

Northeast Nebraska Economic Development District PRE-Application for Business Loan Funds

PART I.

A. Business (Borrower) Information:

Name of Business to Receive Assistance: _____

Address: _____

_____ City State Zip

Contact Person: _____ Telephone No. _____ FAX No. _____

Business Classification (Enter Primary SIC Code): _____ Manufacturing _____ Warehousing and Distribution
 _____ Service _____ Research and Development
 Federal ID #: _____ Administrative Management Headquarters

Business Organization: _____ Proprietorship _____ Corporation
 _____ Partnership _____ Other

Does the Company have a Parent or Subsidiaries? _____ yes _____ no

If Yes, Identify Name: _____

Address: _____

_____ City State Zip

Business Type: _____ Start-up (0-5 yrs old) _____ Buyout
 _____ Existing If Existing, years in Business _____

Ownership Identification: List all officers, directors, partners, owner, co-owners and all stockholders with 20% or more of the stock. Under Race Code, enter a "1" if an American Indian/Alaskan Native; a "2" if Asian; a "3" if Black or African American; a "4" if Native Hawaiian or Other Pacific Islander; a "5" if White. Enter under Ethnicity Code, a "Y" if the person identified is Hispanic or Latino or an "N" if the person is Non-Hispanic or Non-Latino. Enter a "D" behind that number/letter if the individual is disabled.

Name Ethnicity	Title	Ownership %	Male/Female	Race
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Personnel: (Full-Time-Equivalent, FTE is based upon 2,080 hours per year.)

Existing Number of Full Time Equivalent Positions: _____

Full-Time-Equivalent Positions to be **Created** within 18 months of Application Approval: _____

Total Number of **Seasonal** Full-Time-Equivalent Jobs **Created**
(i.e. Jobs which will be available for at least 3 continuous months and recur annually): _____

If Jobs Would Be Lost Without Loan Approval, Total Number of Full-Time-Equivalent Jobs **Retained**: _____

B. Project Information

USES OF FUNDS:	Total Project Cost	NENEDD Funds Requested
Land Acquisition	_____	_____
Building Acquisition	_____	_____
Renovation	_____	_____
New Facility Construction	_____	_____
Acquisition of Machinery/Equipment	_____	_____
Acquisition of Furniture/Fixtures	_____	_____
Working Capital (Includes Inventory)	_____	_____
Other (Specify) _____	_____	_____
Total:	_____	_____

C. SOURCES OF FUNDS:

Note: *Public sources of financing require the participation of a Bank and/or an injection of equity (non-debt) funds.*

Participating Lender Information:

Name of Lending Institution: _____
 Address: _____
 Contact Person: _____ Phone (_____) _____
 Loan Amount: \$ _____ Loan Term: (Yrs) _____
 Interest Rate: _____% _____ Variable _____ Fixed
 Collateral Required: _____ Equity Required: _____

Equity Information:

Amount available from business or owners for investment: \$ _____
 Source of owner's equity into project: _____

Project Location:

_____ Within the City Limits of (Name of City) _____
 Population of City _____
 _____ Outside of City Limits, but within the Zoning Jurisdiction of (Name of City) _____
 Population of City _____
 _____ Unincorporated Area (Name of County) _____

Personal Financial Statement: Complete the Attached Personal Financial Statement Form for Each Person Owning 20% or More of the Business.

D. ATTACH THE FOLLOWING:

- (1) Brief description of the business' history. Business Plan attached

- (2) Brief description of the proposed project. Business Plan attached

- (3) ___ 3-year historical balance sheets and operating statements. Current statements less than 90 days old. (Existing Businesses Only).
- (4) ___ Personal Financial Statement for each person owning 20% or more of the business (See attached form 3245-0188).
- (5) ___ A letter of rejection from your bank or a letter from the bank requesting NENEDD participation with the proposed project.
- (6) ___ Credit Report from Credit Reporting Agency. Contact your bank for information.
- (7) ___ NENEDD Assistance Agreement.
- (8) ___ Indemnification Agreement
- (9) ___ Exhibit "A" Memorandum

Once all documents have been received, NED, Inc. staff will review the application to determine if it meets the eligibility requirements to be considered by the loan committee. If eligible, a meeting will be scheduled with you and the items on the Full Application Checklist will be requested. If the loan will be presented to the RLF Loan Board, a 1% loan processing fee will be collected. If we are not able to provide further assistance, your processing fee will not be collected.

The above information is accurate to the best of my knowledge and belief. The above information is provided to help you evaluate the feasibility of obtaining public financial assistance. It is further understood that the submission of this form does not constitute a formal loan application and that the form will be used for analysis and assessment purposes only.

Dated: _____ Signature: _____

PERSONAL FINANCIAL STATEMENT

As of _____

Complete this form if: 1) a sole proprietorship by the proprietor; 2) a partnership by each partner; 3) a corporation by each officer and each stockholder with 20% or more ownership; 4) any other person or entity providing a guaranty on the loan.

Name

Residence Phone

Residence Address

City

State

Zip Code

Business Name of Applicant/Borrower

ASSETS		LIABILITIES			
(Omit Cents)		(Omit Cents)			
Cash on hand & in Banks	\$ _____	Accounts Payable	\$ _____		
Savings Account	\$ _____	Notes Payable (to Bk & Others	\$ _____		
Mutual funds	\$ _____	(Describe in Section 2)	\$ _____		
Accounts & Notes Receivable	\$ _____	Installment Account (Auto)	\$ _____		
(Describe in Section 6)	\$ _____	Mo. Payments	\$ _____		
Life Insurance – Cash	\$ _____	Installment Account (Other)	\$ _____		
Surrender Value Only	\$ _____	Mo. Payments	\$ _____		
Stocks and Bonds	\$ _____	Loans on Life Insurance	\$ _____		
(Describe in Section 3)	\$ _____	Mortgages on Real Estate	\$ _____		
Real Estate	\$ _____	(Describe in Section 4)	\$ _____		
(Describe in Section 4)	\$ _____	Unpaid Taxes	\$ _____		
Automobile - Present Value	\$ _____	(Describe in Section 7)	\$ _____		
Other Personal Property	\$ _____	Other Liabilities	\$ _____		
(Describe in Section 5)	\$ _____	(Describe in Section 8)	\$ _____		
Other Assets	\$ _____	Total Liabilities	\$ _____		
(Describe in Section 6)	\$ _____	Net Worth	\$ _____		
Total	\$ _____	Total	\$ _____		
Section 1. Source of Income		Contingent Liabilities			
Salary	\$ _____	As Endorser or Co-Maker	\$ _____		
Net Investment Income	\$ _____	Legal Claims & Judgments	\$ _____		
Real Estate Income	\$ _____	Provision for Fed Income Tax	\$ _____		
Other Income (Describe)	\$ _____	Other Special Debt	\$ _____		
Description of Items Listed in Section 1:					
*(Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.)					
Section 2. Notes Payable to Banks and Others					
Name & Address of Noteholder	Original Balance	Current Balance	Payment Amount	Terms (Monthly - etc.)	How Secured or Endorsed - Type of Collateral

Section 3. Stocks and Bonds: <i>(Use separate sheet if necessary)</i>				
No. of Shares	Names of Securities	Cost	Market Value Quotation/Exchange	Date Amount

Section 4. Real Estate Owned. <i>(List each parcel separately. Use supplemental sheets if necessary. Each sheet must be identified as a supplement to this statement and signed).</i>							
Address - Type of property	Title is in name of	Date Purchased	Original Cost	Present Value	Mortgage Balance	Amount of Payment	Status of Mortgage

Section 5. Other Personal Property. *(Describe, and if any is mortgaged, state name and address or mortgage holder and amount of mortgage, terms of payment, and if delinquent, describe delinquency.)*

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Section 6. Other Assets Notes & Accounts Receivable. *(Describe)*

Section 7. Unpaid Taxes. *(Describe in detail, as to type, to whom payable, when due, amount, and what, if any, property the tax lien attaches.)*

Section 8. Other Liabilities. *(Describe in detail.)*

Section 9. Life Insurance Held. *(Give face value amount of policies - name of company and beneficiaries.)*

NENEDD is authorized to make all inquiries deemed necessary to verify the accuracy of the statements made herein and to determine my/our creditworthiness.

(I) or (We) certify the above and the statements contained in the schedules herein are a true and accurate statement of (my) or (our) financial condition as of the date stated herein.

Signature

Signature

Date

Social Security Number

Social Security Number

**NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT
ASSISTANCE AGREEMENT**

THIS AGREEMENT, is made and entered into this _____ day of _____, by and between the NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT, whose principal place of business is located at 111 South 1st Street, Norfolk, Nebraska (hereinafter referred to as the "NENEDD"), and _____ of _____ (hereinafter referred to as the "Client").

WITNESSETH:

WHEREAS, Client has requested the NENEDD to investigate the feasibility of obtaining a NENEDD Loan in connection with the financing of a project to be undertaken by Client all as more particularly set forth on Exhibit "A" which is attached hereto and incorporated herein by this reference as is fully set forth herein, (hereinafter referred to as the Project").

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the parties hereto do hereby agree as follows, to-wit:

1. NENEDD agrees to work with the Client to investigate the feasibility of obtaining financing through a NENEDD Loan for the Project. NENEDD will investigate the financial condition of Client and determine whether or not a NENEDD Loan Application is appropriate. NENEDD will seek to obtain a NENEDD Loan for the Client if the NENEDD determines, in its sole discretion, that, to-wit:

- a. Client is within the NENEDD's eligibility criteria and the Project is likely to be approved by the NENEDD Executive Committee for a NENEDD Loan, and;
- b. All other elements of the Project can be financed and /or paid for through the infusion of equity capital by the Client.

2. If the NENEDD determines, in its sole discretion, that the Client is eligible for a NENEDD Loan, then, and in such event, NENEDD will advise and consult with the Client in the preparation by the Client for a complete set of Loan documents together with supporting exhibits, for the purpose of making applications for a NENEDD Loan (hereinafter referred to as the "Loan Package"). The Loan Package shall be for the sole benefit of the Client, provided however, that such Loan Package shall be used by the NENEDD in connection with the Application for a NENEDD Loan on behalf of the Client, provided, however, that the Loan Package may be used by the Client in seeking financial assistance or guarantees from other governmental agencies and/or private lenders.

3. The Client agrees to pay a loan-packaging fee at the time the application is submitted equaling \$1,000 or 1% of the request, whichever is less. This fee will be used to reimburse NENEDD for all out-of-pocket expenses incurred in researching, preparing and submitting the Loan Package for a NENEDD loan. If the loan request is denied, NENEDD reserves the right to reimburse a portion of the fee if it exceeds the costs of actual incurred costs of the loan-packaging.

4. Client hereby acknowledges that the Client is charged with the actual responsibility of preparing the Loan Package, and that the NENEDD's sole responsibility in connection with the preparation of the Loan Package shall be to consult with and advise the Client. The Client further acknowledges that the Client will be required to promptly and accurately supply financial information concerning the Project, the operation of Project, together with the manner, method and terms of financing the Project. Client further specifically acknowledges and agrees that the obtaining of a NENEDD Loan, or any other financing is dependent upon many factors that the NENEDD cannot control, including but not limited to economic factors, the decisions of Executive Committee of the NENEDD, and the decisions of other financial institutions; accordingly, the NENEDD does not guarantee that the Client will

obtain financing for the Project. Client hereby covenants and agrees that NENEDD shall not be responsible, in any manner, or liable to the Client or any other person in the event that the Client is unable to obtain a NENEDD Loan for the Project, or any other type of financing for the Project, whether from the NENEDD or any other governmental or public source, or from any private financing sources. Client also further covenants and agrees that the NENEDD shall not be liable for any of the debts or obligations incurred in and for the assistance of benefit of the Client. Client further agrees that Client will hold the NENEDD harmless, and pay all costs and expenses, including attorney's fees, in the event that any claim is made or lawsuit is filed by or against the NENEDD arising out of any transaction with or assistance to the Client which may in any way be connected with the Agreement.

5. If the Client is successful in obtaining a NENEDD Loan, the Client agrees to pay to the NENEDD a Loan Processing Fee of one percent (1%) of the net Loan proceeds received by Client, less the previously paid deposit set forth in paragraph 3. The Loan Processing Fee shall be due and payable upon issuance of the Loan proceeds.

In addition to the above and foregoing fee, the Client further agrees to pay to the NENEDD an annual servicing fee of one-half percent (1/2%) of the declining loan balance on the Note, which shall be paid on an annual basis for the term of the loan to be issued by the NENEDD pursuant to the terms and provisions of the NENEDD Loan.

In addition to the above and foregoing fees, the Client hereby specifically covenants and agrees to pay all costs of closing the NENEDD Loan, and all related transactions, including, but not limited to, all costs of title insurance, abstracting, recording fees, survey costs, inspections, environmental assessment, and NENEDD legal fees. Client and NENEDD mutually acknowledge that the NENEDD attorneys are required to charge on a hourly rate basis. NENEDD hereby states that its attorneys charge at the rate of \$110.00 per hour for lawyer's time. It is estimated that the average fees will be \$200.00, but individual NENEDD Loans may vary, depending upon the complexity of the transactions, and the problems that develop in connection with the application of the NENEDD Loan, the processing and closing of such Loan.

6. Client acknowledges understanding that NENEDD Loans contain a prepayment penalty of 10% on the outstanding balance if pre-payment occurs before two years of the loan closing date.

7. Client acknowledges receipt of a copy of the Memorandum which is attached hereto as Exhibit "A" and incorporated herein by this reference as if fully set forth, said Memorandum setting forth an approximation of the Net Loan Proceeds which would be received by Client in connection with the sale of a \$_____ Loan by the NENEDD through the Revolving Fund program, exclusive of the fees and costs set forth in the third paragraph of paragraph 5 of this Agreement.

8. Client acknowledges that if loan proceeds are utilized for construction, that Davis-Bacon wage rates apply to all contractors retained for the project.

9. Client acknowledges that NENEDD will require an authorization from client to have loan payments be automatically withdrawn from client's bank account electronically on the 1st of each month and the annual service fee will be automatically withdrawn from the client's bank account electronically on the anniversary date of the NENEDD loan if the client is successful in obtaining a NENEDD loan.

IN WITNESS WHEREOF, the parties hereto have executed, caused to be duly executed this Agreement, and have affixed or caused to be duly affixed hereto their seals, this _____ day of _____, _____.

CLIENT

NORTHEAST NEBRASKA ECONOMIC DEVELOPMENT DISTRICT, NENEDD

BY: _____

BY: _____ EXECUTIVE DIRECTOR

INDEMNIFICATION AGREEMENT

THIS AGREEMENT made and entered into on _____, 20____ between the Northeast Nebraska Economic Development District (NENEDD) (Indemnitee) its successors and assigns and _____, of _____ (Indemnitor) at _____

In consideration of the loan made by NENEDD for \$_____ on _____ for the purpose of _____, to Indemnitor, does hereby agree that:

During the useful life of the project, which is _____ years from the above date, it will indemnify and hold harmless the Indemnitee from any liabilities, losses, damages, suites, judgments, counsel fees, and costs arising out of cleanup activities under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601-9675 (CERCLA); the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. 2601-2671, or related hazardous substances laws, including, but not limited to groundwater, surface, soil or other conditions caused directly or indirectly by Indemnitor or any of its predecessor on the property described in Attachment A hereto.

INDEMNITEE: Northeast Nebraska Economic Development District (NENEDD)

By:

Executive Director

Title

Date

INDEMNITOR:

By:

Title

Date

**EXHIBIT "A"
MEMORANDUM**

TO: _____

FROM: Northeast Nebraska Economic Development District ("NENEDD")

RE: NENEDD Revolving Loan Fund

DATE: _____

The following is an approximation of the expenses of the loan to be established, together with the costs and fees of the NENEDD. THIS IS AN APPROXIMATION ONLY AND IS NOT INTENDED TO BE, NOR DOESN'T PURPORT TO BE, A FULL AND COMPLETE DISCLOSURE OF ALL FEES, COSTS AND EXPENSES THAT WILL BE INCURRED IN CONNECTION WITH THE PROCESSING OF A NENEDD LOAN THROUGH THE NENEDD.

II. PRICING A NENEDD LOAN

- A) Determine Net Loan Proceeds \$
- B) Calculate NENEDD Loan Processing Fee \$
(1% of Amount A above)
- C) Closing Costs \$ 200.00
 - a) Attorney fees
 - b) Title insurance
 - c) Abstracting
 - d) Environmental Assessment
 - e) Filing fees
 - f) Survey
 - g) Insurance
 - h) Taxes
 - i) Assessments
 - j) Appraisal
 - k) Inspections
 - l) Other
- D) Balance to Borrower \$
- E) Amount of Loan \$

CLIENT

By _____