MOSHANNON VALLEY REVOLVING LOAN FUND

APPLICATION MATERIALS CHECKLIST

Standard Application Materials Checklist:

I. Application

II. Acknowledgement Form

III. Statement of Non-Relocation

IV. Environmental Certification

V. Acknowledgement of Fees

Additional Documentation Required:

_____ Current Financial Statements/Balance Sheets

_____ Personal Financial Statements
(For all owners with 50% ownership or greater.)

_____ Most Recent Interim Financial Statements

_____ Projected Pro Forma Balance Sheets, etc.

_____ Estimates, receipts, contracts, orders, etc.

_____ Back-up regarding operating costs, etc.

_____ General information about management

_____ Additional back-up information - appraisals, etc.

_____ How the applicant proposes to meet environmental issues
DESCRIPTION OF THE APPLICATION PROCESS

The Moshannon Valley Economic Development Partnership has made every effort to keep the Revolving Loan Fund Program application requirements to a minimum. Partnership staff is most willing to assist the applicant through the application process. All applications will be reviewed and evaluated by the Moshannon Valley Economic Development Partnership’s Revolving Loan Fund Committee. All information is kept confidential.

The RLF Program applicant must use the attached loan application. In addition to the application forms, all eligible borrowers shall provide the following:

a. Current financial statements including balance sheets and income statements with footnotes and supporting statements for the applicant’s three most recent fiscal years. If statements are not certified, the last three federal income tax returns must be furnished.

b. Most recent interim financial statements for the applicant, and where applicable of its parent company, certified by law officers of the prospective companies and maintained current during loan processing.

c. Projected pro forma balance sheets, income statements, cash flow statements, and supporting statements of the applicant quarterly from the date of the latest interim financial statement to the date of the final loan payment if RLF loan is approved. Such statements and balance sheets should reflect the applicant’s ability to repay debt out of earnings.

d. Such non-financial information as the Revolving Loan Fund Committee deems necessary including, but not limited to:

   (1) Estimates or firm quotations, receipts, contracts, orders, invoices, leases, or equivalent documentation from architects, engineers, contractors, sub-contractors, lessors, or others involved in the sale, lease, or construction of the fixed assets, if any, for the applicant’s project including schedules of implementation.

   (2) Back-up information regarding the applicant’s operating costs including projected employment by job category, applicable wage rates, cost, and availability of raw materials and energy.

   (3) General information about management capability including resumes for top management and marketing plans.
(4) Additional back-up information as the Revolving Loan Fund Committee may require regarding collateral, such as appraisals and valuation of non-project assets and guarantees.

(5) Information on how the applicant proposes to meet applicable environmental regulation, standards, or conditions.
I. REVOLVING LOAN FUND APPLICATION

I. GENERAL INFORMATION

Name of Firm: _______________________________________________________
Address: _____________________ Phone: _________ Fax: __________
City, State, Zip: ______________________________________________________
Email: ______________________  Website:______________________________
Chief Executive Officer: _____________________________________________
Date Established: ____________________________________________________
Affiliated Companies: ________________________________________________
Function of Affiliates: ________________________________________________

II. BUSINESS INFORMATION

Principal Business Activity: ____________________________________________
Type of Business: Corporation___  Partnership___  Sole Proprietorship___

<table>
<thead>
<tr>
<th>Principals of Company</th>
<th>Social Security #</th>
<th>Percent Ownership</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

Present Commercial Bank: ____________________________________________

Does the company own or lease its existing facilities?  Own___  Lease___

SIC or NAICS Code No.________________________
III. PROJECT DESCRIPTION

Project Location: _____________________________________________________________

Project Description: __________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

IV. SOURCES AND USES OF FUNDS

Total Project Cost: ____________________________________________________________

Total Revolving Loan Funds Requested: _________________________________________

<table>
<thead>
<tr>
<th>SOURCES OF FUNDS</th>
<th>USES OF FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity (10%)</td>
<td>Land</td>
</tr>
<tr>
<td>$__________</td>
<td>$__________</td>
</tr>
<tr>
<td>Local Banks</td>
<td>Building Acquisition</td>
</tr>
<tr>
<td>________________</td>
<td>Expansion or Renovation</td>
</tr>
<tr>
<td>PIDA</td>
<td>New Machinery &amp; Equip.</td>
</tr>
<tr>
<td>________________</td>
<td>________________</td>
</tr>
<tr>
<td>IDA</td>
<td>Used Machinery &amp; Equip.</td>
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<tr>
<td>________________</td>
<td>________________</td>
</tr>
<tr>
<td>SBA</td>
<td>Working Capital</td>
</tr>
<tr>
<td>________________</td>
<td>________________</td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>________________</td>
<td></td>
</tr>
<tr>
<td>Revolving Loan</td>
<td></td>
</tr>
<tr>
<td>Fund</td>
<td></td>
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<tr>
<td>________________</td>
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</tbody>
</table>

Total: __________________________________________

Have you filed applications or received commitments from any of the financing sources listed above? Yes ___ No ___

Please explain _______________________________________________________________
V. USE OF FUNDS ANALYSIS

A. Land or Building Project (check all that apply)

Purchase Land _____   Acquire Existing Building _____

Building Addition _____   Construct New Building _____

SIZE OF EXISTING BUILDING FACILITY (S)

Size ________ Sq. Ft.   Owned or Leased? ________

If Owned:

If Leased:

Purchase Price:_____________   Annual Rent_____________

Existing Mortgage___________   Expiration of Lease_____________

Recent Appraised Value_______   Annual Mortgage Payments___________

NEW FACILITY

Size_______________ Sq. Ft.

Will New Facility Replace or be an Addition to Existing Facility?____________________

________________________________________________________

Purchase Price of Facility_____________ Appraisal Available? ____________

Construction Cost of New Facility___________________________________________

Construction Estimate Available?___________________________________________

Land Purchase Price _________________ Appraisal Available?____________________
B. Machinery & Equipment Project

Is M & E for replacement purpose or to add additional capacity? ____________________________

________________________________________________________________________________

Used M & E to be purchased? _____________  Cost _________________________

New M & E to be purchased? _____________  Cost _________________________

C. Working Capital Project

Why is working capital needed and how will it be used? ________________________________

________________________________________________________________________________

VI. EMPLOYMENT – EXISTING AND PROJECTED

Number of Employees:

<table>
<thead>
<tr>
<th>Type of Job</th>
<th>PRESENT</th>
<th></th>
<th></th>
<th></th>
<th>AFTER COMPLETION OF PROJECT</th>
<th></th>
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</thead>
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<tr>
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<tr>
<td>Clerical</td>
<td>______</td>
<td>______</td>
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<td>______</td>
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<td>______</td>
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<tr>
<td>Professional</td>
<td>______</td>
<td>______</td>
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<td>______</td>
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<td>______</td>
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<tr>
<td>Management</td>
<td>______</td>
<td>______</td>
<td>______</td>
<td>______</td>
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<td>______</td>
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<td>TOTAL</td>
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Note: One job must be created over a three-year period for every $35,000 of RLF money received.
Is Company Unionized? _______________ Name of Union ______________________
Contract Due Date ________________________ Any Recent Strikes____________________

VII. ADDITIONAL INFORMATION

Financial Statements for the past 3 years? Yes____ No____
Most recent Interim Financial Statement? Yes____ No____
Personal Financial Statements? Yes____ No____
Federal Income Tax Forms? Yes____ No____
Pro-Forma Income Statements? Yes____ No____
Cash Flow Projections? Yes____ No____

VIII. APPLICANT CERTIFICATION

Signature: _______________________________________________________________
Typed Name: _____________________________________________________________
Title: __________________________________________________________________
Date: ___________________________________________________________________
II. ACKNOWLEDGEMENT FORM

The Moshannon Valley Economic Development Partnership’s Revolving Loan Fund Program was set up in 1989 and was funded with both local funds and federal funds. The federal funds were provided through the U.S. Department of Commerce, Economic Development Administration. Because of the federal funding that is involved, the MVEDP must comply with all regulations that are in place to govern revolving loan fund programs. The loan recipient must also comply with federal loan requirements such as environmental.

This is notice to you, as required by the “Right to Financial Privacy Act of 1978”, of the Moshannon Valley Economic Development Partnership Revolving Loan Fund Committee’s access rights to financial records held by financial institutions that are or have been doing business with you or your business, including financial institutions participation in this loan. Access rights continue for the term of any approved loan without further notice or authorization.

This authorized the RLF Committee to use or transfer financial records on an application for an approved loan, as necessary, to process, service, or foreclose a loan or collect on a defaulted loan. No other transfer of your financial records will be permitted.

I/We authorize disclosure of all information submitted in connection with this application to the financial institution agreeing to participate in the loan and the RLF Committee.

I/We authorize the RLF committee to publicize an approved loan at such time that is deemed most appropriate by the RLF Committee and our company.

As consideration for any management and technical assistance that may be requested, I/We waive all claims against the RLF Committee and its employees and/or consultants.

I/We give the assurance that I/We will comply with section 112 and 113 of Volume 13 of the Code of Federal Regulations. These Code Sections prohibit discrimination on the grounds of race, color, sex, religion, marital status, handicap, age or national origin by recipients of federal financial assistance and require appropriate report and access to books and records. These requirements are applicable to anyone who buys or takes control of the business. I/We realize that if I/We do not comply with these non-discrimination requirements, the RLF Committee can call, terminate, or accelerate repayment on my/our loan.

I/We agree to protect and hold the Federal government harmless from and against all liabilities that the Federal government might incur as a result of the MVEDP providing an RLF loan to the recipient.
Authority to Collect Personal Information – This information is provided pursuant to Public Law 93-579 (Privacy Act of 1974).

Effects of Non-Disclosure – Omission of an item means your application might not receive full consideration.

Agreement of Non-Employment of RLF Committee Personnel – I/We agree that if the RLF Committee approves this loan application, I/We will not, for at least two years, hire, as an employee or consultant, anyone that was employed by the RLF Committee during the one-year period prior to the disbursement of the loan.

All information is true to complete to the best of my/our knowledge.

ACKNOWLEDGEMENT OF APPLICANT

I/We certify that I/We have read this “Acknowledgement Form” and that I/We have been given a copy of it.

ALL OWNERS OF THE BUSINESS

__________________________________
Name/Title

__________________________________
Company

__________________________________
Name/Title

__________________________________
Company

__________________________________
Name/Title

__________________________________
Company
III. STATEMENT OF NON-RELOCATION

I/We give the assurance that my/our project will not involve any relocation of the business or any of my/our business activities from one part of the Commonwealth to another. My/Our entire operation is to be located in _____________________________, ________________ County, as the existing plant which is the subject of this project.

Further, let it now be stated and confirmed that I/we have no plan or intent to relocate from this facility. I/We are committed to _____________________________ and the surrounding community.

______________________________
Name/Title

______________________________
Company
IV. ENVIRONMENTAL CERTIFICATION

The undersigned hereby warrants that, to the best of his/her knowledge, information, and belief, there is not now nor has there been any unremediated leak, discharge, emission, seepage, flow or release of any petroleum, petroleum by-products or any substance or agent on the property of _____________________________ from the undersigned, and the undersigned further warrants that, to the best of his/her knowledge, the soil and water, surface or subterranean of the aforesaid property does not contain any petroleum, petroleum by-product or any substance which may be hazardous to the environment or to human health, including but not limited to any substance which is considered a hazardous waste, a pollutant, a contaminant, a toxic substance or otherwise hazardous, harmful or a pollutant under the provisions of The Resource Conservation and Recovery Act of 1976, The Comprehensive Environmental Response, Compensation and Liability Act of 1980, The Federal Water Pollution Control Act, The Toxic Substance control Act or any other federal, state or local laws, rules, or regulations relating to hazardous substances or wastes.

I/We give assurance that _____________________________ is not presently under citation for any pollution violations, and I/we shall continue to conduct out future business in accordance with applicable state and federal regulatory standards.

______________________________
Name/Title

______________________________
Company
V. ACKNOWLEDGEMENT OF FEES

There are two fees charged by the Moshannon Valley Economic Development Partnership for all loans processed through the Revolving Loan Fund Program.

1. $100 non-refundable fee required at application, credited toward minimum loan fee of 1.5% of loan amount (not to exceed $1,500).

2. Borrower is responsible for the legal fees that are incurred by the Partnership in processing the loan.

The above loan fee schedule is acceptable.

__________________________________________  ______________________________
DATE                                             BORROWER

Saved As: REVOLVING LOAN FUND APPLICATION