

Service 1st Financial Indication of Vendor Interest

Name, contact information, company, or organization that you represent.

Michael Flatt Service 1st Financial Michael.flatt@service1stfinancial.com 972.955.2969

An overview of your approach to equity, diversity, inclusion, and accessibility (DEIA).

We celebrate and embrace our diversity - racial, professional, and personal. We invest in each other because we win or lose as a team. We strive to create a work environment that provides all our associates with equal access to information, development, and opportunity. The result is a team rich in diverse people, talents, and ideas.

As applicable, a short description and a link to programming that your company is contracted or has been contracted to implement for planning, administering, and/or field delivery of federal or state programs. Note which, if any, provides low- and moderate-income and affordable home energy upgrades, especially with and in disadvantaged communities.

Service 1st Financial is contracted with NYSERDA and California Go Green (approval in process) for their loan loss reserve programs that support our Home Comfort-as-a-Service offering to drive residential energy efficient upgrades (primarily HVAC and plumbing) with a focus on DAC's.

<https://www.nyserda.ny.gov/All-Programs/Loan-Loss-Reserve-Program>

<https://www.treasurer.ca.gov/caeatfa/cheef/reel/index.asp>

Company Summary

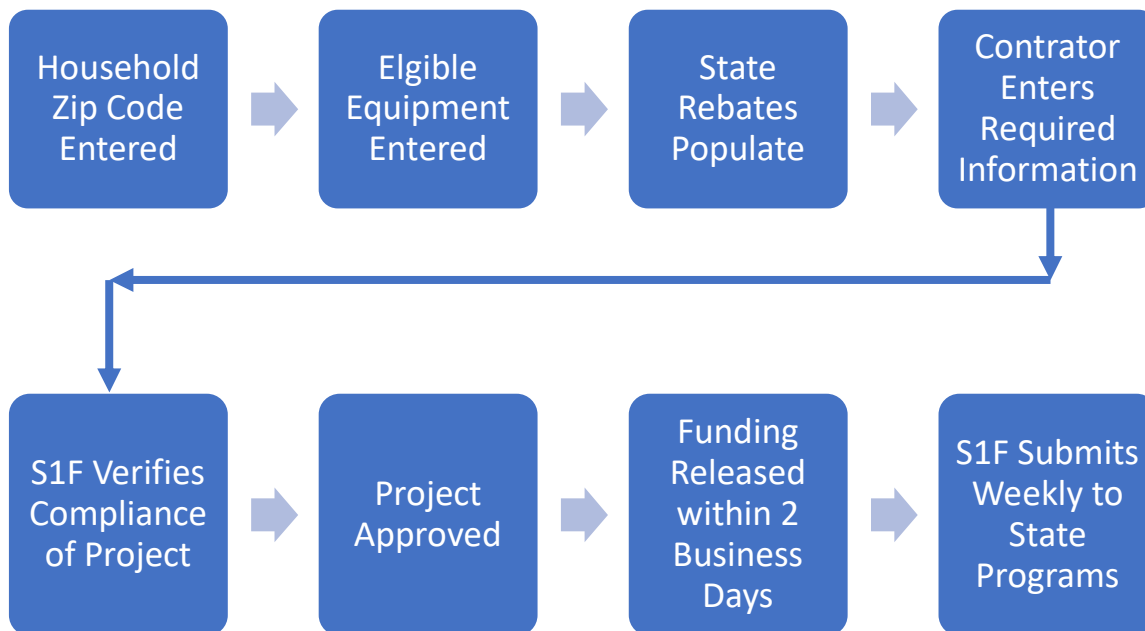
Service 1st Financial's (S1F) Premier Program® delivers homeowners access to Worry-Free Home Comfort through a subscription service without the large up-front cost or traditional risks and burdens of product ownership. This approach capitalizes on the rapid shift in consumer purchasing behavior towards subscription-like consumption models across all aspects of our lives.

The Premier Program promotes installation of higher efficiency systems while providing homeowners an all-inclusive home comfort experience, including no charge annual maintenance, no charge consumables (air filters and UV bulbs), no charge covered service and repairs, and a host of other valuable benefits. Homeowners enroll in the Premier Program at the point-of-sale through our national network of industry-leading home services contractors. High efficiency heating and air conditioning systems and water heaters are available through the Premier Program, which is legally structured as a lease. Approximately 35% of our existing portfolio consists of heat pumps.

In addition to our core Home Comfort-as-a-Service offering, S1F is developing a factoring program that will foster more rapid and broad use of point-of-sale rebate programs authorized under the IRA. Our discussions with OEM's and leading contractors across the country have informed us of the need to a) reduce complexity and b) eliminate the working capital burden associated with rebate programs in order to drive contractor utilization of such programs. Complexity can cause contractors to hire additional personnel to navigate the submission process and track payments. For point-of-sale programs, the contractor serves as the bank while waiting 6-8 weeks (or more) for rebates to be reimbursed. Many small to mid-size contractors simply can not operate with a working capital use of this magnitude, so they avoid the rebate programs all together.

To help contractors overcome these issues, S1F’s factoring program will 1) reduce complexity in the submission process and 2) provide contractors immediate access to rebates funds. First, our portal will allow contractors to enter the equipment, and if the equipment qualifies, the rebate amount will automatically populate. Second, our factoring program will pay contractors within two business days, thereby eliminating a significant working capital challenge inherent in the way point-of-sale rebates have been processed in the past. We believe this factoring model, coupled with our unique Home Comfort-as-a-Service program, will significantly increase contractor participation in the IRA-funded point-of-sale rebate programs at the state level, thereby driving maximum climate impact.

The diagram below summarizes the flow of information that our factoring program will facilitate.



Our portal can be modified to meet each State’s program requirements and necessary program documentation. We would welcome the opportunity to discuss how this process has increased submissions in utility sponsored rebate programs.

Service 1st Financial authorizes NASEO to publish and distribute this response to the NASEO RFI on its website and through other means to the states and general public. We have included no confidential or proprietary information in our response.

Service 1st Financial, LLC

By: *Tom Towe*

Date: 5/19/2023

Name: Tom Towe (V.P. Marketing & Business Development)