



## RDC COVID-19 DISASTER RELIEF FUND LOAN TERM SHEET

**Contact: ECIDA (716) 856-6525 ext. 219**

<b>Expiration Date</b>	December 31, 2020
<b>Disaster Declaration Requirement</b>	FORMAL DECLARATION BY FEDERAL, STATE, OR COUNTY AUTHORITIES OF A DISASTER SITUATION WHICH RESULTS IN ECONOMIC INJURY TO BUSINESSES LOCATED IN ERIE COUNTY
<b>Strategic Loan Plan Fund Amount - Total (Sub Fund for retail classified industries)</b>	\$2,000,000 \$500,000 – ALLOCATED FOR RETAIL BUSINESSES
<b>Loan Committee/Approval Process</b>	EXPEDITED APPROVAL PROCESS FOR QUALIFIED APPLICANTS
<b>Sub-Fund Project Description</b>	ASSISTANCE TO ERIE COUNTY BUSINESSES FINANCIALLY IMPACTED BY A FEDERAL, STATE OR COUNTY DECLARED DISASTER OCCURRING EITHER IN OR OUTSIDE OF ERIE COUNTY
<b>Eligibility</b>	<ol style="list-style-type: none"> <li>1. FOR-PROFIT BUSINESSES ONLY (NO RESIDENTIAL) IN OPERATION A MINIMUM OF 2 YEARS</li> <li>2. BUSINESS LOCATED IN ERIE COUNTY</li> <li>3. ABLE TO DOCUMENT ECONOMIC INJURY DUE TO A DISASTER DECLARATION SITUATION</li> <li>4. BUSINESS AND PRINCIPALS MUST HAVE ACCEPTABLE CREDIT HISTORIES AND CREDIT SCORES PRIOR TO THE NEW YORK STATE EMERGENCY DECLARATION</li> <li>5. RDC STAFF WILL DETERMINE COMPANY’S ABILITY TO RE-PAY THE LOAN</li> <li>6. LOANS ARE NOT INTENDED TO REPLACE LOST PROFITS, EQUIPMENT OR FOR EXPANSION</li> <li>7. MUST HAVE EMPLOYED 5 FULL TIME EMPLOYEES [OR EQUIVALENTS] AS OF MARCH 1, 2020</li> </ol>
<b>Application and Closing Fees</b>	APPLICATION FEE IS WAIVED. BORROWER IS RESPONSIBLE FOR LENDER’S COUNSEL FEES, UCC FILING FEES, AND CREDIT REPORT COSTS. THESE EXPENSES CAN BE DEDUCTED FROM THE LOAN PROCEEDS
<b>Standard Lending/Repayments Terms</b>	INTEREST-ONLY PAYMENTS FOR UP TO 12 MONTHS. AFTER EXPIRATION OF INTEREST ONLY PERIOD, THE OUTSTANDING LOAN BALANCE WILL CONVERT INTO A 3-5 YEAR TERM LOAN
<b>Minimum/Maximum Amounts</b>	\$10,000 / \$50,000
<b>Interest Rate</b>	\$2.5% - FIXED FOR THE TERM OF THE LOAN (LOWEST INTEREST RATE ALLOWED BY THE RDC’S FEDERAL REGULATIONS)

<b>Use of Funds</b>	FUNDS MAY BE USED FOR <u>WORKING CAPITAL PURPOSES ONLY</u> . EXAMPLES OF WORKING CAPITAL ARE ACCOUNTS RECEIVABLE, ACCOUNTS PAYABLE, PAYROLL, RENT, INSURANCE, UTILITIES, ETC.
<b>Job Creation/Retention</b>	AT LEAST FIVE (5) FULL-TIME EQUIVALENT JOBS AT MARCH 1, 2020. MUST RETAIN ALL JOBS AT TIME OF APPLICATION
<b>Collateral Requirements</b>	MUST BE SECURED TO THE EXTENT POSSIBLE. A LIEN ON ALL BUSINESS ASSETS MAY BE REQUIRED AT A MINIMUM
<b>Billing/Servicing</b>	PRINCIPAL AND/OR INTEREST PAYMENTS REQUIRED BY DIRECT DEBIT FROM A BUSINESS BANKING ACCOUNT
<b>Delinquencies</b>	BUSINESS MUST HAVE BEEN CURRENT WITH ANY EXISTING BORROWINGS, PRIOR TO DECLARED DISASTER EVENT
<b>Funding Timeline</b>	UP TO 45 DAYS FROM THE RECEIPT OF ALL REQUIRED DOCUMENTS
<b>Loan Application</b>	STANDARD ECIDA/RDC BUSINESS LOAN APPLICATION
<b>Financial and Business Information</b>	<ul style="list-style-type: none"> <li>• BUSINESS PLAN [OR BRIEF DESCRIPTION AND HISTORY OF BUSINESS]</li> <li>• REASON FOR APPLICATION: HOW HAS YOUR BUSINESS BEEN FINANCIALLY AFFECTED BY THE PANDEMIC?</li> <li>• MOST RECENT BUSINESS FEDERAL TAX RETURN, INCLUDING ALL SCHEDULES. IF 2019 TAX RETURNS ARE NOT AVAILABLE, PROVIDE 2018 TAX RETURNS AND INTERNALLY PREPARED 2019 YEAR END FINANCIAL STATEMENTS</li> <li>• INTERIM PROFIT /LOSS STATEMENT AND BALANCE SHEET</li> <li>• PERSONAL FINANCIAL STATEMENT FOR ANY INDIVIDUAL OWNING 20% OR MORE OF THE BUSINESS</li> <li>• SCHEDULE OF ALL EXISTING BUSINESS DEBT</li> <li>• DECLINATION LETTER FROM BANK OR LENDING INSTITUTION</li> <li>• FEDERAL REGULATIONS ACKNOWLEDGEMENT FORM</li> <li>• ORGANIZATIONAL/LEGAL DOCUMENTS <ul style="list-style-type: none"> <li>CORPORATIONS: <ul style="list-style-type: none"> <li>▪ CERTIFICATE OF INCORPORATION</li> <li>▪ BYLAWS AND BORROWING RESOLUTION</li> </ul> </li> <li>LLCs: <ul style="list-style-type: none"> <li>▪ ARTICLES OF INCORPORATION</li> <li>▪ OPERATING AGREEMENT AND BORROWING RESOLUTION</li> </ul> </li> </ul> </li> <li>• OTHER FINANCIAL INFORMATION THAT RDC STAFF DEEMS APPROPRIATE</li> </ul>
<b>Guarantee Requirements</b>	REQUIRED FOR ALL INDIVIDUALS OF THE BUSINESS OWNING 20% OR MORE
<b>Insurance</b>	REQUIRED WHEN INSURABLE BUSINESS OR PERSONAL ASSETS ARE PLEDGED AS LOAN COLLATERAL
<b>Equity Requirements</b>	NO MINIMUM EQUITY
<b>Closing Document Preparation</b>	PREPARED BY RDC COUNSEL