

LYON RURAL ELECTRIC COOPERATIVE
ECONOMIC DEVELOPMENT REVOLVING LOAN FUND APPLICATION

I. BASIC INFORMATION

Name of Business: _____

Address: _____

City: _____

Business contact person: _____ Zip Code: _____

Social Security #: _____ (if business is a sole proprietorship)

Other contact(s)/application assistance providers:

| Name | Telephone # |
|-------|---------------|
| _____ | (_____) _____ |
| _____ | (_____) _____ |
| _____ | (_____) _____ |

Type of Business:

_____ Sole Proprietorship _____ Corporation _____ Partnership

Have you ever filed personal or corporate bankruptcy? No _____ Yes _____ If yes, please explain

II. NATURE OF THE LOAN REQUEST

Amount of loan request \$ _____ Total project cost \$ _____

New Business _____ Business Expansion _____

of existing jobs _____ # of jobs created _____ # of jobs retained _____

III. FINANCING PURPOSE AND SOURCES

| Purposes for which funds are to be used | RLF | Bank #1 | Bank #2 | Other #1 (Specify) | Other #2 (Specify) | New Equity | TOTAL |
|---|-------|---------|---------|--------------------|--------------------|------------|-------|
| Property Acquisition | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Site Improvements | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Building Renovation | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| New Construction | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Machinery & Equip. | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Working Capital | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Inventory | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Other (Specify) | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Total | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| TOTAL PROJECT COSTS | | | | | | | _____ |

IV. FINANCING TERMS AND CONDITIONS

| | RLF | Bank #1 | Bank #2 | Other #1 (Specify) | Other #2 (Specify) | New Equity | TOTAL |
|------------------------------|-------|---------|---------|--------------------|--------------------|------------|-------|
| Amount | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| % of Project Costs | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Term (years) | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Interest Rates | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Debt Service | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Collateral Offered: Asset | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Lien Position | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Collateral Offered: Asset | _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| Lien Position | _____ | _____ | _____ | _____ | _____ | _____ | _____ |

Participating Bank #1 _____

Contact Person: _____ Phone # (____) _____

Participating Bank #2 _____

Contact Person: _____ Phone # (____) _____

Other Lender #1 _____

Contact Person: _____ Phone # (____) _____

Other Lender #2 _____

Contact Person: _____ Phone # (____) _____

V. BUSINESS PLAN OUTLINE

A. History of Business

Briefly describe the past operation of the business and/or the events leading to its creation.

B. Market Analysis and Strategy

1. Description of current buyers and target markets (provide verification of purchase orders, contracts, etc. which relate to reasons for the loan request.)
2. Competition
3. Pricing
4. Distribution
5. Advertising
6. Sales Promotion

C. Products

1. Description of product line
2. Proprietary position of patents, copyrights, legal and technical considerations
3. Comparison to competition

D. Manufacturing Process

1. Materials
2. Production methods

E. Financial Projections

1. Monthly Cash Flow Analysis for Next 12 Months
2. Profit and loss Statement: last three years and current quarter, plus two-year projection
3. Balance Sheet: last three years and current quarter, plus two-year projection

F. Schedule of Existing Business Debt

List outstanding balance, interest rate, term, maturity date, and collateral on all existing debt.

G. Statement of Proposed Collateral

A detailed list of all collateral offered, its value, and security position by funding source.

H. Resumes and Personal Financial Statements

Include resumes of all principals as well as current, dated, and signed personal financial statements on all principals with a significant financial interest in this business.

I. Commitment Letters

Include Commitment letters from banks or others which state the terms and conditions of their participation.

J. Affiliates

Description of any affiliates or subsidiaries of business or principals requesting assistance, as well as balance sheets and income statements for past two fiscal years on such affiliates or subsidiaries.

K. Appraisals/Proposed Lease/Purchase Options or Agreements

An independent appraisal will be required for any real estate which is a subject of the proposed financing or which is offered as a major source of collateral to secure the loan. Also include copies of existing or proposed lease(s), purchase options or agreements, or any other financial arrangements.

L. Partnership Certificate of Authorization, or Corporate Certificate of Authority and Incumbency; include minutes of the corporate meeting adopting this certification, where applicable.

VI. OTHER REQUIRED DOCUMENTS

1. Copy of last year's submitted business income tax statement
2. Copy of last year's submitted personal income tax statement
3. Evidence of payment of last quarters payroll tax
4. Evidence of Worker's Compensation insurance coverage

VII. CHECKLIST FOR FINAL APPLICATION

The following is a checklist of the information and documentation necessary to submit a final application.

- _____ A. History of Business
- _____ B. Market Analysis and Strategy
- _____ C. Products
- _____ D. Manufacturing Process
- _____ E. Financial Information
 - 1. Monthly Cash Flow Analysis for Next 12 Months
 - 2. Profit and Loss Statements: last three years, current statement (less than 90 days) and two year projections
 - 3. Balance Sheet: last three years, current, and two year projections
- _____ F. Schedule of Business Debts
- _____ G. Statement of Collateral
- _____ H. Resumes and Personal Financial Statements
- _____ I. Commitment Letters
- _____ J. Affiliates
- _____ K. Appraisals/Proposed Lease/Purchase Agreements
- _____ L. Corporate/Partnership Authorization

VIII. ADDITIONAL ATTACHMENTS

- _____ 1. Last year’s business income tax statement
- _____ 2. Last year’s personal income tax statement
- _____ 3. Evidence of payroll tax payment
- _____ 4. Evidence of Worker’s Compensation Insurance
- _____ 5. Supporting Resolution from Cooperative Board

TO BE SIGNED BY APPLICANT

I have willfully furnished this confidential information to Lyon Rural Electric Cooperative for the purpose of applying for a loan. I understand that this information will be reviewed by RLF staff. I further understand that this information will become available to the Revolving Loan Fund Review Committee. I further authorize RLF staff to be in contact with those individuals and institutions involved in the proposed project.

Applicant’s Signature

Date