULARS OF LOAN

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Loan Amount: This is the amount shown on the customer's invoice and the amount dealers will receive as payment in full when Newfoundland Power accepts the agreement. The customer's monthly payment is based on this amount.

Official Fees: Record fees incurred to secure loan (if applicable).

Interest Rate (per annum): Insert the applicable interest rate for the month the customer signed the loan agreement. Interest is charged on a declining balance and is required by law to be specified on the loan agreement. Interest rates are updated quarterly and can be viewed online at

<http://www.newfoundlandpower.com/CustomerRelations/FinancingProgram/LoanPaymentCalculator.aspx>.

Number of Payments: Total number of months the customer wishes to repay the loan over; i.e. 12, 24, 36, 48 or 60 months. Be careful to note the maximum term for loans for each program.

Payment Amount: The monthly charge that will be added to the customer's monthly electrical bill. Visit www.newfoundlandpower.com to calculate the customer's payment amount using our online Loan Payment Calculator.

Total Amount of Interest: The total amount of interest taken from the corresponding column on the financing table. Visit www.newfoundlandpower.com to calculate the customer's interest amount using our online Loan Payment Calculator.

Total Amount Financed: The total amount repaid by the customer which includes the loan amount, interest and official fees. On the Electric Water Heater financing table, you can obtain this amount from the column "Total Charges". Visit www.newfoundlandpower.com to calculate the customer's total amount financed using our online Loan Payment Calculator.

PROMISSORY NOTE

Complete the Promissory Note using the information in the Particulars of Loan. Insert amount in #20 by entering the amount in writing "the sum of one thousand sixteen

Signature of Borrower/Customer: Obtain full signature of the Borrower/Customer. You will be notified by Newfoundland Power if the signature of cosign is required. Please note that the signature of the Borrower/Customer, as shown in the Borrower/Customer Information section at the top of this loan agreement is the only signature acceptable. Note: A husband or wife cannot sign for their spouse.

DIRECTION TO PAY

This directs Newfoundland Power to pay the contractor indicated in the Contractor Information directly. Fill in the amount to be paid to the contractor indicated in Loan Amount.

ACKNOWLEDGEMENT

Signature of Borrower/Customer: If the dealer installed or upgraded electrical wiring, installed an electric water heater or heat recovery ventilation system and the cost is being financed, the signature of the borrower/customer and vendor is required. (Certification number is required for installers of Heat Recovery Ventilation Systems.)

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Dear Comptroller/Accounts Receivable Department:

Electronic business tools enable each of us to work more efficiently and effectively in the exchange of day-to-day business transactions. To increase our efficiency in making invoice payments to you, Newfoundland Power is moving to direct deposit for payments to our vendors. **Effective September 30, 2015, Newfoundland Power will no longer be issuing cheques to our suppliers. Instead, Newfoundland Power will pay invoices directly into your bank account through an electronic payment program.**

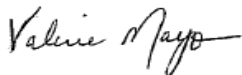
Payment of invoices by direct deposit will allow you to access your funds quickly, eliminate mail delays, and avoid lost or stolen cheques. The statement of account from your financial institution will reference the payments from Newfoundland Power. The remittance advice detailing invoices paid will be issued at the time of deposit, and sent to you via e-mail.

To help you facilitate the transfer from cheque to direct deposit please complete, sign and date the attached form. You can return the form through e-mail at accountspayable@newfoundlandpower.com, via fax to (709) 737-2892, or through mail using the address noted above. We will begin issuing electronic payments to your business upon receipt of the completed form.

If you have any questions or concerns, please contact Valerie Mayo at (709) 737-5245 or Christine Rumsey at (709) 737-2973.

We hope to better serve you through this enhanced service.

Sincerely,



Valerie Mayo
Financial Analyst

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VENDOR INFORMATION:

Vendor Legal Name: _____

GST/HST #: _____

PAYMENT INFORMATION:

To ensure the accuracy of our account information, we recommend you attach a void cheque and complete the following financial information:

Name of Financial Institution: _____

Address of Financial Institution: _____

ACCOUNT INFORMATION:

Bank Number: _____ Branch Number: _____ Account Number: _____

REMITTANCE INFORMATION:

E-mail address: _____

Contact Name: _____ Title/Position: _____

Phone (____) _____ Fax: (____) _____

Authorized Signature: _____ Date: _____

Please return this form through either e-mail at accountspayable@newfoundlandpower.com, via fax to (709) 737-2892, or through mail using the address noted above.

Newfoundland Power collects, maintains and uses personal vendor information in order to pay vendors. The information that we are requesting in this letter will be used to transfer funds to your bank account, owed to you by Newfoundland Power. Newfoundland Power will safeguard all confidential information in our possession and will not share this information with outside parties except for purposes identified in the Company's personal information policy or when required to do so by law.

Newfoundland Power Customer Financing Program Supplier Registration Form

I/we hereby agree to abide by the terms and conditions set out in the "Newfoundland Power Financing Plan".

We agree that Newfoundland Power shall have the right, upon written notice, to modify or exclude any product or service from the Electric Financing Program. We further agree that Newfoundland Power shall have the right to exclude any dealer from participation in this plan at any time should they fail to honor the terms and conditions contained herein.

We understand that 30 day's notice in writing will be given prior to termination of any financing or rebate program.

Please complete the following and mail to Newfoundland Power; P.O. Box 8910; 50 Duffy Place; St. John's, NL; A1B 3P6 or fax to (709) 737-2903.

Company: _____ Contact Person: _____

Mailing Address: _____ Postal Code: _____

Telephone Number: _____ Cellular Telephone Number: _____

Fax Number: _____ E-mail Address: _____

Signature: _____ Position: _____

GST No: _____ Date: _____

Please indicate below which programs you plan to provide financing for:

- | | | |
|---|--|---|
| <input type="checkbox"/> Electric Heating Systems | <input type="checkbox"/> Heat Recovery Ventilation Systems | <input type="checkbox"/> Thermostat Financing |
| <input type="checkbox"/> Electrical Upgrades | <input type="checkbox"/> Electric Water Heaters | <input type="checkbox"/> Insulation Financing |
| <input type="checkbox"/> Heat Pumps | <input type="checkbox"/> R-2000 Construction Financing | <input type="checkbox"/> Windows Financing |
| <input type="checkbox"/> Electric Fireplaces | | |

FOR OFFICE USE ONLY:

Date received: _____ Vendor Number Assigned: _____

Approved: _____ Date: _____