



May 24, 2018

Rachel A. Hobbs
Director of Market Development
PACE Funding Group
750 University Avenue, Suite 240
Los Gatos, CA 95032
Sent via email to: rachel@pacefunding.com

Re: Violation of Collaborative Services Agreement

Ms. Hobbs,

We have been provided with a copy of the attached post card that was received by a resident of the City of Hayward ("City"). The PACE Funding logo appears on this mailer.

The post card advertises a "Hayward Authorized Program". While the disclaimer – in *very* small print – indicates that the City is not affiliated with "HelpHayward", the language and logos indicate otherwise. In our opinion, this mailer will likely confuse the public into believing that the City has a direct relationship with and/or endorses the sender of the advertisement.

This misleading advertising is in violation of section 2.8.10 of the Collaborative Services Agreement entered into between the Association of Bay Area Governments and PACE Funding Group. This advertisement is also contrary to your letter of April 5, 2018 explaining the steps you take to ensure that the marketing of your program by participating contractors is responsible, honest and does not mislead the public.

Please provide in writing no later than **June 7, 2018**, what action you have taken to prevent your association with this type of advertising. Please also confirm any action taken regarding the attached mailer. Failure to do so may result in termination of the Collaborative Services Agreement.

Very truly yours,
Association of Bay Area Governments

A handwritten signature in blue ink that reads "Jennifer K. Berg".

Jennifer K. Berg
Principal

Cc: Erik Pearson
James Hamill
Rich Chien



Go To: WWW.HELPHAYWARD.COM

PRSR STD
U.S. POSTAGE
PAID
CONCORD, CA
Permit No. 835

Want to know what upgrades your home is eligible for?
Visit our site and enter in your **ACCESS CODE** to see your home and learn more about the programs that Hayward has approved to help make your home more efficient.

WWW.HELPHAYWARD.COM

In order to keep California's promise to lead the US in Home Efficiency, Select Cities in California have approved programs that give homeowners the financial tools to upgrade their home.

You can use the funds for:

- HVAC
- Roofing
- Windows
- Solar

And More!

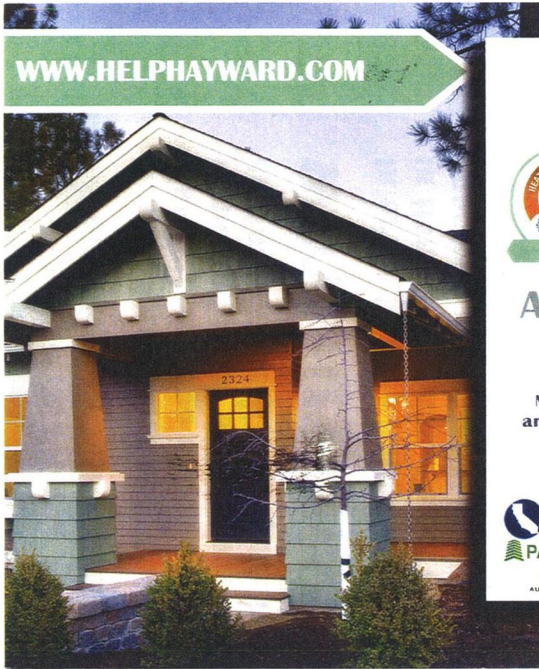


HAYWARD
AUTHORIZED PROGRAM

ACCESS CODE: 532M2
Hayward, CA 94544-7337



DISCLAIMER: WWW.HELPHAYWARD.COM IS A COALITION OF ACTIVISTS, CLEAN ENERGY LEADERS AND ADVOCATES FOR ALL THINGS THAT PROMOTE ENERGY EFFICIENCY. OUR MISSION IS TO SPREAD AWARENESS ABOUT THE DIFFERENT PROGRAMS THAT ARE AVAILABLE TO HELP OWNERS MAKE THEIR HOMES MORE ENERGY EFFICIENT AND COMFORTABLE. HAYWARD IS NOT OFFICIALLY AFFILIATED WITH, DOES NOT ENDORSE AND HAS NOT APPROVED OF WWW.HELPHAYWARD.COM OR ITS MESSAGING. FOR MORE INFORMATION ABOUT THE PROGRAMS HAYWARD HAS AUTHORIZED TO HELP HOMEOWNERS MAKE THEIR HOMES MORE ENERGY EFFICIENT, PLEASE CALL (833) 228-7294 FOR FURTHER DETAILS.



ATTENTION HAYWARD HOME-OWNERS!

Newly released **Government Backed Program** and authorized by the city helps you to upgrade your **WINDOWS, ROOFING, SOLAR, HVAC AND MORE!**

SEE REVERSE FOR DETAILS.



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