



Revolving Loan Fund Guidelines and Policy

Proudly serving Northeastern North Carolina's

Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans, Tyrrell, and Washington Counties

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INTRODUCTION

Dear Applicant:

Thank for your commitment to growing your business in Northeastern North Carolina!

The purpose of the Albemarle Commission's Revolving Loan Fund (RLF) is to ensure that businesses like yours grow and prosper within the region. We're glad you've chosen to seek financial assistance through our RLF. The Albemarle Commission RLF program can assist with only those projects located, or locating in, the ten eligible counties within Region R. These counties – Camden, Chowan, Currituck, Dare, Gates, Hyde, Pasquotank, Perquimans, Tyrrell and Washington – are eligible for RLF assistance under EDA guidelines that state "a county shall have a low per capita income, 75 percent of the national PCI average or less." In 1972, EDA designed the Albemarle Commission as the Economic Development District in their efforts to support local businesses.

This application packet asks a series of questions aimed at determining the following:

- Your business activity, products and services
- Your business's viability and potential for growth
- Your financial commitment and commitment to maintaining your company in the region
- The RLF's ability to meet your financial gap
- The level of risk the RLF takes on by assisting your company
- How well your business fits into the economic development plan of the Region

We also require a number of submittals to support the information you're giving us. We encourage you to use the checklist at the end of the application to ensure that you have supplied all the documents we need to adequately assess and approve your request. We promise to utilize great care in the handling and sharing of your documents. Please note the "Loan Evaluation Criteria" (Attachment C) which details the criteria by which your application will be reviewed.

Please be advised that this application requires a **\$200 (non-refundable)** application fee at the time of submittal in order to cover the administration of the application and review process.

Again, we thank you for doing business in Northeastern NC! We hope that the RLF will help enable you to accomplish the goals you've set for your business.

Please deliver your application to the following address or submit online at:

www.albemarlecommission.org

Albemarle Commission
512 S. Church St.
Hertford, NC 27944

Cathy Davison, Executive Director
(252) 426-5753 ext. 227
cdavison@accog.org

Emily Nicholson, Business Services Representative & Economic Development Coordinator
(252) 426-5753 ext. 233
enicholson@accog.org

PURPOSE, GUIDELINES AND PROCEDURES

The Albemarle Commission's Revolving Loan Fund (RLF) is established to provide a source of financing, which may not otherwise be available via traditional loan sources, for expanding or start-up businesses. Used to fill a "financing gap" in a business development project, the RLF offers a low-interest option to complete a financing package. A "gap" occurs when the business lacks the funds to meet the equity requirements of bank financing or needs a lower interest rate. Further, the RLF seeks to:

- Retain and attract businesses that provide permanent jobs
- Maximize investment within the Region
- Redevelop vacant and/or blighted land and buildings
- Promote sales and tax generating projects
- Provide financial assistance to eligible businesses

The RLF is not the primary source of financing for a project. However, the combination of public and private financing lessens the risk for the primary lender and yields an overall lower cost of money for the borrower. It is the intent of the RLF to view both existing and start-up businesses as equal under the criteria, with preference given to those expansions and start-ups that result in retained or new jobs and/or new sources of economic activity within the region. The Albemarle Commission seeks to work with healthy companies that have excellent potential for growth, will provide increased employment within the region, and will help diversify our economy. For existing business the primary criteria to be considered are the following:

- Dedicated and experienced management
- Past performance
- Current economic viability of the business
- High potential for profitability
- High potential for growth
- Sufficient collateral and cash flow to service and secure the loan
- Inability to obtain conventional financing at rates and terms that make the project viable

In the case of an entrepreneurial start-up business the following will also be considered:

- Market strengths such as providing a new service or product development or distribution in Northeastern NC as demonstrated by local market and/or feasibility study.
- Complementary business development that serves an existing region business entity.
- Consistent with Region and/or Community Comprehensive plans and goals of the Overall Economic Development Plan for types of business and industry.

PROCESS

Administration:

The RLF is administered by the Albemarle Commission's Board of Delegates and its Revolving Loan Fund committee. The RLF application review is conducted by the Albemarle Commission Revolving Loan Fund committee consisting of representatives from Northeastern NC. The committee reviews and recommends approval or denial of an application on the 4th Tuesday of each month. This recommendation is provided to the Albemarle Commission's Board of Delegates who is the final authority on granting the loan. The Albemarle Commission's Board of Delegates meet the 3rd Thursday of each month, except August and December. Applicants are required to make a presentation to the RLF Committee but no presentation is required for the Albemarle Commission's Board of Delegates (attendance is welcome).

Albemarle Commission is governed by a ten county board with one member representing each county and a revolving four member at large designation. These fourteen board members delegate the daily management of the Commission to the Executive Director who oversees the operation of the Commission. The Commission staff will be responsible for the administration of the RLF Program.

The Revolving Loan Fund Committee has been created by the board of directors to serve as the loan review board and recommend action to be taken by the Board of Directors on RLF loans. The Committee is comprised of members from the community with business or financial acumen to review the loan documentation and make recommendations to the Board of Directors for Loan Approval. Three staff members, the Executive Director, the Economic Development Coordinator and the Finance Officer will be members of the committee as well. The Commission's attorney may attend Committee meetings to serve in an advisory role.

Members of the Commission's Board of Directors cannot be members of the Committee. A party that recommends a loan can't be the same party that has to render judgment of the advisability of the loan. A clear separation of responsibility between those that recommend loans and those that approve loans is required. These are two different roles to protect the integrity of the decision process and eliminate concentration of power in a single body.

Application:

All applicants for the RLF are charged a (non-refundable) \$200 processing fee.

Application packages are available through the Albemarle Commission office and on the website (www.albemarlecommission.org). Applicants are urged to complete the application in conjunction with applicant's banker and/or the assistance of the Commission's staff (contact information in table of contents). Upon recommendation from the Commission's staff, the application is referred to the Loan Committee for their recommendation of approval or denial to the Albemarle Commission's Board of Delegates.

Please refer to Attachment A – "Revolving Loan Fund Process" for more detailed information.

GUIDELINES

Eligibility: Existing businesses within the region, businesses wishing to relocate to region, or individuals looking to start a new business. Expansions and new business shall result in retention or creation of jobs and/or creation of new sources of economic activity within the region¹.

Local Governments or not-for-profit agencies/corporations may be considered on a case-by-case basis for special projects that will result directly or indirectly in job retention/ creation or increased economic activity².

Uses of Revolving Loan Fund:

Eligible Expenditures

1. Land and Site Improvements – including land acquisition, engineering, legal, grading, testing, site mapping, and related costs associated with acquisition and preparation of land;
2. Building Improvements – including real estate, engineering, architectural, legal, and related costs associated with application, construction, rehabilitation of buildings, and demolitions;
3. Purchase of Machinery and Equipment – including delivery, installation, engineering, architectural, legal, insurance, and related costs associated with acquisition and installation of machinery and equipment;
4. Other costs contributing directly to the value of fixed assets, such as sales and use taxes, and interest on interim construction financing;
5. Adequate contingency reserves;
6. Start-up and working capital³ (not to include salaries or any form of compensation for employees);
7. Infrastructure costs;
8. Relocation expenses as per Uniform Relocation Assistance Act.

Job creation or retention ratio goals:

Job creation

- One full-time permanent job created for each \$10,000.00 loaned.

Job retention

- One full-time permanent job retained for each \$10,000.00 loaned.

¹New sources of economic activity are those that provide increases in sales or other revenues, i.e., expanded internet access, warehousing or logistics, and may add jobs indirectly.

²“not-for-profit” may include, but is not limited to, churches, human service agencies or development corporations

³ Working Capital: Working capital is a measure of both a company's efficiency and its short-term financial health. Working capital is calculated as:

$$\text{Working Capital} = \text{Current Assets} - \text{Current Liabilities}$$

LOAN PRODUCTS

Loan limits:

Loans are limited to a minimum of \$5,000 and to a maximum of \$100,000 per borrower. Loans are also subject to availability. The RLF cannot fund more than one-third of the overall project.

Terms:

- Rate: The interest rate window is NY Prime plus or minus 4%, no lower than 4%. The rate is fixed in nature and locked in at closing.
- Terms: Not to exceed 10 years, depending on the use of funds and security provided. To be determined with every loan agreement. Loan terms are typically three to five years for working capital; 10-15 years for fixed assets. The committee retains the right to adjust individual loan terms in order to facilitate a successful RLF project.
- Personal Guaranty: Required.
- Collateral: Must be 1:1 value of the loan amount. Collateral is current private and/or business property or other unencumbered assets and/or real property that a borrower offers a lender to secure a loan. If the borrower stops making the promised loan payments, the lender can seize the collateral to recoup its losses. Examples include: land, inventory, cash, etc.
- Job Creation: Information regarding new jobs (anticipated hiring schedule, types of positions, etc.) created through RLF proceeds will be required in the application.

Default and delinquency terms: In the event of (a) default in payment of any installment of principal or interest and the default is not cured within ten (10) days from the due date, or (b) default under the terms of the agreement based on number of full-time employees, collateral, insurance, or other items as spelled out in the closing documents is not incurred within fifteen (15) days after written notice, then the loan is in default and without further notice, the Albemarle Commission may declare the remainder of the principal sum, together with all interest accrued at once due and payable. The unpaid principal and any interest and all other sums due shall bear interest at a rate of eight percent (8%) per annum after default until paid.

Additional Business Requirements

- Must not sell or move within a period of 5 years without prior committee approval.
- Must show adequate financial ability to repay the debt.
- Must maintain hazard insurance on any collateral. This should be provided upon submission of application
- Must carry lines and coverage of insurance appropriate to the business and corporate assets or assets being used for collateral. This should be provided upon submission of application.

PAYMENTS

Loan Servicing

The Commission or their designee will be responsible for the administration, management, loan packaging and servicing of all loans. The borrower will be responsible for responding to requests for information from the Commission or their designee. Servicing of the loan portfolios shall include the following:

- a) Insurance – All required insurance is to be maintained by loan borrower on any assets financed with RLF loan proceeds and collateral. The loan officer is required to review policies substantiating coverage and maintain copies of such policies in the loan file of the borrower.
- b) Uniform Commercial Code (UCC) Filings – UCC financing statements are required to be filed on assets securing the loan. The loan officer is responsible for reviewing the statements semiannually and refiling those statements which will expire within six (6) months of the review. A file is maintained by the loan officer in each loan folder with documentation of the filing.
- c) Financial Statements – Financial statements on the business and the owners who are guarantors of the loan are to be obtained and reviewed at least annually by the loan officer. A file is to be maintained in each loan folder with documentation of the statements from the borrower. Any adverse conditions shall be reported to the Commission Board of Directors and the Revolving Loan Fund Committee by the loan Officer.
- d) Field Visits – Field visits should be made at least annually by the loan officer to the business location in order to review the collateral condition.
- e) Job Creation Verification – the loan officer is required to monitor jobs created and to report such in the annual report submitted to the Commission Board of Directors. Documentation shall be maintained in the borrower's files and any attempt to collect the information should be documented by the loan officer.
- f) Monitoring of Assurances – The loan officer shall monitor the items listed in the Assurances form to document compliance by the borrower.
- g) Reports – File reports to EDA as required.
- h) In addition, the Commission staff will maintain a close, continuous relationship of the borrower's business, monitor the loan agreement for defaults, and maintain a loan payment schedule. The loan payment schedule will be kept updated with payments posted as to principal and interest. The staff will work closely with the borrower if delinquent payments occur to identify the programs and suggest ways to solve them. Delinquencies may be resolved by a loan restructuring, extension of payments, or other adjustments, upon recommendation from the Revolving Loan Fund Committee and approved by the Commission Board of Directors.

Amortization of Loans

Generally, loans shall be repaid in equal monthly installments, including principal and interest, for the duration of the loan. Initially, loan payments may be delayed for a period up to six months, with the approval of the Commission Board of Directors. Prepayments of RLF loans will be allowed without penalty.

Principal and Interest Payments

All loan payment schedules will be kept updated with payments posted as to principal and interest. All proceeds from principal payments will be returned to the RLF pool for additional loans. All proceeds from interest payments will be returned to the RLF as recapitalized funds with the exception of that amount of interest payments used for eligible administration and operational purposes.

Payment Extensions

The terms of existing loans may be modified or extended to enhance the capability of the RLF loan in achieving program objectives. Also, the RLF loan may be repayable after other loans made in connection with the project have been paid in full.

The Commission Board of Directors may approve payment extensions for principal only up to six months due to temporary difficulties or extenuating circumstances which a borrower may be experiencing. The interest portion of any loan payment must be made during periods of extension.

Priority of Payment on Defaulted Loans

When an RLF Recipient receives proceeds on a defaulted RLF loan that is not subject to liquidation, such proceeds shall be applied in the following order of priority:

- (1) First, towards any costs of collection;
- (2) Second, towards outstanding penalties and fees;
- (3) Third, towards any accrued interest to the extent due and payable; and
- (4) Fourth, towards any outstanding principal balance.

Legal Cost Reimbursement

The loan applicant is required to pay the Commission for cost of legal services incurred in connection with loan packaging and/or all loan closings. Invoice for legal services will be submitted to the loan applicant based on schedules of cost provided by the Commission's attorney, unless the loan applicant and the Commission mutually agree to have the applicant's attorney package the loan with the approved closing documents. Payment shall be made immediately upon the Commission's submission of an invoice, but no later than loan closing.

LOAN COLLECTION AND WRITE-OFF

1. Albemarle Commission will exhaust any and all means available for the collection of all outstanding loans that are declared in default status. The Commission will follow the collection process as allowable by state law.
2. Loans with an outstanding balance that have been placed in default and remain outstanding after 180 days will generally be written off. However, collection efforts will continue until determined not to be cost effective or prospects for recovery no longer exist. A reasonable loss through defaults will be considered without establishing a loan loss reserve. All write-offs must be directed to the board of directors by staff for write-off approval.
3. In the event that it becomes necessary to write off the remaining balance of an uncollectible loan, the recipient will be issued a 1099-C which will also be submitted to the IRS as required.

Albemarle Commission

Revolving Loan Fund (RLF) Questionnaire & Attachment Checklist

Please answer the following questions using the space provided. Indicate N/A where applicable.

Section I: Business Information:

1. Provide: Name of business, FEIN, property address, contact name and information (phone, email)_____
2. Provide a narrative description of the company, e.g. Type of business structure, parent company/subsidiaries/affiliated enterprises, product(s) and/or service(s). _____
3. Provide a narrative history of the business, e.g. Where did the idea come from for the business, who started it, and how has it transformed since inception. _____

Section II: Business Project/Expansion

1. Describe in detail the proposed business project/expansion: (e.g., company relocation, plant expansion, remodeling, new product line, refinancing). _____
2. What is your anticipated start-up date and completion date? _____
3. Has any part of the project been started? _____
4. What form of investment will the business contribute to the project? Please explain clearly. (e.g., direct cash investment, existing equity, new equipment) _____
5. Identify all agencies or institutions involved in the project and what their involvement is. _____
6. Explain why assistance is needed from the Albemarle Commission's RLF and why it cannot be obtained elsewhere (i.e., financing gap, rate of return, location, lower rate) _____
7. Provide an itemized list of RLF expenditures (refer to eligible expenditures on page 5 of the RLF policy/guidelines) _____

Section III: Workforce

1. How many employees are currently employed by the company? _____
 - a. What are their positions/classifications, FT/PT status, hourly rates and/or fringe benefits? _____
2. If awarded RLF funds, how many new, full-time and part-time employees will the company add to the payroll? _____
 - a. What would their positions/classifications, FT/PT status, hourly rates and/or fringe benefits be? _____
 - b. What's the anticipated hiring schedule? _____
3. Will any of your current employees lose their jobs if the project does not proceed? If yes, how many? _____

Section IV: Regional Impact

1. What percentage of the company's sales will be outside of Northeastern NC? _____

2. What percentage of the company's total operating expenditures (*including wages and salaries*) will be spent within Northeastern NC? _____
3. What other local companies could be considered your competitors? _____
4. How will this project benefit Northeastern NC and the community? (*i.e., new jobs, payroll, economic diversification, capital investment, real estate tax, sales tax, utility tax*)_____
5. Is company willing to give hiring preference to northeastern NC residents?_____

Section V: Finances

1. List current assets, liabilities, sources of income, etc. for borrower. Include amounts for each._____
2. Disclosure of credit standing/history (a credit report will be pulled for RLF committee review)_____
3. List collateral items and amounts to be used for borrowed RLF funds (refer to terms of loan in RLF policy/guidelines). _____
4. Narrative on RLF repayment plans._____

Section VI: Miscellaneous

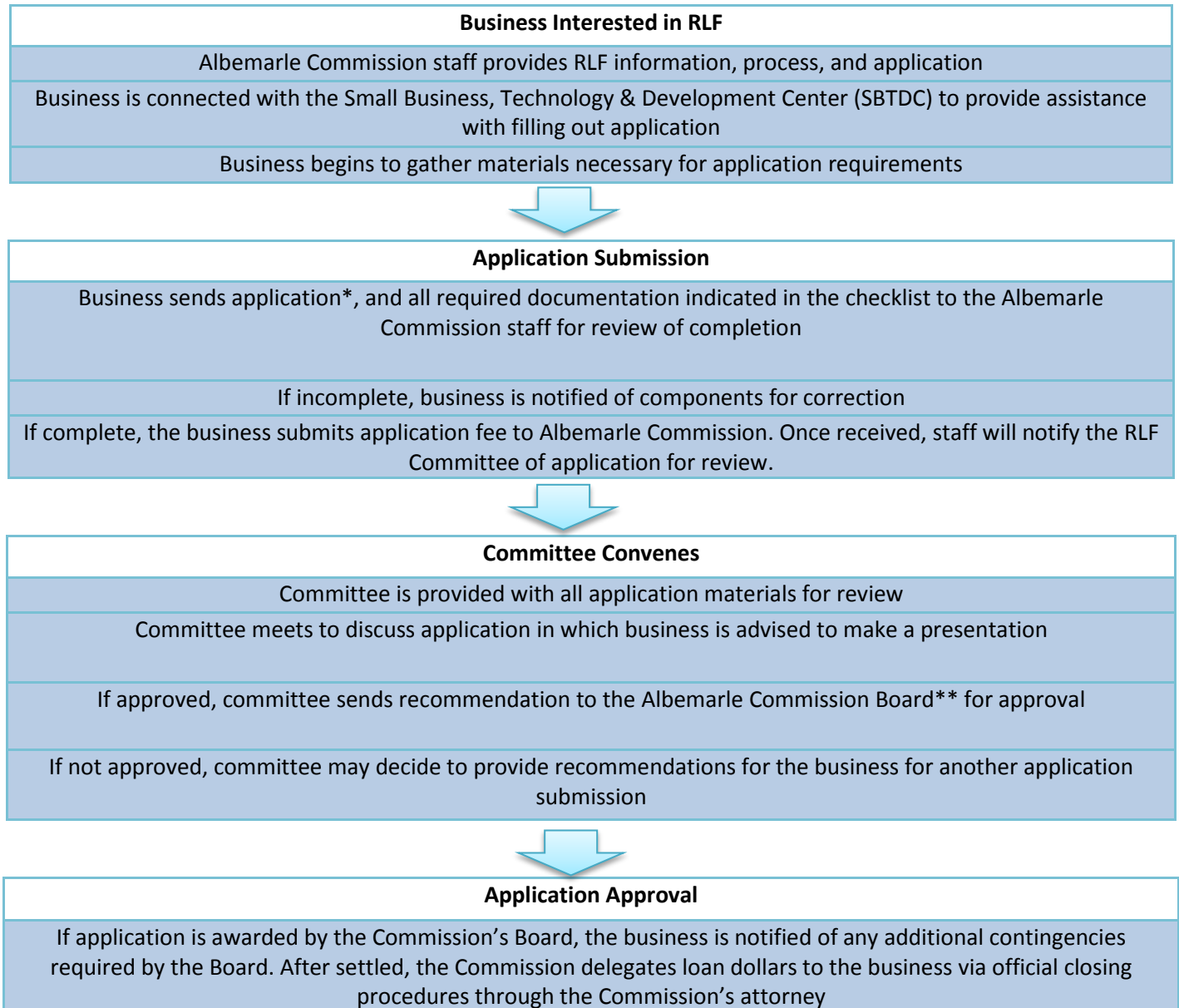
1. Has the business or business owners been cited or convicted for violations of any federal or state laws or regulations within the last five years? (*including environmental or safety*) _____
2. Are there any other sites your business will be using inside and outside of NC? *If so, please include locations and purpose of the site.*_____
3. Will you be storing above ground or around your business premises in tanks or other units for any length of time any fuel or hazardous materials?_____
4. Will you be treating, transporting, or disposing of any liquid, gas or solids at a landfill, waterway body of water, or in any aircraft? _____
5. If the business generates solid or hazardous waste, it is required to submit an audit and management plan to reduce the amount of waste and to safely dispose of the waste. _____
6. Will any part of the project take place in a 100-year flood plain? If so, flood insurance will be required. _____

Attachment checklist: The following attachments are required for a complete application. Please use this list to ensure that all items required are submitted. If any item is not submitted, please attach explanation.

Attached? (Y/N)	Unavailable or N/A? (Provide explanation below)	
Y <input type="checkbox"/> N <input type="checkbox"/>		Certification of good standing from the NC Secretary of State or an authorization to conduct business in NC.
Y <input type="checkbox"/> N <input type="checkbox"/>		Letter of denial of loan funds from traditional sources (i.e., banks)
Y <input type="checkbox"/> N <input type="checkbox"/>		Business plan. Refer to Attachment B in RLF Policy/Guidelines – “Business Development Considerations” for guidance. This template is not required.
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Marketing plan if not verbatim in the business plan.
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Copies of insurance information for collateral being used for RLF.
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Copy of Profit & Loss Statements (3-year historical and 2-year projections)
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Copy of balance sheets (3-year historical and 2-year projections, including aging accounts receivable schedule, aging accounts payable schedule and a schedule of other debt)
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Copy of the most recent monthly payroll register
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Certificate of incumbency listing the current board of directors and current officers if a corporation, or a listing of the general partners if a partnership.
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Cost Estimates and/or Quotes of all proposed RLF expenditures
Y <input type="checkbox"/> N <input type="checkbox"/>		Map indicating location of the project
Y <input type="checkbox"/> N <input type="checkbox"/>	Unavailable <input type="checkbox"/> N/A <input type="checkbox"/>	Any supplemental material (letters of support from town/county delegates or anything pertaining to the above checklist and questions; local, state and federal government agency licenses and permits)
Y <input type="checkbox"/> N <input type="checkbox"/>		\$200 non-refundable application fee

Explanation of attachments not included in this RLF application: _____

Attachment A
Revolving Loan Fund (R.L.F.) Process



**Businesses are provided with an electronically-fillable RLF application*

***Albemarle Commission board meets on the 3rd Thursday of every month (with the exception of August & December). Committee must have sufficient time for review and presentation of the RLF application before board materials are distributed to members.*

Attachment B
Business Plan Development Template

BUSINESS PLAN OUTLINE

1. Executive Summary

- Mission
- The Opportunity
- Strategy
- Motivation for Customers to Buy
- Our Company
- Financial Summary
- Key Factors for Success

2. The Market

- Industry Size
- Industry Background
 - General
 - In Our Market Area
- Customers
- Market Size and Trends
 - Detail Market Using Quantifiable Measures
- Competition
- Market Share and Sales
- Market Review Strategy
- Price Sensitivity

3. The Product and Services

- Concept Development and History
- Products and Services
- Entry and Growth Strategy
 - Time Frame
- Product Development

4. Marketing and Sales Plan

- Specific Product Marketing Plan
- Advertising and Promotion
- Purchase and Payment Policy
- Warranty Policy
- Sales Growth
- Product Pricing
 - Why this umbrella company?
 - Channel Strategy

5. Operations and Product/Service Delivery

- Production Systems Layout
- Order Processing
- Delivery Systems
- Quality Control

6. Management Team

- Ownership
- Management Compensation
- Curriculum Vitae of Key People

7. Our People

- Employees (i.e. type, education requirements, etc.)
- Recruitment
- Compensation (i.e. salary, benefits, etc.)
- Union
- Future requirements and training

8. Schedules and Time Lines

- Implementation Plan (milestones, significant dates, relationships, and actions)

9. Critical Risks and Problems

- Risks: identification, quantification, metrics, and mitigation

10. Financial Statements and Projections

- Process of Cash Flow For Operations
- Detailed Financial Three Year Projection
- Income and Expenses
- Cash Flow
- Balance Sheet
- Return On Investment

OPERATIONS AND PRODUCT/SERVICE DELIVERY

1. PRODUCTION SYSTEMS LAYOUT

- Make a detailed schematic diagram of the equipment and label the various parts.
- It is not necessary to detail the exact specifications of the various devices and equipment (brand names and labels can be omitted) however size, weight, and structure should be included.
- Describe the layout, dimensions, and other factors of your production or assembly areas.
- Describe what is done at each stage of the production and product delivery process.
- Comment on new technologies or equipment or proprietary "know-how" that give your company an advantage over competitors. Here

is where you can really show off your knowledge.

2. ORDER PROCESSING

- How are orders processed and how do they move through your company ending in delivery to the customer.

3. DELIVERY SYSTEMS

- If your product is delivered at a location other than your office, describe the requirements of this site. Describe in detail how your product is delivered to customers; include the mechanisms, checks, and tracking systems, transportation systems used and any other details that are relevant.
- Identify any unusual or unique shipping requirements, e.g., custom vehicles, packing, sizes, weights, etc.

4. QUALITY CONTROL

- Review your quality control procedures, period of time they have been in practice, and their reliability.

5. REGULATORY ENVIRONMENT

- Identify the statutes, laws, permits, and other governmental criteria that apply to your business and products, e.g., OSHA, EPA, zoning, etc.
- Identify any unusual or unique shipping requirements' permitting
- Identify the industry criteria that apply to your products and processes
- Identify any patent or property rights that apply or may apply to your products or processes, both your patents and those upon which you rely.

MANAGEMENT TEAM

1. OWNERSHIP

- Describe the organization and management structure now in place or that being proposed.
- Describe the responsibilities and obligations of your company's management
List the responsibilities you now have.

List the potential responsibilities if the business should expand.

List any unusual reporting structures that may exist

Describe the responsibilities and obligations of an investor, dealer, or franchise from your point of view.

- Describe the functions of the board of directors and their scope of responsibilities.
How often do they meet?
What is the company's annual reporting format and who provides legal and accounting services?
What are the costs associated with these functions?
What provides the board of director's influence if a board is not a company function?
- Identify the company's bank, auditor, lawyer, insurance agent, major distributors, or outside sales agents.
Do this in tabular form showing name of firm, address, phone number and the name of the person with whom you deal.
Include copies of agreements or contracts that you have with these parties. (e.g. bank line of credit.)
A review and recommendation by your insurance agent of present and suggested future coverage is also very useful.

2. MANAGEMENT COMPENSATION

- State the date and jurisdiction of the incorporation of your company.
- If it had earlier operated as a proprietorship or partnership, state the particulars, period, and reason for incorporating.
- Discuss and describe all incentive plans and other conditional compensation and consideration proposed for key people.

3. CURRICULUM VITAE OF KEY PEOPLE

- Key people include those, if lost especially to a competitor, whose responsibilities, skills, and intellectual contribution would harm or cripple the company.
- Include the data from the employment history questionnaire.

4. MANAGEMENT AND KEY PERSONNEL RETENTION AND SUCCESSION PLAN

- Comment on new technologies or equipment or proprietary "know-how" that give your company an advantage over competitors.
- Discuss how such proprietary material will be protected including through personnel retention and controlled distribution.
- Provide documentation of agreements with key people showing what notice of departure, and disposition of bonus or other incentives of value, etc., would be forfeited in consequence of sudden departure.
- State any agreements and moneys referenced with regard to the above two points, and those now in existence along with future changes expected.
- Include the data from the employment history questionnaire.

YOUR PEOPLE

1. EMPLOYEES

- Tabulate the employees' positions, brief job descriptions, pay rates and the number of full- or part-time persons employed now and for the projected future.

2. ATTRACTING GOOD PEOPLE

- Explain the attraction for prospective employees to join the company. Explain the working conditions, product uniqueness, production or engineering uniqueness, and other attractions what will encourage attractive applications for employment by the company.

- If employee incentives are used, explain how they are conditioned and determined. Explain their relationship to total compensation.

3. COMPENSATION

- Explain the company's compensation philosophy and give specific details of any fringe benefits, bonuses, profit-sharing, performance and retention considerations.
- If employee incentives are used, explain how they are calculated and explain their relationship to total compensation.
- Explain any retention, performance, or other incentives offered to employees, and what amount(s) and criteria apply.

4. BENEFITS

- Detail the benefits packages your company offers.

FUTURE REQUIREMENTS AND TRAINING

- As the company grows, can it maintain a stable and well-trained labor force?
- What is the labor supply for your business?
- Do your employees have a significant learning curve?
- What special in-house training is required?
- Can the company qualify for federal or provincial training grants?

5. UNION

- Detail your company's relationship to any labor union if there is one.

Attachment C
Revolving Loan Fund Application Evaluation

Albemarle Commission Revolving Loan Fund (RLF)

Applicant: _____

Date of Review: _____

Name of Reviewer: _____

Process for determination of award:

RLF Committee members will individually answer the questions in the rubric below by assigning a point value to each category addressed by the RLF questionnaire/checklist.

Applications that receive a total average (of all committee member scores) that is 70% or higher of the maximum score (120), and do not receive an average between 1-5 on any of the questions will be awarded. **Therefore, applications with a total of 84 or above will be awarded***.

**An average between 0-5 on ANY element will result in application disqualification (total score will be null). Businesses can revise and resubmit for another scoring.*

QUESTIONS & SCORING DESIGNATIONS Questions as they pertain to the application questionnaire & checklist.	COMMITTEE MEMBER SCORES Check the appropriate box and indicate point value.	COMMENTS	AVERAGE <i>For Commission staff to fill out once points are tallied.</i>
1. The applicant has provided relevant and resolute information in “ Section I: Business Information ” of the RLF Questionnaire. <ul style="list-style-type: none"> • Strongly agree (11-15 points) • Agree (6-10 points) • Disagree (1-5 points) • Strongly Disagree (0 points) 	<input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____		
2. The applicant has provided relevant and resolute information in “ Section II: Business Project/Expansion ” of the RLF Questionnaire. <ul style="list-style-type: none"> • Strongly agree (11-15 points) • Agree (6-10 points) • Disagree (1-5 points) • Strongly Disagree (0 points) 	<input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____		
3. The applicant has provided relevant and resolute information in “ Section III: Workforce ” of the RLF Questionnaire. <ul style="list-style-type: none"> • Strongly agree (11-15 points) • Agree (6-10 points) • Disagree (1-5 points) • Strongly Disagree (0 points) 	<input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____		
4. The applicant has provided relevant and resolute information in “ Section IV: Regional Impact ” of the RLF Questionnaire. <ul style="list-style-type: none"> • Strongly agree (11-15 points) • Agree (6-10 points) • Disagree (1-5 points) • Strongly Disagree (0 points) 	<input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____		
5. The applicant has provided relevant and resolute information in “ Section V: Finances ” of the RLF Questionnaire. <ul style="list-style-type: none"> • Strongly agree (11-15 points) • Agree (6-10 points) • Disagree (1-5 points) • Strongly Disagree (0 points) 	<input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____		
6. The applicant has provided relevant and resolute information in “ Section VI: Miscellaneous ” of the RLF Questionnaire. <ul style="list-style-type: none"> • Strongly agree (11-15 points) • Agree (6-10 points) 	<input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____		

<ul style="list-style-type: none"> Disagree (1-5 points) Strongly Disagree (0 points) 			
<p>7. The applicant has provided necessary attachments.</p> <ul style="list-style-type: none"> Strongly agree (11-15 points) Agree (6-10 points) Disagree (1-5 points) Strongly Disagree (0 points) 	<ul style="list-style-type: none"> <input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____ 		
<p>8. The applicant has provided reasonable explanations for attachments not included with application submission.</p> <ul style="list-style-type: none"> Strongly agree (11-15 points) Agree (6-10 points) Disagree (1-5 points) Strongly Disagree (0 points) 	<ul style="list-style-type: none"> <input type="checkbox"/> Strongly agree Pt #: _____ <input type="checkbox"/> Agree Pt #: _____ <input type="checkbox"/> Disagree Pt #: _____ <input type="checkbox"/> Strongly Disagree Pt #: _____ 		
		General Comments:	TOTAL: Awarded: <input type="checkbox"/> Yes <input type="checkbox"/> No