



VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Technology Loan Program

Application Information

5/2/12

General

VEDA's Technology Loan Program ("TLP") is designed to provide financing for eligible for-profit and non-profit businesses offering technology-based goods and services to consumers located both inside and outside of Vermont. Applicants interested in obtaining a loan should know the following:

Lending Limits and Use of Proceeds

This program may make loans of up to 90% of the cost of a project up to \$250,000 for working capital, fixed assets or real estate purposes. TLP cannot finance or refinance existing company assets or debt.

Equity Contribution

Borrowers are required to provide at least 10% of the project cost in the form of equity capital.

Eligible Borrowers

The Program is available for Vermont businesses who wish to undertake a project that meets the requirements of Title 10, V.S.A, Chapter 12 Sections 280aa and 280bb. Applicants must demonstrate the potential to create and/or retain employment opportunities for Vermonters.

Interest Rates

The interest rate on TLP is the VEDA Base Rate, as set periodically by VEDA plus 3.00%.

Loan Terms

The term for fixed asset financing will usually be between 5 and 7 years for machinery and equipment, and up to 10 years (generally with a 15 year amortization) for real estate. The maximum term for working capital loans is 5 years.

The Authority may collateralize its loans with security interests in project assets and other company assets including security interests in intellectual property used by the borrower, where appropriate.

Flexibility with regard to the collateral will be considered on a case-by-case basis.

Loans will be generally be guaranteed by any entity or individual who owns or controls at least 20% of the applicant company, at the discretion of the Authority.

In some cases, the Authority may utilize non-conventional financing mechanisms, pricing and collateral arrangements including, but not limited to, warrants and royalty financing.

Application and Commitment Fees

There is a \$100 application fee for all applications and a 1.00% commitment fee will be charged on all loans at the time of closing.

How to Apply for a Loan

Complete the attached application and submit it and any attachments to VEDA at the address below. Upon receipt, VEDA will review the application package and contact the borrower for further discussion.

If the project is eligible, VEDA Staff will prepare a summary of the project and present it to either its Credit Committee, which meets as needed, or its Board of Directors, which meets on a monthly basis. Upon Credit Committee or Board approval, VEDA will issue a commitment letter and proceed with the closing.

VEDA Staff is available to answer any questions you may have and assist you in completing this application. Additional information and a copy of the application is available on VEDA's website: <http://www.veda.org/>.



Business Name: _____

Business Address: _____

Business Telephone: _____ Business Fax: _____ Email: _____ Website: _____

Federal Tax I.D. No.: _____ NAICS Code (if known): _____ E-Mail: _____

DUNS (Dun & Bradstreet Date Universal Numbering System) Number: _____ (Instructions on how to obtain this number can be found at the end of this application. The number is required by federal regulation.)

No. of Employees: _____ Year Business Established: _____

Form of Organization: _____ Proprietorship _____ Partnership _____ Corporation _____ Subchapter S Corp. _____ Other

KEY OWNERSHIP (over 20% owners)

Name: _____ SS#: _____ % Ownership: _____ Telephone: _____

Address: _____ DOB: _____

Name: _____ SS#: _____ % Ownership: _____ Telephone: _____

Address: _____ DOB: _____

(Continue on another sheet, if necessary)

LOAN REQUEST: SOURCES AND USES

Amount Requested: \$ _____

Please describe the purpose of the loan.

Please provide a detailed listing of assets to be purchased with loan proceeds. If the loan is to be used for working capital, please provide a detailed listing of how the funds will be spent. (Use additional sheet(s) if necessary.)

Please list the other sources of funding for the project. Attach commitment letters from the other lenders. For all non-bank private lenders/investors in the project, please provide full name, address and Tax Identification Number (for an entity) or Social Security Number (for an individual) on a separate sheet.

<u>Name of Lender</u>	<u>Loan Amount</u>	<u>Terms & Interest Rate</u>	<u>Collateral</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Cash equity to be invested in the project by the Applicant (or others): \$ _____

Terms (if any): _____

BUSINESS PLAN AND FINANCIAL INFORMATION

BUSINESS PLAN: Please provide a complete Business Plan and the financial information described below:

BUSINESS FINANCIAL INFORMATION:

- A. Business financial statements and tax returns for at least the last two years. These should include both income statements and balance sheets for both years.
- B. Current interim income statement and balance sheet for the last quarter-end period and year-to-date.
- C. Projected income statements and balance sheets for at least two years, preferably on a quarterly basis.
- D. Cash flow projections for at least one year, preferably on a quarterly basis.
- E. Schedule of liabilities, including: each creditor's name, contact, address, phone number, original balance, current balance owed, maturity, current payment, and interest rate. Please note if presently in arrears on any loan payments.
- F. Schedule of contingent liabilities, including: amounts that may be due, to whom, and under what circumstances.
- G. Capitalization Table (fully diluted basis)
- H. Detailed listing of any license agreements used in the business or intellectual property owned
- I. Board of Directors and Executive Management information

PERSONAL FINANCIAL INFORMATION:

- A. Current signed personal financial statement for each principal who owns at least 20% of the business (dated within 90 days of the application). (Form attached.)
- B. Individual tax returns from each of these individuals for the last year.
- C. A resume of business experience from each principal.

GENERAL INFORMATION

Does this business have a subsidiary or is a subsidiary of a parent corporation? ___ Yes ___ No

If yes, please attach a corporate organization chart, current interim income statements (last quarter-end and year-to-date) and last annual statement.

Is this business a co-borrower or guarantor for any other business or individual? ___ Yes ___ No

If yes, describe: _____

Is this business or any principal stockholder or affiliate a party to any claim or lawsuit? ___ Yes ___ No If yes, describe: _____

Has this business or any principal stockholder or affiliate ever filed for protection under the bankruptcy laws? ___ Yes ___ No

Does the business owe any taxes for prior years? ___ Yes ___ No If yes, please explain: _____

Are all payroll withholding taxes current? ___ Yes ___ No If no, please explain: _____

Will these loan proceeds be used for a project that will require the approval of a governmental authority, such as a Zoning Board, Planning Commission, or District Environmental Commission? ___ Yes ___ No

If yes, please describe what permits have been obtained and those which will be obtained and the status of each permit application. (Attach additional sheet(s) if necessary.)

INSURANCE COVERAGE

Insurance Agent: _____ Telephone: _____

Address: _____

Description of coverage: _____

ACCOUNTANT

Name of CPA firm and contact: _____ Telephone: _____

Address: _____

MISCELLANEOUS: (IF APPLICABLE)

- *Purchase and Sale Agreement
- *Equipment Purchase Invoice
- *Environmental Site Assessment
- *Patents, Copyrights or Trademarks
- *Company Formation and Operating Documents (i.e. Articles of Incorporation, By-Laws)
- *Other information may be requested by the Lender as deemed necessary.
- *Real Estate Appraisal
- *Lease Agreement
- *License/Royalty Agreement
- *Shareholder Agreements

I/We, the undersigned, affirm that all statements made on this Application are accurate and complete. I/We also agree to notify the Lender of any material changes in the information shown on this sheet or the accompanying documents. The Lender is hereby authorized to gather credit information about me/us and to respond to credit inquiries about my/our accounts. I/We understand that all application information will remain the property of the Lender. I/We certify that financing cannot be obtained from conventional credit sources, without Lender involvement. I/We understand that the Lender's lending decision may be a matter of public record.

Signature: _____ Title: _____ Date: _____

Signature: _____ Title: _____ Date: _____

VEDA is an equal opportunity provider and employer

Dun & Bradstreet Data Universal Numbering System (DUNS) Number

There is no cost for a business to obtain a DUNS number and the process takes about 10 minutes. If you already have a DUNS number you can use the number you have. If you do not have a DUNS number, call Dun & Bradstreet (D&B) toll free at 1-866-705-5711 or register online at the D&B website: <https://www.dnb.com/>.

Telephone Instructions

1. Dial 1-866-705-5711
2. Enter "5" if registering as a government loan applicant and select "1" at the next menu for new DUNS number.
3. Enter "4" if registering as a government grant applicant and select "1" at the next menu for new DUNS number.
4. At this point a service representative will answer and suggest you buy the Credit Builder Service. **It is not necessary to purchase this service** in order to obtain your loan.
5. Provide answers to the following questions:
 - a. Name of business
 - b. Business Address
 - c. Local Phone Number
 - d. Name of CEO/Business Owner
 - e. Legal structure of the business (corporation, partnership, LLC, proprietorship)
 - f. Year business started
 - g. Primary line of business
 - h. Total number of employees (full and part time)

Online Instructions

1. After accessing the website be sure to click on the link that reads "DUNS number only" at the right hand bottom corner of the screen
2. Note: registration on the web site may take up to 14 days to complete

Employee Compensation and Benefits

	Before Project (at time of application)	Within 2 Years
# of full-time hourly employees	_____	_____
Average hourly wage <i>without</i> benefits:	\$_____/hr	\$_____/hr
Average hourly wage <i>with</i> benefits:	\$_____/hr	\$_____/hr
# of salaried employees:	_____	_____
Average annual salary <i>without</i> benefits:	\$_____/yr	\$_____/yr
Average annual salary <i>with</i> benefits:	\$_____/yr	\$_____/yr
Employee benefits as % of total payroll:	_____%	_____%

Total payroll last three years

FY_____	FY_____	FY_____
\$_____	\$_____	\$_____

Please describe benefits offered to employees:

PERSONAL FINANCIAL STATEMENT

Submitted to: VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Date: _____

IMPORTANT: Read these directions before completing this Statement

- If you are applying for individual credit in your own name and are relying on your own income, or assets and not the income or assets of another person as the basis for repayment of the credit requested, or if this statement relates to your guaranty of the indebtedness of other person(s), firm(s), or corporation(s), complete only Sections 1, 3, and 4.
- If you are applying for individual credit but are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person as a basis for repayment of the credit requested, complete all Sections. Provide information in Section 2 about the person whose alimony, support, or maintenance payments or income or assets you are relying on. Alimony, child support, or separate maintenance income, need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.

Section 1 - Individual Information (type or print)

Name _____
 Address _____

 City, State & Zip _____
 Social Security # _____
 Date of Birth _____
 Position or occupation _____
 Business name _____
 Business address _____

 City, State & Zip _____
 Length at present address _____
 Length of employment _____
 Res. phone _____ Bus. phone _____

Section 2 - Other Party Information (type or print)

Name _____
 Address _____

 City, State & Zip _____
 Social Security # _____
 Date of Birth _____
 Position or occupation _____
 Business name _____
 Business address _____

 City, State & Zip _____
 Length at present address _____
 Length of employment _____
 Res. phone _____ Bus. phone _____

Have (either of) you or any firm in which you were a major owner ever declared bankruptcy, or settled any debts for less than the amounts owed? If yes, please provide details on a separate sheet. Yes No

Are (either of) you a defendant in any suit or legal action? Yes No

Are (either of) you presently subject to any unsatisfied judgements to tax liens? Yes No

When, if ever, have (either of) you been audited by IRS?

Section 3 - Statement of Financial Condition as of

Assets	In dollars (omit cents) [Individual]	[Joint]	If joint, with whom	Liabilities	In dollars (omit cents) [Individual]	[Joint]	If joint, with whom
(Do not include assets of doubtful value)							
Cash, Checking & Savings, CD's - see Schedule A				Notes payable to banks & others - see Schedule H			
U.S. Gov't. & marketable securities - see Schedule B				Due to brokers			
Non-marketable securities - see Schedule C				Amounts payable to others-secured			
Securities held by broker in margin accounts				Amounts payable to others-unsecured			
Restricted, control or margin account stocks				Accounts & bills due			
Real estate owned - see Schedule D				Unpaid income tax			
Accounts, loans, & notes receivable				Other unpaid taxes & interest			
Automobiles				Real estate mortgages payable - see Schedules D & H			
Cash surrender value-life insurance - see Schedule E							
Vested interest in deferred compensation/profit-sharing plans - see Schedule F							
Business ventures - see Schedule G							
Other assets/personal property itemize - see Schedule G if applicable							
				Total Liabilities			
				Net Worth			
Total Assets				Total Liabilities and Net Worth			

Section 4 - Annual Income For Year Ended

Annual Income	[Individual]	[Joint]	Annual Expenditures	[Individual]	[Joint]	Contingent Liabilities Estimated Amounts	[Individual]	[Joint]
Salary, bonuses & commissions	\$		Mortgage/rental payments	\$		Do you have any... Yes No		
Dividends & interest			Real estate taxes & assessments			Contingent liabilities (as endorser, co-maker or guarantor?)...	<input type="checkbox"/>	<input type="checkbox"/>
Real estate income			Taxes-federal, state & local			(On leases? on contracts?)	<input type="checkbox"/>	<input type="checkbox"/>
Other income (alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.)			Insurance payments			Involvement in pending legal actions?	<input type="checkbox"/>	<input type="checkbox"/>
			Other contract payments (car payments, charge cards, etc.)			Contested income tax liens?	<input type="checkbox"/>	<input type="checkbox"/>
			Alimony, child support, maintenance			Any estimated capital gains tax on the unrealized asset appreciation?	<input type="checkbox"/>	<input type="checkbox"/>
			Other expenses			Other special debt or circumstances?	<input type="checkbox"/>	<input type="checkbox"/>
Total Income	\$		Total Expenditures	\$		If "yes" to any question(s) describe:		
						Total Contingent Liabilities	\$	

(COMPLETE SCHEDULES AND SIGN ON REVERSE SIDE)

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 ORDER FROM Bankers Systems, Inc., St. Cloud, MN Form C-100-H 9/18/87
 These forms are intended for use in commercial lending transactions.
 Where any other use is contemplated, it is suggested that a careful review
 be made to ensure compliance with applicable laws and regulations.



SCHEDULE A - CASH, CHECKING AND SAVINGS ACCOUNTS, CERTIFICATES OF DEPOSIT, MONEY MARKET FUNDS, ETC.

Name of Financial Institution	Type of Account	Owner	(J)	If Pledged, to Whom?	Balance

SCHEDULE B - U.S. GOVERNMENT & MARKETABLE SECURITIES (Use additional sheet if necessary)

Number of Shares or Face Value of Bonds	Description	In Name of	Are these Registered, Pledged, or Held by Others?	Market Value	Exchanges Where Traded

SCHEDULE C - NON-MARKETABLE SECURITIES (Use additional sheet if necessary)

Number of Shares	Description	In Name of	Are these Registered, Pledged, or Held by Others?	Value	Method of Valuation

SCHEDULE D - INVESTMENTS IN REAL ESTATE (Use additional sheet if necessary)

Description/Location of Real Estate Investment	(J)	Date of Original Investment/Amount	% Owned By You	Market Value of Your % of Investment	Present Balance	Monthly Payment	Mortgage Maturity Date	Mortgage Owed To

SCHEDULE E - LIFE INSURANCE CARRIED, INCLUDING GROUP INSURANCE

Name of Insurance Company	Owner of Policy	Beneficiary and Relationship	Face Amount	Policy Loans	Cash Surrender Value

SCHEDULE F - VESTED INTEREST IN DEFERRED COMPENSATION/PROFIT-SHARING PLANS

% Vested	Company Name	Account Number	Manner of Payout (Annuity, Lump Sum, etc.)	Distribution Date	Beneficiary	Amount

SCHEDULE G - BUSINESS VENTURES (Use additional sheets if necessary)

List Name and Address of Any Business Venture In Which You Are a Principal or Partner	Your Position/ Title in the Business	Line of Business	Years in Business	Total Assets Listed in Section 3	Your % of Ownership	Net Worth of Business	Present Net Value of Your Investment

SCHEDULE H - LOANS OWING BANKS, BROKERS, FINANCE COMPANIES, AND OTHERS (MASTERCARD, VISA, ETC.)

Owing to (Acct. No.)	(J)	Date of Original Borrowing/Amount	Present Balance	Due	Monthly Payment	Date of Final Pay't	Secured by

The information contained in this statement is provided to induce you to extend or to continue the extension of credit to the undersigned or to others upon the guaranty of the undersigned. The undersigned acknowledges and understands that you are relying on the information provided herein in deciding to grant or continue credit or to accept a guaranty thereof. Each of the undersigned represents, warrants, and certifies that (1) the information provided herein is true, correct and complete and gives a correct and complete showing of the financial condition of the undersigned, (2) the undersigned has no liabilities direct, indirect or contingent except as set forth in this statement, and (3) legal and equitable title to all assets listed herein is in the undersigned's sole name, except as may be herein otherwise noted. Each of the undersigned agrees to notify you immediately and in writing of any change in name, address, or employment and of any material adverse change (1) in any of the information contained in this statement or (2) in the financial condition of any of the undersigned or (3) in the ability of any of the undersigned to perform its (or their) obligations to you. In the absence of such notice or a new and full written statement, this should be considered as a continuing statement and substantially correct. You are authorized to make all inquiries you deem necessary to verify the accuracy of the information contained herein, and to determine the credit-worthiness of the undersigned and the undersigned hereby authorizes all persons of whom you make such inquiries to respond thereto in full. Each of the undersigned authorizes you to answer questions about your credit experience with the undersigned.

Date signed _____, _____ Signature (individual) _____

Date signed _____, _____ Signature (other party) _____