

## PARTICIPATION LOAN PROGRAM

Master Participation Agreement No. \_\_\_\_\_  
Master Participation Agreement Addendum No. \_\_\_\_\_

### MASTER PARTICIPATION AGREEMENT ADDENDUM FOR REVOLVING LINES OF CREDIT between

ILLINOIS DEPARTMENT OF COMMERCE  
AND ECONOMIC OPPORTUNITY  
and

\_\_\_\_\_  
(PARTICIPATING LENDER NAME)

\_\_\_\_\_  
(PARTICIPATING LENDER ADDRESS)

\_\_\_\_\_  
(PARTICIPATING LENDER CITY/STATE/ZIP + 4)

ATTN: \_\_\_\_\_  
(PARTICIPATING LENDER CONTACT / TITLE)

PHONE/FAX: \_\_\_\_\_  
(PARTICIPATING LENDER)

FEIN: \_\_\_\_\_  
(PARTICIPATING LENDER)

The Participating Lender does business as a (please check one):

\_\_\_\_\_ Individual (01)

\_\_\_\_\_ Governmental (08)

\_\_\_\_\_ Sole Proprietor (02)

\_\_\_\_\_ Nonresident Alien (13)

\_\_\_\_\_ Partnership/Legal Corporation (03)

\_\_\_\_\_ Estate or Trust (10)

\_\_\_\_\_ Tax Exempt (16)

\_\_\_\_\_ Pharmacy (Non-Corp.) (11)

\_\_\_\_\_ Corporation providing or billing  
medical and/or health care services

\_\_\_\_\_ Pharmacy/Funeral Home/  
Cemetery (Corp.) (15)

\_\_\_\_\_ Corporation NOT providing or  
billing medical and/or health care services

\_\_\_\_\_ Limited Liability Company

(select applicable tax classification)

\_\_\_\_\_ D-Disregarded Entity

\_\_\_\_\_ C-Corporation

\_\_\_\_\_ P-Partnership

## **MASTER PARTICIPATION AGREEMENT ADDENDUM FOR REVOLVING LINES OF CREDIT**

This Master Participation Agreement Addendum (the "Addendum for Revolving Lines of Credit") is effective as of \_\_\_\_\_, 201\_, through the ending date of June 30, 2022 (if not earlier terminated), and is by and between \_\_\_\_\_ (the "Lender"), a (national/state banking association, a Corporation, etc.), having its principal office at \_\_\_\_\_, and the Illinois Department of Commerce and Economic Opportunity (the "Department"), a department of the State of Illinois, having its principal office at 500 East Monroe Street, Springfield, Illinois 62701-1615.

### **RECITALS**

Whereas, the Department and the Lender have previously entered into a Master Participation Agreement, Number \_\_\_\_\_, on \_\_\_\_\_, 201\_\_ (the "Master Agreement"), and now the Lender desires to sell to the Department participations in Revolving Lines of Credit; and

Whereas, the Master Agreement shall set forth the terms and conditions of the Department's participation in such Revolving Lines of Credit loans, except to the extent stated in this Addendum where the language contained herein shall prevail over any contrary language in the Master Agreement; and

Whereas, the overall purpose of the Participation Loan Program (the "Program") is to foster economic development in Illinois by enhancing the availability of credit to small and medium-sized businesses from private sources of capital; and

Whereas, in pursuit of those goals, the Department may be willing, from time to time, to purchase participation interests in loans, including principal and interest payable thereunder, made by the Lender to certain Program-eligible businesses.

Now therefore, in consideration of the premises and the agreements contained in the Master Agreement and this Addendum, the Lender and the Department hereby agree to this Master Agreement Addendum as follows:

### **1. DEFINITIONS**

In addition to the words and terms defined in the Master Agreement, each of the following words and terms used in this Addendum shall have the following meaning unless the context or use indicates a different meaning. Definitions shall be applicable to both the singular and plural forms of the terms as the context may require. Furthermore, all Definitions contained in the Master Agreement remain in effect, unless specifically amended herein to accommodate Revolving Line of Credit activity under this Addendum.

**"Participation Interest Account"** means the account established by the Lender pursuant to Section 2 hereof.

**"Revolving Line of Credit"** (RLOC) and **"Loan"** may be used interchangeably for RLOCs except that a RLOC is a loan whereby the Lender agrees to lend up to a specific amount to a specified Borrower, and to

allow sums to be borrowed, repaid and re-borrowed for a specified time period and at the end of the term the outstanding loan amount, including interest, fees, and penalties due, are to be fully repaid or refinanced without the Department's participation.

**"Revolving Line of Credit Documents"** and **"Loan Documents"** shall have the same meaning with respect to a Revolving Line of Credit.

## **2. APPLICATIONS AND APPROVAL; SALE AND PURCHASE OF PARTICIPATION**

**2.5 Establishment of Participation Interest Accounts by Lender.** The Lender shall establish in the name of the Department an interest bearing account for each Revolving Line of Credit approved by the Department (the "Participation Interest Account"). Upon the Department's approval to purchase its Participation in the Revolving Line of Credit, it shall deposit into the Participation Interest Account funds in an amount equal to its full Participation Amount. The Department shall at all times be the owner of the Participation Interest Account.

**2.6 Participation Interest Account Interest.** Each Participation Interest Account shall accrue interest at the rate of interest set forth in the Acceptance Letter. Such interest shall be paid to the Department at least quarterly. Payments are to be made by check payable to the Illinois Department of Commerce and Economic Opportunity and sent to 500 East Monroe Street, Accounting Office, Springfield, Illinois 62701-1615.

**2.7 Participation Interest Account Reports.** The Lender shall furnish the Department with a statement setting forth all transactions relating to the receipt and disbursement of funds in the Participation Interest Account at least quarterly.

**2.8 Liquidating of Participation Interest Accounts by Lender.** Upon termination of a Revolving Line of Credit, either by its terms, the Borrower's election upon payment in full, or the Lender for cause, the Lender shall remit all funds in the corresponding Participation Interest Account to the Department in accordance with Section 6.1.

**2.9 Participation Interest Account Upon Default by Borrower.** Upon any Default of Borrower under the Closing Documents that causes the Department's Participation Interest to be subordinated pursuant to Section 9, any funds in the Participation Interest Account shall be immediately returned to the Department. Notwithstanding anything set forth in Section 8, the Lender has no right of offset against the Participation Interest Account as funds contained therein are not considered advanced to the Borrower.

## **6. COLLECTIONS, DISBURSEMENTS AND ADMINISTRATION**

### **6.1 Extensions of Loans, and Collection and Transfer of Payments.**

(A) The Lender, as servicer of the Loan, shall be obligated to collect, as the Department's trustee with respect to the Department's pro rata share thereof, all payments of interest and principal due and payable on the Loan, together with any charges, fees, costs, expenses and any and all other amounts due on or in connection with the Loan Documents, including without limitation all Servicing Expenses incurred by Lender. If the Borrower requests a draw upon its Line of Credit and the Lender is obligated to extend funds to the Borrower pursuant to the terms and conditions of the Closing Documents, then the Lender may withdraw funds from the Participation Interest Account in an amount equal to the Department's pro rata amount of such amount. If the Lender receives, collects or applies a full interest payment with

respect to a Revolving Line of Credit, the Lender will deposit into the Participation Interest Account an amount equal to the Department's pro rata share of such payment at a rate equal to the Department Rate. If the Lender receives, collects or applies only a partial interest payment with respect to a Revolving Line of Credit, the Lender will deposit into the Participation Interest Account an amount equal to the amount due the Department under the preceding sentence times a fraction, the numerator of which is the amount then received, collected or applied by the Lender from the Borrower and the denominator of which is the total amount then due by the Borrower to the Lender. If the Lender receives, collects or applies a principal payment or prepayment with respect to a Revolving Line of Credit that is not terminated, the Lender will deposit into the Participation Interest Account an amount equal to the Department's pro rata share of such amount. If the Lender receives, collects or applies a principal payment with respect to a terminated, terminating or matured Revolving Line of Credit, the Lender will deposit into the Participation Interest Account the Department's pro rata share of such amount.

**6.4 Application of Monies.** Except as provided in Section 6.7, all monies collected or received by the Lender in connection with any Revolving Line of Credit (other than the fees) shall be applied and distributed in the following order of priority; (i) to the payment of all Servicing Expenses; and (ii) to the payment of accrued and unpaid interest and/or to the payment of principal in accordance with the Revolving Line of Credit Agreement or, if not addressed in the Revolving Line of Credit Agreement, the direction of the Lender. Before any distribution to the Department, with respect to any such application being made, the amount thereof shall be adjusted to the extent that any amount is owed by either party to the other, in accordance with the terms hereof.

## **8 LENDER'S RIGHT OF OFFSET**

**8.1 Lender's Right of Offset.** To the extent that at any time a Borrower, guarantor or any other party makes any payment under the relevant Loan Documents to the Lender by exercise of a right of offset of any kind, including any right applying to deposits, accounts, moneys or other property of such Borrower or guarantor deposited at or held by the Lender (but excluding any property securing the Loan pursuant to the Loan Documents), such payments shall be applied to reduce the Loan. Immediately thereafter, the Borrower's outstanding balance shall be automatically readjusted to reflect such payment, and the Lender shall purchase from the Department as much of the Participation Amount so as to return the Lender's and the Department's respective interests to the percentages existing prior to the offset.

**8.2 Participation Interest Account Not Subject to Offset.** The Participation Interest Account shall not be subject to offset. The Lender has no right of offset against the Participation Interest Account as funds contained therein are not considered advanced to the Borrower.

## **19. MISCELLANEOUS**

**19.7 Entire Agreement.** This Addendum, in combination with the Master Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter hereof. No representation, promise, inducement or statement of intent has been made by either party that is not embodied in this Addendum and the Master Agreement, and neither party shall be bound by or liable for any alleged representations, promise, inducement or statement of intention not expressly set forth herein. This Addendum shall be binding upon, and shall inure to the benefit of the Lender and the Department and their respective successors and assigns.

**IN WITNESS WHEREOF**, the parties hereto have caused this Addendum to the Master Agreement to be executed on their behalf by their duly authorized officers as of the day and year first written above.

Lender's execution of this Addendum shall serve as its certification under oath that Lender has read, understands and agrees to all provisions of this Addendum and the Master Agreement and that the information contained in the Addendum and Agreement is true and correct to the best of its knowledge, information and belief and that the Lender shall be bound by the same. Lender acknowledges that the individual executing this Addendum is authorized to act on the Lender's behalf. Lender further acknowledges that the award of Participations under this Addendum and the related Master Agreement is conditioned upon the above certification.

\_\_\_\_\_ (Lender)

By: \_\_\_\_\_

Date: \_\_\_\_\_

\_\_\_\_\_ Printed Name

Its: \_\_\_\_\_

ILLINOIS DEPARTMENT OF  
COMMERCE AND ECONOMIC OPPORTUNITY

By: \_\_\_\_\_  
Director

Date: \_\_\_\_\_

EXHIBIT A

SAMPLE APPROVAL LETTER - LINE OF CREDIT

Date

Name  
Address  
City, State Zip Code+4

**Re: Master Participation Agreement No. \_\_\_\_\_  
Master Participation Agreement Addendum No. \_\_\_\_\_**

Dear \_\_\_\_\_:

The Illinois Department of Commerce and Economic Opportunity ("the Department") hereby agrees to purchase a \_\_\_\_\_ (\_\_\_\_\_% ) Participation interest in your revolving line of credit to \_\_\_\_\_ for \$ \_\_\_\_\_ which is \_\_\_\_\_ percent (\_\_\_\_\_% ) of the total Project on the terms and conditions described in the loan application related to such Loan submitted by you to this Department. Among the terms applicable to this loan are the following:

1. Amount of Line of Credit: \$ \_\_\_\_\_
2. Lender Portion: \$ \_\_\_\_\_ Lender Percentage \_\_\_\_\_ %
3. Department Portion: \$ \_\_\_\_\_ Department Percentage \_\_\_\_\_ %
4. Initial Lender Rate: \_\_\_\_\_
5. Initial Department Rate: \_\_\_\_\_ (Fixed/ Variable/ Adjustable)
6. Initial Note Rate: \_\_\_\_\_ Spread\* \_\_\_\_\_

\*The difference between the initial Lender Rate and the initial Department Rate; this difference to be maintained in the event the initial Lender Rate changes between the date of this Approval Letter and the date of the Department's closing its Participation in the subject Loan.

7. Loan Terms: \_\_\_\_\_  
Lender Terms \_\_\_\_\_

Department Terms Lender will advise the Department in writing prior to its loan closing, of any changes to the initial Lender Rate. This may require additional approvals being obtained from the Department.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Address of Borrower: \_\_\_\_\_

9. Payments to the Department (will/will not) be subordinate to the Lender in the event of default.

This approval, and any subsequent funding of the Participation, is subject to the following contingencies:

1. Lender shall provide one Note evidencing the full amount of the Lender's Line of Credit to include the Department's Portion. In no case will the Department term of obligation exceed the maturity date as shown on the Note.
2. At all times during which the Department owns a Participation interest in a Loan or until the Loan is paid in full, Lender shall continue to own and shall not assign or sell an interest equal to at least fifty percent (50%) of the total amount of the Loan. Additionally, the Department principal balance may never exceed the agreed upon Participation percentage of the Borrower's principal balance.
3. This purchase of a Participation in such Loan is made pursuant to and shall be governed by the Master Participation Agreement and the Master Participation Agreement Addendum for Revolving Lines of Credit, each dated \_\_\_\_\_, 201\_\_, by and between you and the Department (collectively, the "Master Agreement"). All capitalized terms used in this Approval Letter not otherwise defined herein shall have the meanings ascribed to them in the Master Agreement.

In accepting this Approval Letter, you are making the Representations/Warranties as specified in Section 3 of the above Master Participation Agreement and certifying/recertifying that; a) The loan is not being made in order to place under the protection of the approved State program prior debt that is not covered under the approved State program and that is or was owed by the Borrower to you or to any affiliate of your institution, b) The Loan is not a refinancing of a Loan or Investment previously made to that Borrower by you or by any affiliate of yours, and c) you are not attempting to enroll any portion of an SBA-guaranteed loan. You are also recertifying that no Principal of the Lender has been convicted of a sex offense against a minor (as such terms are defined in Section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911)).

4. As per Section 3 of the Master Participation Agreement, the Department's obligations will cease immediately, notwithstanding this Approval Letter, without penalty of further payment being required, (a) if the Allocated Funds for the Program are no longer available (whether they have all been otherwise utilized or the Department no longer has access to them) or (b) in any fiscal year that the Illinois General Assembly fails to appropriate or otherwise make available sufficient funds.
5. This Approval Letter does not obligate the Department for an extension of credit beyond the Department's terms as described above. It is mutually understood and agreed that this Approval Letter and/or the Master Agreement represents the entire understanding between the Lender and the Department regarding the terms applicable to this Participation and that no oral representations or inducements regarding the terms applicable to this Participation that are not included or embodied in this letter and the agreement shall be of any force and effect.
6. Lender is notified that the Department is under no obligation, whatsoever, to participate in any refinancing of the line of credit or any future term.
7. The Lender certifies that it is in material compliance with all federal and state laws, rules, and regulations pertaining to the making of loans (including 31 C.F.R. § 103.121 and 31 C.F.R. § 1020.220); notwithstanding the above, if the Lender is under a Memorandum of Understanding or other regulatory action, it has submitted a certification from its Corporate Counsel affirming that the Lender has addressed the issues raised by the government and is in substantial compliance with the regulator's guidance.

Name of Lender  
Date  
Page Three

8. After the Lender closes the Loan it must provide an original Participation Certificate (Exhibit B of the Master Participation Agreement Addendum for Revolving Lines of Credit) and copies of the Lender's executed Loan Documents as described in Section 1(A) of the Master Participation Agreement within ten (10) business days of closing.
9. The Lender, upon receipt of the Department funds, shall complete the Lender's Receipt of Department Funds and Confirmation of Deposit to Borrower (Exhibit D) and return it to the Department at the same address as set forth in paragraph ten below.
10. Payments will be made by check and forwarded to the Department at 500 East Monroe Street, Accounting Office, Springfield, Illinois 62701-1615. Please include with each payment the Monthly Report/ Payment Distribution Summary and Transmittal (Exhibit D) showing the receipt of the payment and the details of how the total payment was distributed. Additional matters affecting that status or quality of the credit will similarly be reported in the "Notes" section of Exhibit D. (Sample Exhibit D attached)
11. **The Loan must close within one hundred twenty (120) days of this Approval Letter, unless a written extension of time is granted by the Department, otherwise this Approval Letter will expire.**

This will confirm your acceptance of these conditions. **Pursuant to the Master Participation Agreement, this approval letter will expire thirty (30) days from the date of this letter, unless a written extension is granted.** Please sign, date and return this original approval letter to:

\_\_\_\_\_(Loan Officer)  
Illinois Department of Commerce and Economic Opportunity  
Business Finance Division  
500 East Monroe Street, 4th Floor  
Springfield, Illinois 62701-1615

The staff of the Department of Commerce and Economic Opportunity looks forward to working with you. If you have any questions, please feel free to contact \_\_\_\_\_ (Loan Officer) at \_\_\_\_\_ (phone).

ILLINOIS DEPARTMENT OF  
COMMERCE AND ECONOMIC OPPORTUNITY

By: \_\_\_\_\_  
Chairperson  
Financial Review Committee

\_\_\_\_\_  
(Lender)

\_\_\_\_\_  
Printed Name

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Enclosures

EXHIBIT B

LINE OF CREDIT PARTICIPATION CERTIFICATE

The undersigned lender (the "Lender") and the Illinois Department of Commerce and Economic Opportunity ("the Department") have entered into a **Master Participation Agreement # \_\_\_\_\_ and a Master Participation Agreement Addendum for Revolving Lines of Credit # \_\_\_\_\_, each dated \_\_\_\_\_, 201\_\_** (collectively, the "Master Agreement") pursuant to which such parties have agreed that the Department from time to time may purchase from the Lender, Participations in lines of credit made by the Lender. This Participation Certificate shall acknowledge the purchase of such a participation (the "Participation") in a line of credit (the "Loan") of the Lender to \_\_\_\_\_ (the "Borrower") pursuant to the terms and conditions of that certain Department Approval Letter dated \_\_\_\_\_, 201\_\_ (the "Approval Letter"). The Loan was made on \_\_\_\_\_, 20\_\_\_\_ on the terms and conditions described in the Approval Letter and those contained in the application related to the Loan submitted by the Lender to the Department. **(The Department has agreed to the subordination of payments in certain situations pursuant to Section 6.7 of the Master Agreement. OR The Department will not subordinate payments in certain situations pursuant to Section 6.7 of the Master Agreement.)\***

The Lender represents to the Department (a) that the Loan has been made on the terms and conditions described in the related application submitted to the Department, (b) that it has provided to the Department copies of the promissory note and all other documentation required by Section 2 of the Master Agreement, and such copies are true and correct as of the date hereof. This Participation shall be governed by all of the terms and conditions contained in the Master Agreement and the Approval Letter.

(LENDER)

By:

Printed Name

Its:

Date: \_\_\_\_\_

Acknowledged:

ILLINOIS DEPARTMENT OF  
COMMERCE AND ECONOMIC OPPORTUNITY

By:

Director

Date:

EXHIBIT C

APPLICANT'S CERTIFICATION

The undersigned acknowledges that a participation interest (the "Participation") in the loan (the "Loan") for which it has applied from \_\_\_\_\_ (the "Lender") may be sold to the Illinois Department of Commerce and Economic Opportunity ("the Department") pursuant to Illinois Public Act 100-0037, the Small Business Development Act of the Build Illinois Act (30 ILCS 750/9-1 *et seq.*), and the Department of Commerce and Economic Opportunity Law (20 ILCS 605/506-1 *et seq.*). The Lender will continue to handle and service the entire Loan and all payments will be made to the Lender. In order to induce the Department to purchase a Participation in the Loan, the undersigned agrees and certifies to the Lender and the Department as follows:

1. The project of the undersigned for which Loan funds are to be used (the "Project") would not be undertaken unless the Loan is provided or the Director of the Department determines that it is in the best interests of the State of Illinois' economy to provide the Loan.
2. The purchase of the Participation will cause a Project to be undertaken in Illinois which has the potential to create or retain substantial employment or to modernize or improve the competitiveness of the undersigned in relation to the amount of the Loan.
3. The Project is a new plant start-up, modernization, expansion or a new venture opportunity in Illinois and is not a relocation of an existing business from another site within the State of Illinois unless that relocation results in substantial employment growth.
4. The undersigned is ready to implement the Project and has the financial ability to carry out the Project.
5. The undersigned is a credit disadvantaged firm, such as a business start-up or micro-enterprise or other young firm, or an industrial expansion, modernization, environmental upgrade or other mature firm.
6. The undersigned is a for-profit corporation or limited liability corporation, partnership or sole proprietorship having seven hundred fifty (750) or fewer employees and is authorized to conduct business in the State of Illinois.
7. The undersigned is not:
  - (a) a business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business;
  - (b) a business that earns more than half of its annual net revenue from lending activities; unless the business is a non-bank or non-bank holding company certified as a Community Development Financial Institution (CDFI);
  - (c) a business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants;

(d) a business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution);

(e) a business engaged in gambling enterprises, unless the business earns less than 33 percent of its annual net revenue from lottery sales; or

(f) in the business of manufacturing or selling at wholesale, tobacco products, liquor or sexually explicit materials or in the business of manufacturing or selling firearms at wholesale or retail.

8. The undersigned is not an executive officer, director or principal shareholder of the Lender; or a member of the immediate family of an executive officer, director or principal shareholder of the Lender; or a related interest of such executive officer, director, principal shareholder, or member of the immediate family. For purposes of this paragraph, the terms "executive officer," "director," "principal shareholder," "immediate family", and "related interest" refer to the same relationship to a lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

9. No principal of the undersigned has been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911)). For purposes of this certification, "principal" means the following: if a sole proprietorship, the proprietor; if a partnership, each managing partner and each partner who is a natural person and holds a 20% or more ownership interest in the partnership; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the undersigned, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the undersigned.

10. The undersigned agrees to submit annual Job Reports to the Department upon request.

11. The proceeds of the Loan will be used for a "business purpose." Business purpose includes, but is not limited to, start up costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the purchase, construction, renovation or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. The definition of business purpose excludes: activities that relate to acquiring or holding passive investments, such as commercial real estate ownership and the purchase of securities; and lobbying activities, as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

Proceeds of the Loan will not be used:

(a) to repay delinquent federal or state income taxes unless the undersigned has a payment plan in place with the relevant taxing authority;

(b) to repay taxes held in trust or escrow (e.g., payroll or sales taxes);

(c) to reimburse funds owed to any owner, including any equity injection or injection of capital for the undersigned's continuance; or

(d) to purchase any portion of any ownership interest of any owner in the undersigned.

12. Under penalties of perjury, the undersigned certifies that it does business under the legal name of \_\_\_\_\_, which is identified with the following Federal Taxpayer Identification Number \_\_\_\_\_, and that it does business as a:

- |   |   |
|---|---|
| _____ Individual (01)   | _____ Governmental (08)   |
| _____ Sole Proprietor (02)  | _____ Nonresident Alien (13)  |
| _____ Partnership/Legal Corporation (03)  | _____ Estate or Trust (10)  |
| _____ Tax Exempt (16)   | _____ Pharmacy (Non-Corp.) (11)_____                                      |
| _____ Corporation providing or billing<br>medical and/or health care services     | _____ Pharmacy/Funeral Home/<br>Cemetery (Corp.) (15)                     |
| _____ Corporation NOT providing or<br>billing medical and/or health care services | _____ Limited Liability Company<br>(select applicable tax classification) |
|   | _____ D-Disregarded Entity  |
|   | _____ C-Corporation   |
|   | _____ P-Partnership   |

13. The undersigned certifies that it is a Corporation, Partnership or other entity (other than individual) with:

- A) \_\_\_\_\_ 25 or more employees at the time of issuance of this contract, or
- B) \_\_\_\_\_ 24 or fewer employees at the time of issuance of this contract.

If Option "A" is checked, and the amount of the Participation is \$5,000 or greater, the undersigned is notified that the Drug Free Workplace Act is applicable to the Participation and it must comply with the terms of said Act. (30 ILCS 580/1 *et seq.*).

If Option "B" is checked, *or* the amount of the Participation is less than \$5,000, the Drug Free Workplace Act is not applicable to the Participation.

14. The undersigned certifies that it shall comply with all applicable provisions of Federal, State and local law in the performance of its obligations pursuant to the line of credit.

15. The undersigned certifies that entering into the line of credit is not in violation of the Educational Loan Default Act (5 ILCS 385/3) prohibiting certain contracts to individuals who are in default on an educational loan.

16. The undersigned certifies (i) that it will not commit unlawful discrimination in employment in Illinois as that term is defined in Article 2 of said Act; (ii) that it will comply with the provisions of Article 5 of the Act regarding equal employment opportunities and affirmative action; and, (iii) that it will comply with policies and procedures established by the Department of Human Rights under Article 7 of the Act regarding equal employment opportunities and affirmative action. The Lender further certifies that, if applicable, it will comply with the Public Works Employment Discrimination Act (775 ILCS 10/0.01 *et seq.*).

17. The undersigned certifies that it will comply with all federal, state and local laws, including but not limited to the filing of any and all applicable tax returns. In the event that the undersigned is delinquent in filing and/or paying any federal, state and/or local taxes, the Department shall disburse loan funds only if the undersigned enters into an installment payment agreement with said tax authority and remains in good standing therewith. The undersigned acknowledges and agrees it is required to tender a copy of any such

installment payment agreement to the Department. The undersigned acknowledges and agrees that it may not utilize loan funds to discharge outstanding tax liabilities or other debts owed to any governmental unit. The undersigned certifies that (i) it is current as to the filing and payment of any federal, state and/or local taxes applicable to it; and (ii) it is not delinquent in its payment of moneys owed to any federal, state, or local unit of government.

18. The undersigned certifies, in accordance with the State Prohibition of Goods from Child Labor Act (30 ILCS 584/1 *et seq.*), that no foreign-made equipment, materials, or supplies furnished to the State in connection with this Agreement have been produced in whole or in part by the labor of any child under the age of 12.

19. The undersigned shall monitor any construction undertaken as part of a Project to assure that necessary contractor's affidavits and waivers of mechanics liens are obtained prior to release of Loan funds to contractors and subcontractors.

20. The undersigned certifies that any proposed Project is compatible with established state policy regarding wetlands, pursuant to the Interagency Wetland Policy Act of 1989 (20 ILCS 830/1 *et seq.*). The undersigned acknowledges that the Illinois Department of Natural Resources may, from time to time, monitor a proposed Project to ensure continued compliance with the aforementioned Act. In the event that a Project does not remain in compliance with the Act, such noncompliance shall constitute a breach of this Agreement, and failure to cure the breach within sixty (60) days after notice thereof will result in the termination of the Participation in such Loan/Project.

21. The undersigned certifies that it has not been barred from bidding on, entering into, or receiving State contracts as a result of a violation of Section 33E-3 or 33E-4 of the Illinois Criminal Code of 1961 (Bid Rigging or Bid Rotating, respectively) (720 ILCS 5/33E-3 and 5/33E-4).

22. The undersigned certifies it has written sexual harassment policies that include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the undersigned's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and the Human Rights Commission, including directions on how to contact them; and (vi) protection against retaliation as provided by Section 6-101 of the Illinois Human Rights Act (775 ILCS 5/2-105 *et seq.* and 775 ILCS 5/6-101). A copy of the policies shall be provided to the Department upon request.

23. The undersigned certifies that services, programs, and activities contemplated under this Agreement are and will continue to be in compliance with the Americans with Disabilities Act (ADA) (42 U.S.C. 12101 *et seq.*) and the regulations thereunder (28 CFR 35.130), which prohibit discrimination against persons with disabilities, whether directly or through contractual arrangements, in the provision of any aid, benefit, or service. The undersigned further certifies that all facilities utilized by it in the performance of this Agreement comply with State accessibility laws.

24. The undersigned certifies that neither it nor any affiliate company is participating or will participate in an international boycott, as defined by the provisions of the U.S. Export Administration Act of 1979 or by the regulations of the U.S. Department of Commerce promulgated pursuant to the Act.

25. The Department is authorized to publicize information regarding its Participation in the Loan, including, without limitations, information related to the name of the borrower, the amount of the Loan and the amount of the Participation by the Department in the Loan. Notwithstanding the foregoing, the Department is committed to protecting the privacy of its vendors, grantees and beneficiaries of programs

and services. At times, the Department may request social security numbers or other personal identifying information. Federal and state laws, rules and regulations require the collection of this information for certain purposes relating to employment and/or payments for goods and services, including, but not limited to, grants. The Department also collects confidential information for oversight and monitoring purposes. Furnishing personal identity information, such as social security number, is voluntary; however, failure to provide required personal identity information may prevent an individual or organization from using the services/benefits provided by the Department as a result of state or federal laws, rules and regulations.

26. The undersigned certifies that it will not expend any Loan funds which result in the destruction, alteration, renovation, transfer or sale, or utilization of a historic property, structure or structures, or in the introduction of visual, audible or atmospheric elements to a historic property, structure or structures, which will result in the change in the character or use of any historic property, except as approved by the Illinois Historic Preservation Agency. Historic Preservation Act (20 ILCS 3420/1 *et seq.*).

THIS SECTION TO BE COMPLETED BY AN APPLICANT RECEIVING A LOAN BASED ON MINORITY, FEMALE, DISABLED OR VETERAN OWNED BUSINESS STATUS. This information is for the Department's use only.

27. The undersigned certifies that the applicant qualifies for this Loan based on Minority, Female, Disabled, or Veteran Owned Business status as defined in 30 ILCS 572/2 or 30 ILCS 750/9-4.3, as applicable, and certifies that it is one of the following entities (initial one).

- \_\_\_\_\_ Minority Owned Business Applicant
- \_\_\_\_\_ Female Owned Business Applicant
- \_\_\_\_\_ Disabled Owned Business Applicant
- \_\_\_\_\_ Veteran Owned Business Applicant

The undersigned acknowledges and agrees that the certifications made herein shall be considered representations made pursuant to the Loan Agreement related to the Loan with the same ramifications in the event they are inaccurate.

This Certification is executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_.

\_\_\_\_\_  
PRINT/TYPE NAME OF APPLICANT

By: \_\_\_\_\_

Its: \_\_\_\_\_

Exhibit D  
Participation Loan Program

Date

Monthly Report / Payment Distribution Summary and Transmittal  
**Illinois Department of Commerce and Economic Opportunity**

Transmittal Number

Borrower Name: Example Name

Lender Name: Example Bank Name

Agmt nbr/Loan Identifier  
(DEPARTMENT LOAN #)

	Loaned Amounts	Investment %	Funding Dates	Net Interest Rate**	FAV	Lender's Loan ID
LENDER	\$ 500,000.00	50.0000%	11/30/2011	5.0000%	F	xxxxxx
DEPARTMENT	\$ 500,000.00	50.0000%	11/30/2011	5.0000%	F	P&IBeg xx/xx/200X __ Yr. Adjust <input checked="" type="checkbox"/> Yr. Amort
BORROWER	\$ 1,000,000.00	100.0000%	11/30/2011	5.0000%	F	<input checked="" type="checkbox"/> Yr. Term/Balloon

BORROWER Payment Dates (mm/dd/yyyy)	Borr. Due Date Paid This Pmt. :		Borrower's Interest "Paid To" Dates :	Last / /	Current / /
		/ /		/ /	/ /

	Col 1A Beginning Princ. Balance	Col 1B Total Pmt. Amount	Col 1C Amount Paid to Principal	Col 1D Amount Paid to Interest	Col 1E Ending Princ. Balance
LENDER					
DEPARTMENT					
BORROWER					
	VERIFIED			VERIFIED	

	Col 2A Interest Rates This Period	Col 2B No. of Days For Interest	Col 2C No. Days / YR for Interest Calc.	DEPARTMENT MATURITY DATE	Col 2E Investment Percent Ending Balance
LENDER			365		
DEPARTMENT			365	12/01/200X	
BORROWER			365		

DEPARTMENT's share of the borrower's payment is to be sent and postmarked within 15 business days of receipt or late fees apply. Please attach check payment face up over the outlined space below but keeping below this line.

NOTES:	Is this Loan Current? Yes No If delinquent, how many days?
	Is the Loan in nonaccrual? Yes No If Yes, as of what date?
	Describe actions being taken about a delinquent Loan :
	Is this a RLOC? If Yes, how much of interest is from borrower?
CURRENT DEPARTMENT PAYMENT:	Actual Date the Borrower's Payment was Received: _____
	Chk / Inst. No: _____ Date: _____
CONTACT:	Person to contact for detailed information about the preparation of this Summary / Transmittal.
Name:	_____
	Phone Number _____ FAX Number _____
e-mail address:	_____

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY  
LENDER'S APPLICATION FOR PARTICIPATION IN REVOLVING LOAN FACILITY ("RLOC")

Lender \_\_\_\_\_ Contact \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_ FEIN# \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Telephone \_\_\_\_\_ E-Mail \_\_\_\_\_

Applicant \_\_\_\_\_

We request Approval for:  Loan Participation in RLOC

Amount of Facility:      Lender Share:      Department Share:  
\$ \_\_\_\_\_      \$ \_\_\_\_\_ %      \$ \_\_\_\_\_ %

Months (not to exceed 24)      Lender's Rate:      Department Rate:      Note Interest Rate  
\_\_\_\_\_ %      \_\_\_\_\_ %      \_\_\_\_\_ %

**The following must be completed and submitted:**

1. Lender's Application for Participation in Revolving Loan Facility.
2. Applicant's Project Proposal and Applicant's Certification.
3. Lender's Internal Loan Report to include:
  - a. Financial, Profitability and Repayment Analysis, including ratios, trends, and Industry Standards (e.g.: RMA Comparables)
  - b. Assessment of applicant's Management Skill and Business Plan.
  - c. Collateral Analysis, including lien position and adequacy.
  - d. Lender's experience with the applicant, including Strengths and Weaknesses.
  - e. Explain the need for State Assistance.
4. Applicant's Historical Balance Sheets and Income Statements for three years, a Current Interim Statement, and Projected Income Statements for the first two years.
5. Applicant's Credit Report(s).

**LENDER'S CERTIFICATION**

I certify to the Department that the facility represented by this application is approved subject to terms specified. Without the Department's participation, as requested, we would not be willing to make this facility available, and in our opinion the financial assistance requested is not otherwise available on reasonable terms. I have reviewed and verified the information in the Applicant's Project Proposal, Applicant's Certification and the documentation supporting this application. I certify, to the extent of my knowledge, that the applicant is a for-profit small business (for the purposes of this program), the proceeds will be used for an eligible purpose in Illinois and the owners and managers of the applicant business are of good character.

In submitting this Application for Participation, I hereby restate the Representations/Warranties as specified in Section 3 of the Department of Commerce and Economic Opportunity Master Participation Agreement, and certify/recertify that; a. The loan is not being made in order to place under the protection of the approved State program prior debt that is not covered under the approved State program and that is or was owed by the Borrower to us or to any affiliate of our institution, b) The Loan is not a refinancing of a Loan or Investment previously made to that Borrower by us or by any affiliate of ours, and c) we are not attempting to enroll any portion of an SBA-guaranteed loan. We also recertify that no Principal of the Lender has been convicted of a sex offense against a minor (as such terms are defined in Section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911)).

- Certifying Lender Signature-

-Title -

- Date -

DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY  
**APPLICANT'S PROJECT PROPOSAL FOR REVOLVING LOAN FACILITY ("RLOC")**

Name of Applicant \_\_\_\_\_ Contact \_\_\_\_\_ Title \_\_\_\_\_  
 Address \_\_\_\_\_ Telephone \_\_\_\_\_ E-Mail \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ FEIN/Tax ID \_\_\_\_\_ Unemploy. Ins. No \_\_\_\_\_  
 Project Address \_\_\_\_\_ County \_\_\_\_\_ NAICS Code \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Duns Number \_\_\_\_\_

Requested Revolving Loan Facility	Equity	Other	Other	Total Project Cost
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

COMPLETE THE FOLLOWING (attach a separate page if necessary):

Briefly Describe The Project:

How will these loan funds be used?

Employment Impact: Describe your businesses employment (e.g. number, type, full & part time) now and after this project has been implemented.

How will this project modernize your business or improve its competitiveness?

Wetlands will not be impacted because the use (s) of Department funding is limited to repair, maintenance and/or renovation of existing buildings, facilities, lawns and ornamental plantings; purchase of machinery and equipment; and/or working capital financing.

There is the potential for a wetland impact to occur because the uses(s) of Department funding includes new construction or expansion of existing buildings or facilities or other alterations to the "footprint" of the facilities on the property. A plat map of the site is included with this application, so that Department Staff can compare the property's location against the National Wetlands Inventory (NWI) to identify wetlands located on or within 250 feet of the property.

MINORITY, FEMALE, DISABLED and VETERAN PARTICIPATIONS ONLY: Provide the following for all owners/managers.

Name and Address	Title	% Ownership	SSN	Race/Gender/Disability/Veteran
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

I/We certify to the Lender and the Department that the statements made in this Applicant's Project Proposal, the Applicant's Certification and the documents submitted to the Lender are true, may be relied upon in considering this loan, and may be verified in any manner deemed appropriate, including the Illinois Department of Employment Security, Consumer Credit Bureau Services, business reporting services and criminal history record check. The applicant(s) authorize the Lender and the Department to release the information on this page (excluding % ownership, SSN and Race/Gender/Disability) in announcements, press releases and other public information documents. I/We acknowledge and agree that the Department is committed to protecting the privacy of its vendors, grantees and beneficiaries of programs and services. At times, the Department may request social security numbers or other personal identifying information. Federal and state laws, rules and regulations require the collection of this information for certain purposes relating to employment and/or payments for goods and services, including, but not limited to, grants. The Department also collects confidential information for oversight and monitoring purposes. Furnishing personal identity information, such as a social security number, is voluntary; however, failure to provide required personal identity information may prevent an individual or organization from using the services/benefits provided by the Department as a result of state or federal laws, rules and regulations.

- Applicant's Signature(s) -	- Title -	- Date -
_____	_____	_____
_____	_____	_____
_____	_____	_____