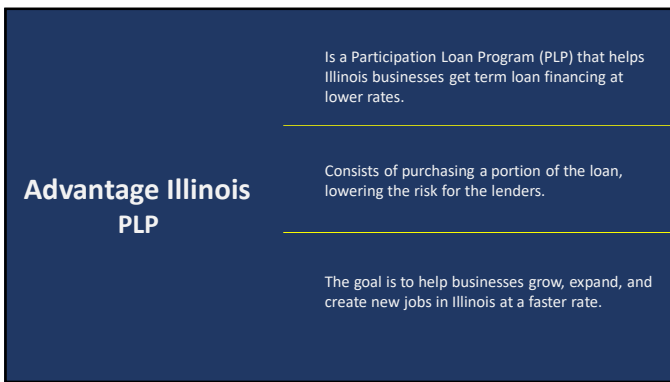




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Advantage Illinois – PLP

Benefits




Businesses

- Access to financing
- Lower rates



Lenders

- More loan volume
- Less risk



Advantage Illinois

- Economy growth
- Job creation and retention

Important Information

Advantage Illinois' participation is subordinate to the bank.

There are NO Advantage Illinois term loan fees for the borrower or lender. *Lenders can still charge their normal fees.

Documentation and application process is short and simple

Advantage Illinois uses lender's write-up/loan presentation

ITR-1 is required and sent to the Illinois Department of Revenue (IDOR)

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Advantage Illinois – PLP

Types of financing

	STANDARD	SEDI <small>(Socially and Economically Disadvantaged Individual(s))</small>
Maximum participation	The lesser of: <ul style="list-style-type: none"> • 25% of the project (all sources of funding) • 50% of the loan • \$2 million 	The lesser of: <ul style="list-style-type: none"> • 50% of the project (all sources of funding) • 50% of the loan • \$2 million
Maximum term	7 years	7 years
Amortization	Yes	Yes
Rate	Fixed at 2% below lender rate with a floor of 2%	Rate fixed at 2%
Job Creation and/ or Retention	Each \$50,000 participated: One full time job should be created or retained in the next 2 years	Each \$65,000 participated: One full time job should be created or retained in the next 2 years

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Advantage Illinois LGP

Is a Loan Guarantee Program (LGP) that provides a guarantee of partial repayment if a loan goes into default.

Mitigates risk for private financial lenders.

The goal is to help businesses grow, expand, and create new jobs in Illinois at a faster rate.

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Advantage Illinois – LGP

Fills the gaps that prevent business from obtaining financing

The loan/ guarantee can be used for:

- Real estate (must be 51% or more occupied by the business)
- Inventory
- Working Capital
- Equipment
- Leasehold Improvements
- Accounts receivable

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Advantage Illinois – LGP

Benefits and Important Information

Loan Guarantees can help secure financing for a borrower who might otherwise be unable to obtain a loan. Additionally, it assists with access to finance or capital, reduction of risk exposure, and an increase in lending activity.

- Advantage Illinois guarantees a partial repayment if a loan goes into default
- Documentation and application process is short and simple
- LGP fees include a Loan Origination fee and an Annual Guarantee Fee*
- Advantage Illinois uses lender's write-up/loan presentation

*Any fees will be in compliance with the fee limits in the SBCI Program Policy Guideline's Minimum National Customer Protection Standards.

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Advantage Illinois – LGP

Types of Coverage

	STANDARD	SEDI (Socially and Economically Disadvantaged Individual(s))
Minimum Guarantee	• \$10,000	• \$10,000
Maximum Guarantee	• 50% of the loan up to \$2,000,000	• 75% of the loan up to \$1,000,000; or • 65% of the loan up to \$2,000,000
Maximum Guarantee Term	7 Years	7 Years
Coverage Options	Pro Rata or First Loss	Pro Rata or First Loss
Rate	To be negotiated between the lender and the borrower	To be negotiated between the lender and the borrower
Job Creation and/ or Retention	Each \$50,000 guaranteed: One full time job should be created or retained in the next 2 years	Each \$65,000 guaranteed: One full time job should be created or retained in the next 2 years

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Advantage Illinois – LGP

Types of Coverage- cont'd

First Loss

Pro Rata

- Losses on the loan are initially covered by Advantage Illinois up to the coverage limit.
- Losses on the loan are split between the Lender and Advantage Illinois in proportion to the amount of the guaranteed amount.

Origination Fee

- 3.25% of the guaranteed amount

- 2% of the guaranteed amount

Annual Guarantee Fee*

- 0.75% of the principal balance (Non SEDI)
- 0.25% of the principal balance (SEDI)

- 0.50% of the principal balance (Non SEDI)
- 0.25% of the principal balance (SEDI)

Example

Advantage Illinois provides a guarantee of up to 75% for a \$100,000 loan that defaults with a \$20,000 principal balance, the coverage amount paid to the lender would be \$15,000 (\$20,000 x 75%).

Advantage Illinois provides a guarantee of up to 50% for a \$100,000 loan that defaults with a \$20,000 principal balance, the coverage amount paid to the lender would be \$10,000 (\$20,000 x 50%).

*If the coverage or guarantee is renewed the annual guarantee would apply to the loan's principal balance multiplied by the coverage amount.

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Advantage Illinois

Eligibility

Less than 750 employees

Operate in the State of Illinois

Be in good standing with the Illinois Secretary of State

Clear of any back taxes

No bankruptcies, judgements, or liens in the past 5 years

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Advantage Illinois

Not-Eligible

Goodwill

Adult entertainment

Investment real estate

Tobacco

Gambling*

Cannabis (other programs available)

Speculative Investments and lending operations

Lobbying or political contributions

*Gambling may be permissible based on the business earning less than thirty-three percent (33%) of its annual net revenue from legal gambling activities.

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Advantage Illinois

SEDI

Businesses Owned/ Controlled by Individuals with Diminished Credit

CDFI Criteria

- | | | |
|---|---|--|
| - Membership of a group subjected to racial/ ethnic prejudice or cultural bias | - Member of a federally or state-recognized Indian Tribe | 1) Owned/ controlled by individuals who reside in CDFI investment area |
| - Gender | - Long-term residence in a rural community | 2) Business Enterprises certify they will operate a location in a CDFI |
| - Veteran Status | - Residence in a community undergoing economic transitions | 3) Business Enterprises that are located in CDFI investment areas |
| - Limited English Proficiency | - Membership of another "Underserved Community" (Executive Order 13885) | |
| - Long-term residence in an isolated environment from mainstream American society | - Disabled Individuals | |

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THE ILLINOIS DEPARTMENT OF COMMERCE WANTS TO PARTNER WITH YOU

Sean Pritchard
Advantage Illinois Program Manager
Springfield Office

Mark Schultz
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Springfield Office

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Duane Walker
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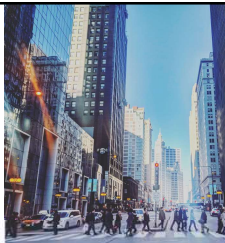


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Illinois Department of Commerce
& Economic Opportunity
OFFICE OF ENTREPRENEURSHIP,
INNOVATION & TECHNOLOGY
JB Pritzker, Governor

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Illinois Finance Authority Climate Bank —
SSBCI 2.0 PLP

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**IFA Climate Bank
PLP**

Assists Illinois businesses that create or retain jobs by offering its Participation Loan Program in conjunction with lenders.

The IFA was designated as the State's Climate Bank as a directive to focus on reducing carbon emissions, create energy efficient programs, and provide equity and job creation.

The goal is to help accelerate the investment of private capital into clean energy projects.

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IFA Climate Bank
Applicable Borrower Criteria

- Less than 750 employees
- Operate in the State of Illinois
- Be in good standing with the Illinois Secretary of State
- Clear of any back taxes
- No bankruptcies, judgements, or liens in the past 5 years

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IFA Climate Bank
Eligible Projects

- Clean air/ water projects and wastewater treatment
- Production/ installation/ servicing of electric vehicles and EV charging stations
- Energy conservation
- Broadband expansion for rural and other underserved communities
- Production/ installation/ servicing of wind/ hydro/ solar equipment
- Clean energy generation, alternative fuels, and new battery technologies
- Biomaterial production and sustainable agricultura practices
- Other efforts providing environmental benefit/ counter the impacts of climate change

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IFA Climate Bank

Types of financing

	STANDARD	SEDI and VSBS (Socially and Economically Disadvantaged Individual(s))
Maximum participation	The lesser of: • 25% of the project (all sources of funding) • 50% of the loan • \$2 million	The lesser of: • 50% of the project (all sources of funding) • 50% of the loan • \$2 million
Maximum term	7 years	7 years
Amortization	Yes	Yes
Rate	Fixed at 2% per annum	Rate fixed at 1% per annum
Job Creation and/ or Retention	Each \$50,000 participated: One full time job estimated to be created or at-risk jobs to be retained in the next two years	Each \$65,000 participated: One full time job estimated to be created or at-risk jobs to be retained in the next two years

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