



2300 N. Yellowstone, Idaho Falls, Idaho 83401 -- 208-528-9400/208-528-9500 (FAX)

BONNEVILLE COUNTY REVOLVING LOAN FUND APPLICATION

APPLICATION, PRESENTATION AND DUE DILIGENCE PROCESS:

You may submit your completed application electronically by, 1) saving a copy to your computer, 2) completing the application, and 3) attaching to an email to connie@rdaidaho.org or tim@rdaidaho.org. Alternatively, you may mail or bring 5 copies of your completed application along with any supporting documentation to the Regional Development Alliance, Inc., 2300 North Yellowstone, Idaho Falls, Idaho 83401. **Please do not bind applications in 3-ringbinders.**

The Regional Development Alliance considers applications for funding without regard to race, sex, or religion. The purpose of this application is to determine eligibility. As such, the application asks ONLY for basic information. Once your application has been received, if you are eligible for the loan program, you will be scheduled to make a 30 minute presentation to the loan committee.

The purpose of the presentation is for the Loan Committee to decide whether or not to pursue due diligence. Due diligence is simply a very detailed analysis of your business or business idea. Should the Loan Committee decide to enter the due diligence phase with you, you will be asked to submit far more detailed information than requested here.

The due diligence process will include personal and business background and credit checks, a look at your personal and business financial history, analysis of your management team, an assessment of your marketing and sales plans, and many other observations that will help us make a decision.

Once we complete our due diligence process, a final report will be issued to the Loan Committee. The Loan Committee will make the final decision to fund your request or deny your application. In most cases, the Committee's final decision will be communicated to you within one (1) week of the meeting in which the decision is made.

FEES:

If you receive a loan, a *nonrefundable* 1.5% origination/document preparation fee will be charged. In addition, a 0.5% monthly servicing fee will be assessed over the life of the loan.

REQUIREMENTS & RESTRICTIONS:

---Loan funds may not be used to refinance existing debt.

---If loan closing costs, including legal, exceed 1.5% of the loan, the borrower will be required to cover the excess costs.

---All loan applications are reviewed in accordance with the National Environmental Policy Act of 1969, as amended, and as implemented by issuances of the President's Council of Environmental Quality.

---If loan funds are used to finance a building or facility intended for use by the public, or for the employment of the physically handicapped, the building must be accessible to the physically handicapped pursuant to Public Law 90-480 as amended.

---All project construction over \$2,000, which is financed in whole or in part with RLF resources, is subject to the requirements of the Davis-Bacon Act as amended.

---Compliance to all federal regulations will be reviewed as appropriate to the applicant business.

---The borrower is expected to provide a minimum of 10% of the total project cost.

---The RDA will take a collateral position in assets pledged or collateral purchased.

---The RDA may subordinate its lien position to other lenders.

---Personal guarantees will be required from major shareholders. Personal guarantees are absolute and allow collection from shareholder prior to the business.

---Any company receiving funding must be located in Bonneville County.

---The fund is not designed to compete with banks. As such, a turndown letter from a bank MUST be submitted with your application.

MAXIMUM & MINIMUM LOAN AMOUNTS:

Loans may be made up to a maximum of \$250,000, but must be at least \$1,000.

ELIGIBLE PROJECTS:

Loans may be made for the following:

- Fixed assets including land and buildings
- Construction & renovation
- Working capital
- Machinery & equipment

ELIGIBLE BORROWERS:

- New and emerging high technology companies that are started by or would employ dislocated Idaho National Laboratory (INL) workers or do significant work with the INL.
- Business start-ups that are started by or would employ dislocated Idaho National Laboratory (INL) workers or do significant work with the INL.
- Expanding companies that are started by or would employ dislocated Idaho National Laboratory (INL) workers or do significant work with the INL.

APPLICATION CHECKLIST:

Have you:

1. Provided **10 copies** of the application, along with 10 copies of any supporting documentation necessary to the RDA?
2. Bound your application and supporting documentation in a format other than a 3-ring binder?
3. Completed all information in the application including a description of your project and a detailed budget?
4. Attached turndown letter from bank?

A. Organization:

Name of Applicant Organization

Name of Contact Person

Title of Contact Person

Mailing Address

Street Address (if different from above)

Phone Number

Fax Number

Email Address

Type of Business

Employer ID Number

Are any of the principals of the corporation now, or have they ever been, under indictment, on parole or probation?

Have any of the principals ever been charged with or arrested for any criminal offense other than a minor motor vehicle violation?

Have any of the principals ever been convicted of any criminal offense other than a minor motor vehicle violation?

Total Current Number of Employees:

B. Funding:

1. Total Amount of Loan Requested:

2. The borrower is expected to provide 10% of total capital needs for the project. Please describe below the source and amount of your capital contribution.

3. As the IIC loan funds are not to be used for companies that are capable of receiving a commercial bank loan, all projects MUST have a turndown letter from a bank. Please attach the letter from the bank to the back of this application. **Have you attached the letter?**

4. Other Funding Sources Participating in the Proposed Project or Activity (bank loan, other loans, grants, personal equity, other equity, etc.):

Source 1:

Source 2:

Source 3:

C. Proposed Use of Funds (Describe the purpose for which the funds will be used. Attach additional pages if necessary.)

D. Budget (Provide a detailed budget which describes HOW YOU INTEND TO SPEND EVERY DOLLAR OFRDA FUNDING. Include all pertinent information. Attach additional pages if necessary.)

E. Evaluation Criteria (attach additional pages as necessary):

1. If you are successful in obtaining funds from the RDA for the purpose(s) you've described above, how many jobs will be created in Bannock, Bingham, Bonneville, Butte, Custer, Jefferson, and/or Madison counties? You may project out several months or even years as long as you can justify the numbers (e.g., 5 jobs immediately and 50 within 2 years).

2. Please tell us about the quality of the jobs that will be created. For example, tell us about the average wages/salaries, fringe benefits (e.g., medical insurance, vacation, sick leave), opportunities for advancement, etc.

3. Tell us why you and/or your business/organization are qualified to do what it is that you are proposing to do. Please include a description of your qualifications and past experience in similar ventures.

4. Describe in detail what you and/or the applicant business/organization are putting into this deal.

F. Supporting Documentation:

Attach any supporting documentation which is pertinent to the proposed project or activity. Include such items as business plans, product information, brochures, nontechnical engineering information, drawings, maps, etc.

G. Personal Guarantees and Other Requirements:

Be advised that RDA policy is to require the signing of unlimited personal guarantees by principal owners/shareholders for approved loans.

All awards will require significant reporting responsibilities on a quarterly basis in order for the RDA to meet its reporting requirements to the State of Idaho. Reporting will include, but not be limited to, 1), a quarterly narrative of how the project/organization is continuing to meet the nine (9) evaluation criteria addressed in this application including current employment levels as evidenced on State of Idaho employment reporting forms, 2) total payroll, average wage rates, and similar information, 3) financial statements specific to RDA funding, and 4) project status.

Failure to comply with reporting requirements will be deemed a default under contract provisions and the entire amount of any dollars previously awarded plus interest may be required to be returned to the RDA immediately upon notification.

H. Confidentiality and Nondisclosure Agreements:

The RDA takes every precaution to ensure that the proprietary information presented in applications and presentations is protected. Presentations are private and any information left in our possession will be shredded. However, the board of directors and staff do **not** sign confidentiality and nondisclosure agreements and will not be held liable for exposure of such information once presented. All board members have signed conflict of interest statements and work under the requirements outlined in those statements.

I. Return of Business Plan, Application Documents, Other Proprietary Information:

If you want applications and supporting documentation (submitted during the application process) returned to you, you must pick them up at the RDA offices within 5 days of your presentation. Documents left longer than 5 days will be shredded without notice. The RDA does not ship documents.

J. RDA Internal Documents

During the course of reviewing and making a decision on your request for funding, the RDA will prepare certain documents relating to your request. These documents are confidential and proprietary to the RDA and will not be shared with applicants.