



# ENTREPRENEURIAL CENTER NEW VENTURE CAPITAL PROGRAM

## APPLICATION

NORTH DAKOTA DEPARTMENT OF COMMERCE

SFN 59177 (7-2009)

|   |  |   |  |
|---|--|---|--|
| Applicant Name  |  | Social Security Number/Federal Tax ID Number  |  |
| Primary Contact   |  | Title   | Telephone Number   |
| Address   |  | City  | State ZIP Code   |
| Email Address   |  | Date of Application   | Date Business Established  |
| Purpose of Request  |  | Current Number of Employees:  | Projected Number of Employees within 24 months:  |
| Legal Structure: <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Liability Company |  | <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Other: | <input type="checkbox"/> Sub Chapter S Corporation <input type="checkbox"/> Non-Profit<br><input type="checkbox"/> New Business <input type="checkbox"/> Existing Business <input type="checkbox"/> Purchase Existing Business |
| Financial Institution/Development Agency  |  | Primary Contact   | Telephone Number   |
| Address   |  | City  | State ZIP Code   |

| Sources of Funds                         | Amount | Sources of Funds | Amount |
|--|--------|------------------|--------|
| A. Owner Equity                          | \$     | D. Other:        | \$     |
| B. Entrepreneurial Center Funding Amount | \$     | E. Other:        | \$     |
| C. Matching Funds                        | \$     | <b>TOTAL</b>     | \$     |

| Use of Funds          | Source A | Source B | Source C | Source D | Source E | Total Cost |
|-----------------------|----------|----------|----------|----------|----------|------------|
| Land Acquisition      |          |          |          |          |          |            |
| Building Construction |          |          |          |          |          |            |
| Building Purchase     |          |          |          |          |          |            |
| Site Improvement      |          |          |          |          |          |            |
| Machinery/Equipment   |          |          |          |          |          |            |
| (1) Office Equipment  |          |          |          |          |          |            |
| (2)                   |          |          |          |          |          |            |
| (3)                   |          |          |          |          |          |            |
| Inventory             |          |          |          |          |          |            |
| Working Capital       |          |          |          |          |          |            |
| Other:                |          |          |          |          |          |            |
|                       |          |          |          |          |          |            |
|                       |          |          |          |          |          |            |
| TOTAL                 |          |          |          |          |          |            |

**Note: Attach a complete description of the use of the New Venture Capital Program (NVCP) funds (i.e. list of Machinery & Equipment to be purchased, description of building to be purchased or erected and inventory purchased).**

| Summary of Collateral    | Present Market Value | Present Mortgage Balance | NVCP Collateral Position |
|--------------------------|----------------------|--------------------------|--------------------------|
| A. Land and Building     | \$                   | \$                       |                          |
| B. Machinery & Equipment | \$                   | \$                       |                          |
| C. Furniture & Fixtures  | \$                   | \$                       |                          |
| D. Accounts Receivable   | \$                   | \$                       |                          |
| E. Inventory             | \$                   | \$                       |                          |
| F. Other:                | \$                   | \$                       |                          |
| <b>TOTAL COLLATERAL</b>  | \$                   | \$                       |                          |

Primary Source of Repayment (Describe):

**Present Indebtedness:** Business Debts, Contracts, Notes and Mortgages payables

| Owed To: | Original Amount | Original Date (MM/DD/YYYY) | Present Balance | Rate of Interest | Maturity Date (MM/DD/YYYY) | Monthly Payment | Security | Status (Current/Delinquent) |
|----------|-----------------|----------------------------|-----------------|------------------|----------------------------|-----------------|----------|-----------------------------|
|          |                 |                            |                 |                  |                            |                 |          |                             |
|          |                 |                            |                 |                  |                            |                 |          |                             |
|          |                 |                            |                 |                  |                            |                 |          |                             |
|          |                 |                            |                 |                  |                            |                 |          |                             |

*Note: Please retain copies for yourself and for your financial institution/development agency.*

**Present Banking references**

| Financial Institution | City/State | Type of Account | Account Number(s) | Contact Person | Telephone Number |
|-----------------------|------------|-----------------|-------------------|----------------|------------------|
|                       |            |                 |                   |                |                  |
|                       |            |                 |                   |                |                  |

**Trade References**

| Trade Supplier | Address | Materials and Products Supplied |
|----------------|---------|---------------------------------|
|                |         |                                 |
|                |         |                                 |

**Management** (Officers, Directors, Owners, etc.)

| Name and Title | Address | Percentage of Ownership |
|----------------|---------|-------------------------|
|                |         |                         |
|                |         |                         |

**Key Advisors**

| Name            | Firm/Company | Address |
|-----------------|--------------|---------|
| Attorney        |              |         |
| Accountant      |              |         |
| Insurance Agent |              |         |

**NOTE: THE FOLLOWING EXHIBITS MUST BE COMPLETED WHERE APPLICABLE. ALL QUESTIONS ANSWERED BECOME PART OF THE APPLICATION.**

- 1) If your collateral consists of (A) Land and Building, (B) Machinery and Equipment, (C) Furniture and Fixtures, (D) Accounts Receivable, (E) Inventory, (F) Other, please provide and itemized list labeled **Exhibit A** that contains serial and identification numbers of all articles that have a value greater than \$500. Include a legal description of Real Estate offered as collateral.
- 2) Furnish a signed current personal balance sheet and three years of tax returns for each stockholder (with 20% or greater ownership), partner, officer and owner. Social Security number should be included on personal financial statement. It should be as of the same date as the most recent business financial statements. Label as **Exhibit B**.
- 3) Do you have any co-signers and/or guarantors for this loan?  
 Yes  No If yes, please submit their names, addresses, tax ID numbers, three years of tax returns and a current personal balance sheet(s). Label as **Exhibit C**.
- 4) Are you buying machinery or equipment with the proceeds?  
 Yes  No If yes, you must include a list of equipment and cost as quoted by the seller and a purchase invoice. Label as **Exhibit D**.
- 5) Have you, or has any officer of your company ever been involved in bankruptcy or insolvency proceedings?  
 Yes  No If yes, please provide details. Label as **Exhibit E**.
- 6) Are you, or is your business involved in any pending lawsuits?  
 Yes  No If yes, please provide details. Label as **Exhibit F**.
- 7) Does your business, its owners or majority stockholders own or have a controlling interest in other businesses?  
 Yes  No If yes, please provide their names and the relationship with your company along with a current balance sheet and operating statement for each. Label as **Exhibit G**.
- 8) Do you buy from, sell to or use the services of any concern in which someone in your company has a significant financial interest?  
 Yes  No If yes, provide details on a separate page. Label as **Exhibit H**.
- 9) Attach a copy of funding commitments from each source of funding, including matching funds and any state funds received. Label as **Exhibit I**.
- 10) Are any current business loans delinquent?  
 Yes  No If yes, describe on separate page. Label as **Exhibit J**.
- 11) Are any of the company's principals related to or doing business with any NVCP staff or Board member?  
 Yes  No If yes, describe on separate page. Label as **Exhibit K**.
- 12) Are there any judgments against you?  
 Yes  No If yes, list separately. Label as **Exhibit L**.
- 13) Attach a full business plan. Label as **Exhibit M**.
- 14) Provide documentation of certification as an approved center by the North Dakota Department of Commerce. Label as **Exhibit N**.

The undersigned specifically acknowledge(s) that: (1) verification or re-verification of any information contained in the application may be made at any time by the Lender, its agents, successors, and assigns; either directly or through a credit reporting agency from any source named in this application and the original copy of this application will be retained by the Lender, even if the request is not approved; (2) the Lender, its agents, successors and assigns will rely on the information contained in the application and I/We have a continuing obligation to amend and/or supplement the information provided in this application, if any of the material facts which I/We have represented herein should change prior to closing; (3) in the event my/our payments indicated in this application become delinquent, the Lender, its agents and assigns may, in addition to all their other right and remedies, report my/our name(s) and account information to a credit reporting agency.

I/We certify that the information provided in this application is true and correct as of this date and that I/We understand the conditions set forth in this application.

|                          |  |
|--------------------------|--|
| Applicant (please print) | Financial Institution/Developer (please print) |
| Authorized Signature     | Authorized Signature                           |
| Date                     | Date   |

**Program Criteria:**

The following criteria have been addressed in the application and are for your information:

1. Maximum award per year: \$60,000
2. Maximum aggregate award (5 awards): \$300,000 (based on availability of funds)
3. If, during the twelve months preceding the application for an award, an entrepreneurial center was awarded state funding from any other source, the maximum award must be decreased dollar-for-dollar for every dollar of other state funds awarded.
4. Applicant must qualify as an Entrepreneurial Center:
  - a. Provide documentation as an approved center by the North Dakota Department of Commerce;
  - b. An Entrepreneurial Center may not be a state entity or an institution under the control of the state board of higher education.
5. Matching of funds requirement:
  - a. For each dollar (\$1) of public funding the center receives, the center must provide matching funds of one dollar (\$1) of non-state funding. Matching funds must be cash and may not be in-kind assets.

6. The Entrepreneurial Center shall pay back the funds awarded. The payback will be based on the Center's ability to pay back the award. The funds awarded may be in the form of debt, equity or a combination of debt and equity.

**Instructions for Applicant:**

Submit the supporting documentation and the completed application to:

North Dakota Development Fund  
PO Box 2057  
Bismarck, ND 58502-2057

For more information on the Entrepreneurial Center New Venture Capital Program, including additional requirements, please visit:

<http://www.legis.nd.gov/cencode/t10c30-5.pdf> (see § 10-30.5-12).

**If you have any questions...**

**Call:** 701-328-5310

**Write to:** North Dakota Development Fund  
PO Box 2057  
Bismarck, ND 58502-2057

**Visit:** [www.NDDevelopmentFund.com](http://www.NDDevelopmentFund.com)