

PARTICIPATION LOAN PROGRAM

Agreement No. _____

MASTER PARTICIPATION AGREEMENT

Between

ILLINOIS FINANCE AUTHORITY

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)

MASTER PARTICIPATION AGREEMENT

This Master Participation Agreement (the "Agreement") is effective from the beginning date of _____, 201__, through the ending date of June 30, 2023 (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 Finance Authority, (the "Authority"), an Illinois body politic and corporate, having its principal office at 160 North LaSalle Street, Chicago, Illinois 60601-3124.

RECITALS

Whereas the Authority has created the Participation Loan Program (as hereinafter defined) under the authority granted to it under the Illinois Finance Authority Act, (20 ILCS 3501/801-1, et seq.), (the "IFA Act"), and a resolution adopted by the Board of the Authority on February 8, 2018 (the "Resolution"); and

Whereas the IFA Act grants to the Authority powers to enter into loans, contracts, and agreements in any manner connected with any of its corporation purposes; and

Whereas the purpose of the Participation Loan Program (the "Program") established by the Resolution is to aid, assist or encourage economic growth, development or redevelopment within the State, and to promote the expansion, retention, or diversification of employment opportunities, including, without limitation, for Veterans and Veteran Owned Businesses; and

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

NOW THEREFORE, in consideration of the premises and the agreements contained herein, the Lender and the Authority hereby agree as follows:

i. DEFINITIONS

In addition to the words and terms defined elsewhere in this Agreement, each of the following words and terms used in this Agreement 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:

"Authority Approval Letter" is a contingent approval letter prepared by the Authority notifying the Lender that the Authority is willing to purchase a Participation interest in a loan, and setting forth any special conditions or other terms and conditions related to the Participation that are binding; all approvals are contingent upon the Lender and Borrower meeting all requirements and providing adequate support documentation sufficient to comply with applicable laws and regulations to allow the Authority to obligate its funds. (A sample Approval Letter is attached as Exhibit A).

"Authority Rate" means an interest rate set by the Authority, either fixed, adjustable, or variable, to be used in calculating the amount of interest owed by the Lender to the Authority on a given Participation, which rate shall initially be that shown on the Authority Approval Letter related to such Participation; if the Authority Rate as to such Participation is adjustable or variable, it shall be adjusted upwards or downwards every time the Lender Rate is adjusted so that the difference between the Authority Rate and the Lender Rate shall always be the same as it was on the Purchase Date; the fixed, adjustable, or

variable rate attribute must match the fixed, adjustable, or variable attribute of the Note that is all rates must be on the same basis.

"Borrower" means the recipient of a Loan from the Lender for which a Participation Certificate has been or will be issued by the Lender and acknowledged by the Authority, and all successors and assigns of such Borrower; provided such Borrower:

(a) is a for-profit corporation or limited liability corporation, partnership or sole proprietorship having 500 or fewer employees and is authorized to conduct business in the State of Illinois; and

(b) is not:

(1) 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;

(2) 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);

(3) 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;

(4) 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);

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

(6) in the business of manufacturing or selling at wholesale, tobacco products, distilled spirits or sexually explicit materials or in the business of manufacturing or selling firearms at wholesale or retail; and

(c) 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.

"Business Purpose" includes, but is not limited to, any activity or undertaking which will aid, assist or encourage economic growth, development, or redevelopment within the State or any area thereof, will promote the expansion, retention or diversification of employment opportunities with the State or any area thereof or will aid in stabilizing or developing any industry or economic sector of the State economy, including, without limitation, startup costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the addition to, renovation, rehabilitation or improvement of a capital project, or that would otherwise qualify as a "project" under the Act, but excluding: 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. Loan proceeds will not be used:

- (i) to repay delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority;
- (ii) to repay taxes held in trust or escrow (e.g., payroll or sales taxes);
- (iii) to reimburse funds owed to any owner, including any equity injection or injection of capital for the business' continuance;
- (iv) to purchase any portion of any ownership interest of any owner of the business;
- (v) to place under the protection of the Program prior debt that is not covered under the Program and that is or was owed by the Borrower to the Lender or to an affiliate of the Lender;
- (vi) to refinance a loan previously made to the Borrower by the Lender or an affiliate of the Lender; or
- (vii) to enroll the unguaranteed portions of SBA-guaranteed loans;

"Closing Documents" means all documents executed or delivered by the Borrower or the Lender with respect to a Loan, including without limitation a copy of the Lender's promissory note, the loan agreement, any security agreement, any financing statement or Uniform Commercial Code filing, any guaranty, any mortgage or assignment of rents, any pledge agreements, and any other document that secures repayment of the Loan. For Projects involving multiple sources of funding, Closing Documents for all credit sources, including those in which the Authority is participating, must be delivered to the Authority.

"Lender" means a financial institution with which the Authority has entered into an agreement or contract to provide loans to small businesses, in which the Authority purchases an undivided interest in the otherwise qualifying loan.

"Lender Rate" means an interest rate set by the Lender, either fixed, adjustable, or variable (determined by the promissory note) used in calculating the amount of interest retained by the Lender (on all portions other than the Authority portion) on a given Loan, which rate shall initially be that referenced in the Authority Approval Letter related to such Loan; if the Lender Rate is adjustable or variable, the Authority Rate shall be adjusted upwards or downwards every time the interest rate charged the Borrower is adjusted, so that the difference between the Lender Rate and the Authority Rate shall always be the same as it was on the Purchase Date; the fixed, adjustable, or variable rate attribute must match the fixed, adjustable, or variable attribute of the promissory note that is all rates must be on the same basis.

"Loan" means a loan made by the Lender to a Borrower in which the Authority has or will have a Participation.

"Loan Documents" means the Closing Documents, the Participation Certificate, the Authority Approval Letter, and all other documents executed or delivered by the Borrower or Lender with respect to a Loan, including without limitation the Borrower's application, business plan, and historical and projected financial statements and any financial statements and reports delivered by the Borrower to the Lender on an ongoing basis, the Lender's financial, repayment and collateral analysis, credit reports, and all periodic reports required to be delivered to the Authority by the Lender under this Agreement.

"Low to Moderate Income Area" means an area or county within the State that meets certain

federal income guidelines taking into consideration the number of household members; to determine if a business is located in a Low to Moderate Income (LMI) Area, go to <http://www.ffiec.gov/geocode> and type in the address, then click on "Get Census Demographic" in order to determine the income level of the tract.

"Minority Owned Business," "Female Owned Business," "Business Owned by a Person with a Disability," "Minority Person," "Female," "Person with a Disability," and "Disabled" shall mean:

"Minority Owned Business" means a business concern that is at least 51% owned by one or more Minority Persons (as defined below), or in the case of a corporation, at least 51% of the stock is owned by one or more Minority Persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it;

"Female Owned Business" means a business concern that is at least 51% owned by one or more Females (as defined below), or, in the case of a corporation, at least 51% of the stock is owned by one or more Females, and the management and daily business operations of which are controlled by one or more of the Females who own it;

"Business Owned by a Person with a Disability" means a business concern that is at least 51% owned by one or more Persons with a Disability (as defined below) and the management and daily business operations of which are controlled by one or more of the Persons with Disabilities who own it;

"Female" shall have the same definition as provided under Section 2 of the Minority and Female Business Enterprise Act (30 ILCS 575/2);

"Minority Person" shall have the same definition as provided under Section 2 of the Minority and Female Business Enterprise Act (30 ILCS 575/2);

"Person with a Disability" means a person who is a citizen or lawful resident of the United States and is a person qualifying as being disabled under Section 3 of the Americans with Disabilities Act of 1990 (42 USC 12102); and

"Disabled" means a severe physical or mental disability that: (i) results from: amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, Crohn's disease, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders, including stroke or epilepsy, paraplegia, quadriplegia or other spinal cord conditions, sickle cell anemia, ulcerative colitis, specific learning disabilities, or end stage renal failure disease and (ii) substantially limits one or more of the person's major life activities.

"Note" means the Borrower's promissory note payable to the order of the Lender evidencing the Loan.

"Note Rate" means the blended interest rate (weighted average of Lender Rate and the Authority Rate, based on the percentage of investment) agreed upon by the Lender and the Authority that the Borrower will pay on the overall Loan, which may be fixed, adjustable, or variable on a given Participation; this Note Rate will be specified in the Borrower's Note; the Authority Rate and Lender Rate will be on the same fixed, adjustable, or variable basis as the related Note.

"Participation" means, with respect to a Loan, the Authority's undivided participation interest in

such Loan using Authority funds, the Loan Documents and all of the Lender's right, title and interest pertaining to the Loan and all proceeds arising therefrom including, without limitation, any collateral for such Loan and any guaranties, mortgages, or other security interests obtained in connection with such loan, expressed as a percentage and calculated from time to time by reference to the outstanding principal balance of the Loan.

"Participation Amount" means, with respect to a Loan, that portion of the original principal amount of the Loan purchased by the Authority from the Lender, minus the aggregate principal amount repaid, as of any date, on that portion of such Loan purchased by the Authority from the Lender.

"Participation Certificate" means the document evidencing the Authority's Participation with respect to a Loan made between the Lender and the Borrower. (A sample Participation Certificate is attached hereto as Exhibit B.)

"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 Lender, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the Lender.

"Project" means the project of the Borrower for which Loan funds are to be used, including without limitation the Loan, any equity or any other funds provided by owners, shareholders, banks, or other financial institutions.

"Prompt Payment" means the time period within which the Lender must forward or remit the Authority's pro rata share of the Borrower's payment of its Loan to the Authority. The payment is considered timely if the Lender remits said payment to the Authority within fifteen (15) business days of receipt.

"Purchase Date" means, with respect to a Participation, the date on which such Participation is purchased.

"Servicing Expenses" means any and all out-of-pocket liabilities, obligations, losses, penalties, expenses (including reasonable legal expenses and fees), disbursements, costs and damages, but excluding salaries and wages of its officers and employees and overhead expenses, incurred by the Lender, or for which the Lender is responsible, directly or indirectly, in connection with or arising as a result of (a) the enforcement of rights or remedies with respect to a Loan or the collection of same (including those arising due to suits, claims or counterclaims by another party against the Lender), and (b) the protection of the interests in any collateral securing the repayment of the Loan; "Servicing Expenses" does NOT include, and shall at all times exclude, services or products provided by or through the Lender for the benefit of the Borrower, guarantor, or other responsible party to facilitate their compliance with agreed terms and conditions. The mere fact that the Lender pays an expense does not in itself qualify it as a "Servicing Expense;" rather there must be a clear correlation to the enforcement of the Lender's rights or remedies.

Business restructuring expenses do not constitute "Servicing Expenses" unless prior written approval is obtained from the Authority.

"Veteran" means an Illinois resident who served in the active military, naval, or air services of the United States of America, and who was discharged or released there from under conditions other than dishonorable, as specified in 38 U.S.C. 101(2). Active service includes full-time duty in the National Guard or a Reserve component, other than full-time duty for training purposes.

"Veteran Owned Business" means a business concern that is at least 51% owned by one or more persons who are Veterans or, in the case of a corporation, at least 51% of the stock is owned by one or more Veterans, and the management and daily business operations of which are controlled by one or more of the Veterans who own it.

2. APPLICATIONS AND APPROVAL; SALE AND PURCHASE OF PARTICIPATION

2.1 Applications. The Lender shall accept applications from prospective Borrowers and, if found creditworthy by the Lender and meeting the Program requirements contained in Section 3 below, the Lender shall submit the application and the details of the proposed Loan in a form satisfactory to the Authority, together with copies of all financial statements and such other credit and financial materials as the Lender shall have in its files with respect to the Borrower, for the Authority's review and purchase approval. The Lender must also obtain and submit to the Authority a Certification executed by the Borrower (with necessary attachments) in substantially the form attached hereto as Exhibit C. The Authority expressly reserves the right, in its sole discretion, to accept or reject any Borrower and/or any Loan. Once the Lender receives a Authority Approval Letter, it may consummate the Loan and shall sell a Participation in such Loan to the Authority, pursuant to the terms and conditions set forth in this Agreement.

2.2 Maximum Authority Interest. The Lender shall sell, assign and transfer, and the Authority shall purchase and accept, subject to the terms and conditions of this Agreement, a Participation of not less than Twenty Thousand Dollars (\$20,000) nor more than Five Hundred Thousand Dollars (\$500,000), unless the Board of the Authority determines that it is in the best interest of the Authority to waive that limit. Furthermore, in no case shall the amount of a Participation exceed the lesser of twenty-five percent (25%) of the total cost of any Project for which a Loan is made nor more than fifty percent (50%) of the Loan amount, unless the Board of the Authority determines that it is in the best interest of the Authority to waive that limit. In no case shall the term of the Loan be any longer than ten (10) years; provided, however, that in the case of a Loan to a Veteran-Owned, Minority-Owned, Female-Owned, or business owned by a person with a Disability, in which the Participation Amount is not in excess of Three Hundred Thousand Dollars (\$300,000), the amount of the Participation shall not exceed the lesser of forty percent (40%) of the total cost of the Project for which the Loan is made nor more than fifty percent (50%) of the Loan amount, unless the Authority determines that it is in the best interests of the Authority to waive that limit, and in no case shall the term of such a Loan be any longer than seven (7) years. The Authority's percentage interest in each Loan shall never exceed the original applicable Participation Amount unless the Board of the Authority determines that it is in the best interests of the Authority to waive that limit. The Authority's Participation is computed by dividing the Authority's principal balance by the Loan's principal balance. The Lender is responsible for monitoring and ensuring that, at any given time, the Authority's Participation never exceeds its participation percentage. In the event the Authority's Participation is ever greater than the Authority's original participation percentage, the Lender must immediately pay the Authority the excess principal to bring the Authority's Participation into compliance with the Authority's Approval Letter. At all times during which the Authority owns a Participation in a Loan and until the Loan is paid in full, Lender shall continue to own the Loan and shall maintain an interest equal to at least fifty percent (50%) of the total amount of such Loan.

2.3 Authority Approval. Upon receipt from the Lender of an application for a Loan with the applicable documents, the Authority, in its sole discretion, shall determine whether it will purchase a Participation interest in the loan. The Authority shall make every attempt to make its determination within thirty (30) days of receipt of the application and applicable documents. If the Authority approves the Loan application, it will issue and send, via U.S. Mail, facsimile and/or electronic communication, an Authority Approval Letter to the Lender, which shall remain in effect for thirty (30) days. The Lender shall, within thirty (30) days after the Authority Approval Letter is issued, sign it and return the original

to the Authority, or else the Authority Approval Letter shall expire. If the Lender does not close the Loan within one hundred twenty (120) days after the Authority's Approval Letter is issued, the Authority's approval will expire, unless a written extension of time is granted by the Authority. The Authority, in its sole discretion, may grant an extension of time provided that no material change in either the scope of the Project, the financial condition of the Borrower (including guarantors), or its ability to repay the Loan as originally approved has occurred. If the Authority rejects the Loan application, it will make commercially reasonable efforts to so advise the Lender within thirty (30) days of receipt of the application.

2.4 Purchase and Funding of Participation. Upon the closing of a Loan for which the Lender has received a Authority Approval Letter, the Lender shall notify the Authority at its Notice Address, of the closing and shall deliver all Closing Documents to the Authority within ten (10) business days of the closing, otherwise the Authority's Participation shall be void, unless the ten day period is waived or extended in writing by the Authority. The Authority shall acknowledge the Participation Certificate (a sample of which is attached as Exhibit B) by having its Executive Director or authorized designee execute the Certificate and return it to the Lender. The Authority shall process the Participation Certificate and any other documents necessary to fund its Participation, and as soon as practicable, shall initiate the actions to cause delivery of its Participation Amount to the Lender. The Participation will be considered funded on the Purchase Date. Interest will begin to accrue on the date the Lender receives the funds. The Lender will be responsible for the timely movement/distribution of the Authority funds to the Borrower.

3. PROGRAM REQUIREMENTS

Obligations of the Authority will cease immediately without penalty or further payment being required if the Authority's funds for the Program are no longer available (whether they have all been otherwise utilized, the Authority no longer has access to such funds, or due to other extenuating circumstances that are beyond the reasonable control of the Authority). The Authority and the Lender acknowledge that the program will be funded, in whole or in part, by the Authority's funds, as available, and as such, both the Authority and the Lender agree that the use of funds pursuant to this Agreement shall be governed by, and not be in derogation of, any rules, regulations, or guidelines for the Program promulgated or issued by the Authority. As to each Loan in which the Authority purchases a Participation, the Lender agrees that it will have determined that all of the following are true and correct:

- A. The Project would not be undertaken unless the Loan is provided. The full amount of the Loan would not be made unless the Participation is purchased;
- B. The purchase of the Participation will cause a Project to be undertaken in the State that has the potential to create or retain employment or to modernize or improve the competitiveness of the Borrower;
- C. 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 unless that relocation results in substantial employment growth in relation to the amount of the Loan;
- D. The Borrower is a Veteran Owned Business, a credit disadvantaged firm, such as a business start-up or other young firm, or an industrial expansion, modernization, environmental upgrade, or other material investment for a mature firm;
- E. The proceeds of the Loan will be used for a Business Purpose.

However, notwithstanding the above, a Loan may repay the amount due on a matured or ballooning loan or line of credit when all of the following conditions are met: (1) the new loan or line of credit includes the advancement of a minimum of twenty-five percent (25%) of the Loan being refinanced in the

form of new monies to the Borrower; (2) the new loan is based on a new underwriting of the Borrower's ability to repay and a new approval by the Lender; (3) proceeds from the new loan may only be used to satisfy the outstanding balance of a loan or line of credit that has already matured or otherwise termed and the prior debt was used for a business purpose (as defined herein); and (4) the new loan has not been extended for the sole purpose of refinancing existing debt owed to the Lender. When all of these conditions are met, and an applicable loan is made, the Lender shall maintain documented substantiation that these four criteria were met.

F. 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)). Furthermore, the Lender is required, on an ongoing basis, to notify the Authority of any changes in the sex offender status of its Principals.

G. The Lender 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);

H. The Borrower is ready to implement the Project and has the financial ability to carry out the Project;

I. The Borrower is responsible and creditworthy;

J. The Loan is protected by security, which may include, as available, first or second mortgage positions on real or personal property, royalty payments on sales of products or services, or any other security satisfactory to the Authority to secure repayment of the Loan. Personal notes or guaranties have been executed by persons owning more than twenty percent (20%) of the Borrower, unless the Authority determines that it is in the best interest of the Authority to waive that requirement;

K. The Loan Documents are in an amount and form, and contain such terms and provisions with respect to property insurance, repairs, alterations, payment of taxes and assessments, delinquency charges, default remedies, additional security, and other matters, adequate to protect the Authority's interests in ensuring repayment;

L. Guarantors are responsible and creditworthy. Guarantors' assets have been verified and will undergo periodic review both to ensure their continuing capacity to provide performance guaranties in the amounts required to ensure repayment, and to ensure that the same assets have not been pledged or are supporting other loans or guaranties; and

M. It is the public policy of the Authority to promote and encourage the continuing economic development of Minority Owned Businesses, Female Owned Businesses, Businesses Owned by a Person with a Disability, and Veteran Owned Businesses (30 ILCS 575/2 and 30 ILCS 750/9-4.3). The Authority is desirous of certifying and tracking Loans for small businesses in Low-to-Moderate Income Areas and Loans for Minority Owned Businesses, Female Owned Businesses, Businesses Owned by a Person with a Disability, and Veteran Owned Businesses. Lender agrees to cooperate with the Authority's efforts to certify and separately track these kinds of Loans. Lender further agrees to cooperate with Authority efforts at outreach to such businesses.

4. COMPENSATION TO LENDER

The Borrower shall pay interest to the Lender at the rate agreed upon between the Lender and the Borrower. The difference, if any, between the amount of interest paid by the Borrower to the Lender with respect to the Participation Amount and the amount of such interest paid by the Lender to the Authority

may be retained by the Lender with the consent of the Authority. All application fees collected by the Lender, with respect to the Loan, may be retained in their entirety by the Lender.

5. OWNERSHIP INTEREST IN PARTICIPATION LOAN, LOAN DOCUMENTS AND RECORDS, LIENS, SECURITY, GUARANTIES, AND OTHER COLLATERAL

5.1 The Authority's Undivided Interest. Upon the Authority's purchase of a Participation in a Loan, and pursuant to the provisions of Section 2, the Authority shall, without the necessity of any written instrument of assignment or other document, become vested with an undivided equitable ownership interest (proportional to such Participation from time to time) in: (i) the Loan; (ii) the Loan Documents; and (iii) any other rights and claims of the Lender with respect to the Loan. If the Lender acquires any security interests or liens granted by any of the Loan Documents, the Authority shall have an undivided interest in such security interest or lien equal to its Participation in the Loan, notwithstanding the fact that the security interest or lien is in the name of, and/or possession is maintained by, the Lender.

5.2 The Lender as Trustee. All Loan Documents and the rights conveyed by them executed and delivered in connection with the Loan shall be held by the Lender in trust for the pro rata benefit of the Lender and the Authority. The Lender is authorized to retain the Note and the Loan Documents in the Lender's name and to deal with parties other than the Authority as though the Lender were an absolute owner of the Loan and the Loan Documents. Any person, firm or corporation may deal with the Lender concerning the Loan in the same manner as if the Participation was not outstanding and the Lender was the sole owner of the Loan, as limited by Section 6.5, 6.6, and 6.7 of this Agreement. The Lender may perform any of its obligations hereunder by or through its agents, employees or attorneys.

5.3 Limits of the Authority's Interest. Although the Lender holds for the Authority's proportional benefit all collateral securing performance and payment of a Borrower's obligations and liabilities under and in connection with any Loan, the Authority shall have no interest in any other property taken as security for any other credit, loan or financial accommodation made or furnished to the Borrower by the Lender in which the Authority has no Participation. This shall include any property now or hereafter in the Lender's possession or under the Lender's control or in any deposit held that may be or may become security for performance or payment of a Borrower's or guarantor's obligations and liabilities under and in connection with other indebtedness owing to Lender by reason of the general description contained in any other instrument held by the Lender or by reason of any right of setoff, counterclaim, banker's lien or otherwise; provided, however, if such property, deposit, indebtedness or the proceeds thereof shall be applied to the payment or reduction of principal, interest, fees or any other amounts owing by a Borrower or guarantor in connection with a Loan, then the Authority shall be entitled to its pro rata share of such payment.

6. COLLECTIONS, DISBURSEMENTS AND ADMINISTRATION

6.1 Collection and Transfer of Payments.

A. The Lender, as servicer of the Loan, shall be obligated to collect, as the Authority's trustee with respect to the Authority'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 Lender receives, collects or applies in full an interest payment with respect to a Loan, the Lender will remit to the Authority interest on the Participation Amount at a rate equal to the Authority Rate. If the Lender receives, collects or applies only a partial payment of interest with respect to a Loan, the Lender will remit to the Authority interest on the Participation Amount of such Loan at a rate equal to the amount due the Authority under the preceding sentence multiplied by a fraction, the numerator of

which is the amount of interest then received, collected or applied by the Lender from the Borrower and the denominator of which is the total amount of interest then due by the Borrower to the Lender. If the Lender receives, collects or applies a principal payment or prepayment with respect to a Loan, the Lender will remit to the Authority its pro rata share of such amount. Unless the Lender is otherwise entitled to apply payments as provided in Section 9 hereof, the Lender shall promptly remit the Authority's share of payments on account of principal and interest to the Authority within fifteen (15) business days of receipt.

B. Payments are to be made by check payable to the Illinois Finance Authority and sent to Illinois Finance Authority, 5934 Paysphere Circle, Chicago, IL 60674. The Authority, at its option, may arrange for electronic payments from the Lender to the Authority through an Authority-originated ACH debit from the Lender's account. Payments via electronic transfers must be coordinated with the Authority's Controller, Ximena Granda, (Phone: 312-651-1362, email: xgranda@il-fa.com). A Monthly Report/Payment Distribution Summary and Transmittal (sample attached as Exhibit D) must be completed and submitted with each and every payment remitted to the Authority. The Monthly Report/Payment Distribution Summary and Transmittal shall disclose information, including but not limited to, the date the Lender received payment from or on behalf of the Borrower and the manner in which the Lender apportioned said payment between the Lender and the Authority. In the event that the Borrower fails to remit a scheduled payment to the Lender, the Lender must still submit the Monthly Report/Payment Distribution Summary and Transmittal to the Authority indicating either that no payment was received or that no payment was due and owing to the Authority.

C. In the event that a payment is due only to the Lender and no corresponding pro rata payment is due to the Authority, the Lender must report and document such an event to the Authority by completing and submitting a Monthly Report/Payment Distribution Summary and Transmittal to the Authority within five (5) business days of receipt of the Borrower's payment, regardless of whether the Lender received payments from or on behalf of the Borrower prior to the Authority's funding.

6.2 Loan Servicing and Application of Payments.

In its handling of the Loan and any collateral security rights under the Loan Documents, the Lender shall exercise the same care and due diligence it exercises when it processes loans and collateral security rights on its own behalf and within the covenants and requirements in Sections 6.5, 6.6, and 6.7. Except for the express warranties contained herein, the Loan and Participation shall be for the amounts specified in the Authority's Approval Letter. Except as provided for in Section 18.1, a Participation or a Loan may not be transferred by the Authority or the Lender, (as applicable), in whole or in part, without the written consent of the other party. It is also understood that the Lender shall have no independent responsibility for the performance of a Borrower's obligation, nor for any failure or delay in exercising any rights or powers given the Lender by the Loan Documents, beyond undertaking the same care that the Lender exercises in the making and handling of loans and credits for its own account.

A. All security evidenced by the Loan Documents and any additional security given by a Borrower shall be held by the Lender primarily as security for the Loan and shall not be used or applied toward payment of other obligations of the Borrower to the Lender, as long as the Loan remains unpaid and as long as this Agreement remains in effect; provided however, that nothing herein shall prevent the Lender from collecting payments from the Borrower for other indebtedness, or foreclosing upon other security that is not securing a Loan covered under this Agreement, if the other loans or credits are in default, are separately stated on the books of the Lender, and the security or other collateral is segregated at all times.

B. The Lender shall, if possible, provide the Authority with advance notice of a change in the Authority Rate with respect to a Loan, and shall in all cases provide such notice to the Authority no later than the date on which the first payment affected by the rate change is delivered to the Authority.

6.3 Lender's Late Payments to The Authority:

A. The Lender agrees to make Prompt Payment to the Authority. In the event a payment is not remitted to the Authority within fifteen (15) business days, a late fee in the amount of 5% of the total payment due (per payment being withheld) shall be automatically assessed; arrearage will be determined from the date the payment should have been remitted through the date the payment is actually remitted; this late fee will be immediately due and owing. Additionally, any and all late fees due to Lender's delinquency shall not be the responsibility of, and shall not be absorbed by or charged to, the Borrower. Furthermore, the Lender may be subject to the above late fee if it fails to timely tender the Monthly Report/Distribution Summary and Transmittal (a sample of which is attached hereto as Exhibit D) to the Authority. Upon the Lender's reasonable written request, the Authority may, within its sole discretion, agree to waive any late fees due to a late payment.

B. If all or part of any payment made to the Lender is rescinded or must otherwise be returned to a Borrower for any reason (other than the Lender's negligence or misconduct), and if the Lender has, prior thereto, paid to the Authority its pro rata share of such payment, the Lender shall, after telephone notice to the Authority and confirmed later in writing, subtract the appropriate portion of such rescinded or returned payment from the Authority's next payment hereunder.

6.4 Application of Monies. Except as provided in Section 6.7, all monies collected or received by the Lender in connection with any Loan (other than the fees) shall be applied and distributed in the following order of priority: (i) to the payment of all Servicing Expenses (if any); (ii) to the payment of accrued and unpaid interest on the Note; and (iii) to the payment of principal on the Note. Before any distribution to the Authority, 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.

6.5 Lender's Powers. The Authority authorizes the Lender, and the Lender hereby agrees, to act as trustee for the Authority subject to the limitations contained herein, including the provisions of Sections 6.2(B), 6.6 and 6.7 hereof: (i) to negotiate, control, manage and service the Loan; (ii) to enforce or to refrain from enforcing the Loan Documents; (iii) to give consents, approvals or waivers in connection with the Loan Documents; (iv) to acquire additional security for the Loan; (v) to take or refrain from taking any action and make any determination provided for herein or in the Loan Documents; and (vi) to exercise all such powers as are incidental thereto. The Lender acknowledges its status as trustee and represents that it has the power to perform the services listed in this Section. In acting under this Agreement, the Lender agrees to exercise the same degree of care in administering each Loan as it would use in managing its own loans in which no Participation has been issued. The Lender agrees that the exercise of these fiduciary responsibilities as trustee for the Authority includes the full and complete pursuit of amounts owed in relation to any unpaid portion of the entire Loan until released from that responsibility in writing by the Authority, while the Authority retains an undivided interest in the Loan and any related Loan Documents. Further, the Lender agrees that it will take no independent action, unless agreed to in advance and in writing by the Authority, that directly, or indirectly by nature of a proceeding or process, releases the Borrower or any guarantor or other responsible party or entity, in full or in partial satisfaction, from a continuing responsibility to repay the Loan and/or other applicable charges/fees in relation to debt collection activities, until all amounts due are paid in full.

6.6 Lender's Covenants with Respect to the Loans.

A. The Lender hereby covenants with respect to each Loan that it shall not, without the Authority's prior written consent or approval:

- (i) consent to or accept any cancellation, termination, revision, or settlement of any Loan Document, or agree to any transfer or termination of any instrument now or hereafter assigned to it as security for the Loan;

- (ii) release, partially or fully, any collateral given as security for the Loan or any guarantor of the Loan;
- (iii) extend the maturity date of the Loan or the date of any interest or principal payment there under;
- (iv) reduce the amount of any payment of principal or the applicable Authority Rate or the Lender Rate;
- (v) increase the maximum amount of the Loan or the obligations of the Lender or the Authority pursuant to any Loan Document;
- (vi) require the acceptance of a new note evidencing the Loan, in substitution for the Note;
- (vii) waive or consent to the modification of any Loan Document that would cause the Loan to no longer be in compliance with the requirements of Section 3; or
- (viii) consent to any amendment or modification to a Loan Document that would be, in the judgment of a prudent financial manager, material to the Loan.

In the event that the Lender breaches any of the above enumerated covenants, it agrees that it shall purchase the Authority's outstanding Participation as of the date of the breach.

B. In the event that Lender seeks the Authority's consent or approval for any of the matters enumerated above, the Authority shall make commercially reasonable efforts to respond to the Lender's request within twenty (20) business days after such request. Such response may be by telephone, to be confirmed in writing promptly thereafter. If the Authority does not so respond, the Authority shall be deemed to have rejected such request.

C. Upon the occurrence of any default by the Borrower or guarantor under any of the Loan Documents, the Lender shall consult in good faith with the Authority. Notwithstanding the foregoing, if such a default is caused by the nonpayment of principal or interest, by the bankruptcy of the Borrower or a guarantor, or by the occurrence of an event that would have a material adverse effect on the repayment of the Loan or the collateral securing the Loan (in the Lender's reasonable judgment), the Lender shall not waive such default without the written consent of the Authority. If, at any time during the continued occurrence of such a default, the Authority informs the Lender of its desire that the Lender commence foreclosure proceedings under the terms of the Loan Documents, the Lender shall either commence such proceedings or purchase the Authority's Participation in accordance with Section 7 hereof.

6.7 Subordination after Default. The Lender and the Authority may agree to the subordination of amounts (both principal and interest) owed to the Authority under certain circumstances. Such subordination shall be effective only if noted on both the relevant Authority Approval Letter and Participation Certificate. If the Lender and the Authority so agree, the amounts owed by the Lender to the Authority with respect to a Participation shall be subordinated to amounts owed by the Borrower to the Lender from and after the occurrence of all of the following events: (i) the occurrence of any default under any of the applicable Loan Documents; (ii) notice thereof to the Authority; (iii) acceleration of the applicable Loan; and (iv) commencement and continuation of foreclosure proceedings and other collection efforts, which shall include enforcing all guaranties with respect thereto.

However, in any foreclosure proceeding where the Lender is the successful bidder at the foreclosure sale and the sale results in a loss to either the Lender and/or the Authority, and the Lender subsequently sells the foreclosed property within twelve (12) months thereafter for a gain or profit, the Lender is obligated to remit a pro rata share of said gain or profit equal to the Authority Participation Amount within thirty (30)

calendar days thereafter. This also applies to any situation where the Lender takes judicial or non-judicial ownership of collateral assets for subsequent disposition.

Breach of any of the Covenants or requirements specified in Sections 6.5, 6.6, or 6.7 renders all subordination null and void as of the date of the breach. Unless a new subordination agreement is executed in writing by the Lender and the Authority, any amounts recovered upon the Borrower's default are to be distributed on a pro rata basis equal to the Authority Participation Amount, plus recovered interest and fees if any.

6.8 Retention of Counsel. In the event of actual or threatened litigation affecting a Loan or the security for such Loan, and if the Lender is of the opinion that the services of an attorney should be retained to protect those interests, the Lender may, following ten (10) business days' prior written notice to the Authority (unless, in the judgment of the Lender, immediate action is required, whereupon any reasonable form of notice to the Authority shall be acceptable), retain counsel to represent the Lender. The Lender shall seek to cause the Borrower to pay the reasonable fees and expenses of such counsel in accordance with the terms and conditions of the Loan Documents, but if the Borrower fails to pay such fees and expenses, then the Lender shall pay all reasonable costs thereof as Servicing Expenses. The Authority shall not have any right in connection with such litigation to retain other counsel, except at the sole cost and expense of the Authority.

7. REPURCHASE BY LENDER OF THE PARTICIPATION

7.1 Repurchase by Lender. At any time during which the Loan is outstanding, the Lender shall have the unconditional right, within its sole and exclusive discretion, to repurchase the Participation in the Loan, upon written notice to the Authority.

7.2 Price Payable by the Lender. The purchase price to be paid by the Lender to the Authority under Sections 6.6(C) and 7.1 hereof shall be an amount equal to the Participation Amount, together with any accrued interest thereon and fees (if any).

7.3 Consummation of Repurchase. Any such repurchase shall occur on a date selected by the Lender, which date shall be no later than (a) ten (10) business days after the giving of written notice by the Lender of the exercise of its option to repurchase, or (b) twenty-five (25) business days after a request by the Authority that the Lender begin foreclosure proceedings. The purchase price paid by the Lender to the Authority shall be paid on such date in immediately available funds, and concurrently therewith the Authority shall execute, and deliver to the Lender, document(s) reassigning to the Lender the Participation, without recourse, covenant or warranty, express or implied (except that the Authority shall warrant its ownership of the Participation, the amount of indebtedness outstanding thereunder and its authority and capacity to execute such documents).

8. 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, monies 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 Authority as much of the Participation Amount so as to return the Lender's and the Authority's respective interests to the percentages existing prior to the offset.

9. SUBORDINATION OF THE AUTHORITY'S PARTICIPATION TO SERVICING EXPENSES

Subject to the terms and conditions of this Agreement, each Participation shall be subordinated in payment until such time as the Lender's reasonable Servicing Expenses (if any) with respect to the applicable Loan have been paid in full. Accordingly, and in consideration thereof, Servicing Expenses shall be the sole responsibility of the Lender, and the Lender hereby indemnifies the Authority for any and all liability for Servicing Expenses. In all other events, subject to the terms of this Agreement, payments made on the Participation shall be pari passu with amounts retained by the Lender with respect to the Borrower's outstanding balance, pro rata in accordance with their respective percentage interests.

Breach of any of the covenants or requirements herein or specified in Sections 6.5, 6.6, or 6.7 renders all subordination null and void as of the date of the breach. Unless a new subordination agreement is executed in writing by the Lender and the Authority, any amounts recovered in connection with a Loan are to be distributed as a pro rata share equal to the Authority Participation Amount plus recovered interest and fees if any.

10. BOOKKEEPING ENTRIES

The Lender will reduce, for the purpose of recording the value of its assets in its financial books and records, the value of any Loan asset by the amount of the Authority's Participation Amount. The Lender shall, within ten (10) business days after a request by the Authority, allow the Authority to examine the Lender's books and records concerning the Loan.

11. ACKNOWLEDGEMENTS AND AGREEMENTS BY THE PARTIES

The Authority and the Lender acknowledge and agree with respect to each Loan that:

A. The Lender is expected to exercise due diligence in determining (i) the accuracy of any statement, warranty, representation or certification made by the Borrower and/or any guarantors in, or in connection with, any document relevant to the Loan, and (ii) the financial condition of the Borrower and any guarantor with respect to the Loan or the performance or observance of any obligations by the Borrower or any guarantor with respect to the Loan.

B. The sale of a Participation does not constitute the sale of a "security" under or as defined in the Securities Act of 1933 and the Securities Exchange Act of 1934.

C. The relationship between the Lender and the Authority is and shall be that of a seller and purchaser of a property interest and not a debtor-creditor relationship. This Agreement is not intended to constitute, nor shall it be construed to establish, a partnership or joint venture between the Lender and the Authority.

D. The Authority is relying upon the Lender to undertake, on behalf of the Authority, the review and approval of the credit, collateral valuation, security documentation and determination of eligibility of the Borrower.

12. NOTICE OF EVENTS OF DEFAULT

Upon the occurrence of a default or an Event of Default (as defined in the Loan Documents) or upon default in the payment of any principal of, or interest on, the Note or in the observance of the performance of any of the terms, covenants and conditions of any of the Loan Documents, the Lender shall, within ten (10) business days thereafter, notify the Authority in writing of the existence and nature of the default.

13. INFORMATION

The Lender shall promptly furnish to the Authority an executed copy of the Loan Documents and copies of all such documents pertaining to the Loan, including, without limitation, periodic financial information required to be delivered to the Lender which the Lender has in its possession from time to time.

14. LENDER REPORTS

Upon execution of this Agreement, the Lender shall prepare and deliver to the Authority samples of all Loan Documents and a Lender report containing such information regarding the Lender as the Authority shall request, and any other documentation as determined necessary by the Authority or as otherwise identified in this Agreement.

15. OTHER TRANSACTIONS BETWEEN THE LENDER AND THE BORROWER

The Lender and its affiliates may accept deposits from, lend money to, extend other financial accommodations to, or for the benefit of, any Borrower, and may act as trustee under the indentures for, and generally engage in, any kind of business with any Borrower, any person who may do business with any Borrower, or any affiliate of any Borrower.

16. CONFIDENTIALITY

Except as may be required by law, including under the Freedom of Information Act and the IFA Act, the Authority will endeavor to maintain the confidentiality of all information furnished to the Authority under this Agreement or in connection with any document relative to a Loan, except that the Authority will have no obligation of confidentiality with respect to information that may be generally available to the public, or becomes generally available to the public through no fault of the Authority. The sharing of information with or providing of information to another agency or authority of the State by the Authority shall not be deemed to violate this undertaking. The Authority shall be authorized to publicize information regarding its interest in a Loan in which it has purchased a Participation, including, without limitation, information related to the name of the Borrower, the name of the Lender, the amount of the Loan and the amount of the Authority Participation in the Loan. At times, the Authority 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 Authority 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 Authority as a result of state or federal laws, rules and regulations.

17. TERM OF AGREEMENT

This Agreement shall terminate on June 30, 2023; provided, however, that it shall remain effective and its terms and conditions shall remain applicable to any Participation purchased during the time it was effective. If at any time the Authority terminates the Program or wishes to discontinue accepting applications from Lender, the Authority shall use commercially reasonable efforts to provide Lender with at least thirty (30) days' notice of the Program termination date or the date certain after which the Lender may not submit additional applications.

18. MISCELLANEOUS

18.1 Assignment. Neither the Authority nor the Lender may, without the prior written consent of the other party, transfer or assign all or any portion of its rights and obligations hereunder, except that the Authority may affect such a transfer or assignment to another agency or authority of the State.

18.2 Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram, facsimile or telecopy; (c) overnight courier; or (d) registered or certified, first class mail, return receipt requested.

If to the Lender: Name of Lender: _____
Address: _____
City, State, Zip + four : _____
Attention: _____
Facsimile: _____

If to the Authority: Ximena Granda, Controller
Illinois Finance Authority
160 North LaSalle Street – Suite S-1000
Chicago, IL 60601
Phone: (312) 651-1362 Fax: (312) 651-1350
xgranda@il-fa.com

These addresses may be changed by notice to the other party given in the same manner as above provided. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier, and if sent pursuant to clause (d) shall be deemed received two (2) business days following deposit in the mail.

18.3 Authorization. The Lender and the Authority each hereby represent to one another that: (a) any and all necessary corporate and other action has been taken to authorize the execution, and the performance of, its obligations under this Agreement; and (b) this Agreement is binding and enforceable against it.

18.4 Applicable Law. This Agreement shall be deemed a contract made under, and governed by, the laws of the State, without regard to conflict of laws principles.

18.5 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such

prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

18.6 Amendments, Changes, and Modifications. This Agreement may be amended, changed, modified or altered, including but not limited to, modifying the term of Agreement under Section 17, only by written agreement signed by the Lender and the Authority (or their successors or assignees).

18.7 Entire Agreement. This Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements and understandings relating to the subject matter of this Agreement. No representation, promise, inducement or statement of intent has been made by either party that is not embodied in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement or statement of intention not expressly set forth in this Agreement. This Agreement shall be binding upon, and shall inure to the benefit of, the Lender and the Authority and (subject to the provisions of Section 18.1 hereof) their respective successors and assigns.

18.8 Counterparts. This Agreement may be executed in counterparts, all of which, when taken together, shall constitute one and the same Agreement.

18.9 Conflict of Interest. No director, officer or employee of the Lender shall participate in any decision relating to any Borrower's business that affects the director's, officer's or employee's personal interest or the interests of any corporation, partnership or association in which the director, officer or employee is directly interested. In extending credit to directors, officers or employees, not otherwise prohibited by this Agreement or federal law, the Lender is required to follow credit underwriting procedures that are as stringent as those applicable to comparable transactions by the Lender with persons that are not officers or employees of the Lender, not involving more than a normal risk of repayment.

18.10 Records Retention. The Lender agrees to maintain, for a minimum of five (5) years after the repayment, repurchase or other termination of the Authority's Participation, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with the Loan and Loan Documents. The Lender agrees that all books, records, and supporting documents related to the Loan and the Loan Documents shall be available for review and audit by any agency of the State of Illinois, and agrees to cooperate fully with any audit and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the Authority for the recovery of any amounts paid by the Authority pursuant to the Participation for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

19. CERTIFICATIONS

19.1 Compliance with Applicable Law. The Lender certifies that it shall comply with all applicable provisions of Federal, State and local law in the performance of its obligations pursuant to this Agreement.

19.2 Defaults on Education Loans. The Lender certifies that this Agreement 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.

19.3 Discrimination/Illinois Human Rights Act. The Lender certifies (i) that it will not commit unlawful discrimination in employment in the State 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 Authority 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.*).

19.4 Federal, State and Local Laws; Tax Liabilities; State Agency Delinquencies. The Lender 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 a Borrower is delinquent in filing and/or paying any federal, state and/or local taxes, the Authority shall disburse loan funds only if the Borrower enters into an installment payment agreement with said tax authority and remains in good standing with such installment payment agreement. Borrower is required to tender a copy of any such installment payment agreement to the Authority. In no event may Borrower utilize loan funds to discharge outstanding tax liabilities or other debts owed to any governmental unit. The Lender certifies that (i) it is current as to the filing and payment of any federal, state and/or local taxes applicable to Lender; and (ii) it is not delinquent in its payment of monies owed to any federal, state, or local unit of government.

19.5 Prohibition of Goods Derived from Child Labor. The Lender 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.

19.6 Lien Waivers. The Lender 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.

19.7 Interagency Wetland Policy Act. The Lender 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 Lender acknowledges that the Illinois Authority 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.

19.8 Bid Rigging and Bid Rotating. The Lender 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/Bid Rotating, respectively) (720 ILCS 5/33E-3 & 5/33E-4).

19.9 Sexual Harassment. The Lender 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 Lender's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Authority 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 Authority upon request.

19.10 Americans with Disabilities Act Compliance. The Lender 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 Lender further certifies that all facilities utilized by it in the performance of this Agreement comply with State accessibility laws.

19.11 International Anti-Boycott Certification. The Lender 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. Authority of Commerce promulgated pursuant to the Act.

19.12 Drug-Free Workplace Act. The Lender certifies it is in compliance with the requirements of the Drug-Free Workplace Act (30 ILCS 580/1 *et seq.*).

19.13 Lender's Good Standing. 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 to the Authority 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.

19.14 Historic Preservation. The Lender certifies that it will not expend funds under this Agreement 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.*).

19.15 Prevailing Wage Act. "The Lender certifies that the use of Loan funds complied with and will comply with the Illinois Prevailing Wage Act, 820 ILCS 130/1 *et seq.*, to the extent required by the Act and other applicable laws."

20. FEDERAL TAXPAYER IDENTIFICATION NUMBER, NAME AND LEGAL STATUS DISCLOSURE

This organization does business under the legal name of: _____, which corresponds to the name of which the below listed FEIN is registered with the Internal Revenue Service.

Under penalties of perjury, the Lender certifies that _____ is its correct Federal Taxpayer Identification Number (FEIN). The organization does business as a (please check one):

- | | |
|--|--|
| _____ Individual (01) | _____ Governmental Agency/Department (08) |
| _____ Sole Proprietor (02) | _____ Nonresident Alien (13) |
| _____ Partnership/Legal Corporation (03) | _____ Estate or Trust (10) |
| _____ Corporation providing or billing medical and/or health care services | _____ Corporation NOT providing or billing medical and/or health care services |
| _____ Tax Exempt (16) | _____ Limited Liability Company (select applicable tax classification) |
| | _____ D-Disregarded Entity |
| | _____ C-Corporation |
| | _____ P-Partnership |

IN WITNESS WHEREOF, the parties hereto have caused this 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 Agreement shall serve as its certification under oath that Lender has read, understands and agrees to all provisions of this Agreement and that the information contained in this 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 Agreement is authorized to act on the Lender's behalf. Lender further acknowledges that the award of Participations under this Agreement is conditioned upon the above certification.

(Lender)

By: _____

Printed Name

Its: _____

Date: _____

ILLINOIS FINANCE AUTHORITY

By: _____
Executive Director

Date: _____

By: _____
Assistant Secretary

Date: _____

EXHIBIT A

SAMPLE APPROVAL LETTER

Date _____

Name _____
Address _____
City, State Zip Code+4 _____

Re: Master Participation Agreement No. _____

Dear _____:

The Illinois Finance Authority, (the "Authority") hereby agrees to purchase a _____ (_____%)
Participation interest in your loan 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 Authority. Among the terms applicable to this
loan are the following:

- | | | | | |
|----|-------------------------|----------|-------------------------------|------------|
| 1. | Amount of Loan: | \$ _____ | | |
| 2. | Lender Portion: | \$ _____ | Lender
Percentage | _____
% |
| 3. | Authority Portion: | \$ _____ | Authority
Percentage | _____
% |
| 4. | Initial Lender Rate: | _____ | | |
| 5. | Initial Authority Rate: | _____ | (Fixed/ Variable/ Adjustable) | |
| 6. | Initial Note Rate: | _____ | Spread* | _____ |

*The difference between the initial Lender Rate and the initial Authority 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 Authority's closing its Participation in the subject Loan.

7. Loan Terms:
- | | |
|-----------------|---|
| Lender Terms | _____ |
| Authority Terms | <u>Lender will advise the Authority in writing prior to its loan closing, of any changes to the initial Lender Rate. This may require additional approvals being obtained from the Authority.</u> |
| | _____ |
| | _____ |
| | _____ |
| | _____ |
8. Address of Borrower: _____

9. Payments to the Authority (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 Loan to include the Authority's Portion; in no case will the Authority term of obligation exceed the maturity date as shown on the Note.
2. At all times during which the Authority 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 Authority 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, dated _____, 201__, by and between you and the Authority (the "Master Participation Agreement"). All capitalized terms used in this Approval Letter not otherwise defined in this Approval Letter shall have the meanings ascribed to them in the Master Participation Agreement.

In accepting this Approval Letter, you are making the Representations/Warranties as specified in the Master Participation Agreement, including without limitation, in Section 3 of such Master Participation Agreement, and certifying/recertifying, without limitation that: a) the loan is not being made in order to place under the protection of the approved Authority program prior debt that is not covered under the approved Authority 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, except as permitted under IFA requirements, 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 Authority's obligations will cease immediately, notwithstanding this Approval Letter, without penalty of further payment being required: if funds for the Program are no longer available (whether they have all been otherwise utilized, the Authority no longer has access to them, or due to other extenuating circumstances that are beyond the reasonable control of the Authority.
5. This Approval Letter does not obligate the Authority for an extension of credit beyond the Authority terms as described above. It is mutually understood and agreed that this Approval Letter and/or the Master Participation Agreement represents the entire understanding between the Lender and the Authority 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 Approval Letter and the Master Participation Agreement shall be of any force and effect.
6. Lender is notified that, in any instance where the length of the principal amortization schedule exceeds the number of years of the Loan term to which the Authority is committing, thus obligating the Borrower to make a balloon payment at the end of the initial Loan term, the Authority is under no obligation, whatsoever, to participate in any financing of said balloon for 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) 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 Authority funds, shall complete the Lender's Receipt of the Authority Funds and Confirmation of Deposit to Borrower (Exhibit D) and return it to the Authority at the same address as set forth in paragraph ten below.
10. Payments will be made by check and forwarded to the Illinois Finance Authority at 5934 Paysphere Circle, Chicago, Illinois 60174. 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 Authority, 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 Finance Authority
160 North LaSalle Street (Suite 1000)
Chicago, Illinois 60601

The staff of the Illinois Finance Authority looks forward to working with you. If you have any questions, please feel free to contact the Loan Officer cited above, (_____ [Phone: xxx-xxx-xxxx]).

ILLINOIS FINANCE AUTHORITY

Executive Director
Illinois Finance Authority

Lender

Printed Name

Assistant Secretary
Illinois Finance Authority

By: _____

Its: _____

Date: _____

Enclosures

LENDER: _____
BORROWER: _____
LENDER LOAN NO. _____
IFA LOAN NO. _____

EXHIBIT B

PARTICIPATION CERTIFICATE

The undersigned lender (the "Lender") and the Illinois Finance Authority ("The Authority") have entered into a **Master Participation Agreement Number #_____ dated _____, 201__** (the "Master Agreement") pursuant to which such parties have agreed that the Authority from time to time may purchase from the Lender, Participations in loans made by the Lender. This Participation Certificate shall acknowledge the purchase of such a participation (the "Participation") in a loan (the "Loan") of the Lender to _____ (the "Borrower") pursuant to the terms and conditions of that certain Authority 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 Authority. **(The Authority has agreed to the subordination of payments in certain situations pursuant to Section 6.7 of the Master Agreement. OR the Authority will not subordinate payments in certain situations pursuant to Section 6.7 of the Master Agreement.)***

The Lender represents to the Authority (a) that the Loan has been made on the terms and conditions described in the related application submitted to the Authority, (b) that it has provided to the Authority 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 FINANCE AUTHORITY

By: _____
Executive Director

Date: _____

By: _____
Assistant Secretary

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 Finance Authority ("the Authority") pursuant to the Illinois Finance Authority Act, (20 ILCS 3501/801-1, et seq.), (the "IFA Act"), and a resolution adopted by the Board of the Authority on February 8, 2018. 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 Authority to purchase a Participation in the Loan, the undersigned agrees and certifies to the Lender and the Authority 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.
2. The purchase of the Participation will cause a Project to be undertaken in the State of 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 the State of 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 Veteran Owned Business or 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 five hundred (500) 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, distilled 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 Authority 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 (please check one):

- | | |
|---|---|
| <input type="checkbox"/> Individual (01) | <input type="checkbox"/> Governmental Agency/Department (08) |
| <input type="checkbox"/> Sole Proprietor (02) | <input type="checkbox"/> Nonresident Alien (13) |
| <input type="checkbox"/> Partnership/Legal Corporation (03) | <input type="checkbox"/> Estate or Trust (10) |
| <input type="checkbox"/> Corporation providing or billing medical and/or health care services | <input type="checkbox"/> Corporation NOT providing or billing medical and/or health care services |
| <input type="checkbox"/> Tax Exempt (16) | <input type="checkbox"/> Limited Liability Company (select applicable tax classification) |
| | <input type="checkbox"/> D-Disregarded Entity |
| | <input type="checkbox"/> C-Corporation |
| | <input type="checkbox"/> 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 Authority 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 Authority 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 Authority. 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 monies 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 Authority 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 Authority 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 Authority 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. Authority of Commerce promulgated pursuant to the Act.

25. The Authority 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 Authority in the Loan. Notwithstanding the foregoing, the Authority is committed to protecting the privacy of its vendors, grantees and beneficiaries of programs and services. At times, the Authority 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 Authority 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 Authority 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 VETERAN, MINORITY, FEMALE, OR DISABLED OWNED BUSINESS STATUS. This information is for the Authority'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).

- _____ Veteran Owned Business Applicant
- _____ Minority Owned Business Applicant
- _____ Female Owned Business Applicant
- _____ Disabled 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: _____

Date: _____

Exhibit D Participation Loan Program							
Date	Monthly Report / Payment Distribution Summary and Transmittal					Transmittal Number	
Illinois Finance Authority							
Borrower Name:	Example Name					Agmnt nbr/Loan Identifier (AUTHORITY LOAN #)	
Lender Name:	Example Bank Name						
	<u>Loaned Amounts</u>	<u>Investment %</u>	<u>Funding Dates</u>	<u>Net Interest Rate**</u>	<u>FAV</u>	<u>Lender's Loan ID</u>	
						xxxxxx	
LENDER	\$ 500,000.00	50.0000%	11/30/2011	5.0000%	F	P&I Beg xx/xx/201X	
AUTHORITY	\$ 500,000.00	50.0000%	11/30/2011	5.0000%	F	__ Yr. Adjust	
BORROWER	\$ 1,000,000.00	100.0000%	11/30/2011	5.0000%	F	<input checked="" type="checkbox"/> Yr. Amort	
						<input checked="" type="checkbox"/> Yr. Term/Balloon	
BORROWER	<u>Borr. Due Date</u>		<u>Borrower's Interest</u>	<u>Last</u>		<u>Current</u>	
	<u>Payment Dates</u>	<u>Paid This Pmt. :</u>	<u>"Paid To" Dates :</u>	<u>/ /</u>		<u>/ /</u>	
	(mm/dd/yyyy)						
	<u>Col 1A</u>	<u>Col 1B</u>	<u>Col 1C</u>	<u>Col 1D</u>		<u>Col 1E</u>	
	<u>Beginning</u>	<u>Total</u>	<u>Amount</u>	<u>Amount</u>		<u>Ending</u>	
	<u>Princ. Balance</u>	<u>Pmt. Amount</u>	<u>Paid to Principal</u>	<u>Paid to Interest</u>		<u>Princ. Balance</u>	
LENDER							
AUTHORITY							
BORROWER							
	VERIFIED			VERIFIED			
	<u>Col 2A</u>	<u>Col 2B</u>	<u>Col 2C</u>	AUTHORITY		<u>Col 2E</u>	
	<u>Interest Rates</u>	<u>No. of Days</u>	<u>No. Days / YR</u>	MATURITY		<u>Investment Percent</u>	
	<u>This Period</u>	<u>For Interest</u>	<u>for Interest Calc.</u>	DATE		<u>Ending Balance</u>	
				XX/XX/201X			
LENDER			365				
AUTHORITY			365				
BORROWER			365				
AUTHORITY'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 AUTHORITY 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:							
e-mail address:				Phone Number		FAX Number	

Report/Summary format is subject to change without prior notice to meet the needs of the Authority.
Use latest Revision.

Rev. January 26, 2018

PAYMENT AND MAILING INSTRUCTIONS

EXHIBIT D, Page 2

The payment must equal the amount shown in Authority Column 1B, Total Payment Amount.

Checks should be made out to: Illinois Finance Authority

Somewhere on the check it should indicate the Authority's Unique Loan Number. In the event that a consolidated check is issued, please indicate the amount that is applicable to each participant.

Mail the check and each completed Exhibit D – Monthly Report/Payment Distribution Summary and Transmittal for each loan to:

Illinois Finance Authority
5934 Paysphere Circle
Chicago, Illinois 60174

Instructions for completion of Exhibit D – Monthly Report/Payment Distribution Summary and Transmittal Forms, balances or loan servicing issues other than changes in terms may be addressed to;

Jean A. Wunsch, Vice President

MABSCO Capital, Inc.

PO Box 368

28972 R Avenue

Adel, IA 50003

Phone: (515) 993-3237 Fax: (515) 993-3238

**ILLINOIS FINANCE AUTHORITY
LENDER'S APPLICATION FOR PARTICIPATION**

Lender _____ Contact _____ Title _____

Address _____ FEIN# _____

City _____ State _____ Zip _____ Telephone _____ E-Mail _____

Applicant _____

We request Approval for: Loan Participation Veteran, Minority, Female, Disabled Participation

Amount of Loan: _____ Lender Share: _____ Loan Principal Payments per Month: _____ Beginning: _____
\$ _____ \$ _____ % \$ _____ Per Month _____ months after closing

Months _____ Authority Share: _____ Lender's Rate: _____ Note Interest Rate: _____
\$ _____ % _____ % Per Annum _____ %

The following must be completed and submitted:

1. Lender's Application for Participation.
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 three years.
5. Applicant's Credit Report(s).

LENDER'S CERTIFICATION

I certify to the Authority that the loan represented by this application is approved subject to terms specified. Without the Authority's participation, as requested, we would not be willing to make this loan, 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 Illinois Finance Authority Master Participation Agreement, and certify/recertify that; a. The loan is not being made in order to place under the protection of the approved Authority program prior debt that is not covered under the approved Authority 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 -

