

## PROGRESS AUTHORITY REVOLVING LOAN FUND LOAN POLICIES

### Eligible Applicants:

All new and existing businesses and industries, including manufacturing and industrial projects and small business projects located in the Bradford County Enterprise Zone. No borrower shall have total outstanding debt in excess of 25% of the loan portfolio of CBPA without a specific risk analysis under separate consideration by the RLF committee and full board.

### Eligible Activities:

Acquisition and/or improvement of land and building, including new construction or renovation of existing facilities; machinery and equipment purchases; working capital, inventory and payment of professional fees, including but not limited to architects, engineers and attorney fees.

### Special Concern Activities:

Speculative activities, purchase or finance equity in private business, debt consolidation or refinancing.

### Interest Rates:

Rates will generally follow the Pennsylvania Department of Economic Development PIDA (Pennsylvania Industrial Development Authority) lending rates plus 150 basis points for building and land, and MELF (Machinery and Equipment Lending Fund) for machinery and equipment. However, risk factors could affect the rate.

### Fees:

RLF applicants will be required to provide a \$250.00 non-refundable application fee to the Progress Authority upon submission of the RLF request. In addition, successful RLF applicants will be required to provide a 1% loan origination fee to the Authority upon completion of the loan closing. The business will also be responsible for all closing costs and attorney fees.

### Equity Requirement:

10% developer equity input is required. The Progress Authority revolving loan fund cannot be a primary lending source on loans greater than \$25,000. Larger loans require bank participation.

### Collateral:

When marketable securities are pledged as collateral, 75% of their value will be considered against the loan. When equipment is pledged as collateral, 75% of its value will be considered against the loan.

### Terms:

Loans shall be in a minimum amount of \$25,000. Terms are variable, depending upon use of funds, security being offered, and other factors determined by the Progress Authority Revolving Loan Fund Committee. All loans will be secured by the highest lien position available on collateral. Loans will generally be for a term of five years or less. If the loan is for more than five years, the interest rate will be increased after the initial five year term in order to encourage early repayment.

Payment Schedule:

Payments shall be made to First Citizens Bank, who will provide monthly statements or payment book as requested. Generally, the first payment is due one month from date of closing, with monthly payments on same date thereafter for term of loan. If client is not a customer of First Citizens Bank, the loan will not close until client has registered with First Citizens Bank.

Job Impact:

Projects must demonstrate impacts to sustainable employment.

Relocation:

The agreement shall state that the note is due if company relocates out of described area or ceases operations.

Code Compliance:

Are required for all loans.

Environmental Audit:

All application must demonstrate compliance with local, state and federal environmental regulations. Projects involving real estate must provide a current environmental audit.

Demonstration of Benefit:

All applicants must demonstrate a need for Progress Authority RLF funding and provide supplemental evidence to document the need. Acceptable documents include, but are not limited to bank commitment letter outlining terms and conditions that loan is contingent upon for RLF funding or bank denial letter with reasons provided for denial.

Borrower's Responsibility

The Progress Authority will not schedule closing on any loan until the Borrower and/or its attorney have provided the Authority's attorney with proof of insurance, the attorney opinion letter, the title insurance binder and all other documents which are request by the Authority.

Audited Financials/Significant Risk Compliance:

When loan borrowings exceed a total RLF portfolio concentration of 25%, the borrower will be required to make quarterly submissions of their current financials and submit annual audited financial statements in addition to their tax returns.

## Central Bradford Progress Authority Revolving Loan Fund Application

A \$250.00 non-refundable application fee is due upon submission of application to the Authority

Date:

### General Information

<b>Name of Company requesting assistance:</b>	
<b>Address:</b>	
<b>Phone Number:</b>	<b>Fax Number:</b>
<b>Email Address:</b>	
<b>Contact Person:</b>	
<b>Date Established:</b>	<b>Federal Identification Number:</b>
<b>Product/Service:</b>	
<b>Bank:</b>	<b>Bank Contact Person:</b>
<b>Attorney:</b>	
<b>May we have permission to contact your bank?    Yes            No</b>	

### Employment/Payroll Breakdown

	Total Employment	Annual Payroll Wage	Average Annual
Existing Employment			
Projected Employment End Year 1			
Projected Employment End Year 3			

### Ownership Breakdown (Please attach additional sheets if necessary)

<b>Name:</b>		<b>Name:</b>	
<b>Title:</b>		<b>Title:</b>	
<b>Ownership</b>	%	<b>Ownership</b>	%
<b>Years With Company:</b>		<b>Years With Company:</b>	
<b>Social Security No.</b>		<b>Social Security No.</b>	

Existing Facility Information (if applicable)			
Facility Size (Square Feet)		Site Size (Acreage)	
Location Of Existing Facility; <b>is the property is a designated "flood zone"</b>			
Lease		Own	
Yes	No	Yes	No
If lease, name of landlord:			

Project Information			
Purpose of Project (please mark applicable items)			
Business Acquisition		Purchase Equip/Machinery	
Construct Building		Purchase Land/Building	
Expand/Renovate Bldg.		Working Capital	
Other (please state)			

Breakdown of Project Site			
Facility Size (Square Feet)		Site Size (Acreage)	
Location Of Existing Facility			
Lease		Own	
Yes	No	Yes	No
If lease, name of landlord:			

Breakdown of Project Cost			
Land/Building Purchase	\$	Other (please state)	
Renovations	\$		\$
Machinery/Equipment	\$		\$
Working Capital	\$		\$
Total Estimated Project Cost	\$		

Proposed Financing Sources (Minimum 10% Cash Equity Required)			
Bank	\$	Other (please state)	
CBPA RLF	\$		\$
Equity	\$		\$
Total Financed + Equity	\$		
<i>Please note that project cost and financing sources must equal and CBPA can only finance a portion of the total project.</i>			

### Applicant Must Be Willing to Provide the Following Information

* Three (3) years past financial statements (existing businesses)		
* Projected financial statements: <ul style="list-style-type: none"> <li>• one year for existing businesses</li> <li>• three years for new businesses</li> </ul>		
* Current personal financial statement(s) for all principals with 20% or more ownership		
* Documented need for CBPA RLF financing		
* Written Business Plan		

### INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans related to the Central Bradford Progress Authority's loan programs. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below.

<b>BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information <b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino <b>Race:</b> <input type="checkbox"/> American Indian or <input type="checkbox"/> Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or <input type="checkbox"/> White <input type="checkbox"/> Other Pacific Islander <b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male	<b>CO-BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information <b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino <b>Race:</b> <input type="checkbox"/> American Indian or <input type="checkbox"/> Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or <input type="checkbox"/> White <input type="checkbox"/> Other Pacific Islander <b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male
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Borrower's Signature	Date	Co-Borrower's Signature X	Date
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### Additional information/comments

Central Bradford Progress Authority ensures confidentiality of all applicants and does not discriminate against any applicant because of race, color, religion, sex, or national origin.