



What is the purpose of the Mini-Split Heat Pump Loan Program?

To provide financial incentive to improve the energy efficiency of our member's homes and small businesses. The primary goal is to provide a more efficient means of heating and cooling the facility of each applicant than is currently installed.

What is the interest rate and how will I make my loan payments?

The interest rate is 6% and the monthly payments will be included on your regular electric bill.

FRENCH BROAD EMC
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What is a Mini-Split Heat Pump and who is the manufacturer?

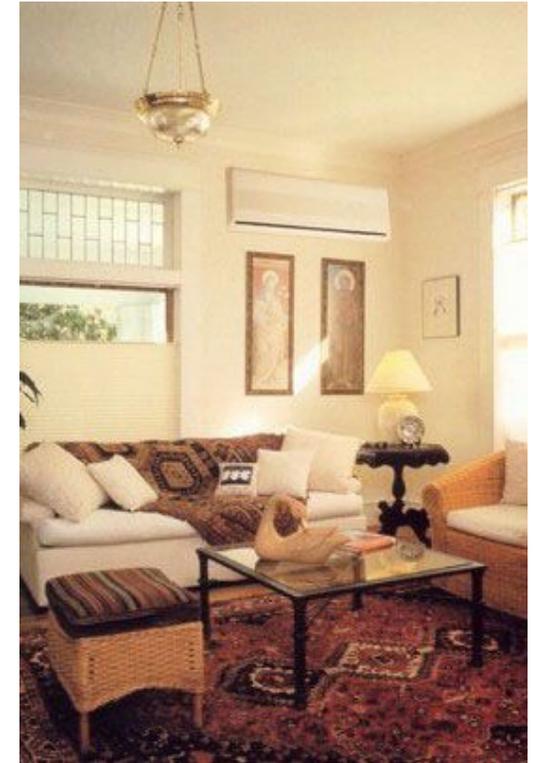
Mitsubishi and Fujitsu manufacture mini-split heat pumps which have two main components — an outdoor compressor/condenser and an indoor air-handling unit. A conduit, which houses the power cable, refrigerant tubing, suction tubing, and a condensate drain, links the outdoor and indoor units.

Who is eligible for a FBEMC Mini-Split Heat Pump loan?

Loans are available to any Residential or Small Commercial member of French Broad EMC who *own* the home or facility where the system will be installed and provided they have been a member for a minimum of two consecutive years and have good credit with the Cooperative. Generally, good credit with the Cooperative will be defined for this program as no more than two late payments over the past 24 billing months.

What are the limitations of this program?

The program has been approved until further notice. A maximum of two systems or \$6,000 per member is available to loan on a first come / first serve basis until the funding is exhausted.



MINI-SPLIT HEAT PUMP LOAN PROGRAM

*French Broad Electric
Membership Corporation*

FBEMC Loan Amortization Table			
Approximate Monthly Payments at 6%			
Amount	2 years	3 years	4 years
\$2,600	\$110	\$80	\$60
\$2,800	\$120	\$80	\$70
\$3,000	\$130	\$90	\$70
\$3,200	\$140	\$100	\$80
\$3,400	\$150	\$100	\$80
\$3,600	\$160	\$110	\$90
\$3,800	\$170	\$110	\$90
\$4,000	\$180	\$120	\$100
\$4,200	\$180	\$120	\$100
\$4,400	\$190	\$130	\$110
\$4,600	\$200	\$130	\$110
\$4,800	\$210	\$140	\$120
\$5,000	\$220	\$140	\$120
\$5,200	\$230	\$150	\$130
\$5,400	\$240	\$160	\$130
\$5,600	\$250	\$170	\$140
\$5,800	\$260	\$180	\$140
\$6,000	\$260	\$180	\$150

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How will this loan fit into my budget?

Loans from \$2,600 - \$6,000 will be amortized for up to 48 months.

What are the loan terms?

The loan can be financed for up to 48 months and late payment fees consistent with the Cooperative's Service Rules and Regulations Section 402, Part D will apply.

How do I apply?

1. Contact FBEMC
2. Complete a loan application online at www.frenchbroademc.com
3. A contractor representative will evaluate your location
4. When the work is completed you must sign the following documents:
 - Heat Pump Acknowledgement
 - Affidavit of Capital Improvements
 - Promissory Note
 - Finance Disclosure
 - Requisition for Payment
 - Indemnity Agreement
 - Truth in Lending Disclosure
 - Certificate of Satisfactory Completion
6. FBEMC will pay your contractor
7. Your loan payments will begin on your next electric bill



How much does a mini-split heat pump system cost?

- 9,000 BTU system approx \$2,750 (equipment, tax & labor)
- 12,000 BTU system approx \$3,175 (equipment, tax & labor)
- 15,000 BTU system approx \$3,370 (equipment, tax & labor)
- 18,000 BTU system approx \$3,600 (equipment, tax & labor)

What if I decide to move or sell my home?

When a disconnection of service has been requested, a final bill will be rendered with the total amount remaining on the loan and you will be required to pay the bill in full or be subject to the Cooperative's normal collection procedures.