



South Central Tennessee Business Development Corporation
101 Sam Watkins Blvd
Mount Pleasant, TN 38474

Re: U.S. Small Business Administration 504 Loan Package Dear Applicant:

I thank you for offering South Central Tennessee Business Development Corporation, (SCTBDC) a Certified Development Company licensed by the U.S. Small Business Administration, the opportunity to work with you and your company. Our first role in the process is to assist you in the assembly of the information required by a bank, SCTBDC, and the SBA to make a credit decision. This may include additional work in preparing a business plan and other efforts not directly related to the preparation of the SBA application package. Our preparation of the SBA application package will require that you provide us with the information outlined in the attached checklist For SCTBDC to provide our service we need to receive this information on a timely basis in accurate and usable form.

SCTBDC may also have a separate agreement with a bank involved in your loan request under which SCTBDC will provide advisory services to the bank regarding the SBA approval process. If such an agreement exists, it will be disclosed to you prior to the execution of this document and will be made available for your review, at your request.

A deposit of \$2,500.00, or one percent (1.0%) of the estimated net debenture, whichever is less, paid in advance, is required by SCTBDC for the preparation of the SBA application package. If SCTBDC or the SBA declines the application, the deposit will be refunded in full within ten (10) business days, after all appeal rights have been exhausted or waived. If you withdraw your loan application at any time before SBA issues the debenture Authorization, the deposit, less any reasonable and necessary costs will be refunded within ten (10) business days.

If the loan is approved, the CDC will charge a processing fee equal to 1.5% of the net debenture. Two thirds of the processing fee (1.0%) is considered earned upon approval of the authorization. SCTBDC will require payment in the amount of 1% of the net debenture, less the \$2,500.00 deposit, upon approval and acceptance of the Authorization. The remainder of the fee is considered earned when the loan is closed and will be paid from debenture proceeds.

In order to protect the interests of SCTBDC, the SBA and participating lenders, SCTBDC requires and borrower hereby authorizes SCTBDC to engage a title insurance company to provide lender's coverage. Borrower agrees to pay for said insurance. If borrower elects, borrower may use the same title insurance company to provide owner's coverage; however, borrower is free to engage a separate title insurance company for its coverage and pay all costs associated therewith. Upon your acceptance of the Authorization referred to above, SCTBDC shall order title immediately. Neither SCTBDC, nor any party affiliated with it has any interest in the title insurance company chosen.

SCTBDC makes no representations, regarding the information which you provide which we include in the application, nor does SCTBDC participate in, or control any bank's decision to grant a loan. SCTBDC is an independent entity making a decision to extend or not to extend credit on its own behalf. The responsibility for review, implementation and results lies with both yourself and your firm.

If the terms of this letter are acceptable, please so acknowledge by signing below and returning an executed copy of this letter and a check, representing the deposit, payable to "South Central Tennessee Business Development Corporation" in the amount of \$2,500.00.

Sincerely,

Eddie Fitzgerald

Economic Development Loan Officer

I have read the disclaimers set out above and acknowledge that deposit has limitations as to refunding, per SBA regulations.

Acknowledged By: _____ Date: _____

Title: _____ Company: _____