

166 LOAN APPLICATION AGREEMENT

Cascade Capital Corporation
One Cascade Plaza, 18th Floor
Akron, OH 44308

The undersigned, representing a Small Business Concern (“SBC”), is submitting with this letter an application for a State of Ohio 166 Regional Loan. The loan may be made to the SBC or to _____, as an eligible passive company existing to own real or personal property. (Such eligible passive company and/or the SBC are hereafter referred to as the “Borrower”.) The undersigned acknowledges that by processing this application, Cascade Capital Corporation, a certified development corporation, will expend time, labor and expense, with the expectation of establishing a mutually beneficial lender-borrower relationship.

In consideration of the above, the undersigned is submitting an application deposit in the amount of \$1,000.00. The undersigned understands that this application deposit will be applied towards Cascade Capital Corporation’s loan processing fee due at closing. The undersigned specifically agrees that the application deposit is not refundable if for any reason the loan does not close.

The undersigned acknowledges that there will be additional fees due to Cascade Capital Corporation and other parties to the transaction including, but not limited to the following:

- Cascade Capital Corporation’s loan processing fee of 1½% of the 166 loan proceeds.
- Cascade Capital Corporation’s attorney fees associated with the Ohio 166 loan closing (approximately \$2,000).
- .25% Annual Loan Servicing Fee (included in the interest rate).

The undersigned assumes responsibility for certain other expenses which may be incurred by the Borrower, Cascade Capital Corporation or the State of Ohio, in connection with the financing, including, but not limited to appraisals, title searches, title insurance, mortgage documentation, filing and recording fees, attorney fees and accountant fees.

In addition to the foregoing, the undersigned agrees to the following conditions:

1. Cascade Capital Corporation shall review the loan application and when satisfactorily detailed and approved by Cascade Capital Corporation, submit such application to the State of Ohio for approval. It is understood that Cascade Capital Corporation will seek financing for the acquisition, construction, improvement and equipping of Borrower’s proposed project (the “Project”) if Cascade Capital Corporation, in its sole discretion, determines that the Borrower’s application is satisfactory and meets the criteria for approval. Packaging and submission of Borrower’s application to Cascade Capital Corporation’s Loan Review Committee or the State of Ohio does not guarantee that Borrower will obtain financing. Borrower agrees that Cascade Capital Corporation has no liability to Borrower should Borrower fail to secure financial assistance from the State of Ohio or other lending sources. All costs and expenses including, but not limited to, title services and attorney fees incurred by Borrower or Cascade Capital Corporation in connection with this application shall be paid by Borrower.

2. Borrower shall cooperate fully with Cascade Capital Corporation in the review and processing of such loan application, including the timely submission of accurate financial reports and information regarding the Borrower and its principals. The Borrower agrees that Cascade Capital Corporation may make credit inquiries and receive confidential business and personal financial and credit information as it deems necessary and the Borrower hereby authorizes any person, financial institution or credit reporting agency to compile and furnish such information. Cascade Capital Corporation agrees to hold such credit information in confidence and not divulge such information to persons or entities other than its employees, Loan Review Committee, legal counsel and the State of Ohio except with the prior consent of Borrower.
3. If funds provided by the 166 loan and by any other financing are not sufficient to pay all Project costs or, if additional costs are incurred as a result of cost overruns or unanticipated expenses in financing the Project, the Borrower shall complete the acquisition, construction, improvement and equipping of the Project and pay all costs therefor in full, using its own funds/funding sources.
4. Prior to 166 loan disbursement, the Borrower will represent to both Cascade Capital Corporation and the State of Ohio that: (a) construction of the Project is completed in accordance with final plans and specifications; (b) that no unpaid labor or materialmen's liens exist; (c) that construction costs do not exceed estimated Project costs; (d) that Borrower has the ability to repay its obligations to Cascade Capital Corporation; (e) that the Borrower has not suffered a material adverse change in its financial and organizational condition since the date of its loan application with Cascade Capital Corporation.
5. Borrower hereby authorizes its financial institution to grant to Cascade Capital Corporation access to financial records held by the financial institution that provides interim and/or other financing for the Project or Project assets. Furthermore, such financial records will be available to Cascade Capital Corporation without further notice or authorization, but will not be disclosed or released to any governmental entity, other than the State of Ohio, without Borrower's consent.
6. This paragraph is intended to effect Cascade Capital Corporation's compliance with applicable provisions of the Financial Privacy Act of 1978, Pub. L. No. 95-630, 92 Stat. 9273 (1978). Pursuant to Section 1113 (h) (2) of that Act, no further acknowledgment shall be required for subsequent access by Cascade Capital Corporation or the State of Ohio in order to obtain financial records of Borrower during the processing of this agreement or during the subsequent term, if any, of the Ohio 166 loan issued in connection with this agreement.

If Borrower makes an eligible passive company election, where the Borrower is not the SBC but either the owner or owners of the SBC or an entity created to own real or personal property, the undersigned acknowledges and understands that prior to loan closing, the owner or owners respective spouses may be required by Cascade Capital Corporation and the State of Ohio to personally guarantee repayment of the 166 Regional loan and that if the SBC or eligible passive company elects to own the Project through a partnership entity, the general partners of such entity and their spouses may be required

by Cascade Capital Corporation and the State of Ohio to personally guarantee repayment of the 166 loan.

7. The undersigned acknowledges that he/she has been furnished with a list of the Cascade Capital Corporation' Officers, Executive Committee and employees. The undersigned represents that neither the undersigned, nor the Borrower, is related in any way, directly or indirectly, to any Officer, Executive Committee member or employee of Cascade Capital Corporation, and that to the best of my knowledge, no other conflict of interest or potential conflict of interest exists between the undersigned or the Borrower of Cascade Capital Corporation. The undersigned understands that the members of the Executive Committee and Officers of Cascade Capital Corporation will review the documents related to this application in their capacities as loan review committee members. The undersigned is further aware that all records of the Cascade Capital Corporation are open to all members of the Executive Committee.
8. As consideration for any assistance that may be provided by Cascade Capital Corporation, Borrowers waives all claims against Cascade Capital Corporation

I understand this 166 Loan Application Agreement in its entirety and agree to abide by its terms.

Borrower

Date signed: _____