

## STATE SMALL BUSINESS CREDIT INITIATIVE FREQUENTLY ASKED QUESTIONS

### FAQS:

#### 1. Do you offer grants?

- No, we offer participation loans at highly attractive rates.

#### 2. How can I receive a participation loan?

- Contact your local Lender and see if they are/have they joined the Illinois Finance Authority's Climate Bank Program. If they have not and are interested in joining, please set up time with IFA, yourself, and your Lender, to discuss the program and what it takes to sign up.

#### 3. What if I don't have a Lender?

- No worries! We have a list of signed-up Lenders that we can refer you to.

#### 4. Do I need a business plan?

- If you have an idea, but do not yet have a business plan, please contact your local Small Business Development Center to assist with business planning. Once the plan is complete take to a Lender to seek funding. If the Lender is apprehensive, speak to our program and how it was created to assist disadvantaged borrowers.

#### 5. What projects does your program support?

- See Eligible Projects above.

#### 6. What uses are your loans for?

- Eligible loans can be used to finance the following: equipment, working capital, inventory, Accounts Receivable, leasehold improvements, and real estate (must be 51% or more occupied by the business). Refinancing allowed under certain requirements.

#### 7. What projects are prohibited?

- Passive Real Estate, Cannabis, Adult Entertainment, Goodwill related to ownership, and the like.

#### 8. What do I do if I don't qualify for traditional loans?

- The Climate Bank Finance Participation Loan Program fills in gaps that prevent businesses from obtaining financing such as low credit scores, equity and collateral shortfalls, lack of historical cash flow (i.e. start-up), and negative net worth.



**9. What documentation is required to get started?**

- We will provide your Lender with our 2-page application to start, once we receive that we will send over our Master Participation Agreement for review and sign off. Once we receive that back, we can now begin doing transactions.

**10. Who will I contact if I have questions about the loan?**

- Please contact your established lending partner.

**11. Does the Climate Bank work with Borrowers only?**

- No, the Climate Bank works with Borrowers, Lenders, and Suppliers/Manufacturers.

**12. Do you work with Non-Profits?**

- Yes. Hospitals, educational institutions, and churches all qualify for the program.

**13. What if my project isn't Climate-focused?**

- If your project doesn't fall within our program scope, we will refer you to our sister organization at the Department of Commerce and Economic Opportunity via their Advantage Illinois program.