

STATE SMALL BUSINESS CREDIT INITIATIVE
CLIMATE BANK FINANCE PARTICIPATION LOAN PROGRAM

Agreement No. _____

MASTER PARTICIPATION AGREEMENT
Between

ILLINOIS FINANCE AUTHORITY
and

(PARTICIPATING LENDER NAME)

(PARTICIPATING LENDER ADDRESS)

(PARTICIPATING LENDER CITY/STATE/ZIP + 4)

ATTN: _____
(PARTICIPATING LENDER CONTACT / TITLE)

PHONE/FAX: _____
(PARTICIPATING LENDER)

FEIN: _____
(PARTICIPATING LENDER)

The Participating Lender does business as a (please check one):

- | | |
|---|---|
| _____ Individual (01) | _____ Governmental (08) |
| _____ Sole Proprietor (02) | _____ Nonresident Alien (13) |
| _____ Partnership/Legal Corporation (03) | _____ Estate or Trust (10) |
| _____ Tax Exempt (16) | _____ Pharmacy (Non-Corp.) (11) |
| _____ Corporation providing or billing
medical and/or health care services | _____ Pharmacy/Funeral Home/
Cemetery (Corp.) (15) |
| _____ Corporation NOT providing or
billing medical and/or health care services | _____ Limited Liability Company
(select applicable tax classification) |
| | _____ D-Disregarded Entity |
| | _____ C-Corporation |
| | _____ P-Partnership |

MASTER PARTICIPATION AGREEMENT

This Master Participation Agreement (the "Agreement") is effective from the beginning date of _____, 2023, through the ending date of June 30, 2033 (if not earlier terminated), and is by and between _____, (the "Lender"), a (national/state banking association, a Corporation, etc.), having its principal office at _____, and the Illinois Finance Authority (the "Authority"), a body corporate and politic created under the laws of the State of Illinois (the "State"), having its principal office at 160 North LaSalle Street, Chicago IL, 60601.

RECITALS

Whereas, in accordance with 30 ILCS 750/9-10, the Illinois Department of Commerce and Economic Opportunity (the "Department") is authorized to receive and expend federal funds made available pursuant to the federal State Small Business Credit Initiative of 2010 ("SSBCI") as amended by Section 3301 of the federal American Rescue Plan Act of 2021 ("ARPA"); and

Whereas, pursuant to the Climate and Equitable Jobs Act (Public Act 102-0662, eff. September 15, 2021) the Authority was designated as the "Climate Bank" (20 ILCS 3501/850-5), and

Whereas, Authority Resolution No. 2022-0208-DA07, directed the Executive Director of the Authority to do all such acts and things and to execute, acknowledge and deliver all documents as may in his discretion be deemed necessary or desirable to apply to the Department for a Sub-Allocation of SSBCI Funds from the U.S. Department of the Treasury and to establish an SSBCI Participation Loan Product and other Financial Products using such funds in furtherance of Climate Bank purposes; and

Whereas, the Department has made the Authority a sub-allocatee of such funds: and

Whereas the Authority has created the Climate Bank Finance Participation Loan Program (as hereinafter defined) under the authority granted to it pursuant to the Illinois Finance Authority Act (20 ILCS 3501/801-1 *et seq.*) (the "IFA Act"), and a Resolution adopted by the Members of the Authority on March 14, 2023 (the "Resolution"); and

Whereas, the focus of the Authority's new Climate Bank Finance Participation Loan Program will be "to aid in all respects with providing financial assistance, programs, and products to finance and otherwise develop and implement equitable clean energy opportunities in the State to mitigate or adapt to the negative consequences of climate change in an equitable manner" and "reflective of the geographic, racial, ethnic, gender, and income-level diversity of the State," and among other purposes under the IFA Act, to drive investment of private capital into businesses that expand access to clean energy, clean and drinking water, and technologies, including but not limited to broadband, in a manner reflective of the geographic, racial, ethnic, gender, and income-level diversity of the State; and

Whereas, Section 801-30 of the IFA Act grants the Authority "all the powers as a body corporate necessary and convenient to accomplish the purposes of the Act"; and

Whereas, Section 801-30(a) of the IFA Act specifically authorizes the Authority "to enter into loans, contracts, agreements and mortgages in any manner connected with any of its corporate purposes"; and

Whereas, Section 801-30(f) of the IFA Act specifically empowers the Authority to "have and exercise all powers . . . otherwise necessary to effectuate the purposes of this Act"; and

Whereas, Section 801-40(i) of the IFA Act grants the Authority the power “to make loans to persons to finance a project, to enter into loan agreements with respect thereto, and to accept guarantees from persons on its loans or the resultant evidences of obligations of the Authority”; and

Whereas, Section 850-10(c)(1) of the IFA Act allows the Authority “to enter into joint ventures and invest in and participate with any person, including, without limitation, government entities and private corporations, engaged primarily in the development of clean energy projects”; and

Whereas, Section 850-10(d) of the IFA Act grants the Authority the power to “finance working capital, refinance outstanding indebtedness of any person, and otherwise assist in the investment of equity from any source, public or private, in connection with clean energy projects or any other projects authorized by this Act”; and

Whereas the purpose of the Climate Bank Finance Participation Loan Program (the “Program”) is to foster economic development in Illinois by enhancing the availability of credit to small and medium-sized businesses from private sources of capital; and

Whereas, in pursuit of those goals, the Authority may be willing, from time to time, to purchase participation interests in loans, including principal and interest payable thereunder, made by the Lender to certain Program-eligible businesses.

Now, therefore, in consideration of the premises and the agreements contained herein, the Lender and the Authority hereby agree as follows:

1. DEFINITIONS

In addition to the words and terms defined elsewhere in this Agreement, each of the following words and terms used in this Agreement shall have the following meaning unless the context or use indicates a different meaning. Definitions shall be applicable to both the singular and plural forms of the terms as the context may require:

“**Authority Approval Letter**” is a contingent approval letter prepared by the Authority notifying the Lender that the Authority is willing to purchase a Participation interest in a loan and sets forth any special conditions related to the Participation that are binding. All approvals are contingent upon the Lender and Borrower meeting all requirements and providing adequate support documentation sufficient to comply with applicable laws and regulations to allow the Authority to fund the loans under the IFA Act and the Resolution. (A sample Approval Letter is attached as **Exhibit A**). The Authority Approval Letter, together with any approved revisions, will also set forth other terms and conditions specific to an individual Participation and are binding on the Lender and the Borrower.

“**Authority Rate**” means an interest rate set by the Authority, either fixed, adjustable, or variable, to be used in calculating the amount of interest owed by the Lender to the Authority on a given Participation, which rate shall initially be that shown on the Authority Approval Letter related to such Participation. If the Authority Rate as to such Participation is adjustable or variable, it shall be adjusted upwards or downwards every time the Lender Rate is adjusted so that the difference between the Authority Rate and the Lender Rate shall always be the same as it was on the Purchase Date. The fixed, adjustable, or variable rate attribute must match the fixed, adjustable, or variable attribute of the Note that is all rates must be on the same basis.

“**Borrower**” means the recipient of a Loan from the Lender for which a Participation Certificate has been or will be issued by the Lender and acknowledged by the Authority, and all successors and assigns of such Borrower; provided such Borrower:

(a) is a not-for-profit corporation, for-profit corporation or limited liability corporation, partnership, or sole proprietorship, or independent contractor having seven hundred fifty (750) or fewer employees and is authorized to conduct business in the State of Illinois; and

(b) is **not**:

(1) a business engaged in speculative activities that develop profits from fluctuations in price rather than through the normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business or through the normal course of trade (note: a construction loan permitted under the Treasury SSBCI Capital Program Policy Guidelines' *Business Purpose: Passive Real Estate Investment Guidance* will not be considered a speculative business purpose);

(2) a business that earns more than half of its annual net revenue from lending activities; unless the business is (1) a CDFI that is not a depository institution or a bank holding company or (2) a Tribal enterprise lender that is not a depository institution or a bank holding company, and the CDFI or Tribal enterprise lender uses Program funds for a re-lending transaction that complies with Program requirements;

(3) a business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants;

(4) a business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted (this includes businesses that make, sell, service, or distribute products or services used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution, unless such use can be shown to be completely outside of the business's intended market); this category of businesses includes direct and indirect marijuana businesses, as defined in SBA Standard Operating Procedure 50 10 6 (available at <https://www.sba.gov/document/sop-50-10-lender-development-company-loan-programs->);

(5) a business engaged in gambling enterprises, unless the business earns less than thirty-three percent (33%) of its annual net revenue from legal gambling activities;

(6) in the business of manufacturing or selling at wholesale, tobacco products, liquor, or sexually explicit materials or in the business of manufacturing or selling firearms at wholesale or retail;

(7) a business that operates a discriminatory club, as defined in Section 1 of the Discriminatory Club Act (775 ILCS 25/1);

(c) is not, and is not controlled by, an executive officer, director, or principal shareholder of the Lender; or a member of the immediate family of an executive officer, director, or principal shareholder of the Lender; or a related interest of such executive officer, director, principal shareholder, or member of the immediate family. For purposes of this paragraph, the terms "executive officer," "director," "principal shareholder," "immediate family," and "related interest" refer to the same relationship to a lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part;

(d) has no principal that has been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911); and

- (e) is not a business or entity in which (i) any director, officer or holder of an ownership interest of more than 7 ½ % in the business or entity, in its own name or that of a nominee is also a member, officer, agent or employee of the Authority, or (ii) any member, officer agent or employee of the Authority has any direct or indirect interest.

“Business Enterprise Owned and Controlled by Socially and Economically Disadvantaged Individuals” means a business that:

- (a) if privately owned, 51% is owned by one or more socially and economically disadvantaged individuals;
- (b) if publicly owned, 51% of the stock is owned by one or more socially and economically disadvantaged individuals; and
- (c) in the case of a mutual institution, a majority of the Board of Directors, executive administration, and the community served are predominantly comprised of socially and economically disadvantaged individuals.

“Closing Documents” means all documents executed or delivered by the Borrower or the Lender with respect to a Loan, including without limitation a copy of the Lender's promissory note, the loan agreement, the SSBCI Certifications, any security agreement, any financing statement or Uniform Commercial Code filing, any guaranty, any mortgage or assignment of rents, any pledge agreements, and any other document that secures the repayment of the Loan.

“Community Development Financial Institution” or **“CDFI”** means a person (other than an individual) that:

- (a) has a primary mission of promoting community development;
- (b) serves an investment area or targeted population;
- (c) provides development services in conjunction with equity investments or loans, directly or through a subsidiary or affiliate;
- (d) maintains, through representation on its governing board or otherwise, accountability to residents of its investment area or targeted population; and
- (e) is not an agency or instrumentality of the United States, or of any State or political subdivision of a State.

“Lender” means a financial institution with which the Authority has entered into an agreement or contract to provide loans to small businesses, in which the Authority purchases an undivided interest in the otherwise qualifying loan.

“Lender Rate” means an interest rate set by the Lender, either fixed, adjustable, or variable (determined by the promissory note) used in calculating the amount of interest retained by the Lender (on all portions other than the Authority portion) on a given Loan, which rate shall initially be that referenced in the Authority Approval Letter related to such Loan. If the Lender Rate is adjustable or variable, the Authority Rate shall be adjusted upwards or downwards every time the interest rate charged to the Borrower is adjusted, so that the difference between the Lender Rate and the Authority Rate shall always be the same as it was on the Purchase Date. The fixed, adjustable, or variable rate attribute must match the fixed, adjustable, or variable attribute of the promissory note that is all rates must be on the same basis.

“**Loan**” means a loan made by the Lender to a Borrower in which the it has or will have a Participation.

“**Loan Documents**” means the Closing Documents, the Participation Certificate, the Authority Approval Letter, and all other documents executed or delivered by the Borrower or Lender with respect to a Loan, including without limitation the Borrower's application, business plan, and historical and projected financial statements and any financial statements and reports delivered by the Borrower to the Lender on an ongoing basis, the Lender's financial, repayment and collateral analysis, credit reports, and all periodic reports required to be delivered to the Authority by the Lender under this Agreement.

“**Loan Intake Portal**” means an internet-based data entry system maintained by the Illinois Department of Commerce and Economic Opportunity for the exchange of data and documents related to the State Program.

“**Low to Moderate Income Area**” means an area or county within the State of Illinois that meets certain federal income guidelines taking into consideration the number of household members. To determine if a business is located in a Low to Moderate Income (LMI) Area, go to <http://www.ffiec.gov/geocode> and type in the address. Then click on "Get Census Demographic" in order to determine the income level of the tract.

“**Note**” means the promissory note of the Borrower payable to the order of the Lender evidencing the Loan.

“**Note Rate**” means the blended interest rate (weighted average of Lender Rate and the Authority Rate, based on the percentage of investment) agreed upon by the Lender and the Authority that the Borrower will pay on the overall Loan, which may be fixed, adjustable, or variable on a given Participation. This Note Rate will be specified in the Borrower's Note. The Authority Rate and Lender Rate will be on the same fixed, adjustable, or variable basis as the Note.

“**Participation**” means, with respect to a Loan, the Authority's undivided participation interest in such Loan using SSBCI Fund funds, the Loan Documents, and all of the Lender's right, title, and interest pertaining to the Loan and all proceeds arising therefrom including, without limitation, any collateral for such Loan and any guaranties, mortgages, or other security interests obtained in connection therewith, expressed as a percentage and calculated from time to time by reference to the outstanding principal balance of the Loan.

“**Participation Amount**” means, with respect to a Loan, that portion of the original principal amount of the Loan purchased by the Authority from the Lender using SSBCI Fund funds, minus the aggregate principal amount repaid, as of any date, on that portion of such Loan purchased by the Authority from the Lender.

“**Participation Certificate**” means the document evidencing the Authority's Participation with respect to a Loan made between the Lender and the Borrower. A sample Participation Certificate is attached hereto as **Exhibit B**.

“**Project**” means the project of the Borrower for which Loan funds are to be used, including without limitation the Loan, any equity, or any other funds provided by owners, shareholders, banks, or other financial institutions.

“**Prompt Payment**” means the time period within which the Lender must forward or remit the Authority's pro rata share of the Borrower's payment of its Loan to the Authority. The payment is considered timely if the Lender remits said payment to the Authority within ten (10) business days of receipt. In the event a payment is not remitted to the Authority within ten (10) business days, a late fee of the greater of 5% of the total payment due (per payment being withheld) or \$50 (per payment being withheld), whichever is greater, shall be automatically assessed. Arrearage will be determined from the date the payment should have been remitted through the date the payment is actually remitted. This late fee will be immediately due and owing.

Additionally, any and all late fees due to Lender's delinquency shall not be the responsibility of, and shall not be absorbed by or charged to, the Borrower. Furthermore, the Lender may be subject to the above late fee if it fails to timely tender the Monthly Report/Distribution Summary and Transmittal (a sample of which is attached hereto as **Exhibit C**) to the Authority. In extreme and compelling circumstances and upon the Lender's written request, the Authority may, within its sole discretion, agree to waive any late fees due to a late payment.

"Purchase Date" means, with respect to a Participation, the date on which such Participation is purchased.

"Servicing Expenses" means any and all out-of-pocket liabilities, obligations, losses, penalties, expenses (including reasonable legal expenses and fees), disbursements, costs, and damages, but excluding salaries and wages of its officers and employees and overhead expenses, incurred by the Lender, or for which the Lender is responsible, directly or indirectly, in connection with or arising as a result of (a) the enforcement of rights or remedies with respect to a Loan or the collection of same (including those arising due to suits, claims or counterclaims by another party against the Lender), and (b) the protection of the interests in any collateral securing the repayment of the Loan. "Servicing Expenses" does NOT include services or products provided by or through the Lender for the benefit of the Borrower, guarantor, or other responsible party to facilitate their compliance with agreed terms and conditions. The mere fact that the Lender pays an expense does not in itself qualify it as a "Servicing Expense;" rather there must be a clear correlation to the enforcement of the Lender's rights or remedies. Business restructuring expenses do not constitute "Servicing Expenses" unless prior written approval is obtained from the Authority.

"Socially and Economically Disadvantaged Individuals" or "SEDI" shall mean:

"Socially Disadvantaged Individual" means individuals that certify as having been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities.

"Economically Disadvantaged Individuals" are those socially disadvantaged individuals that certify as having their ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same business area who are not socially disadvantaged.

"SSBCI Certifications" means the Lender and Borrower certifications attached as Exhibits F, G and H.

"State Program" means the State of Illinois' credit support programs that use SSBCI Fund funds, as more fully set forth in 30 ILCS 750/9-10, intended to be used to promote private access to credit for small businesses, Very Small Businesses, SEDI-Owned Small Businesses, in accordance with the State Small Business Credit Initiative of 2010 (SSBCI Statute) as amended by Section 3301 of the federal American Rescue Plan Act of 2021 (ARPA) and the applicable regulations, rules and/or guidelines (including relevant materials from the U.S. Department of Treasury) incorporated herein by reference.

"State Small Business Credit Initiative (SSBCI) Fund" means a special fund in the State Treasury the purpose of which is to provide support to small businesses responding to and recovering from the economic effects of the COVID-19 pandemic, to ensure business enterprises owned and controlled by socially and economically disadvantaged individuals have access to credit and investments, to provide technical assistance to help small businesses applying to various support programs, and to pay reasonable costs of administering the initiative, using ARPA funds deposited in accordance with 30 ILCS 750/9-10(b) (1).

"Treasury" means the U.S. Department of the Treasury.

"Very Small Business" or "VSB" means a not-for-profit or for-profit corporation with fewer than ten (10) employees.

2. APPLICATIONS AND APPROVAL; SALE AND PURCHASE OF PARTICIPATION

2.1 Applications. The Lender shall accept applications from prospective Borrowers and, if found creditworthy by the Lender and meeting the Program requirements contained in Section 3 below, the Lender shall submit the application and the details of the proposed Loan in a form satisfactory to the Authority, together with copies of all financial statements and such other credit and financial materials as the Lender shall have in its files with respect to the Borrower, for the Authority's review and purchase approval (a sample Lender's Application for Participation is attached hereto as **Exhibit D**). The Lender must also obtain and submit to the Authority a Proposal certification executed by the Borrower (with necessary attachments) in substantially the form attached hereto as **Exhibit E**. The Authority expressly reserves the right, in its sole discretion, to accept or reject any Borrower and/or any Loan. Once the Lender receives an Authority Approval Letter, it may consummate the Loan and shall sell a Participation therein to the Authority, pursuant to the terms and conditions set forth herein. Unless otherwise directed by the Authority, all applications and details about the Borrower and the Loan are to be submitted electronically to the Authority.

2.2 Maximum Authority Interest. The Lender shall sell, assign and transfer, and the Authority shall purchase and accept, subject to the terms and conditions of this Agreement, a Participation of not less than Twenty-Five Thousand Dollars (\$25,000) nor more than Two Million Dollars (\$2,000,000), unless the Executive Director of the Authority determines in writing that it is in the best interest of the Authority to waive this upper limit. In no case shall the amount of a Participation exceed the lesser of twenty-five percent (25%) of the total cost of any Project for which a Loan is made nor more than fifty percent (50%) of the Loan amount, unless the Executive Director of the Authority determines in writing that it is in the best interest of the Authority to waive that limit, and in no case shall the term of the Loan be any longer than seven (7) years; provided, however, that in the case of a Loan to a Very Small Business (VSB), or Business Enterprise Owned and Controlled by Socially and Economically Disadvantaged Individuals (SEDI-Owned Business) in which the Participation Amount may be up to the lesser of fifty percent (50%) of the total cost of the Project for which the Loan is made or fifty percent (50%) of the Loan amount, unless the Executive Director of the Authority determines in writing that it is in the best interests of the Authority to waive that limit, and in no case shall the term of such a Loan be any longer than six (6) years. The Authority's percentage interest in each Loan shall never exceed the original applicable Participation Amount without prior written approval by the Authority. The Authority's Participation is computed by dividing the Authority's principal balance by the Loan's principal balance. The Lender is responsible for monitoring and ensuring that, at any given time, the Authority's Participation never exceeds its participation percentage. In the event the Authority's Participation is ever greater than the Authority's original participation percentage, the Lender must immediately pay the Authority the excess principal to bring the Authority's Participation into compliance with the Authority's Approval Letter. At all times during which the Authority owns a Participation in a Loan and until the Loan is paid in full, the Lender shall continue to own the Loan and shall maintain an interest equal to at least fifty percent (50%) of the total amount of such Loan.

2.3 Authority Approval. Upon receipt from the Lender of an application for a Loan with the applicable documents, the Authority, in its sole discretion, shall determine whether it will purchase a Participation interest in the loan. The Authority shall make every attempt to make its determination within thirty (30) days of receipt of the application and applicable documents. If the Authority approves the Loan application, it will issue and send, via U.S. Mail, e-mail, or electronic communication, a Authority Approval Letter to the Lender, which shall remain in effect for thirty (30) days. The Lender shall, within thirty (30) days after the Authority Approval Letter is issued, sign it and return an executed Authority Approval Letter to the Authority or the Authority Approval Letter shall expire. If the Lender does not close the Loan within one hundred twenty (120) days after the Authority's Approval Letter is issued, the Authority's approval will expire, unless a written extension of time is granted by the Authority. The Authority, in its sole discretion, may grant an extension of time provided that no material change in either the scope of the Project, the

financial condition of the Borrower (including guarantors), or its ability to repay the Loan as originally approved has occurred. If the Authority rejects the Loan application, it will make every attempt to so advise the Lender within thirty (30) days of receipt of the application.

2.4 Purchase and Funding of Participation. Upon the closing of a Loan for which the Lender has received a Authority Approval Letter, the Lender shall notify the Authority's Program Manager, or authorized designee, of the closing and funding of the Loan and shall deliver all Closing Documents (including signed certifications in exhibits F, G and H) to the Authority within ten (10) business days of the closing, otherwise, the Authority's Participation shall be void, unless the ten-day period is waived or extended in writing by the Authority. The Authority shall acknowledge the Participation Certificate (a sample of which is attached as **Exhibit B**) by having its Executive Director or authorized designee execute the Certificate and return it to the Lender. The Authority shall process the Participation Certificate and any other documents necessary to fund its Participation, and as soon as practicable shall initiate the actions to cause delivery of its Participation Amount to the Lender. The Participation will be considered funded on the date the funds are electronically transferred to the Lender.

2.5. Minimum Customer Protection Standards. Pursuant to the SSBCI Capital Program Policy Guidelines issued by the U.S. Department of the Treasury, any Loan shall conform to the minimum national customer protection standards set forth below. These standards do not supersede disclosure requirements that may apply under other applicable state or federal lending disclosure laws.

(A) Rate cap: the interest rate for each loan may not exceed the National Credit Union Administration's ("NCUA") interest rate ceiling for loans made by federal credit unions as set by the NCUA Board. The interest rate cap is determined at the time the loan is made.

(B) Excluded product features: transactions supported under the Program may not include:

(i) confessions of judgment;

(ii) prepayment or "double-dipping" fees (i.e., issuing new credit to refinance prior credit without forgiving a portion of the fee already paid and results in the borrower paying a fee on top of a fee); or

(iii) upfront fees or charges paid by the Borrower, excluding fees to the Authority, that exceed 2 percent for loans greater than \$25,000 or \$500 for loans under \$25,000.

(C) Disclosures: all key terms must be provided to the Borrower in an easy-to understand manner. Key terms must include the loan amount; payment obligation and schedule; any terms giving the Lender control over the Borrower's cash balances, cash flows, or ownership; any conversion rights and future rights to purchase equity; and any fees or extra costs.

3. PROGRAM REQUIREMENTS

Obligations of the Authority will cease immediately without penalty or further payment being required (a) if the SSBCI Fund funds for the Program are no longer available (whether they have all been otherwise utilized or the Authority no longer has access to them) or (b) due to other extenuating circumstances that are beyond the reasonable control of the Authority. The Authority and the Lender acknowledge that the Program will be funded, in whole or in part, by the SSBCI Fund funds, as available, and as such, both the Authority and the Lender agree that the use of funds pursuant to this Agreement shall be governed by, and not be in derogation of, any rules, regulations, or guidelines for the Program promulgated or issued by the State of Illinois. As to each Loan in which the Authority purchases a Participation, the Lender affirms that it has determined that all of the following are true and correct:

(A) The Project would not be undertaken unless the Loan is provided and the full amount of the Loan would not be made unless the Participation is purchased;

(B) The purchase of the Participation will cause a Project to be undertaken in Illinois that has the potential to create or retain substantial employment in relation to the amount of the Loan or to modernize or improve the competitiveness of the Borrower;

(C) The Project is a new plant start-up, modernization, expansion, or a new venture opportunity in Illinois, and it is not a relocation of an existing business from another site within the State of Illinois unless that relocation results in substantial employment growth in relation to the amount of the Loan;

(D) The Borrower is a credit disadvantaged firm, such as a business start-up or other young firm, or an industrial expansion, modernization, or environmental upgrade for a mature firm, or is a small business responding to and recovering from the economic effects of the COVID-19 pandemic, or is a SEDI-owned small business or VSB;

(E) The proceeds of the Loan will be used for a “business purpose.” Business purpose includes, but is not limited to, start-up costs, working capital, franchise fees, acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business’s goods or services, as well as the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. SSBCI funds may be used to purchase any tangible or intangible assets except goodwill. The definition of business purpose excludes: activities that relate to acquiring or holding passive investments, such as commercial real estate ownership and the purchase of securities; and lobbying activities, as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended. Loan proceeds will not be used:

- (i) to repay delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority;
- (ii) to repay taxes held in trust or escrow (e.g., payroll or sales taxes);
- (iii) to reimburse funds owed to any owner, including any equity injection or injection of capital for the business' continuance;
- (iv) to purchase any portion of any ownership interest of any owner of the business except for the purchase of an interest in an employee stock ownership plan qualifying under Section 401 of the Internal Revenue Code, worker cooperative, employee ownership trust, or related vehicle, provided that the transaction results in broad-based employee ownership for employees in the business and the employee stock ownership plan or other employee-owned entity holds a majority interest (on a fully diluted basis) in the business;
- (v) to place under the protection of the Program prior debt that is not covered under the Program and that is or was owed by the Borrower to the Lender or to an affiliate of the Lender;
- (vi) to improve or renovate any portion of rentable property that the Borrower leases to a third party;
- (vii) to refinance a loan previously made to the Borrower by the Lender or an affiliate of the Lender, unless permitted by U.S. Treasury guidance; or
- (viii) to enroll the unguaranteed portions of SBA-guaranteed loans or the unguaranteed portion of any other federal loan;

New Lenders: However, notwithstanding the above, Lender may refinance a Borrower's existing loan, line of credit, extension of credit, or other debt originally made by an unaffiliated lender, so long as the proceeds of the transaction are not used to finance an extraordinary dividend or other distribution.

When a participating jurisdiction uses SSBCI funds to support the purchase of a loan from another, non-affiliated financial institution, the jurisdiction must make a determination that the transaction is beneficial to the small business borrower. For purposes of the eligible business purpose and certification requirements, the eligible business purpose of the new loan is generally determined by the purpose of the underlying funding being refinanced.

New Extensions of Credit by Existing Lenders. A Loan may repay the amount due on a matured loan or other debt when all of the following conditions are met: (1) the new loan or other debt is at least one hundred and fifty percent (150%) of the outstanding amount of the matured loan or other debt ; (2) the new loan is based on a new underwriting of the Borrower's ability to repay and a new approval by the Lender; (3) the prior loan or other debt has been paid as agreed and Borrower was not in default of any financial covenants under the loan or line of credit for at least the previous 36 months (or since origination, if shorter) ; (4) proceeds of the transaction are not used to finance an extraordinary dividend or other distribution; and (5) the new loan has not been extended for the sole purpose of refinancing existing debt owed to the Lender. When all of these conditions are met, and an applicable loan is made, the Lender shall maintain documented substantiation that these five criteria were met.

A matured loan or line of credit only includes such that have matured according to their terms and does not include a loan or line of credit that has been accelerated to maturity. Transferring an accelerated loan into an SSBCI program does not promote the purpose of expanding small business access to capital and would primarily benefit lenders rather than small businesses.

The limitation on refinancing does not prohibit a financial institution lender from originating a new loan under an SSBCI approved program and subsequently refinancing the same loan under any approved program.

(F) No Principal of the Lender has been convicted of a sex offense against a minor (as such terms are defined in Section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911). Furthermore, the Lender is required, on an ongoing basis, to notify the Authority of any changes in the sex offender status of its Principals. Lender must review and complete the Lender Sex Offender Certification attached hereto as **Exhibit G (to be submitted with the Closing Documents)**. For the purposes of this certification, "Principal" means the following: if a sole proprietorship, the proprietor; if a partnership, each partner; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the Lender, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the Lender;

(G) The Lender is in material compliance with all federal and state laws, rules, and regulations pertaining to the making of loans (including 31 C.F.R. § 103.121);

(H) The Borrower is ready to implement the Project and has the financial ability to carry out the Project;

(I) The Borrower is responsible and creditworthy;

(J) The Loan is protected by security, which may include, as available, first or second mortgage positions on real or personal property, royalty payments on sales of products or services, or any other security satisfactory to the Authority to secure repayment of the Loan. Personal notes or guaranties have been executed by persons owning more than twenty percent (20%) of the Borrower, unless the Executive Director of the Authority determines in writing that it is in the best interest of the State to waive that requirement;

(K) The Loan Documents are in an amount and form, and contain such terms and provisions with respect to property insurance, repairs, alterations, payment of taxes and assessments, delinquency charges, default remedies, additional security, and other matters, adequate to protect the Authority's interest in ensuring repayment;

(L) Guarantors are responsible and creditworthy. Guarantors' assets have been verified and will undergo periodic review both to ensure their continuing capacity to provide performance guaranties in the amounts

required to ensure repayment, and to ensure that the same assets have not been pledged or are supporting other loans or guaranties; and

(M) The Loan Agreement contains (i) a provision that requires the Borrower to submit annual reports to the Authority detailing its job creation/retention, any post-Loan closing investment in the Borrower, and the Borrower's revenue and net income for the prior year and (ii) a provision that all of Borrower's representations in the Applicant's Certification remain true and correct as of the Loan closing.

(N) It is the public policy of the State of Illinois to promote and encourage the continuing economic development of VSBs and SEDI-Owned Businesses. The Authority is desirous of certifying and tracking Loans for small businesses in Low-to-Moderate Income Areas and Loans for VSB and SEDI-Owned Businesses. Lender agrees to cooperate with the Authority's efforts to certify and separately track these kinds of Loans. Lender further agrees to cooperate with Authority's efforts at outreach to such businesses.

4. COMPENSATION TO LENDER

The Borrower shall pay interest to the Lender at the rate agreed upon between the Lender and the Borrower. The difference, if any, between the amount of interest paid by the Borrower to the Lender with respect to the Participation Amount and the amount of such interest paid by the Lender to the Authority may be retained by the Lender with the consent of the Authority. All application fees collected by the Lender, with respect to the Loan, may be retained in their entirety by the Lender.

5. OWNERSHIP INTEREST IN PARTICIPATION LOAN, LOAN DOCUMENTS AND RECORDS, LIENS, SECURITY, GUARANTIES, AND OTHER COLLATERAL

5.1 The Authority's Undivided Interest. Upon the Authority's purchase of a Participation in a Loan, and pursuant to the provisions of Section 2, the Authority shall, without the necessity of any written instrument of assignment or other document, become vested with an undivided equitable ownership interest (proportional to such Participation from time to time) in: (i) the Loan; (ii) the Loan Documents; and (iii) any other rights and claims of the Lender with respect to the Loan. If the Lender acquires any security interests or liens granted by any of the Loan Documents, the Authority shall have an undivided interest in such security interest or lien equal to its Participation in the Loan, notwithstanding the fact that the security interest or lien is in the name of, and/or possession is maintained by, the Lender.

5.2 The Lender as Trustee. All Loan Documents and the rights conveyed by them executed and delivered in connection with the Loan shall be held by the Lender in trust for the pro rata benefit of the Lender and the Authority. The Lender is authorized to retain the Note and the Loan Documents in the Lender's name and to deal with parties other than the Authority as though the Lender were an absolute owner of the Loan and the Loan Documents. Any person, firm, or corporation may deal with the Lender concerning the Loan in the same manner as if the Participation was not outstanding and the Lender was the sole owner of the Loan, as limited by Section 6.5, 6.6, and 6.7 of this Agreement. The Lender may perform any of its obligations hereunder by or through its agents, employees, or attorneys.

5.3 Limits of the Authority's Interest. Although the Lender holds for the Authority's proportional benefit all collateral securing performance and payment of a Borrower's obligations and liabilities under and in connection with any Loan, the Authority shall have no interest in any other property taken as security for any other credit, loan or financial accommodation made or furnished to the Borrower by the Lender in which the Authority has no Participation. This shall include any property now or hereafter in the Lender's possession or under the Lender's control or in any deposit held that may be or may become security for performance or payment of a Borrower's or guarantor's obligations and liabilities under and in connection with other indebtedness owing to Lender by reason of the general description contained in any other instrument held by the Lender or by reason of any right of setoff, counterclaim, banker's lien or otherwise; provided, however, if such property, deposit, indebtedness or the proceeds thereof shall be applied to the

payment or reduction of principal, interest, fees or any other amounts owing by a Borrower or guarantor in connection with a Loan, then the Authority shall be entitled to its pro rata share of such payment.

6. COLLECTIONS, DISBURSEMENTS AND ADMINISTRATION

6.1 Collection and Transfer of Payments.

(A) The Lender, as servicer of the Loan, shall be obligated to collect, as the Authority's trustee with respect to the Authority's pro rata share thereof, all payments of interest and principal due and payable on the Loan, together with any charges, fees, costs, expenses and any and all other amounts due on or in connection with the Loan Documents, including without limitation all Servicing Expenses incurred by Lender. If the Lender receives, collects, or applies in full an interest payment with respect to a Loan, the Lender will remit to the Authority interest on the Participation Amount at a rate equal to the Authority Rate. If the Lender receives, collects, or applies only a partial payment of interest with respect to a Loan, the Lender will remit to the Authority interest on the Participation Amount of such Loan at a rate equal to the amount due the Authority under the preceding sentence multiplied by a fraction, the numerator of which is the amount of interest then received, collected or applied by the Lender from the Borrower and the denominator of which is the total amount of interest then due by the Borrower to the Lender. If the Lender receives, collects, or applies a principal payment or prepayment with respect to a Loan, the Lender will remit to the Authority its pro rata share of such amount. Unless the Lender is otherwise entitled to apply payments as provided in Section 9 hereof, the Lender shall promptly remit the Authority's share of payments on account of principal and interest to the Authority within five (5) business days of receipt.

(B) Payments are to be made by check payable to the Climate Bank Finance, Illinois Finance Authority, 160 North LaSalle Street, Suite S-1000, Chicago, Illinois 60601, Attention: Manager of Finance and Administration. The Authority, at its option, may arrange for electronic payments from the Lender to the Authority through a Authority-originated ACH debit from the Lender's account. Payments via electronic transfers must be coordinated with the Authority's loan servicing representative in the Authority's Director of Finance. A Monthly Report/Payment Distribution Summary and Transmittal (a sample of which is attached as **Exhibit C**) must be completed and submitted on each date a payment is due to the Authority. The Monthly Report/Payment Distribution Summary and Transmittal shall disclose information, including but not limited to, the date the Lender received payment from or on behalf of the Borrower and the manner in which the Lender apportioned said payment between the Lender and the Authority. In the event that the Borrower fails to remit a scheduled payment to the Lender, the Lender, nevertheless, must submit the Monthly Report/Payment Distribution Summary and Transmittal to the Authority indicating either that no payment was received or that no payment was due and owing to the Authority.

(C) In the event that a payment is due only to the Lender and no corresponding pro-rata payment is due to the Authority, the Lender must report and document such an event to the Authority by completing and submitting a Monthly Report/Payment Distribution Summary and Transmittal to the Authority within five (5) business days of receipt of the Borrower's payment, regardless of whether the Lender received payments from or on behalf of the Borrower prior to the Authority's funding.

6.2 Loan Servicing and Application of Payments.

(A) In its handling of the Loan and any collateral security rights under the Loan Documents, the Lender shall exercise the same care and due diligence it exercises when it processes loans and collateral security rights on its own behalf and within the covenants and requirements in Sections 6.5, 6.6, and 6.7. Except for the express warranties contained herein, the Loan and Participation shall be for the amounts specified in the Authority's Approval Letter. Except as provided for in Section 18.1, a Participation or a Loan may not be transferred by the Authority or the Lender, (as applicable), in whole or in part, without the written consent of the other party. It is also understood that the Lender shall have no independent responsibility for the performance of a Borrower's obligation, nor for any failure or delay in exercising any rights or

powers given the Lender by the Loan Documents, beyond undertaking the same care that the Lender exercises in the making and handling of loans and credits for its own account.

(B) All security evidenced by the Loan Documents and any additional security given by a Borrower shall be held by the Lender primarily as security for the Loan and shall not be used or applied toward payment of other obligations of the Borrower to the Lender, as long as the Loan remains unpaid and as long as this Agreement remains in effect; provided, however, that nothing herein shall prevent the Lender from collecting payments from the Borrower for other indebtedness, or foreclosing upon other security that is not securing a Loan covered under this Agreement, if the other loans or credits are in default, are separately stated on the books of the Lender, and the security or other collateral is segregated at all times.

(C) The Lender shall, if possible, provide the Authority with advance notice of a change in the Authority Rate with respect to a Loan, and shall in all cases provide such notice to the Authority no later than the date on which the first payment affected by the rate change is delivered to the Authority.

6.3 Lender's Late Payments to the Authority:

(A) If the Lender fails to make Prompt Payment to the Authority for its pro rata share of any payment the Lender receives from, or on behalf of, the Borrower with respect to a Loan, the Lender shall pay the Authority a late fee and/or interest as described in Section 1 (Prompt Payment) of this Agreement.

(B) If all or part of any payment made to the Lender is rescinded or must otherwise be returned to a Borrower for any reason (other than the Lender's negligence or misconduct), and if the Lender has, prior thereto, paid to the Authority its pro rata share of such payment, the Lender shall, after telephone notice to the Authority and confirmed later in writing, subtract the appropriate portion of such rescinded or returned payment from the Authority's next payment hereunder.

6.4 Application of Monies. Except as provided in Section 6.7, all monies collected or received by the Lender in connection with any Loan (other than the fees) shall be applied and distributed in the following order of priority: (i) to the payment of all Servicing Expenses (if any); (ii) to the payment of accrued and unpaid interest on the Note; and (iii) to the payment of principal on the Note. Before any distribution to the Authority, with respect to any such application being made, the amount thereof shall be adjusted to the extent that any amount is owed by either party to the other, in accordance with the terms hereof.

6.5 Lender's Powers. The Authority authorizes the Lender, and the Lender hereby agrees, to act as trustee for the Authority subject to the limitations contained herein, including the provisions of Sections 6.2(B), 6.6, and 6.7 hereof: (i) to negotiate, control, manage and service the Loan; (ii) to enforce or to refrain from enforcing the Loan Documents; (iii) to give consents, approvals or waivers in connection with the Loan Documents; (iv) to acquire additional security for the Loan; (v) to take or refrain from taking any action and make any determination provided for herein or in the Loan Documents; and (vi) to exercise all such powers as are incidental thereto. The Lender acknowledges its status as trustee and represents that it has the power to perform the services listed in this Section. In acting under this Agreement, the Lender agrees to exercise the same degree of care in administering each Loan as it would use in managing its own loans in which no Participation has been issued. The Lender agrees that the exercise of these fiduciary responsibilities as trustee for the Authority includes the full and complete pursuit of amounts owed in relation to any unpaid portion of the entire Loan until released from that responsibility in writing by the Authority, while the Authority retains an undivided interest in the Loan and any related Loan Documents. Further, the Lender agrees that it will take no independent action, unless agreed to in advance and in writing by the Authority, that directly, or indirectly by nature of a proceeding or process, releases the Borrower or any guarantor or other responsible party or entity, in full or in partial satisfaction, from a continuing responsibility to repay the Loan and/or other applicable charges/fees in relation to debt collection activities, until all amounts due are paid in full.

6.6 Lender's Covenants with Respect to the Loans.

(A) The Lender hereby covenants with respect to each Loan that it shall not, without the Authority's prior written consent or approval:

- (i) consent to or accept any cancellation, termination, revision, or settlement of any Loan Document, or agree to any transfer or termination of any instrument now or hereafter assigned to it as security for the Loan;
- (ii) release, partially or fully, any collateral given as security for the Loan or any guarantor of the Loan;
- (iii) extend the maturity date of the Loan or the date of any interest or principal payment there under;
- (iv) reduce the amount of any payment of principal or the applicable Authority Rate or the Lender Rate;
- (v) increase the maximum amount of the Loan or the obligations of the Lender or the Authority pursuant to any Loan Document;
- (vi) require the acceptance of a new note evidencing the Loan, in substitution for the Note;
- (vii) waive or consent to the modification of any Loan Document that would cause the Loan to no longer be in compliance with the requirements of Section 3; or
- (viii) consent to any amendment or modification to a Loan Document that would be, in the judgment of a prudent financial manager, material to the Loan.

In the event that the Lender breaches any of the above-enumerated covenants, it agrees that it shall purchase the Authority's outstanding Participation as of the date of the breach.

(B) In the event that Lender seeks the Authority's consent or approval for any of the matters enumerated above, the Authority shall make every effort to respond to the Lender's request within twenty (20) business days after such request. Such response may be by telephone, to be confirmed in writing promptly thereafter. If the Authority does not so respond, the Authority shall be deemed to have rejected such request.

(C) Upon the occurrence of any default by the Borrower or guarantor under any of the Loan Documents, the Lender shall consult in good faith with the Authority. Notwithstanding the foregoing, if such a default is caused by the nonpayment of principal or interest, by the bankruptcy of the Borrower or a guarantor, or by the occurrence of an event that would have a material adverse effect on the repayment of the Loan or the collateral securing the Loan (in the Lender's reasonable judgment), the Lender shall not waive such default without the written consent of the Authority. If, at any time during the continued occurrence of such a default, the Authority informs the Lender of its desire that the Lender commence foreclosure proceedings under the terms of the Loan Documents, the Lender shall either commence such proceedings or purchase the Authority's Participation in accordance with Section 7 hereof.

6.7 Subordination after Default. The Lender and the Authority may agree to the subordination of amounts (both principal and interest) owed to the Authority under certain circumstances. Such subordination shall be effective only if noted on both the relevant Authority Approval Letter and Participation Certificate. If the Lender and the Authority so agree, the amounts owed by the Lender to the Authority with respect to a Participation shall be subordinated to amounts owed by the Borrower to the Lender from and after the occurrence of all of the following events: (i) the occurrence of any default under any of the applicable Loan Documents; (ii) notice thereof to the Authority; (iii) acceleration of the

applicable Loan; and (iv) commencement and continuation of foreclosure proceedings and other collection efforts, which shall include enforcing all guaranties with respect thereto.

However, in any foreclosure proceeding where the Lender is the successful bidder at the foreclosure sale and the sale results in a loss to either the Lender and/or the Authority, and the Lender subsequently sells the foreclosed property within twelve (12) months thereafter for a gain or profit, the Lender is obligated to remit a pro-rata share of said gain or profit equal to the Authority Participation Amount within thirty (30) calendar days thereafter. This also applies to any situation where the Lender takes judicial or non-judicial ownership of collateral assets for subsequent disposition.

Breach of any of the Covenants or requirements specified in Sections 6.5, 6.6, or 6.7 renders all subordination null and void as of the date of the breach. Unless a new subordination agreement is executed in writing by the Lender and the Authority, any amounts recovered upon the Borrower's default are to be distributed on a pro-rata basis equal to the Authority Participation Amount, plus recovered interest and fees if any.

6.8 Retention of Counsel. In the event of actual or threatened litigation affecting a Loan or the security for such Loan, and if the Lender is of the opinion that the services of an attorney should be retained to protect those interests, the Lender may, following ten (10) business days' prior written notice to the Authority (unless, in the judgment of the Lender, immediate action is required, whereupon any reasonable form of notice to the Authority shall be acceptable), retain counsel to represent the Lender. The Lender shall seek to cause the Borrower to pay the reasonable fees and expenses of such counsel in accordance with the terms and conditions of the Loan Documents, but if the Borrower fails to pay such fees and expenses, then the Lender shall pay all reasonable costs thereof as Servicing Expenses. The Authority shall not have any right in connection with such litigation to retain other counsel, except at the sole cost and expense of the Authority.

7. REPURCHASE BY LENDER OF THE PARTICIPATION

7.1 Repurchase by Lender. At any time during which the Loan is outstanding, the Lender shall have the unconditional right, within its sole and exclusive discretion, to repurchase the Participation in the Loan, upon written notice to the Authority.

7.2 Price Payable by the Lender. The purchase price to be paid by the Lender to the Authority under Sections 6.6(C) and 7.1 hereof shall be an amount equal to the Participation Amount, together with any accrued interest thereon and fees (if any).

7.3 Consummation of Repurchase. Any such repurchase shall occur on a date selected by the Lender, which date shall be no later than (a) ten (10) business days after the giving of written notice by the Lender of the exercise of its option to repurchase, or (b) twenty-five (25) business days after a request by the Authority that the Lender begin foreclosure proceedings. The purchase price paid by the Lender to the Authority shall be paid on such date in immediately available funds, and concurrently therewith the Authority shall execute, and deliver to the Lender, document(s) reassigning to the Lender the Participation, without recourse, covenant or warranty, express or implied (except that the Authority shall warrant its ownership of the Participation, the amount of indebtedness outstanding thereunder and its authority and capacity to execute such documents).

8. LENDER'S RIGHT OF OFFSET

To the extent that at any time a Borrower, guarantor, or any other party makes any payment under the relevant Loan Documents to the Lender by exercise of a right of offset of any kind, including any right applying to deposits, accounts, monies, or other property of such Borrower or guarantor deposited at or

held by the Lender (but excluding any property securing the Loan pursuant to the Loan Documents), such payments shall be applied to reduce the Loan. Immediately thereafter, the Borrower's outstanding balance shall be automatically readjusted to reflect such payment, and the Lender shall purchase from the Authority as much of the Participation Amount so as to return the Lender's and the Authority's respective interests to the percentages existing prior to the offset.

9. SUBORDINATION OF THE AUTHORITY'S PARTICIPATION TO SERVICING EXPENSES

Subject to the terms and conditions of this Agreement, each Participation shall be subordinated in payment until such time as the Lender's Servicing Expenses (if any) with respect to the applicable Loan have been paid in full. Accordingly, and in consideration thereof, Servicing Expenses shall be the sole responsibility of the Lender, and the Lender hereby indemnifies the Authority for any and all liability for Servicing Expenses. In all other events, subject to the terms of this Agreement, payments made on the Participation shall be pari passu with amounts retained by the Lender with respect to the Borrower's outstanding balance, pro rata in accordance with their respective percentage interests.

Breach of any of the covenants or requirements herein or specified in Sections 6.5, 6.6, or 6.7 renders all subordination null and void as of the date of the breach. Unless a new subordination agreement is executed in writing by the Lender and the Authority, any amounts recovered in connection with a Loan are to be distributed as a pro-rata share equal to the Authority Participation Amount plus recovered interest and fees if any.

10. BOOKKEEPING ENTRIES

The Lender will reduce, for the purpose of recording the value of its assets in its financial books and records, the value of any Loan asset by the amount of the Authority's Participation Amount. The Lender shall, within ten (10) business days after a request by the Authority, allow the Authority to examine the Lender's books and records concerning the Loan.

11. ACKNOWLEDGEMENTS AND AGREEMENTS BY THE PARTIES

The Authority and the Lender acknowledge and agree with respect to each Loan that:

(A) The Lender is expected to exercise due diligence in determining (i) the accuracy of any statement, warranty, representation, or certification made by the Borrower and/or any guarantors in, or in connection with, any document relevant to the Loan, and (ii) the financial condition of the Borrower and any guarantor with respect to the Loan or the performance or observance of any obligations by the Borrower or any guarantor with respect to the Loan.

(B) The sale of a Participation does not constitute the sale of a "security" under or as defined in the Securities Act of 1933 and the Securities Exchange Act of 1934.

(C) The relationship between the Lender and the Authority is and shall be that of a seller and purchaser of a property interest and not a debtor-creditor relationship. This Agreement is not intended to constitute, nor shall it be construed to establish, a partnership or joint venture between the Lender and the Authority.

(D) The Authority is relying upon the Lender to undertake, on behalf of the Authority, the review and approval of the credit, collateral valuation, security documentation, and determination of eligibility of the Borrower.

(E) The Lender shall promptly notify the Authority in writing in reasonable detail:

(i) if there has been any material adverse change in the condition, financial or otherwise, or operations of the Lender that may affect the State Program and/or the Authority;

(ii) if Lender believes that any representation, warranty, certification, assurance, or any other statement of fact contained in the Loan Documents, Lender's Application for Participation and Proposal, and this Agreement (including all Exhibits), or any statement set forth in any document, report, certificate, financial statement or instrument now or hereafter delivered to the Authority in connection with the State Program, was inaccurate, false, incomplete, or misleading when made, or in any material respect;

(iii) if Lender believes that it has materially failed to comply with any term or condition contained in this Agreement; and

(iv) if there are facts or circumstances, real or anticipated, that may materially affect the Lender's ability to comply with the terms and conditions of this Agreement or to carry out the State Program; in this event, Lender must describe the actions taken or contemplated to be taken to address the issue.

12. NOTICE OF EVENTS OF DEFAULT

Upon the occurrence of a default or an Event of Default (as defined in the Loan Documents) or upon default in the payment of any principal of, or interest on, the Note or in the observance of the performance of any of the terms, covenants, and conditions of any of the Loan Documents, the Lender shall, within ten (10) business days thereafter, notify the Authority in writing of the existence and nature of the default.

13. INFORMATION

The Lender shall promptly furnish to the Authority an executed copy of the Loan Documents and copies of all such documents pertaining to the Loan, including, without limitation, information relating to the Loans and periodic financial information required to be delivered to the Lender which the Lender has in its possession from time to time.

14. LENDER REPORTS

Upon execution of this Agreement, the Lender shall prepare and deliver to the Authority samples of all Loan Documents and a Lender report containing such information regarding the Lender as the Authority shall request, and any other documentation as determined necessary by the Authority or as otherwise identified in this Agreement. In the event of a Borrower default, the Lender shall provide periodic updates on the status of collection efforts until such time as the Lender deems it advisable to conclude collection efforts. When Lender seeks to conclude collection efforts on a Loan and close the Loan file, it shall submit a Collections Closeout Report, attached as Exhibit H, to the Authority for review. Upon the Authority's determination that further collection efforts are not warranted, it will notify the Lender of its concurrence.

15. OTHER TRANSACTIONS BETWEEN THE LENDER AND THE BORROWER

The Lender and its affiliates may accept deposits from, lend money to, extend other financial accommodations to, or for the benefit of, any Borrower, and may act as trustee under the indentures for, and generally engage in, any kind of business with any Borrower, any person who may do business with any Borrower, or any affiliate of any Borrower.

16. CONFIDENTIALITY

Except as may be required by law, including under the Freedom of Information Act, the Open Meetings Act and the IFA Act, and the reporting requirements under this Agreement, the Authority will endeavor to maintain the confidentiality of all information furnished to the Authority hereunder or in connection with any document relative to a Loan, except that the Authority will have no obligation of confidentiality with respect to information that may be generally available to the public, or becomes generally available to the public through no fault of the Authority. The sharing of information with or providing of information to another agency or authority of the State of Illinois by the Authority shall not be deemed to violate this undertaking, provided that such agency or authority shall remain bound by the confidentiality provisions contained herein. The Authority shall be authorized to publicize information regarding its interest in a Loan in which it has purchased a Participation, including, without limitation, information related to the name of the Borrower, the name of the Lender, the amount of the Loan, and the amount of the Authority Participation in the Loan. At times, the Authority may request social security numbers or other personal identifying information. Federal and state laws, rules, and regulations require the collection of this information for certain purposes relating to employment and/or payments for goods and services, including, but not limited to, grants. The Authority also collects confidential information for oversight and monitoring purposes. Furnishing personal identity information, such as social security number, is voluntary; however, failure to provide required personal identity information may prevent an individual or organization from using the services/benefits provided by the Authority as a result of state or federal laws, rules and regulations.

17. TERM OF AGREEMENT

This Agreement shall terminate on June 30, 2033; provided, however, that it shall remain effective and its terms and conditions shall remain applicable to any Participation purchased during the time it was effective. If at any time the Authority terminates the Program or wishes to discontinue accepting applications from Lender, the Authority shall use commercially reasonable efforts to provide Lender with at least thirty (30) days' notice of the Program termination date or the date certain after which the Lender may not submit additional applications.

18. MISCELLANEOUS

18.1 Assignment. Neither the Authority nor the Lender may, without the prior written consent of the other party, transfer or assign all or any portion of its rights and obligations hereunder, except that the Authority may affect such a transfer or assignment to another agency or authority of the State of Illinois.

18.2 Notices. Unless otherwise specified, any notice, demand, or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) e-mail; (c) overnight courier; or (d) registered or certified, first class mail, return receipt requested.

If to the Lender: Name of Lender: _____
 Address: _____
 City, State, Zip + 4: _____
 Attention: _____
 E-mail: _____

If to the Authority: Illinois Finance Authority
 160 North LaSalle Street, Suite S-1000
 Chicago, Illinois 60601
 Attention: Manager of Finance and Administration

These addresses may be changed by notice to the other party given in the same manner as above provided. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand, or request sent pursuant to clause (c) shall be

deemed received on the day immediately following deposit with the overnight courier, and if sent pursuant to clause (d) shall be deemed received two (2) business days following deposit in the mail.

18.3 Authorization. The Lender and the Authority each hereby represent to one another that: (a) any and all necessary corporate and other action has been taken to authorize the execution, and the performance of, its obligations under this Agreement; and (b) this Agreement is binding and enforceable against it.

18.4 Applicable Law. This Agreement shall be deemed a contract made under, and governed by, the laws of the State of Illinois, without regard to conflict of laws principles.

18.5 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

18.6 Amendments, Changes, and Modifications. This Agreement may be amended, changed, modified, or altered, except as set forth in Section 17 of this Agreement, only by written agreement signed by the Lender and the Authority (or their successors or assignees).

18.7 Entire Agreement. This Agreement sets forth the entire understanding of the parties and supersedes any and all prior agreements, arrangements, and understandings relating to the subject matter hereof. No representation, promise, inducement, or statement of intent has been made by either party that is not embodied in this Agreement, and neither party shall be bound by or liable for any alleged representation, promise, inducement, or statement of intention not expressly set forth herein. This Agreement shall be binding upon, and shall inure to the benefit of, the Lender and the Authority and (subject to the provisions of Section **18.1** hereof) their respective successors and assigns. To the extent the parties to this Agreement are also parties to any other master participation agreement providing for the purchase of loan participations, those agreements shall remain in effect until terminated in accordance with their terms.

18.8 Counterparts. This Agreement may be executed in counterparts, all of which, when taken together, shall constitute one and the same Agreement.

18.9 Conflict of Interest. No director, officer, or employee of the Lender shall participate in any decision relating to any Borrower's business that affects the director's, officer's, or employee's personal interest or the interests of any corporation, partnership or association in which the director, officer or employee is directly interested. In extending credit to directors, officers or employees, not otherwise prohibited by this Agreement or federal law, the Lender is required to follow credit underwriting procedures that are as stringent as those applicable to comparable transactions by the Lender with persons that are not officers or employees of the Lender, not involving more than a normal risk of repayment. The Lender certifies that it shall: (1) comply, if applicable, with the provisions of 31 U.S.C. § 1352, as amended, and with the regulations at 31 CFR Part 21; (2) not use the SSBCI Fund funds and Program Income to pay any costs incurred in connection with (i) any defense against any claim or appeal of the U.S. Government, any agency or instrumentality thereof (including the Treasury), against the U.S. Government, any agency or instrumentality thereof (including Treasury), against the Lender; and (3) not use any SSBCI Fund funds or Program Income for loans, investments, and other credit or equity support to finance, in whole or in part, purposes prohibited by the SSBCI statute or Treasury's SSBCI regulations or guidance as in effect from time to time. Lender must review and complete the Lender Use of Proceeds Conflict of Interest Certification attached hereto as **Exhibit H** (to be submitted with the Closing Documents).

18.10 Records Retention. The Lender agrees to maintain, for a minimum of five (5) years after the repayment, repurchase, or other termination of the Authority's Participation, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with the Loan and Loan Documents. The Lender agrees that all books, records, and supporting documents related to the Loan and the Loan Documents shall be available for review and audit by the

Authority, the U.S. Department of the Treasury and its inspector general, the Government Accountability Office, the Illinois Auditor General and the Illinois Attorney General, and agrees to cooperate fully with any audit and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the Authority for the recovery of any amounts paid by the Authority pursuant to the Participation for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

19. CERTIFICATIONS

19.1 Compliance with Applicable Law. The Lender certifies that it shall comply with all applicable provisions of Federal, State, and local law in the performance of its obligations pursuant to this Agreement, including compliance with the SSBCI statute (12 U.S.C. § 5701 et seq.), as amended or replaced from time to time and the Treasury SSBCI regulations, guidance, and other requirements, as in effect from time to time and as incorporated herein by reference as well as any applicable federal, state and/or local laws, regulations, and guidance related to internal control and standards for financial management systems requirements.

19.2 Defaults on Education Loans. The Lender certifies that this Agreement is not in violation of the Educational Loan Default Act (5 ILCS 385/3) prohibiting certain contracts to individuals who are in default on an educational loan.

19.3 Discrimination/Illinois Human Rights Act. The Lender certifies (i) that it will not commit unlawful discrimination in employment in Illinois as that term is defined in Article 2 of said Act; (ii) that it will comply with the provisions of Article 5 of the Act regarding equal employment opportunities and affirmative action; and, (iii) that it will comply with policies and procedures established by the Department of Human Rights under Article 7 of the Act regarding equal employment opportunities and affirmative action. The Lender further certifies that, if applicable, it will comply with the Public Works Employment Discrimination Act (775 ILCS 10/0.01 et seq.), Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.) and the Treasury's implementing regulations at 31 C.F.R. Part 22, Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), the Age Discrimination Act of 1975 as amended (42 U.S.C. §§ 6101 et seq.) and the Treasury's implementing regulations at 31 C.F.R. Part 23, and Title III of the Americans with Disabilities Act of 1990 as amended (42 U.S.C. § 12101 et seq.).

19.4 Federal, State, and Local Laws; Tax Liabilities; State Agency Delinquencies. The Lender certifies that it will comply with all federal, state, and local laws, including but not limited to the filing of any and all applicable tax returns. In the event that a Borrower is delinquent in filing and/or paying any federal, state, and/or local taxes, the Authority shall disburse loan funds only if the Borrower enters into an installment payment agreement with said tax authority and remains in good standing with such installment payment agreement. Borrower is required to tender a copy of any such installment payment agreement to the Authority. In no event may Borrower utilize loan funds to discharge outstanding tax liabilities or other debts owed to any governmental unit. The Lender certifies that (i) it is current as to the filing and payment of any federal, state, and/or local taxes applicable to Lender; and (ii) it is not delinquent in its payment of monies owed to any federal, state, or local unit of government.

19.5 Prohibition of Goods Derived from Child Labor. The Lender certifies, in accordance with the State Prohibition of Goods from Child Labor Act (30 ILCS 584/1 et seq.), that no foreign-made equipment, materials, or supplies furnished to the State in connection with this Agreement have been produced in whole or in part by the labor of any child under the age of 12.

19.6 Lien Waivers. The Lender shall monitor any construction undertaken as part of a Project to assure that necessary contractor's affidavits and waivers of mechanics liens are obtained prior to release of Loan funds to contractors and subcontractors.

19.7 Interagency Wetland Policy Act. The Lender certifies that any proposed Project is compatible with

established state policy regarding wetlands, pursuant to the Interagency Wetland Policy Act of 1989 (20 ILCS 830/1 *et seq.*). The Lender acknowledges that the Illinois Department of Natural Resources may, from time to time, monitor a proposed Project to ensure continued compliance with the aforementioned Act. In the event that a Project does not remain in compliance with the Act, such noncompliance shall constitute a breach of this Agreement, and failure to cure the breach within sixty (60) days after notice thereof will result in the termination of the Participation in such Loan/Project.

19.8 Bid Rigging and Bid Rotating. The Lender certifies that it has not been barred from bidding on, entering into, or receiving State contracts as a result of a violation of Section 33E-3 or 33E-4 of the Illinois Criminal Code of 1961 (Bid Rigging or Bid Rotating, respectively) (720 ILCS 5/33E-3 and 5/33E-4).

19.9 Sexual Harassment. The Lender certifies it has written sexual harassment policies that include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under State law; (iii) a description of sexual harassment, utilizing examples; (iv) the Lender's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and the Human Rights Commission, including directions on how to contact them; and (vi) protection against retaliation as provided by Section 6-101 of the Illinois Human Rights Act (775 ILCS 5/2-105 *et seq.* and 775 ILCS 5/6-101). A copy of the policies shall be provided to the Authority upon request.

19.10 Americans with Disabilities Act Compliance. The Lender certifies that services, programs, and activities contemplated under this Agreement are and will continue to be in compliance with the Americans with Disabilities Act (ADA) (42 U.S.C. 12101 *et seq.*) and the regulations thereunder (28 CFR 35.130), which prohibit discrimination against persons with disabilities, whether directly or through contractual arrangements, in the provision of any aid, benefit, or service. The Lender further certifies that all facilities utilized by it in the performance of this Agreement comply with State accessibility laws.

19.11 International Anti-Boycott Certification. The Lender certifies that neither it nor any affiliate company is participating or will participate in an international boycott, as defined by the provisions of the U.S. Export Administration Act of 1979 or by the regulations of the U.S. Department of Commerce promulgated pursuant to the Act.

19.12 Drug-Free Workplace Act. The Lender certifies it is in compliance with the requirements of the Drug-Free Workplace Act (30 ILCS 580/1 *et seq.*).

19.13 Lender's Good Standing. The Lender certifies that it is in material compliance with all federal and state laws, rules, and regulations pertaining to the making of loans (including 31 C.F.R. § 103.121 and 31 C.F.R. § 1020.220); notwithstanding the above, if the Lender is under a Memorandum of Understanding or other regulatory action, it has submitted to the Authority a certification from its Corporate Counsel affirming that the Lender has addressed the issues raised by the government and is in substantial compliance with the regulator's guidance.

19.14 Historic Preservation. The Lender certifies that it will not expend funds under this Agreement which result in the destruction, alteration, renovation, transfer or sale, or utilization of a historic property, structure, or structures, or in the introduction of visual, audible, or atmospheric elements to a historic property, structure or structures, which will result in the change in the character or use of any historic property, except as approved by the Illinois Historic Preservation Agency. Historic Preservation Act (20 ILCS 3420/1 *et seq.*).

**20. FEDERAL TAXPAYER IDENTIFICATION NUMBER,
NAME AND LEGAL STATUS DISCLOSURE**

This organization does business under the legal name of: _____
which corresponds to the name of which the below listed FEIN is registered with the Internal Revenue Service.

Under penalties of perjury, the Lender certifies that _____ is its correct Federal Taxpayer Identification Number (FEIN). The organization does business as a (please check one):

- | | |
|---|---|
| _____ Individual (01) | _____ Governmental (08) |
| _____ Sole Proprietor (02) | _____ Nonresident Alien (13) |
| _____ Partnership/Legal Corporation (03) | _____ Estate or Trust (10) |
| _____ Tax Exempt (16) | _____ Pharmacy (Non-Corp.) (11) |
| _____ Corporation providing or billing
medical and/or health care services | _____ Pharmacy/Funeral Home/
Cemetery (Corp.) (15) |
| _____ Corporation NOT providing or
billing medical and/or health care services | _____ Limited Liability Company
(select applicable tax classification) |
| | _____ D-Disregarded Entity |
| | _____ C-Corporation |
| | _____ P-Partnership |

[Signature on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on their behalf by their duly authorized officers as of the day and year first written above.

Lender's execution of this Agreement shall serve as its certification under oath that Lender has read, understands, and agrees to all provisions of this Agreement and that the information contained in this Agreement is true and correct to the best of its knowledge, information and belief and that the Lender shall be bound by the same. Lender acknowledges that the individual executing this Agreement is authorized to act on the Lender's behalf. Lender further acknowledges that the award of Participations under this Agreement is conditioned upon the above certification.

(Lender)

By: _____

Printed Name

Its: _____

Date: _____

ILLINOIS FINANCE AUTHORITY

By: _____
Executive Director or other Authorized Officer

Date: _____

Name of Lender

Date

Page Two

This approval, and any subsequent funding of the Participation, is subject to the following contingencies:

1. Lender shall provide one Note evidencing the full amount of the Lender's Loan to include the Authority's Portion. In no case will the Authority term of obligation exceed the maturity date as shown on the Note.
2. At all times during which the Authority owns a Participation interest in a Loan or until the Loan is paid in full, Lender shall continue to own the Loan and shall not assign or sell an interest therein unless after such sale or assignment the Lender continues to maintain an interest equal to at least fifty percent (50%) of the total amount of the Loan. Additionally, the Authority's principal balance may never exceed the agreed-upon Participation percentage of the Borrower's principal balance.
3. This purchase of a Participation in such Loan is made pursuant to and shall be governed by the Master Participation Agreement, dated _____, 202__, by and between you and the Authority (the "Master Participation Agreement"). All capitalized terms used in this Approval Letter not otherwise defined herein shall have the meanings ascribed to them in the Master Participation Agreement.

In accepting this Approval Letter, you are making the Representations/Warranties as specified in Section 3 of the above Master Participation Agreement and certifying/recertifying that; a) The loan is not being made in order to place under the protection of the approved State program prior debt that is not covered under the approved State program and that is or was owed by the Borrower to you or to any affiliate of your institution, b) the Loan is not a refinancing of a Loan or Investment previously made to that Borrower by you or by any affiliate of yours, unless permitted by U.S. Treasury guidance, and c) you are not attempting to enroll any portion of an SBA-guaranteed loan or the unguaranteed portion of any other federal loan. You are also recertifying that no Principal of the Lender has been convicted of a sex offense against a minor (as such terms are defined in Section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911)).

4. As per Section 3 of the Master Participation Agreement, the Authority's obligations will cease immediately, notwithstanding this Approval Letter, without penalty or further payment being required, (a) if the SSBCI Fund funds for the Program are no longer available (whether they have all been otherwise utilized or the Authority no longer has access to them) or (b) due to other extenuating circumstances that are beyond the reasonable control of the Authority.
5. This Approval Letter does not obligate the Authority to an extension of credit beyond the Authority terms as described above. It is mutually understood and agreed that this Approval Letter and/or the Master Participation Agreement represents the entire understanding between the Lender and the Authority regarding the terms applicable to this Participation and that no oral representations or inducements regarding the terms applicable to this Participation that are not included or embodied in this letter and the Agreement shall be of any force and effect.
6. Lender is notified that, in any instance where the length of the principal amortization schedule exceeds the number of years of the Loan term to which the Authority is committing, thus obligating the Borrower to make a balloon payment at the end of the initial Loan term, the Authority is under no obligation, whatsoever, to participate in any financing of said balloon for any future term.
7. The Lender certifies that it is in material compliance with all federal and state laws, rules, and regulations pertaining to the making of loans (including 31 C.F.R. § 103.121 and 31 C.F.R. § 1020.220); notwithstanding the above, if the Lender is under a Memorandum of Understanding or other regulatory action, it has submitted a certification from its Corporate Counsel affirming that the Lender has addressed the issues raised by the government and is in substantial compliance with the regulator's guidance.

Name of Lender
Date
Page Three

8. After the Lender closes the Loan it must provide an original Participation Certificate (**Exhibit B** of the Master Participation Agreement) and copies of the Lender's executed Loan Documents as described in Section 1(A) of the Master Participation Agreement within ten (10) business days of closing.

9. Payments will be made by check and forwarded to the Authority at;
Climate Bank Finance
Illinois Finance Authority
160 North LaSalle Street, Suite S-1000
Chicago, Illinois 60601
Attention: Manager of Finance and Administration

Please include with each payment the Monthly Report/ Payment Distribution Summary and Transmittal (**Exhibit C**) showing the receipt of the payment and the details of how the total payment was distributed. Additional matters affecting that status or quality of the credit will similarly be reported in the "Notes" section of **Exhibit C**. (sample **Exhibit C** attached)

10. **The Loan must close within one hundred twenty (120) days of this Approval Letter, unless a written extension of time is granted by the Authority, otherwise this Approval Letter will expire.**

This will confirm your acceptance of these conditions. **Pursuant to the Master Participation Agreement, this approval letter will expire thirty (30) days from the date of this letter, unless a written extension is granted.** Please sign, date, and return this original approval letter to:

_____(Loan Officer)
Illinois Finance Authority
160 North LaSalle Street, Suite S-1000
Chicago, Illinois 60601

The staff of the Illinois Finance Authority looks forward to working with you. If you have any questions, please feel free to contact _____ (Loan Officer) at _____ (phone).

ILLINOIS FINANCE AUTHORITY

By: _____
Executive Director or other Authorized Officer

(Lender)

Printed Name

By: _____

Its: _____

Date: _____

Enclosures

EXHIBIT B

PARTICIPATION CERTIFICATE

The undersigned lender (the "Lender") and the Illinois Finance Authority ("The Authority") have entered into a **Master Participation Agreement Number #_____ dated _____, 202__** (the "Master Agreement") pursuant to which such parties have agreed that the Authority from time to time may purchase from the Lender, Participations in loans made by the Lender. This Participation Certificate shall acknowledge the purchase of such a participation (the "Participation") in a loan (the "Loan") of the Lender to _____ (the "Borrower") pursuant to the terms and conditions of that certain Authority Approval Letter dated _____, 202__ (the "Approval Letter"). The Loan was made on _____, 202__ on the terms and conditions described in the Approval Letter and those contained in the application related to the Loan submitted by the Lender to the Authority. **(The Authority has agreed to the subordination of payments in certain situations pursuant to Section 6.7 of the Master Agreement. -OR- the Authority will not subordinate payments in certain situations pursuant to Section 6.7 of the Master Agreement.)***

The Lender represents to the Authority (a) that the Loan has been made on the terms and conditions described in the related application submitted to the Authority, (b) that it has provided to the Authority copies of the promissory note and all other documentation required by Section 2 of the Master Agreement, and such copies are true and correct as of the date hereof. This Participation shall be governed by all of the terms and conditions contained in the Master Agreement and the Approval Letter.

(LENDER)

By: _____

Printed Name

Its: _____

Date: _____

Acknowledged:

ILLINOIS FINANCE AUTHORITY

By: _____
Executive Director or other Authorized Officer

Date: _____

EXHIBIT C

Date: _____ **Climate Bank Finance Participation Loan Program**
Illinois Finance Authority

Monthly Report/ Payment Distribution Summary and Transmittal

Borrower: _____

Lender: _____

Due Date: _____ **Amount Due:** _____ **Date Payment Received** _____

	Beginning Principal Balance	Total Payment Amount	Applicable Interest Rate	Amount Applied to Principal	Amount Paid to Interest	Ending Principal Balance
Lender						
IFA						
Borrower						

IFA's share of the Borrower's payment is to be sent and postmarked within 5 business days of receipt.

Notes: Is this loan current? Yes/No If delinquent, how many days? _____

Other Comments: _____

Lender Check #: _____

Contact: (Person to contact for detailed information about the payment):

Name: _____ **Phone #:** _____ **Email:** _____

Please send Checks to:
Climate Bank Finance
Illinois Finance Authority
160 North LaSalle Street
Suite S-1000
Chicago, Illinois 60601
Attention: Manager of Finance and Administration

EXHIBIT D

ILLINOIS FINANCE AUTHORITY
LENDER'S APPLICATION FOR PARTICIPATION

Lender _____ Contact _____ Title _____

Address _____ FEIN _____

City _____ State _____ Zip _____ Telephone _____ Email _____

Applicant _____

We request Approval for: (check only one) [] Loan Participation; [] Loan Participation for Business Enterprises Owned and Controlled by Socially and Economically Disadvantaged Individuals (SEDI-Owned Businesses); [] Loan Participation for Very Small Business (VSB)

Amount of Loan: _____ Lender Share: _____ Loan Principal Payments Per Month _____ Beginning Months After Closing _____
\$ _____ %

Months _____ Authority Share: _____ Lender's Rate: _____ Note Interest Rate: _____
\$ _____ %

The following must be completed and submitted:

1. Lender's Application for Participation.
2. Applicant's Project Proposal and Applicant's Certification.
3. Lender's Internal Loan Report to include:
 - a. Financial, Profitability, and Repayment Analysis
 - b. Assessment of Applicant's Management Skill and Business Plan.
 - c. Collateral Analysis, including lien position and adequacy.
 - d. Lender's experience with the Applicant, including Strengths and Weaknesses.
 - e. Explain the need for State Assistance.
4. Applicant's Historical Balance Sheets and, to the extent available, Income Statements for up to three years, and other documentation addressing Applicant's sustainability as an ongoing business.
5. Applicant's Credit Report(s).

LENDER'S CERTIFICATION

I certify to the Authority that the loan represented by this application is approved subject to the terms specified. Without the Authority's participation, as requested, we would not be willing to make this loan, and in our opinion, the financial assistance requested is not otherwise available on reasonable terms. I have reviewed and verified the information in the Applicant's Project Proposal, Applicant's Certification, and the documentation supporting this application. I certify, to the extent of my knowledge, that the Applicant is an eligible small business (for the purposes of the SSBCI Program), the proceeds will be used for an eligible purpose in Illinois and the owners and managers of the Applicant business are of good character.

In submitting this Application for Participation, I hereby restate the Representations/Warranties as specified in Section 3 of the Illinois Finance Authority Master Participation Agreement, and certify/recertify that; a) the loan is not being made in order to place under the protection of the approved Authority program prior debt that is not covered under the approved Authority program and that is or was owed by the Borrower to us or to any affiliate of our institution, b) the Loan is not a refinancing of a Loan or Investment previously made to that Borrower by us or by any affiliate of ours, unless permitted by U.S. Treasury guidance and c) we are not attempting to enroll any portion of an SBA-guaranteed loan or the unguaranteed portion of any other federal loan. We also recertify that no Principal of the Lender has been convicted of a sex offense against a minor (as such terms are defined in Section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911).

- Certifying Lender Signature- _____ -Title - _____ - Date - _____

EXHIBIT E
ILLINOIS FINANCE AUTHORITY
APPLICANT'S PROJECT PROPOSAL

Name of Applicant: _____ Contact: _____ Title: _____.

Address _____ Telephone _____ Email _____.

City _____ State _____ Zip _____ FEIN/Tax ID _____ Unemploy. Ins. No. _____.

Project Address _____ County _____ NAICS Code _____.

City _____ State _____ Zip _____ Duns No. _____.

Requested Loan	Equity	Other	Other	Total Project Cost
\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

COMPLETE THE FOLLOWING (attach a separate page if necessary):

Briefly Describe The Project:

Describe how the Project fits within the definition of a "clean energy project", as defined in the Authority's Act or otherwise fosters the objectives and mission of the Climate Bank.

How will these loan funds be used?

Employment Impact: Describe your businesses employment (e.g. number, type, full & part-time) now and after this project has been implemented.

How will this project modernize your business or improve its competitiveness?

T__ F__ Wetlands will not be impacted because the use (s) of the Authority funding is limited to repair, maintenance, and/or renovation of existing buildings, facilities, lawns and ornamental plantings; purchase of machinery and equipment; and/or working capital financing.

Y__ N__ There is the potential for a wetland impact to occur because the uses(s) of the Authority funding include new construction or expansion of existing buildings or facilities or other alterations to the "footprint" of the facilities on the property. A plat map of the site is included with this application so that the Authority staff can compare the property's location against the National Wetlands Inventory (NWI) to identify wetlands located on or within 250 feet of the property.

OPTIONAL DEMOGRAPHIC DATA SURVEY

Legal Name of Applicant/Borrower: _____

This transaction is supported with funding provided through the State Small Business Credit Initiative (SSBCI), a federal program that supports small business lending and investment programs throughout the United States, its territories, and Tribal governments. In Illinois, the SSBCI Program is administered by the Illinois Department of Commerce and Economic Opportunity (DCEO) and the Illinois Finance Authority (IFA). The SSBCI program is designed to expand access to capital, promote economic resiliency, and create new jobs and economic opportunity. Filling out this form and providing demographic information is optional; applicants are not required to provide the requested information but are encouraged to do so. Neither DCEO, IFA, nor your lender can discriminate on the basis of whether an applicant provides this information, or based on any information provided on this form. If you decline to provide this information, it will not adversely affect your application. The demographics-related information collected can only be used for purposes of the SSBCI program and must not be used for any other purposes (e.g., marketing, sale to third parties). The information collected must also not be used in a manner that violates any applicable anti-discrimination laws, including, but not limited to, the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI), 42 U.S.C. § 2000d-1 et seq., and Treasury's implementing regulations, 31 C.F.R. part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. § 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. § 1681 et seq., and Treasury's implementing regulations, 31 C.F.R. part 28; the Age Discrimination Act of 1975, 42 U.S.C. § 6101 et seq., and Treasury's implementing regulations at 31 C.F.R. part 23.

If you believe you were discriminated against in connection with the provision of the information provided on this form, contact: Illinois Department of Commerce and Economic Opportunity, Office of Equal Opportunity Monitoring and Compliance, 555 West Monroe St., 12th Floor, Chicago, Illinois 60661. You may also contact Director, Office of Civil Rights and Diversity, U.S. Department of the Treasury, 1500 Pennsylvania Ave, N.W., Washington, DC 20220, or by email at crcomplaints@treasury.gov

Applicants are encouraged to answer all of the questions below;

This information is being collected to help ensure that communities' small business credit needs are being fulfilled and allow SSBCI to analyze the populations that SSBCI funding is benefiting.

1. Minority-owned or controlled business status

For purposes of this form, minority individual means a natural person who identifies as American Indian or Alaska Native; Asian American; Black or African American; Native Hawaiian or Other Pacific Islander; Hispanic or Latino/a; or one or more than one of these groups.

For purposes of this form, an applicant is a minority-owned or controlled business if the business meets one or more of the following:

- (1) if privately owned, 51 percent or more is owned by minority individuals;
- (2) if publicly owned, 51 percent or more of the stock is owned by minority individuals;
- (3) in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of minority individuals; or
- (4) one or more minority individuals have the power to exercise a controlling influence over the business.

Is the applicant a minority-owned or controlled business?

- Yes No Prefer not to respond

2. Women-owned or controlled business status

For purposes of this form, an applicant is a women-owned or controlled business if the business meets one or more of the following:

- (1) if privately owned, 51 percent or more is owned by women;
- (2) if publicly owned, 51 percent or more of the stock is owned by women;
- (3) in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of women; or
- (4) one or more individuals who are women have the power to exercise a controlling influence over the business.

Is the applicant a women-owned or controlled business?

- Yes No Prefer not to respond

3. Veteran-owned or controlled business status

For purposes of this form, an applicant is a veteran-owned or controlled business if the business meets one or more of the following:

- (1) if privately owned, 51 percent or more is owned by veterans;
- (2) if publicly owned, 51 percent or more of the stock is owned by veterans;
- (3) in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of veterans; or
- (4) one or more individuals who are veterans have the power to exercise a controlling influence over the business.

Is the applicant a veteran-owned or controlled business?

- Yes No Prefer not to respond

Each principal owner of the applicant is encouraged to answer the questions below. This information is being collected to help ensure that communities' small business credit needs are being fulfilled and allow SSBCI to analyze the populations that SSBCI funding is benefiting. For purposes of this form, a principal owner of the applicant is a natural person who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25 percent or more of the equity of the business. If a trust owns, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, 25 percent or more of the equity interests of the business, the trustee is a principal owner. For each principal owner of the applicant, indicate which of the following categories the principal owner identifies with. Submit a separate copy of this table for each principal owner of the applicant (up to four).

1. Ethnicity		
<input type="checkbox"/> Hispanic or Latino/a	<input type="checkbox"/> Not Hispanic or Latino/a	<input type="checkbox"/> Prefer not to respond
2. Race (select all that apply)		
<input type="checkbox"/> American Indian or Alaska Native	<input type="checkbox"/> Asian (Other)	<input type="checkbox"/> Black or African American
<input type="checkbox"/> Asian	<input type="checkbox"/> Native Hawaiian or Other Pacific Islander	<input type="checkbox"/> Guamanian or Chamorro
<input type="checkbox"/> Indian	<input type="checkbox"/> Guamanian or Chamorro	<input type="checkbox"/> Native Hawaiian
<input type="checkbox"/> Chinese	<input type="checkbox"/> Native Hawaiian	<input type="checkbox"/> Samoan
<input type="checkbox"/> Filipino	<input type="checkbox"/> Samoan	<input type="checkbox"/> Pacific Islander (Other)
<input type="checkbox"/> Japanese	<input type="checkbox"/> Pacific Islander (Other)	<input type="checkbox"/> White
<input type="checkbox"/> Korean	<input type="checkbox"/> White	<input type="checkbox"/> Prefer not to respond
<input type="checkbox"/> Vietnamese	<input type="checkbox"/> Prefer not to respond	

3. Middle Eastern or North African Ancestry

- Middle Eastern or North African Not Middle Eastern or North African
 Prefer not to respond

4. Gender

- Female
 Male
 Non-binary
 Prefer to self-describe: _____
 Prefer not to respond

5. Sexual Orientation

- Gay or lesbian
 Bisexual
 Straight, that is, not gay, lesbian, or bisexual
 Something else
 Prefer not to respond

6. Veteran Status

- Veteran Non-veteran Prefer not to respond

EXHIBIT F

APPLICANT'S CERTIFICATION

The undersigned acknowledges that a participation interest (the "Participation") in the loan (the "Loan") for which it has applied from _____, (the "Lender") may be sold to the Illinois Finance Authority ("the Authority") pursuant to the Illinois Finance Authority Act (20 ILCS 3501/801-1 et seq). The Lender will continue to handle and service the entire Loan and all payments will be made to the Lender. In order to induce the Authority to purchase a Participation in the Loan, the undersigned agrees and certifies to the Lender and the Authority as follows:

1. The undersigned agrees to submit annual progress reports to the Authority in the form provided by the Authority in the time requested by the Authority. The annual progress report will request information about job creation/retention, additional investment in the business, and the business's revenue and net income for the prior year.
2. The project of the undersigned for which Loan funds are to be used (the "Project") would not be undertaken unless the Loan is provided.
3. The purchase of the Participation will cause a Project to be undertaken in Illinois which has the potential to create or retain substantial employment or to modernize or improve the competitiveness of the undersigned in relation to the amount of the Loan.
4. The Project is a new plant start-up, modernization, expansion, or a new venture opportunity in Illinois and is not a relocation of an existing business from another site within the State of Illinois unless that relocation results in substantial employment growth.
5. The undersigned is ready to implement the Project and has the financial ability to carry out the Project.
6. The undersigned is a credit-disadvantaged firm, such as a business start-up or micro-enterprise, or other young firm, or an industrial expansion, modernization, environmental upgrade, or other mature firm, or is a small business responding to and recovering from the economic effects of the COVID-19 pandemic, or is a business owned by socially or economically disadvantaged individuals, (a "SEDI-owned small business"), or a Very Small business with 9 or fewer employees, (a "VSB").
7. The undersigned is a not-for-profit corporation, for-profit corporation, or limited liability corporation, partnership, or sole proprietorship having seven hundred fifty (750) or fewer employees and is authorized to conduct business in the State of Illinois. The number of employees of the Borrower, including those from a temp agency or PEO and any Borrower affiliates, is _____.
8. The undersigned is **not**:
 - (a) a business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business or through the normal course of trade;
 - (b) a business that earns more than half of its annual net revenue from lending activities; unless the business is (1) a CDFI that is not a depository institution or a bank holding company or (2) a Tribal enterprise lender that is not a depository institution or a bank holding company, and the CDFI or Tribal enterprise lender uses Program funds for a re-

lending transaction that complies with Program requirements;

(c) a business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants;

(d) a business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted (this includes businesses that make, sell, service, or distribute products or services used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution, unless such use can be shown to be completely outside of the business's intended market); this category of businesses includes direct and indirect marijuana businesses, as defined in SBA Standard Operating Procedure 50 10 6 (available at <https://www.sba.gov/document/sop-50-10-lender-development-company-loan-programs-0> (if document at the link is not accessible, a copy may be requested from the Authority));

(e) a business engaged in gambling enterprises, unless the business earns less than thirty-three percent (33%) of its annual net revenue from lottery sales;

(f) a business that operates a discriminatory club, as defined in Section 1 of the Discriminatory Club Act (775 ILCS 25/1); or

(g) in the business of manufacturing or selling at wholesale, tobacco products, liquor, or sexually explicit materials or in the business of manufacturing or selling firearms at wholesale or retail.

9. The undersigned is not, and is not controlled by, an executive officer, director, or principal shareholder of the Lender; or a member of the immediate family of an executive officer, director, or principal shareholder of the Lender; or a related interest of such executive officer, director, principal shareholder, or member of the immediate family. For purposes of this paragraph, the terms "executive officer," "director," "principal shareholder," "immediate family", and "related interest" refer to the same relationship to a lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part. In addition, the undersigned is not a business or entity in which (i) any director, officer or owner of an ownership interest of more than 7-1/2% in the business or entity, in its own name or that of a nominee is also a member, officer, agent or employee of the Authority, or (ii) any member, officer, agent or employee of the Authority has any direct or indirect interest.

10. No principal of the undersigned has been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911)). For purposes of this certification, "principal" means the following: if a sole proprietorship, the proprietor; if a partnership, each managing partner and each partner who is a natural person and holds a 20% or more ownership interest in the partnership; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the undersigned, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the undersigned. The undersigned will be required to review and complete the Borrower Sex Offender Certification attached hereto as **Exhibit F, Attachment 1**.

11. The proceeds of the Loan will be used for a "business purpose." Business purpose includes, but is not limited to, start-up costs, working capital, franchise fees, equipment, inventory, as well as the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. The definition of business purpose excludes: activities that relate to acquiring or holding passive investments, such as commercial real estate ownership and the purchase of securities; and lobbying activities, as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

Proceeds of the Loan will not be used:

(a) to repay delinquent federal or state income taxes unless the undersigned has a payment plan in place with the relevant taxing authority;

(b) to repay taxes held in trust or escrow (e.g., payroll or sales taxes);

- (c) to reimburse funds owed to any owner, including any equity injection or injection of capital for the undersigned's continuance;
- (d) to purchase any portion of any ownership interest of any owner in the undersigned except for the purchase of an interest in an employee stock ownership plan qualifying under Section 401 of the Internal Revenue Code, worker cooperative, employee ownership trust, or related vehicle, provided that the transaction results in broad-based employee ownership for employees in the business and the employee stock ownership plan or other employee-owned entity holds a majority interest (on a fully diluted basis) in the business;
- (e) to place under the protection of the Program prior debt that is not covered under the Program and that is or was owed by the Borrower to the Lender or to an affiliate of the Lender;
- (f) to improve or renovate any portion of rentable property that the Borrower leases to a third party;
- (g) to refinance a loan previously made to the Borrower by the Lender or an affiliate of the Lender unless permitted by U.S Treasury guidance; or
- (h) to enroll the unguaranteed portions of SBA-guaranteed loans or the unguaranteed portion of any other federal loan

12. Under penalties of perjury, the undersigned certifies that it does business under the legal name of _____, which is identified with the following Federal Taxpayer Identification Number _____, and that it does business as a:

- | | |
|--|--|
| _____ Individual (01) | _____ Governmental (08) |
| _____ Sole Proprietor (02) | _____ Nonresident Alien (13) |
| _____ Partnership/Legal Corporation (03) | _____ Estate or Trust (10) |
| _____ Tax Exempt (16) | _____ Pharmacy (Non-Corp.) (11) |
| _____ Corporation providing or billing medical and/or health care services | _____ Pharmacy/Funeral Home/ Cemetery (Corp.) (15) |
| _____ Corporation NOT providing or billing medical and/or health care services | _____ Limited Liability Company |
| | (select applicable tax classification) |
| | _____ D-Disregarded Entity |
| | _____ C-Corporation |
| | _____ P-Partnership |

13. The undersigned certifies that it is a Corporation, Partnership, or other entity (other than individual) with:

- A) _____ 25 or more employees at the time of issuance of this contract, or
- B) _____ 24 or fewer employees at the time of issuance of this contract.

If Option "A" is checked, and the amount of the Participation is \$5,000 or greater, the undersigned is notified that the Drug-Free Workplace Act is applicable to the Participation and it must comply with the terms of said Act. (30 ILCS 580/1 *et seq.*).

If Option "B" is checked, *or* the amount of the Participation is less than \$5,000, the Drug-Free Workplace Act is not applicable to the Participation.

14. The undersigned certifies that it shall comply with all applicable provisions of Federal, State, and local law in the performance of its obligations pursuant to the Loan and/or other permitted lines of credit, including compliance with the Illinois Prevailing Wage Law, if applicable, SSBCI statute (12 U.S.C. § 5701 *et seq.*), as amended or replaced from time to time and the U.S. Department of Treasury's (Treasury) SSBCI regulations, guidance, and other requirements, as in effect from time to time and as incorporated herein by reference as well as any applicable federal, state and/or local laws, regulations,, and guidance related to internal control and standards for financial management systems requirements. The undersigned agrees to

maintain, for a minimum of five (5) years after the repayment, repurchase, or other termination of the Loan, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all funds passing in conjunction with the Loan. The undersigned agrees that all books, records, and supporting documents related to the Loan shall be available for review and audit by the Authority, the U.S. Department of the Treasury and its inspector general, the federal Government Accountability Office, the Illinois Auditor General and the Illinois Attorney General, and agrees to cooperate fully with any audit and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the Authority for the recovery of any amounts paid by the Authority pursuant to a participation for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

15. The undersigned certifies that entering into the Loan is not in violation of the Educational Loan Default Act (5 ILCS 385/3) prohibiting certain contracts to individuals who are in default on an educational loan.

16. The undersigned certifies (i) that it will not commit unlawful discrimination in employment in Illinois as that term is defined in Article 2 of said Act; (ii) that it will comply with the provisions of Article 5 of the Act regarding equal employment opportunities and affirmative action; and, (iii) that it will comply with policies and procedures established by the Department of Human Rights under Article 7 of the Act regarding equal employment opportunities and affirmative action. The Lender further certifies that, if applicable, it will comply with the Public Works Employment Discrimination Act (775 ILCS 10/0.01 *et seq.*), Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*) and the Treasury's implementing regulations at 31 C.F.R. Part 22, Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and the Age Discrimination Act of 1975 as amended (42 U.S.C. §§ 6101 *et seq.*) and the Treasury's implementing regulations at 31 C.F.R. Part 23.

17. The undersigned certifies that it will comply with all federal, state, and local laws, including but not limited to the filing of any and all applicable tax returns. In the event that the undersigned is delinquent in filing and/or paying any federal, state, and/or local taxes, the Authority shall disburse loan funds only if the undersigned enters into an installment payment agreement with said tax authority and remains in good standing with such installment payment agreement. The undersigned acknowledges and agrees it is required to tender a copy of any such installment payment agreement to the Authority. The undersigned acknowledges and agrees that it may not utilize loan funds to discharge outstanding tax liabilities or other debts owed to any governmental unit. The undersigned certifies that (i) it is current as to the filing and payment of any federal, state, and/or local taxes applicable to it; and (ii) it is not delinquent in its payment of monies owed to any federal, state, or local unit of government.

18. The undersigned certifies, in accordance with the State Prohibition of Goods from Child Labor Act (30 ILCS 584/1 *et seq.*), that no foreign-made equipment, materials, or supplies furnished to the State in connection with this Agreement have been produced in whole or in part by the labor of any child under the age of 12.

19. The undersigned shall monitor any construction undertaken as part of a Project to assure that necessary contractor's affidavits and waivers of mechanics liens are obtained prior to release of Loan funds to contractors and subcontractors.

20. The undersigned certifies that any proposed Project is compatible with established state policy regarding wetlands, pursuant to the Interagency Wetland Policy Act of 1989 (20 ILCS 830/1 *et seq.*). The undersigned acknowledges that the Illinois Department of Natural Resources may, from time to time, monitor a proposed Project to ensure continued compliance with the aforementioned Act. In the event that a Project does not remain in compliance with the Act, such noncompliance shall constitute a breach of this Agreement, and failure to cure the breach within sixty (60) days after notice thereof will result in the termination of the Participation in such Loan/Project.

21. The undersigned certifies that it has not been barred from bidding on, entering into, or receiving State contracts as a result of a violation of Section 33E-3 or 33E-4 of the Illinois Criminal Code of 1961 (Bid Rigging or Bid Rotating, respectively) (720 ILCS 5/33E-3 and 5/33E-4).

22. The undersigned certifies it has written sexual harassment policies that include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment under

State law; (iii) a description of sexual harassment, utilizing examples; (iv) the undersigned's internal complaint process including penalties; (v) the legal recourse, investigative and complaint process available through the Department of Human Rights and the Human Rights Commission, including directions on how to contact them; and (vi) protection against retaliation as provided by Section 6-101 of the Illinois Human Rights Act (775 ILCS 5/2-105 *et seq.* and 775 ILCS 5/6-101). A copy of the policies shall be provided to the Authority upon request.

23. The undersigned certifies that services, programs, and activities contemplated under this Agreement are and will continue to be in compliance with the Americans with Disabilities Act (ADA) (42 U.S.C. 12101 *et seq.*) and the regulations thereunder (28 CFR 35.130), which prohibit discrimination against persons with disabilities, whether directly or through contractual arrangements, in the provision of any aid, benefit, or service. The undersigned further certifies that all facilities utilized by it in the performance of this Agreement comply with State accessibility laws.

24. The undersigned certifies that neither it nor any affiliate company is participating or will participate in an international boycott, as defined by the provisions of the U.S. Export Administration Act of 1979 or by the regulations of the U.S. Department of Commerce promulgated pursuant to the Act.

25. The Authority is authorized to publicize information regarding its Participation in the Loan, including, without limitations, information related to the name of the borrower, the amount of the Loan, and the amount of the Participation by the Authority in the Loan. Notwithstanding the foregoing, the Authority is committed to protecting the privacy of its vendors, grantees, and beneficiaries of programs and services. At times, the Authority may request social security numbers or other personal identifying information. Federal and state laws, rules, and regulations require the collection of this information for certain purposes relating to employment and/or payments for goods and services, including, but not limited to, grants. The Authority also collects confidential information for oversight and monitoring purposes. Furnishing personal identity information, such as social security number, is voluntary; however, failure to provide required personal identity information may prevent an individual or organization from using the services/benefits provided by the Authority as a result of state or federal laws, rules and regulations.

26. The undersigned certifies that it will not expend any Loan funds which result in the destruction, alteration, renovation, transfer or sale, or utilization of a historic property, structure, or structures, or in the introduction of visual, audible or atmospheric elements to a historic property, structure or structures, which will result in the change in the character or use of any historic property, except as approved by the Illinois Historic Preservation Agency (20 ILCS 3420/1 *et seq.*).

27. The undersigned certifies that no director, officer, or employee of the undersigned shall participate in the Lender's credit decision or other Lender decisions relating to the Loan, and that none of the undersigned's directors, officers, or employees shall participate in any decision of the undersigned's business that affects the director's, officer's, or employee's personal interest or the interests of any corporation, partnership, or association in which the director, officer, or employee is directly interested in a manner that conflicts with the interests of the undersigned's business.

The undersigned certifies that it shall: (1) comply, if applicable, with the provisions of 31 U.S.C. § 1352, as amended, and with the regulations at 31 CFR Part 21; (2) not use the SSBCI Fund funds to pay any costs incurred in connection with any defense against any claim or appeal of the U.S. Government, any agency or instrumentality thereof (including the Treasury), against the U.S. Government, any agency or instrumentality thereof (including Treasury), against the undersigned; and (3) not use any SSBCI Fund funds for loans, investments, and other credit or equity support to finance, in whole or in part, purposes prohibited by the SSBCI statute or Treasury's SSBCI regulations or guidance as in effect from time to time. The undersigned must review and complete the Borrower Use of Proceeds and Conflict of Interest Certification attached hereto as **Attachment 2 to Exhibit F**.

28. The undersigned certifies that, **to the extent the construction of fixed works is financed in whole or in part with funds provided by the Loan**, the Project will be subject to the **Prevailing Wage Act** (820 ILCS 130/0.01 *et seq.*) unless the provisions of the Prevailing Wage Act exempt its application. In the construction of the Project, the undersigned must comply with the requirements of the Prevailing Wage Act including, but not limited to: (a) requiring its contractors to pay the prevailing rate of wages required by the Illinois Department of Labor, or a court on review, to all laborers, workers and mechanics performing work with funds provided through the Loan, (b) inserting into all contracts for such construction a stipulation to

the effect that not less than the prevailing rate of wages as applicable to the Project must be paid to all laborers, workers, and mechanics performing work on the Project; and (c) requiring all bonds of contractors to include a provision guaranteeing the faithful performance of the prevailing wage clause as provided by contract.

29. The undersigned shall promptly notify the Lender in writing in reasonable detail:

(i) if there has been any material adverse change in the condition, financial or otherwise, or operations of the undersigned that may affect the Loan and/or the Lender;

(ii) if the undersigned believes that any representation, warranty, certification, assurance, or any other statement of fact contained in the Loan Documents, this Certification (including all Attachments), or any statement set forth in any document, report, certificate, financial statement or instrument now or hereafter delivered to the Lender in connection with the Loan, was inaccurate, false, incomplete, or misleading when made, or in any material respect;

(iii) if the undersigned believes that it has materially failed to comply with any term or condition contained in the Loan Documents and/or this Certification (including all Attachments); and

(iv) if there are facts or circumstances, real or anticipated, that may materially affect the undersigned's ability to comply with the terms and conditions in the Loan Documents or this Certification (including all Attachments); in this event, the undersigned must describe the actions taken or contemplated to be taken to address the issue.

30. If applicable, the undersigned certifies that the applicant qualifies for this Loan based on its status as a Very Small Business (9 or fewer employees) or a SEDI-Owned Businesses, as applicable, and certifies that it is any of the following entities (initial any that apply).

_____ Very Small Business

_____ SEDI-Owned Business Applicant (**if this option is checked, please review and complete SEDI-Owned Businesses Certification attached hereto as Attachment 3**).

The undersigned acknowledges and agrees that the certifications made herein shall be considered representations made pursuant to the Loan Agreement related to the Loan with the same ramifications in the event they are inaccurate.

This Certification is executed as of the _____ day of _____, 202__.

PRINT/TYPE NAME OF APPLICANT

By: _____

Its: _____

Date: _____

ATTACHMENT 1 TO EXHIBIT F

Sex Offender Borrower Certification (Loan/Credit Program)

Under the State Small Business Credit Initiative (SSBCI), borrowers must certify that their principals have not been convicted of a sex offense against a minor.

Legal name of Borrower: _____

Borrower hereby certifies the following to the participating jurisdiction:

No principal of the entity listed above has been convicted of a sex offense against a minor (as such terms are defined in 34 U.S.C. § 20911). For the purposes of this certification, “principal” means the following: if a sole proprietorship, the proprietor; if a partnership, each partner; if a corporation, limited liability company, association, development company, or other entity, each director, each of the five most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of twenty percent (20%) or more of the ownership stock or stock equivalent of the entity.

The undersigned is an authorized representative of Borrower.

Signature: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT 2 TO EXHIBIT F

Borrower Use of Proceeds and Conflict of Interest Certification

Funds from the State Small Business Credit Initiative (SSBCI) may only be used for certain purposes and in circumstances where the applicable conflict of interest standards are satisfied.

Legal name of Borrower: _____

Borrower hereby certifies the following to the lender or investor:

1. The loan or investment proceeds will be used solely for a business purpose. A business purpose includes, but is not limited to, start-up costs; working capital; franchise fees; and acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business's goods or services, or in the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. SSBCI funds may be used to purchase any tangible or intangible assets except goodwill. The term "business purpose" excludes acquiring or holding passive investments in real estate; the purchase of securities except as permitted in certification 2.d below; and lobbying activities (as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended (2 U.S.C. § 1602(7))).
2. The loan or investment proceeds will **not** be used to:
 - a. repay delinquent federal or jurisdiction income taxes unless the borrower or investee has a payment plan in place with the relevant taxing authority;
 - b. repay taxes held in trust or escrow (e.g., payroll or sales taxes);
 - c. reimburse funds owed to any owner, including any equity investment or investment of capital for the business's continuance;
 - d. place under the protection of the State Participation Loan Program prior debt that is not covered under the State Participation Loan Program and that is or was owed by the Borrower to the Lender or to an affiliate of the Lender;
 - e. improve or renovate any portion of rentable property that Borrower leases to a third party;
 - f. refinance a loan previously made to the Borrower by the Lender or an affiliate of the Lender, unless permitted by U.S. Treasury guidance; or
 - g. purchase any portion of the ownership interest of any owner of the business, except for the purchase of an interest in an employee stock ownership plan qualifying under section 401 of Internal Revenue Code, worker cooperative, or related vehicle, provided that the transaction results in the employee stock ownership plan or other employee-owned entity holding a majority interest (on a fully diluted basis) in the business.
3. The borrower or investee is **not**:
 - a. a business engaged in speculative activities that profit from fluctuations in price, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business or through the normal course of trade.

- b. a business that earns more than half of its annual net revenue from lending activities, unless the business is a non-bank or non-bank holding company certified as a Community Development Financial Institution (CDFI);
- c. a business engaged in pyramid sales, where a participant’s primary incentive is based on the sales made by an ever-increasing number of participants;
- d. a business manufacturing or selling at wholesale, tobacco products, liquor or sexually explicit materials or in the business of manufacturing or selling firearms at wholesale or retail;
- e. a business engaged in activities that are prohibited by federal law or, if permitted by federal law, applicable law in the jurisdiction where the business is located or conducted.
(Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling, drug paraphernalia or operating a motel that knowingly permits illegal prostitution); or
- f. a business engaged in gambling enterprises, unless the business earns less than thirty-three percent (33%) of its annual net revenue from lottery sales.

For a borrower participating in a loan/credit program:

- 4. The borrower is **not**:
 - a. an executive officer, director, or principal shareholder of the Lender;
 - b. a member of the immediate family of an executive officer, director, or principal shareholder of the Lender; or
 - c. a related interest or immediate family member of such an executive officer, director, or principal shareholder of the Lender.
 - d. a business or entity in which (i) any director, officer or owner of an ownership interest of more than 7-1/2% in the business or entity, in its own name or that of a nominee, is also a member, officer, agent or employee of the Authority or (ii) any member, officer, agent or employee of the Authority has any direct or indirect interest.”

For the purposes of the above conflict of interest certification, the terms “executive officer,” “director,” “principal shareholder,” “immediate family,” and “related interest” refer to the same relationship to the lender as the relationships described in 12 C.F.R. part 215.

The undersigned is an authorized representative of the Borrower.

Signature: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT 3 TO EXHIBIT F

Borrower Certification Related to Business Enterprises Owned and Controlled by Socially and Economically Disadvantaged Individuals (SEDI-Owned Businesses)

This transaction is supported with funding provided through the State Small Business Credit Initiative (SSBCI), a federal program that supports small business lending and investment programs in the State of Illinois. SSBCI programs are designed to expand access to capital, promote economic resiliency, and create new jobs and economic opportunity. SSBCI provides funding to the State of Illinois to support businesses owned and controlled by socially and economically disadvantaged individuals (SEDI-owned businesses). For purposes of this SSBCI program, the term “owned and controlled” means: (1) if privately owned, 51% is owned by socially and economically disadvantaged individuals (SEDI); (2) if publicly owned, 51% of the stock is owned by SEDI; and (3) in the case of a non-for-profit, a majority of the board of directors, executive administration, and community served are predominantly comprised of such individuals.

This certification provides documentation that an SSBCI loan or investment supported a SEDI-owned business. The information collected from this certification can only be used for purposes of the SSBCI program and must not be used for any other purposes (e.g., marketing, sale to third parties). The information collected must also not be used in a manner that violates any applicable anti-discrimination laws, including, but not limited to, the laws specified in Section IX.b of the Capital Program Policy Guidelines (Compliance with Civil Rights Requirements).

The borrower is not required to provide this certification. The borrower may identify all categories in groups (1) through (3) below that apply, including all subcategories in group (1) that apply.

Legal name of Borrower: _____

Borrower hereby certifies to the Lender that it is a:

1. Business enterprise that is owned and controlled by individuals who have had their access to credit on reasonable terms diminished as compared to others in comparable economic circumstances, due to their (check all that apply):
 - membership of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
 - gender;
 - veteran status;
 - limited English proficiency;
 - disability;
 - long-term residence in an environment isolated from the mainstream of American society;
 - membership of a federally or state-recognized Indian Tribe;
 - long-term residence in a rural community;
 - residence in a U.S. territory;
 - residence in a community undergoing economic transitions (including communities impacted by the shift towards a net-zero economy or deindustrialization); or
 - membership of another underserved community¹.

¹ “Underserved communities” are populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the definition of equity. Equity is consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, Indigenous, and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons, persons with disabilities, persons who live in rural areas, and persons otherwise adversely affected by persistent poverty or inequality.

2. Business enterprise that is owned and controlled by individuals whose residences are in Low to Moderate Income Areas or CDFI Investment Areas, as defined in 12 C.F.R. § 1805.201(b)(3)(ii). For purposes of this Certification, "**Low to Moderate Income Area**" means an area or county within the State of Illinois that meets certain federal income guidelines taking into consideration the number of household members. To determine if a business is located in a Low to Moderate Income (LMI) Area, go to <http://www.ffiec.gov/geocode> and type in the address. Then click on "Get Census Demographic" in order to determine the income level of the tract.

Individual(s)' Address(es) in LMI or CDFI Investment Areas:

3. Business enterprise that will build, open, or operate a location in an LMI or CDFI Investment Area, as defined in 12 C.F.R. § 1805.201(b)(3)(ii).

Business Address in CDFI Investment Area:

EXHIBIT G

Sex Offender Lender Certification (Loan/Credit Program)

Under the State Small Business Credit Initiative (SSBCI), lenders and borrowers must certify that their principals have not been convicted of a sex offense against a minor.

Legal name of Lender: _____

The Lender hereby certifies the following to the participating jurisdiction:

No principal of the entity listed above has been convicted of a sex offense against a minor (as such terms are defined in 34 U.S.C. § 20911). For the purposes of this certification, “principal” means the following: if a sole proprietorship, the proprietor; if a partnership, each partner; if a corporation, limited liability company, association, development company, or other entity, each director, each of the five most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of 20 percent or more of the ownership stock or stock equivalent of the entity.

The undersigned is an authorized representative of the Lender.

Signature: _____

Name: _____

Title: _____

Date: _____

EXHIBIT H

Lender Use of Proceeds and Conflict of Interest Certification

Funds from the State Small Business Credit Initiative (SSBCI) may only be used for certain purposes and in circumstances where the applicable conflict of interest standards are satisfied.

Legal name of Lender: _____

Lender hereby certifies the following to the participating jurisdiction:

1. The SSBCI-supported loan or investment is not being made in order to place under the protection of the approved State program prior debt that is not covered under the approved State program and that is or was owed by the Borrower to the Lender or to an affiliate of the Lender.
2. If the SSBCI-supported loan is a refinancing, it complies with all applicable SSBCI restrictions and requirements in SSBCI Capital Program Policy Guidelines: Lender Assurances: Refinancing and New Extensions of Credit 12U.S.C. para. 5704(e)(7)(A)(ii) (incorporated herein by reference) regarding refinancing and new extensions of credit, including that the SSBCI-supported loan is not a refinancing of a loan previously made to the Borrower by the Lender or an affiliate of the Lender, unless permitted by U.S. Treasury guidance.
3. The Lender is not attempting to enroll any portion of an SBA-guaranteed loan or the unguaranteed portion of any other federal loan.

The undersigned is an authorized representative of the Lender.

Signature: _____

Name: _____

Title: _____

Date: _____

EXHIBIT I

Collections Closeout Report

Borrower(s):	Lender:
Contact /Title:	Contact:
Phone/Email:	Email:
Address-HQ:	Address:
FEIN:	Phone:
Date Closed:	
Last Payment Date:	
Lender Portion:	IFA/CBF Participation:
Original Balance:	Original Balance:
Current Balance:	Current Balance:
Anticipated Further Collection:	
Recommended Action:	

The purpose of this report is to summarize the steps taken by a lender participating in the State Small Business Credit Initiative—Climate Bank Finance Participation Loan Program (“PLP”) to recover on a defaulted loan. This report will be used by the Illinois Finance Authority (the “Authority”) to evaluate Lender’s compliance with the State Small Business Credit Initiative, the Master Participation Agreement, and the Approval Letter, and to support any Authority decision to close out the loan file.

Lender Certification

I, _____ [Officer of Bank, Title], hereby certify, represent and warrant on behalf of Lender that all information and documentation submitted to the Authority in connection with this recovery summary report is accurate, genuine and complete and contains true copies of Lender's records for this loan. I further certify that I have personally reviewed and confirmed, based upon Lender's records with respect to this loan provided herewith and that to the best of my knowledge and belief the information contained therein is true and accurate. I also certify to the best of my knowledge and belief that Lender has materially complied with the PLP requirements set forth in the Master Participation Agreement and Approval Letter applicable to this loan.

By signing below, I represent and warrant that I have the proper authority to execute this document on behalf of Lender.

Signature: _____

Date: _____

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Collection Efforts and Charge-off Justification

Please provide a narrative detailing recovery and collection efforts, including reasons and justification for charge off action.

Charge-off is appropriate when:

- all reasonable efforts have been exhausted to achieve recovery from (1) voluntary payments on the Note, (2) compromise agreement with the obligors; (3) liquidation of the collateral; and (4) enforced collections;
- the estimated cost of further collection efforts exceeds the anticipated recovery;
- the only remaining avenue of recovery is from obligors who cannot be located or who are unable to pay the loan balance; or
- the loan balance is uncollectible due to discharge in bankruptcy (i.e., release of the debtor from any further personal liability for pre-bankruptcy debts), the expiration of the statute of limitations (i.e., the passing of the deadline for suing), or the existence of another defense available to the remaining obligors under state or federal law.

Charge-off is not appropriate while any legal proceedings relating to the recovery are pending.

Site Visit Report

Please provide a copy of the post-default site visit report, if any.

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Recoveries Worksheet

Please summarize all recoveries using the spreadsheet below. You must provide supporting documentation (e.g. HUD-1 sheet(s), auction report(s), settlement statement(s), bill(s) of sale, and/or copies of cancelled checks) upon request.

	Date Sold	Collateral Sold	Net Amount Applied to Indebtedness
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			

Total: \$ _____

Collateral Status Worksheet

	Description of Collateral	Lien Position Per Approval Letter	Liquidated	Remaining	Abandoned
1			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If any collateral is abandoned, complete the Abandonment of Collateral section beginning on last page.

Obligors Worksheet

	Guarantor Per Approval Letter	Remaining	Released	Bankrupt	Limited	Deceased
1		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If deceased, please provide a copy of the death certificate or printout of the verification from the Social Security Administration records (<http://search.ancestry.com/search/db.aspx?dbid=3693> for deaths prior to 2015), or other appropriate records.

Servicing Expenses

Please list all Servicing Expenses (as defined in the Master Participation Agreement) by type and in total amounts paid to each vendor.

	Expense Type	Vendor/Payee	Amount Paid
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			

Total: \$ _____

Abandonment of Collateral

Has any collateral been abandoned on this loan? Yes No

If yes, provide attach a summary of the reasons for abandonment. You must provide supporting documentation upon the Authority's request.