

Janesville Innovation Center Tenant Loan Fund

Purpose – The purpose of the JIC Tenant Loan Fund is to provide start-up and early-stage JIC tenant companies access to working capital for projects and investments that accelerate revenue growth, profitability and/or the ability to secure additional growth capital.

Loan Fund Overview – The JIC Tenant Loan Fund has been established with a \$5000 grant from the George Parker Foundation. The Fund is a revolving loan fund that provides an ongoing source of working capital for JIC Tenant Companies. Additional grants from a variety of potential local, regional and state funding sources may provide additional fund amounts in the future.

Business Loan Amounts – Business Loan amounts range from \$250 - \$750 per project. No tenant may exceed \$1000 in total outstanding loan funds from the JIC Tenant Loan Fund.

Eligible Uses – Tenants may borrow for projects in three general categories:

Accelerate Revenue Growth – Projects may include contracted products or services that define target markets, identify potential customers/distribution channels and/or other sales growth initiatives. Tenants may also apply funds to projects that involve beta testing of their products and/or services with predetermined clients that have agreed to take part in beta testing.

Improve Profitability – Projects may include contracted products or services that better define and enhance accounting systems, cost accounting, management reporting, etc.

Secure Additional Sources of Growth Capital – Tenants may apply for funding that allows the company to enhance its ability to secure additional capital from other debt and/or equity funding sources. Projects may include taking steps to meet lending or investment requirements of debt and/or equity sources.

Matching Requirements – Tenants must commit and demonstrate the ability to match a cash amount equal to the amount requested from the JIC Tenant Loan Fund.

Application Process – Tenants are required to submit one application for each project request from the JIC Tenant Loan Fund. The application requires a project summary, budget estimate, sources of all funds being committed to the project, and the justification of the project investment relative to the loan objectives stated above.

Review Process – Applications are reviewed by the JIC Finance Committee and evaluated relative to the objectives and requirements noted above. Tenants will be notified by the JIC Operations Manager regarding the Finance Committee review and next steps. Loans documents will be drafted and signed prior to the disbursement of any funds.

Repayment Terms and Conditions – All loans are to be repaid based on terms and conditions that are negotiated between the JIC Tenant Loan Fund and the Tenant. Loans will typically be secured with collateral and personally guaranteed. Interest rates will be set at 5% annually and may change to reflect market conditions as determined by the Finance Committee. Repayment terms will typically be event or milestone based, allowing Tenants the ability to realize the financial benefits of the project before repayments are required.

Contact – For additional information about the JIC Tenant Loan Fund, please contact Mike Mathews.