



effective_date_ts

Attn: first_name last_name
business_legal_name
email
mobile_phone

RE: **Working Capital Loan**

Dear first_name,

Thank you for giving us this opportunity to provide you with this Summary of Terms and Conditions ("Term Sheet") for project_name ("Project").

This Summary of Terms and Conditions is for discussion purposes only and is not a commitment to lend by the Lender. Any commitment ("Loan") is subject to due diligence and approval. The following is a basic outline of the terms and conditions which are generally available at this time. These terms and conditions are subject to change at any time prior to the execution of a binding commitment, based on the market, underwriting, collateral, and other conditions.

This Term Sheet is not considered a commitment letter but is for discussion purposes only. **If the terms and conditions of this Term Sheet are acceptable, please indicate by executing and returning this original proposal letter by deadline_ts, at which time this proposal will expire if not accepted. The interest rate in the offering is subject to change if the project is not launched by May 28, 2025.**

On behalf of Climatize, we look forward to continuing to work with you and your colleagues on the proposed financing. Please feel free to contact me if you have any questions.
Sincerely,

Climatize Earth Securities LLC

[Signature Jim]

Jim Goldman
Director of Finance
[Signature date Jim]

[Acknowledged and Accepted on Following Page]

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This Term Sheet is acknowledged and accepted by the following:

business_legal_name

Signature

first_name last_name

effective_date_ts



Terms & Conditions: Working Capital Loan

This Term Sheet is a summary of certain points of the transaction. Certain due diligence items will also be required to be provided to Climatize for review and approval.

Summary Description	This term sheet outlines the key terms for a senior secured working capital loan to finance business_legal_name 's early-stage project deployment (collectively referred to as the "Loan").
Project	project_description
Borrower	business_legal_name.
Issuer	business_legal_name.
Guarantor	business_legal_name. The Guarantee will be in effect during the term of the Loan.
Lender	TBD. The final contracts, including, but not limited to, the Form C and Loan Agreements, may be novated to reflect the individual pro-rata Lenders. Climatize, an SEC-registered Funding Portal, issues debt securities and leverages tax credit transferability provisions, providing a platform for the Issuer to raise funds to finance the Project through Regulation Crowdfunding. As part of this process, Climatize services the loan, including, but not limited to, disbursing payments to the Lender and acting on behalf of the Lender in the case of default.
Offering/Credit Facility	Working Capital Loan.
Offering Amount	The Maximum Offering Amount is \$maximum_offering_amount . The Maximum Offering Amount is the maximum amount the Issuer is seeking to raise. The Target Offering Amount is \$target_offering_amount . The Target Offering Amount is the minimum amount the Issuer must raise for the offering to be considered successful. The Maximum Term Loan Amount shall not exceed the Maximum Offering Amount or the Target Offering Amount, as applicable.
Working Capital Loan	Structured as a term -month senior secured loan, it carries a rate% simple annual interest rate with quarterly interest-only payments and a full principal balloon repayment at maturity. The loan is secured by project assets and expected incentive proceeds, offering investors predictable income and principal protection.
Term Loan Maturity Date	term months.
Pricing	rate% per annum on actual offering amount.
Fees	Commitment Fee. A fee of \$2,500 payable to Climatize due upon execution of the Term Sheet. The Commitment Fee is used to pay one-time fees due to third-parties and related filing costs. These fees include the following: <ol style="list-style-type: none">Escrow Account Set Up: \$575 payable to Escrow Agent.Background Checks: \$100/background check payable to Escrow Agent.

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	<p>3. Financial Review/Audit: cost varies and is payable to an external CPA. Depending on the size of the offering, a financial review or an audit may be required. This can be completed in less than one week.</p> <p>4. Filing Fees: \$150 fee to file for and obtain Edgar codes and a \$500 filing fee to file all other related filings to list Project payable to Climatize.</p> <p>The Commitment Fee may be waived in part or phased based on milestones at the sole discretion of Climatize. The Issuer will only be responsible for actual third-party fees incurred in the event of cancellation.</p> <p>Origination Fee: 5% of the Maximum Offering Amount due on the Funding Date payable to Climatize. Any unused portion of the Commitment Fee shall be credited to the Origination Fee payable.</p> <p>Annual Fees. Climatize services the Loan including, but not limited to, disbursing payments to the Lender and acting on behalf of Lender in the case of default. Annual Fees are due annually in advance. Annual Fees include the following:</p> <ol style="list-style-type: none">1. Servicing Fee: 0.50% of the Maximum Offering Amount payable Climatize annually in advance.2. Digital Transfer Agent Fee: ranging from \$400 per year for fewer than 50 investors to \$750 per year for more than 51 investors, payable to applicable third-party transfer agents annually in advance.
Repayment	<p>During the 24-month term, BrightSaver will make quarterly interest-only payments at a rate% simple annual interest rate. Payments are due each January 1, April 1, July 1, and October 1. The first payment due date will be the first scheduled payment date after the loan disbursement date. No principal is repaid during this period. Interest for any partial quarter at the beginning or end of the loan term will be calculated on a per diem basis. At the end of the term, on the Term Loan Maturity Date, BrightSaver will make a final balloon payment covering the entire principal balance, along with any accrued but unpaid interest.</p>
Security	<p>A perfected first priority lien on all project assets provided the Security will secure all of the obligations owed to Lender, pledge of the Issuer and/or Borrowers' accounts and, as applicable, consents and assignments of certain key project documents as may be required (e.g. PPA, EPC, Site Lease, and O&M) and applicable leasehold mortgages. Pledge of any applicable rebate, grant, tax credit, and/or incentive, as applicable.</p>



Collateral	<ol style="list-style-type: none">1. All project equipment purchased with loan proceeds. For lack of doubt, this includes equipment purchased and held for lease and equipment held for sale. Upon the sale of equipment to a buyer and transfer of ownership to the buyer, the equipment is no longer pledged as collateral. That is to say, equipment held for sale is collateral, but upon sale and transfer of ownership, is not collateral.2. All receivables related to the project.3. All rights to incentive payments.4. All cash or cash equivalents held in project-specific accounts.5. All binding customer contracts or sales agreements.
Indemnity	Borrower agrees to indemnify and hold harmless Issuer, Lender, and Climatize against any and all claims, actions, damages, losses, liabilities, costs, expenses, or payments of whatever nature and however arising that Borrower suffers, incurs, or is liable for under the Term Sheet or related documents.
Financial Covenants	<p>No Debt Service Coverage Ratio or liquidity covenants will apply.</p> <p>Issuer to notify Climatize of any substantial change in circumstances (e.g., material adverse change) and comply with any identified financial reporting requirements.</p>
Payment Waterfall – Term Loan Period	<p>Distributions from the Payment Reserve Account will occur quarterly in the following order of priority:</p> <ol style="list-style-type: none">1. Reimburse Climatize for any unpaid Loan expenses.2. Pay accrued and unpaid interest due to Lender.3. Pay principal due to Lender.4. Replenish Payment Reserve Account to the Minimum Reserve Amount.5. Transfer remaining balance in excess of Minimum Reserve Amount to Borrower's operating account, so long as no Event of Default has occurred.
Disbursement Deliverables	<p>Deliverables prior to the draws under the Loan are those that are customary for transactions of these types including:</p> <ol style="list-style-type: none">1. The Issuer, Borrower and/or Borrower Parent will have committed all required equity to the Project.2. Updated budget and draw schedules, reflecting modifications, status of equipment deliveries as applicable.3. EPC Contractor and material subcontractor progressive Lien Waivers with respect to Project.4. Executed contracts and agreement as applicable.
Financial Reporting	Issuer shall be required to submit annual financial statements and affirm no material adverse changes within sixty (60) days of the fiscal year end. The Issuer agrees to comply with all ongoing financial reporting requirements under Regulation Crowdfunding (Reg CF), as



	applicable, including, without limitation, the timely filing of the form C-AR and any other periodic disclosures required by the SEC.
Prepayment	No prepayment penalty will be assessed. In the event of a default for failure to pay under the terms of this agreement, any funds received by Issuer in the form of grants, rebates or incentives that are specifically for equipment or project costs as a result of this Offering are payable and due to Lender in accordance with the Payment Waterfall herein.
Payment Reserve Account	<p>Deposit account maintained by Borrower at North Capital Private Securities Corporation (NCPS) at all times during the Term Loan. On the Funding Date, the account shall be funded by the Borrower and shall be equal, at minimum, to one (1) quarterly payment ("Minimum Reserve Amount").</p> <p>In the event that the Payment Reserve Account balance is less than the Minimum Reserve Amount, the Borrower shall have thirty (30) days to true up the balance to the Minimum Reserve Amount. Failure to timely fund the Payment Reserve Account shall constitute an Event of Default.</p>
Insurance	Issuer or Borrower, as applicable, shall provide evidence of insurance, including, but not limited to, Liability and Property and Casualty insurance in the amounts and in the form satisfactory to Climatize for the project.
Issuer Documentation	<p>Documentation required from the Issuer shall include, but not be limited to, the following:</p> <ol style="list-style-type: none">1. Certificate of incorporation of formation.2. Organizational Chart.3. EIN Documentation.4. Governing Documents (e.g. LLC agreement, operating agreement, bylaws, etc.)5. Ownership Documents (e.g. schedule of owners, cap table, etc.)6. Amendments to corporate documents.7. Background Check Authorization Form for all covered persons. Covered persons include, but are not limited to, the Issuer, directors, general partners, managing members, executive officers, beneficial owners, etc.
Project Documentation	<p>Project Documentation required for the Project shall include, but not be limited to, the following:</p> <ol style="list-style-type: none">1. Customer Contracts or Sales Agreements.2. Invoice or Purchase Orders for Equipment.3. Installation Plan or Deployment Schedule.4. Proof of Incentive Eligibility.
Accounts	None other than those identified for the Payment Reserve Account.
Events of Default	<p>Customary for transactions of this nature.</p> <p>In the event that the offering fails to reach the Target Amount within the Offering Period, or the Issuer cancels during the Offering Period,</p>



	the Issuer is liable for all third-party fees and costs incurred, and the Commitment Fee.
Closing Costs	<p>Lender and Climatize will not incur any expenses whatsoever in connection with the application, closing and offering. The Issuer will be required to pay all costs and expenses incurred in the preparation of the application and for the closing of the transaction whether ultimately closed or not, including, without limitation, legal fees and recording costs.</p> <p>All such costs and expenses charged to Issuer shall be supported by invoices provided by Climatize upon Issuer's request.</p>
Conditions Precedent to Closing	TBD.
Confidentiality	The Issuer and/or Borrower agree to keep this term sheet and all of its material terms confidential. The Borrower is not to disclose this term sheet or any of its material terms to anyone except as such disclosure is required by law or regulation or as a result of any legal or administrative proceeding.