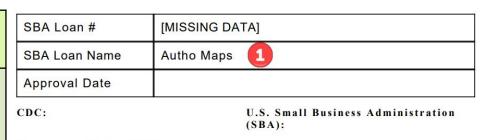
Ventures

Generating the Etran SBA Terms and Conditions from Ventures

NEVADA DISTRICT OFFICE 300 South Fourth Street

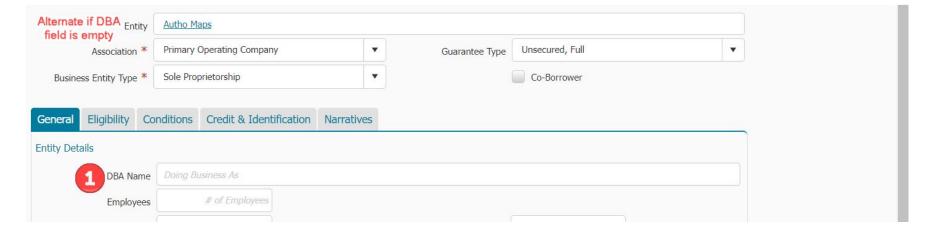
Las Vegas, NV 89101

	Terms and Conditions Field	Corresponding Ventures Field/Location
1	SBA Loan Name	Entities > Click on Primary OC This is based on the DBA Name of the Primary Operating Company, if none is listed then the Primary OC Entity Name will be used. The DBA name takes precedence over the entity name.

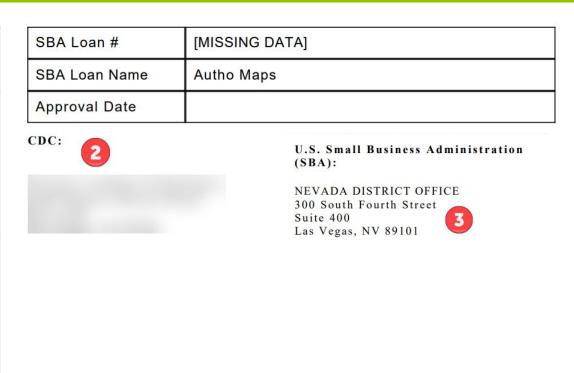


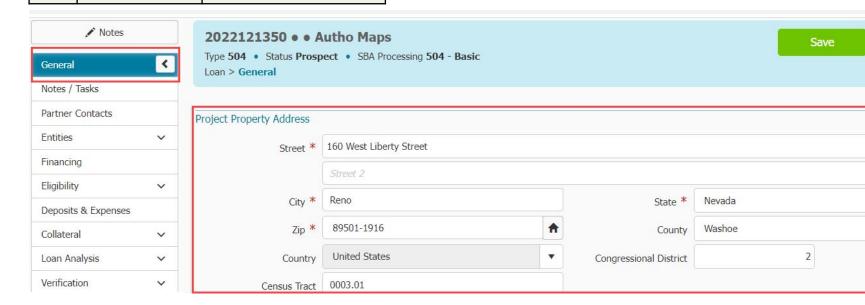
Suite 400





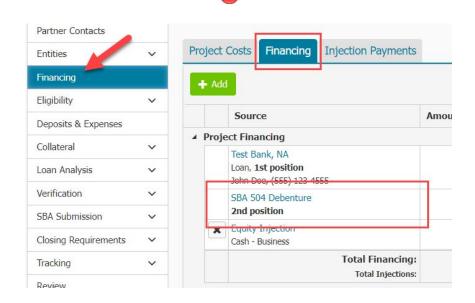
	Terms and Conditions Field	Corresponding Ventures Field/Location
2	CDC Name (Org Name) and Address	This information is tied to your Location ID in ETRAN. The PIMS module is where you would update your Org name and address
3	SBA District Office Information	Auto populates based on the location of the project property address.

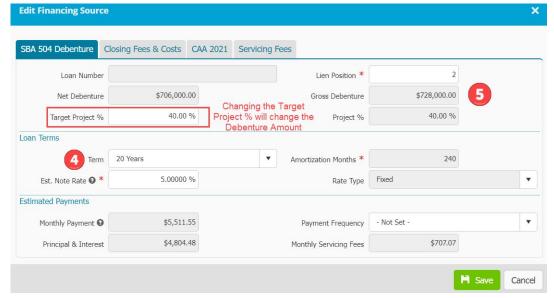




	Terms and Conditions Field	Corresponding Ventures Field/Location
4	Debenture Term	Financing > Financing Tab > Click Debenture Source record > Term
5	Debenture Amount	Financing > Financing Tab > Click Debenture Source record > Gross Debenture amount. Changing the Target Project % will change the Debenture Amount

SBA will guarantee, under the following terms and conditions, a 20 year Debenture ("Debenture") in the amount of \$728,000.00 to be issued by CDC and sed to fund a 504 Loan (the "Loan") to assist:



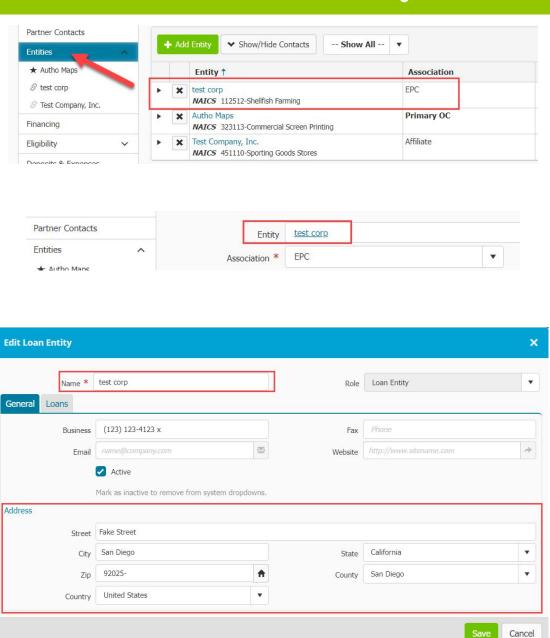


General Loan Info & Preamble Continued



1. test corp (EPC) 0 Fake Street San Diego, CA 92025-

	Terms and Conditions Field	Corresponding Ventures Field/Location
6	Borrower	Entities > Entity labeled EPC. If no EPC/OC structure the Borrower will be the Primary OC entity listed. Entities > Click the entity > Click the hyperlinked entity name in the Entity field > The pop up is the Vcard. Edit the name in the name field and you can edit the address in the address section. click save. Note any updates made here will be applied for ALL records that use this entity.

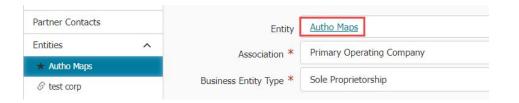


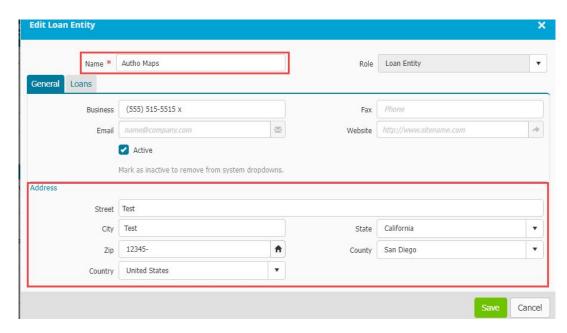
Operating Company 🚺

1. Autho Maps (Guarantor) 0 Test Test, CA 12345-

	Terms and Conditions Field	Corresponding Ventures Field/Location
7	Operating Company	Entities > The Primary Operating Company and any other Operating Companies. Address merged will be based on the Address within the Vcard for that entity. Entities > Click the entity > Click the hyperlinked entity name in the Entity field > The pop up is the Vcard. Edit the name in the name field and you can edit the address in the address section. click save. Note any updates made here will be applied for ALL records that use this entity.







	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Project Property Address	General > Scroll down to the Project Property Address section. Tip: This syncs with the Project Property record within Collateral

A. PROJECT TO BE FINANCED:

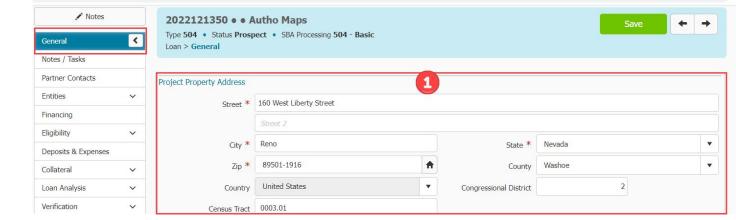
1. Project Property ("Project Property")

Debenture Proceeds will be used as a part of financing for:

- a. the purchase of land described as Land Purchase and located at 160 West Liberty Street, Reno, NV 89501-1916
- b. new improvements or additions, and renovations described as Building Costs and on real estate located at 160 West Liberty Street, Reno, NV 89501-1916
- c. the purchase and installation of machinery and equipment described as Map printing equipment costs and located at 160 West Liberty Street, Reno, NV 89501-1916
- d. professional fees described as Fees

2. Project Costs ("Project Costs") include:

a .	Purchase Land	\$1,000	,000.00
b.	Purchase Land & Building		\$0.00
c .	Construction/Remodeling	\$500	,000.00
d.	Purchase/Install Equipment	\$250	,000.00
e .	Debt to be refinanced		\$0.00
f.	Eligible Business Expenses under Debt Refinancing		\$0.00
g.	Other Expenses (construction contingencies, interim	interest)	\$0.00
h.	Professional Fees	\$15	,000.00
i.	TOTAL Project Cost	\$1,765,	000.00



Corresponding

name of the description

the pop up.

vou would like to edit the amount for Make edits in

Section A: Project to be Financed continued

A. PROJECT TO BE FINANCED:

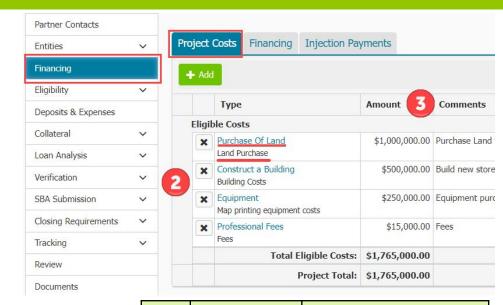
1. Project Property ("Project Property")

Debenture Proceeds will be used as a part of financing for:

- a. the purchase of land described as Land Purchase and located at 160 West Liberty Street, Reno, NV 89501-1916
- b. new improvements or additions, and renovations described as Building Costs and on real estate located at 160 West Liberty Street, Reno, NV 89501-1916
- c. the purchase and installation of machinery and equipment described as Map printing equipment costs and located at 160 West Liberty Street, Reno, NV 89501-1916
- d. professional fees described as Fees

2. Project Costs ("Project Costs") include:

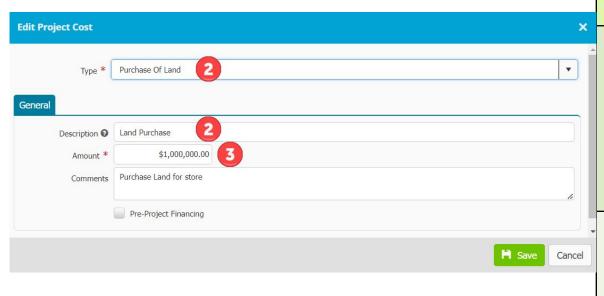
- a. Purchase Land \$1,000,000.00 b. Purchase Land & Building \$0.00
- c. Construction/Remodeling \$500,000.00
- d. Purchase/Install Equipment \$250,000.00
- e. Debt to be refinanced \$0.00
- f. Eligible Business Expenses under Debt Refinancing \$0.00
- g. Other Expenses (construction contingencies, interim interest) \$0.00
- h. Professional Fees \$15,000.00
- i. TOTAL Project Cost \$1,765,000.00



Terms and

Project Costs

3



Conditions Ventures Field Field/Location Financing > Project Costs Tab Click the name of the Cost you would like to edit. In the **Project** pop up, edit The Type 2 Descriptions/ Field, Use Type Field (if Sub Proceeds applicable this field will appear) and Description field to make changes to this section. Financing > Project Costs Tab Click the

Section B: Project Financing - Debenture Proceeds

B. PROJECT FINANCING

1. Debenture Proceeds: Debenture Proceeds will be used to pay Administrative Costs and the final 40.00% of the total Project Cost. Prior to the Debenture sale, the CDC conducts a 504 Loan Closing ("504 Loan Closing"), and forwards copies of the closing documents to SBA. After review and approval, CDC forwards the closing documents for Debenture Sale. At or prior to the 504 Loan Closing, Borrower, Operating Company and CDC must sign a Servicing Agent Agreement certifying as to the actual use of the Debenture Proceeds and authorizing a Central Servicing Agent ("CSA") to handle all disbursements and payments under the Debenture.

a. SBA/CDC Share: 40.00% of total Project Cost

("Net Debenture Proceeds")

\$706,000.00

Entities

Financing

Eligibility

Deposits & Expenses

Collateral

Loan Analysis

Verification

SBA Submission

Etrans
e504
Screen Outs

	Source	Amount ↓	% Project
Proje	ect Financing		
	Test Bank, NA Loan, 1st position John Doe. (555) 123-4555	\$882,500.00	50.00 %
	SBA 504 Debenture 2nd position	\$706,000.00	40.00 %
×	Equity Injection Cash - Business	\$176,500.00	10.00 %
	Total Financing: Total Injections:	\$1,765,000.00 \$176,500.00	100.00 %

	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Debenture Project % Share	Financing > Financing Tab Click the Debenture record. Update the Target Project % in the pop up to update the share and amount.
2	Net Debenture	Financing > Financing Tab Click the Debenture record. Update or remove the Target Project % In the pop up and the Net Proceeds will calculate automatically based on the %

Edit Financing Sour	ce				
SBA 504 Debenture	Closing Fees & Costs	CAA 2021	Servicing Fees		
Loan Numbe	er (Lien Po	osition *	2
Net Debentur	e \$706,000	.00	Changing the Target Pross De	ebenture	\$728,000.00
Target Project %	6 1 40.00		Project % updates the	roject %	40.00 %

Section B: Project Financing - Debenture Proceeds Continued

b. Administrative Costs ("Administrative Costs")

1. SBA Guarantee Fee (a. x 0.005) \$3,530.00 2. Funding Fee (a. x 0.0025) \$1,765.00

3. CDC Processing Fee

i. CDC Processing Fee \$10,590.00 \$10,590.00

4. Closing Costs

i. CDC Closing Fee (not to exceed \$2,500.00 \$2,500)

ii. Other Out of Pocket Closing Costs (excluding legal fees)

(excluding legal fees) \$0.00 \$2,500.00 5. Subtotal(b.1 through b.4) \$18,385.00

6. Underwriters Fees* \$2,896.00

7. Total (b.5 plus b.6) \$21,281.00

c. Total Debenture Amount ("Gross Debenture Proceeds")

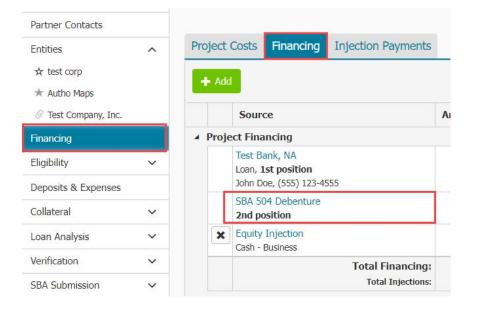
(a. Plus b.7, rounded up to next thousand) \$728,000.00

d. Balance to Borrower (c. minus (a. plus b.7))

\$719.00

* Underwriters fee calculated as follows: For 20 and 25 year Debentures, the sum of a. and b.5 divided by 0.99600; round this number up to the next highest thousand; multiply this number by 0.00400.

For 10 year Debentures, the sum of a. and b.5 divided by 0.99625; round this number up to the next highest thousand; multiply this number by 0.00375.



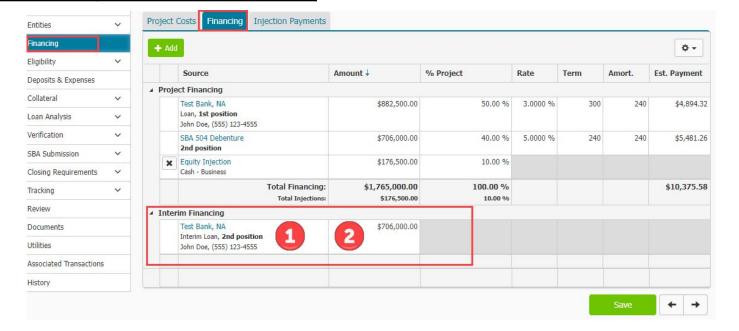
	Terms and Conditions Field	Corresponding Ventures Field/Location
3	Debenture Proceeds	Financing > Financing Tab Click the Debenture record. In the pop up select the Closing Fees & Costs Tab Most of these fields are automatically calculated.

Servicing Fee)21	CAA 2	sing Fees & Costs	ure Closi	504 Debentu
Rate		unt	Amo	Fee	3
000 %	0.50	.00	\$3,530.	rve Fee)	SBA Guarant (Reserv
500 %	0.25	.00	\$1,765.	ding Fee	Fundi
000 %	1.50	.00	\$10,590.	sing Fee	CDC Processi
		.00	\$2,500.	sing Fee	CDC Closi
	00		\$0.	f Pocket ng Costs	Other Out of Closing
		.00	\$2,500.	Costs 🛭	Closing C
		.00	\$18,385.	ub Total	Su
000 %	0.40	.00	\$2,912.	ters Fee	Underwrite
		.00	\$21,297.	al Fees	Tota
		.00	\$728,000.	nture 🛭	Gross Debeni
		.00	\$703.	orrower	Balance to Bo

	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Interim Loan Amount	Financing > Financing Tab Calculated automatically based on the Debenture Record. Changes made there will affect the amount here.
2	Interim Lender Name (usually the Third Party Lender)	This information is tied to your Location ID in ETRAN.

2. Interim Financing (paid off by the Debenture):

- a. Interim Lender: An interim loan in the total principal amount of \$706,000.00 will be provided by the following lender(s) ("Interim Lender"):
 - 1. Test Bank, NA in the principal amount of \$706,000.00.
- b. Application of Net Debenture Proceeds to Interim Loan: Upon sale of the Debenture, the Net Debenture Proceeds (the portion of Debenture Proceeds that finance Project Cost) will be applied to pay off the balance of the interim loan. If the Interim Lender is also the Third Party Lender, this payment will reduce the total balance owed to Third Party Lender to the amount specified in Paragraph 3.a below.
- c. Required Certifications Before 504 Loan Closing: Following completion of the Project, but no earlier than the 5th day of the month prior to the month in which the CDC submits this loan to SBA for debenture funding, CDC must cause Interim Lender to certify the amount of the interim loan disbursed, that the interim loan has been disbursed in reasonable compliance with this Authorization, and that it has no knowledge of any unremedied substantial adverse change in the condition of the Borrower and Operating Company since the date of the loan application to the Interim Lender.



Section B: Project Financing - Permanent Third Party Lender

	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Loan Amount	Financing > Financing Tab > Click the Third Party Lender Record > Changing the Target Project % will change the Loan Amount
2	Percentage of total project cost	Financing > Financing Tab > Click the Third Party Lender Record > Changing the Target Project % will change the %

- 3. Permanent Third Party Lender Loan:
 - a. Permanent Loan: A permanent loan in the total principal amount of \$882,500.00. This amount is 50% of the total project cost.

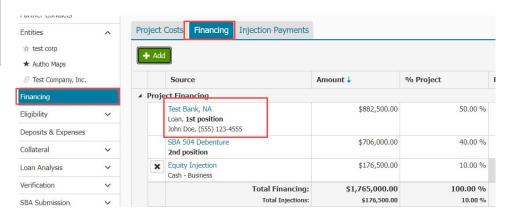
 The permanent loan will be pro 2 d by the following lender(s) ("Permanent Lender"):
 - 1. Test Bank, NAin the principal amount of \$882,500.00.
 - b. The Third Party Lender's note and loan documents must not:

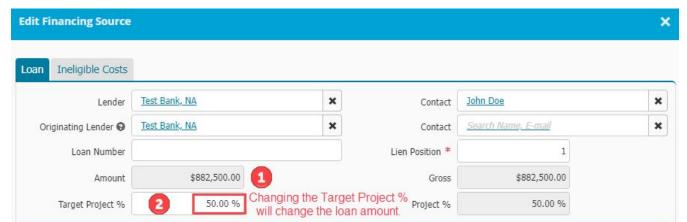
 1. allow future advances except advances made for the

reasonable costs of collection, maintenance, and protection

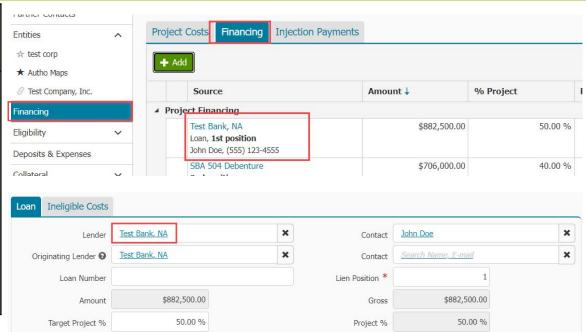
- of the Third Party Lender's lien;

 2. be cross-collateralized with other financing provided by Third Party Lender;
 - 3. have an early call feature;
 - 4. be payable on demand unless the Third Party Lender's note is in default;
 - have a term less than, or require a balloon payment prior to 10 years;
 - have any cross-default, "deem-at-risk," or any other provisions which allow Third Party Lender to make demand prior to maturity unless the Loan is in default.



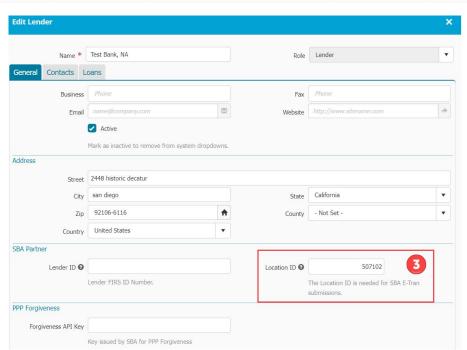


	Terms and Conditions Field	Corresponding Ventures Field/Location
3	Third Party Lender Name	Financing > Financing Tab > Click the Third Party Lender Record > Click the Third Party Lender Record Name to access the V-Card The TPL Name and address will merge based on the Location ID and may differ from what you have input in Ventures.



3. Permanent Third Party Lender Loan:

- a. Permanent Loan: A permanent loan in the total principal amount of \$882,500.00. This amount is 50% of the total project cost. The permanent loan will be provided by the following lender(s) ("Permanent Lender"):
 - 1. Test Bank, NAin the principal amount of \$882,500.00.
- b. The Third Pag Lender's note and loan documents must not:
 - 1. allow hadre advances except advances made for the reasonable costs of collection, maintenance, and protection

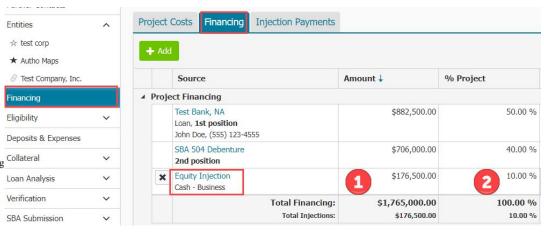


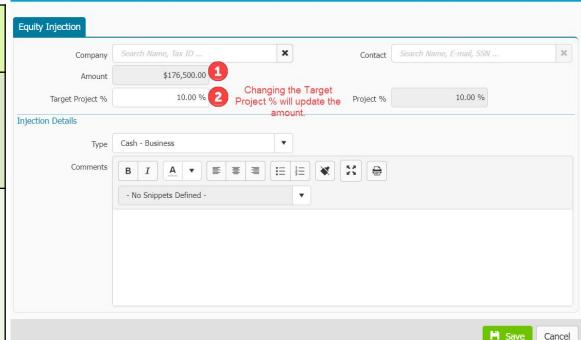
Section B: Project Financing - Borrower's Contribution

- 4. Borrower's Contribution ("Borrower's Contribution"):
 - a. At or prior to 504 Loan Closing, Borrower must contribute \$176,500.00 to the Project. This amount is 10.00% of the total project cost.
 - Contribution may be in cash, land or other property acceptable to SBA;
 - Contribution may come from Borrower's own resources, CDC, or another source;
 - 3. If any of the contribution is borrowed and secured by any of the Project Property, the resulting obligation must be expressly subordinate to the liens securing the Promissory Note ("Note") in favor of CDC and may not be repaid at a faster rate than the Note unless prior written approval is obtained from SBA. A copy of any debt instrument evidencing the obligation must be supplied to CDC at or prior to 504 Loan Closing.
 - b. Costs in Excess of Project Cost: Borrower must pay any costs in excess of the total Project Cost referred to in Paragraph A.2 which Borrower incurs in completing the Project.
 - c. Closing Costs: At or prior to 504 Loan Closing, Borrower must pay all closing costs, including but not limited to title insurance premiums, recording costs, and premiums for insurance required by this Authorization.

Edit Financing Source

	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Borrower's Contribution Amount	Financing > Financing Tab Calculated automatically based on the %
2	Borrower's % they are responsible for	Financing > Financing Tab > Click the name of the borrower In the pop up if you change the Target Project % it will update both the % and the Amount. In general it is 10%





- 5. Borrower's Fees ("Borrower's Fees")—Borrower must pay:
 - a. An ongoing guarantee fee equal to 0.2475 of one percent per annum of the principal balance of the Note calculated at five-year intervals beginning with the first payment. This guarantee fee will be made until the loan is terminated. It will be included with the payment on the Note made each month to the CSA.
 - b. A servicing fee, as stated on the Servicing Agent Agreement at the time of 504 Loan Closing, calculated on the outstanding principal balance at five-year intervals. The fee will be included in the monthly loan installment paid to the CSA.
 - c. A late fee of 5 percent of the late payment or \$100.00, whichever is greater, for payments received by the CSA after the 15th day of the month.

	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Borrower's Fees %	This figure is set by SBA, they will update it as needed.

C. THE NOTE

At or prior to 504 Loan Closing, the Borrower must execute a Note in favor of CDC. The CDC must assign the Note to SBA. Borrower must make payments by Automated Clearinghouse (ACH) or wire transfer. The Note and Debenture will include the following terms:

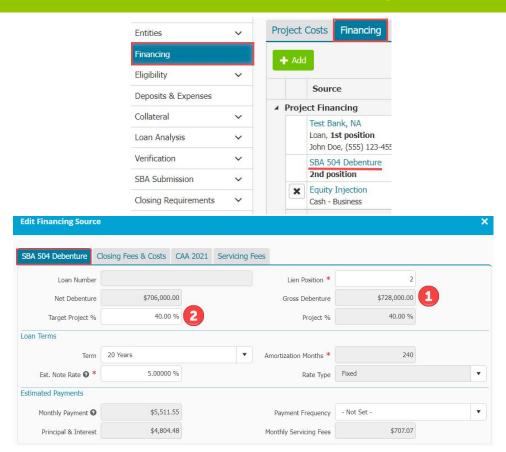
- 1. Amount: \$728,000.00.
- 2. Term: 20 years. 2
- 3. Repayment Terms: At the date the Debenture is sold, the interest rate will be set and the amount of the monthly principal and interest installment for the term of the Note and the semi- annual principal and interest installment for the term of the Debenture will be established.
- 4. Prepayment: If Borrower prepays during the first half of the stated term, there will be a prepayment premium, calculated by applying a declining percentage of the Debenture interest rate to the outstanding principal balance of the Note. A schedule of the dollar amount of the premium will be provided after the sale of the Debenture.

 The Borrower may prepay the Note or Lease in full Partial prepayment is

The Borrower may prepay the Note or Lease in full. Partial prepayment is not allowed. Borrower must pay the sum of:

- a. all principal and interest payments, servicing-agent fees, and SBA guarantee fees up to and including the date of the next semi-annual debenture payment date;
- b. all CDC servicing fees that accrue before Borrower prepays;
- c. all late fees incurred before Borrower prepays;
- d. all expenses incurred by CDC for which Borrower is responsible;
- e. the balance owing on the Note as of the next semi-annual debenture payment date; and
- f. any prepayment premium required under the Note and Debenture. To prepay, Borrower must give prior written notice to the CDC according to the terms of the Note.
- 5. CDC must include in the Note the following language for residential property located in California securing the Note:

"Borrower acknowledges this Note is secured by a Deed of Trust in favor of CDC on real property located in County, State of California. That Deed of Trust contains the following due-on-sale provision:..." (CDC must add to the Note the due on sale clause exactly as it appears in the Deed of Trust.)



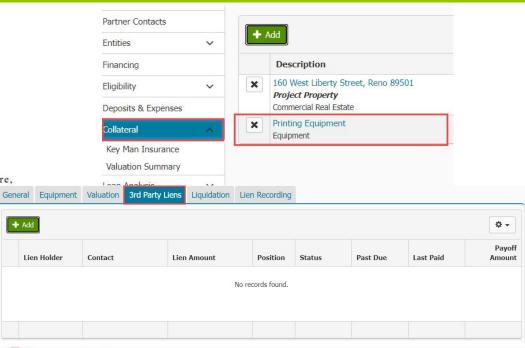
	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Amount	Financing > Financing Tab> Click on the Debenture Record. Amount comes from the Gross Debenture Field. Calculates Automatically
2	Term	Financing > Financing Tab> Click on the Debenture Record. Term Field.
3	Prepayment	Some verbiage in this paragraph will update automatically based on the term limit set.
4	Mandatory State Provisions	Will auto populate if required based on the location if needed.

Section D: Collateral Conditions

D. COLLATERAL CONDITIONS

The Note must be secured by the following collateral. All collateral must be assigned to SBA. CDC must obtain a lien on 100% of the interests in the following collateral and properly perfect all lien positions.

- 1. First perfected security interest, subject to no other liens in the following personal property (including any proceeds and products), wherever located: Equipment.
 - a. Subject to no other liens.
 - b. Any prior lien that is open ended as to future advances must be closed, in writing, according to applicable state law.
 - c. CDC must obtain a list of all equipment and fixtures that are collateral for the Loan. For items with a unit value of \$5,000 or more, the list must include a description and serial number, if applicable
 - d. Lender must obtain an appropriate Uniform Commercial Code lie search evidencing all required lien positions. If UCC search is not available, another type of lien search may be substituted.





+ Add

	Terms and Conditions Field	Corresponding Ventures Field/Location
1	Lien Position	Collateral > Click on the name of the Collateral Record> 3rd Party Liens Tab> Updates based on how many 3rd Party Liens are listed here. Since there are none for this item, "First" is listed
2	Collateral Type	Collateral > Click on the name of the Collateral Record> You can change the Collateral Type in the field at the top

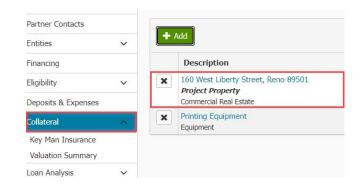
Section D: Collateral Conditions Continued

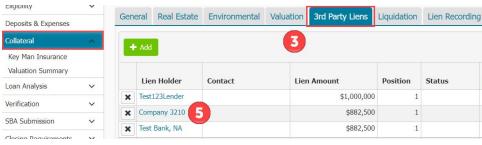
Fourth Leasehold Mortgage (including due on sale clause) on land and improvements located at 160 WEST LIBERTY STREET Reno, NV

89501 - 1916. This property is Commercial.

- a. Subject only to prior lien(s) as follows:
 - (1) First: Test123Lender in the amount of \$1,000,000.00.
 - (2) Second: Company 3210 in the amount of \$882,500.00.
 - (3) Third: Test Bank, NA in the amount of \$882,500.00.
- b. Evidence of title and priority of lien must be based upon:
 - (1) ALTA Loan Policy, CDC and assigns,
- c. CDC must obtain in recordable form written subordination agreements from any tenants occupying any of the Project real property required as collateral. Appropriate subordination language may be included in the Lease as an alternative.

	Terms and Conditions Field	Corresponding Ventures Field/Location
3	Lien Position	Collateral > Click on the name of the Collateral Record> 3rd Party Liens Tab> Updates based on how many 3rd Party Liens are listed on the 3rd Party Liens Tab. Since there are 3 liens listed for this item, "Fourth" is listed here
4	Collateral Address	Collateral > Click on the name of the Collateral Record> General Tab You can change the Collateral address here.
5	Lien Holders	Collateral > Click on the name of the Collateral Record> 3rd Party Liens Tab> Updates based on how many 3rd Party Liens are listed here. To update lien information click on the lien record.
6	Evidence of Title and Priority of Lean	Collateral > Click on the name of the Collateral Record> Real Estate Tab> Scroll down to section and choose from drop down menu.







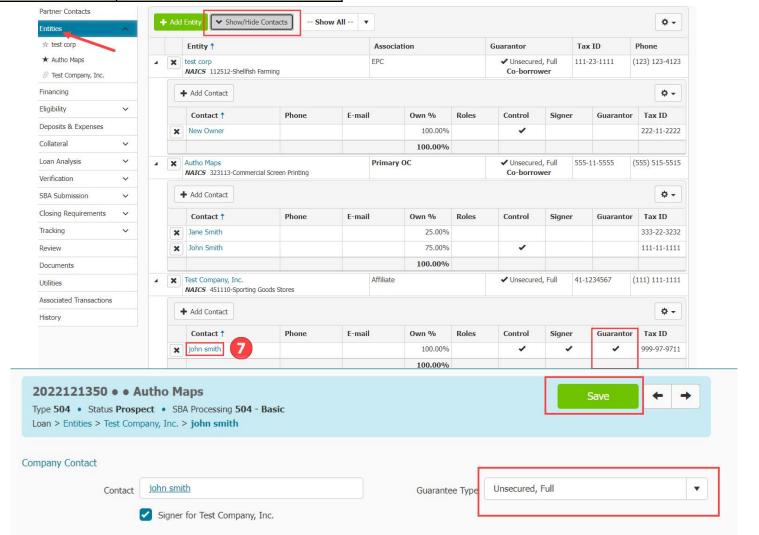


Section D: Collateral Conditions Continued

	Terms and Conditions Field	Corresponding Ventures Field/Location
7	Guarantors	Entities > Click Show Hide Contacts > This will let you see who is listed as a Guarantor
·		To Change: Click on the contact's name > Use the Guarantee Type dropdown to select not a Guarantor. Press Save.

- acce here had enhanced resures to morning one healtered.
- 4. Guarantee on SBA Form 148, by Test Company, Inc., resident in CA.
- 5. Guarantee on SBA Form 148, by john smith, resident in CA.

7



	Terms and Conditions Field	Corresponding Ventures Field/Location
8	State Specific Language	Inserted automatically based on the address of the collateral.

10. California Mandatory Provision — The following language must appear in a guarantee if the guarantor, any borrower, or any real estate collateral is located in California:

means, among other things:

"Guarantor waives its rights of subrogation, reimbursement, indemnification, and contribution and any other rights and defenses that are or may become available to the guarantor by reason of California Civil Code Sections 2787 to 2855, inclusive.

The guarantor waives all rights and defenses that the guarantor may have because the debtor's debt is secured by real property. This

- (1) The creditor may collect from the guarantor without first foreclosing on any real or personal property collateral pledged by the debtor.
- (2) If the creditor forecloses on any real property collateral pledged by the debtor:
 - (A) The amount of the debt may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price.
 - (B) The creditor may collect from the guarantor even if the creditor, by foreclosing on the real property collateral, has destroyed any right the guarantor may have to collect from the debtor.

This is an unconditional and irrevocable waiver of any rights and defenses the guarantor may have because the debtor's debt is secured by real property. These rights and defenses include, but are not limited to, any rights or defenses based upon Section 580a, 580b, 580d, or 726 of the Code of Civil Procedure.

The guarantor waives all rights and defenses arising out of an election of remedies by the creditor, even though that election of remedies, such as a nonjudicial foreclosure with respect to security for a guaranteed obligation, has destroyed the guarantor's rights of subrogation and reimbursement against the principal by the operation of Section 580d of the Code of Civil Procedure or otherwise."

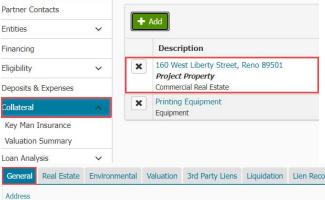
If Guarantee is secured by Deed of Trust on residential property in California, CDC must also include in the guarantee the following language:

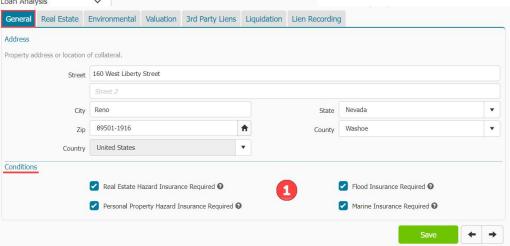
"Guarantor acknowledges that this Guarantee is secured by a Deed of Trust in favor of CDC On real property located in

County, California. That Deed of Trust contains the following due-on-sale provision: ..." (CDC must add to the Guarantee

Section E: Additional Requirements - Insurance Requirements

Terms and Conditions Field Inserted automatically based on the the collateral and it's type. To mark that insurance has been provided for a Collateral record: Collateral > Click on the name of the Collateral Record you want to update> General Tab You can indicate whether the collateral has met the conditions by checking the relevant box in the Conditions section. This does not affect the verbiage seen in the screenshot.





E. Additional Conditions

1. Insurance Requirements

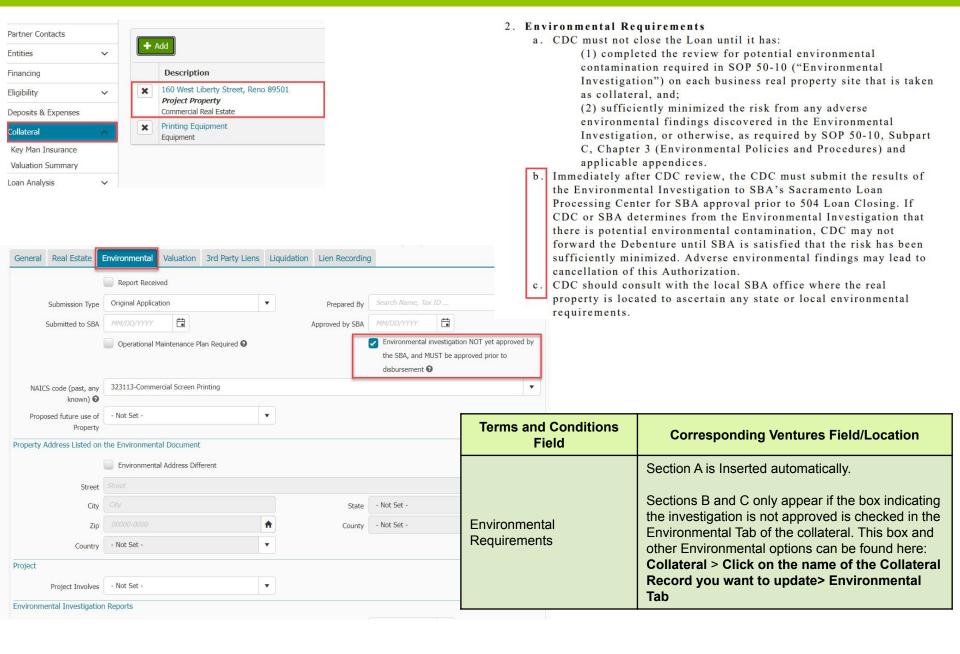
Prior to 504 Loan Closing, CDC must require Borrower to obtain the following insurance coverage and maintain this coverage for the life of Loan:

- a. Flood Insurance. Based on the Standard Flood Hazard Determination (FEMA Form 81 93):
 - (1) If any portion of a building that is collateral for the Loan is located in a special flood hazard area, CDC must require Borrower to obtain flood insurance for the building under the NFIP.
 - (2) If any equipment, fixtures, or inventory that is collateral for the Loan ("Personal Property Collateral") is in a building any portion of which is located in a special flood hazard area and that building is collateral for the Loan, CDC must require Borrower to also obtain flood insurance for the Personal Property Collateral under the NFIP
 - (3) If any equipment, fixtures, or inventory that is collateral for the Loan ("Personal Property Collateral") is in a building any portion of which is located in a special flood hazard area and that building is not collateral for the Loan, CDC must require Borrower to obtain available flood insurance for the Personal Property Collateral. CDC may request a waiver of this requirement from the Sacramento Loan Processing Center. The CDC must submit with its request a written justification that fully explains why flood insurance is not economically feasible or, if flood insurance is not available, the steps taken to determine that it is not available.

Insurance coverage must be in amounts equal to the lesser of the insurable value of the property or the maximum limit of coverage available. Insurance coverage must contain a MORTGAGEE CLAUSE/LENDER'S LOSS PAYABLE CLAUSE (or substantial equivalent) in favor of CDC. This clause must provide that any action or failure to act by the debtor or owner of the insured property will not invalidate the interest of CDC and SBA. (Borrower will be ineligible for any future SBA disaster assistance or business loan assistance if Borrower does not maintain any required flood insurance for the entire term of the Loan).

- b. Real Estate Hazard Insurance coverage on all real estate that is for maximum insurable value. Insurance coverage must contain a MORTGAGEE CLAUSE (or substantial equivalent) in favor of CDC and SBA. This clause must provide that any action or failure to act by the mortgagor or owner of the insured property will not invalidate the interest of CDC and SBA. The policy or endorsements must provide for at least 10 days prior written notice to CDC of policy cancellation.
- c. Personal Property Hazard Insurance coverage on all equipment, fixtures or inventory that is collateral for the Loan, in the amount of full replacement costs. If full replacement cost insurance is not available, coverage must be for maximum insurable value. Insurance coverage must contain a LENDER'S LOSS PAYABLE CLAUSE in favor of CDC and SBA. This clause must provide that any action or failure to act by the debtor or owner of the insured property will not invalidate the interest of CDC and SBA. The policy or endorsements must provide for at least 10 days prior written notice to CDC of policy cancellation.

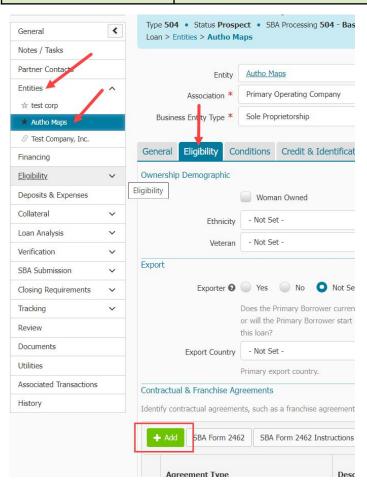
Section E: Additional Requirements - Environmental Requirements

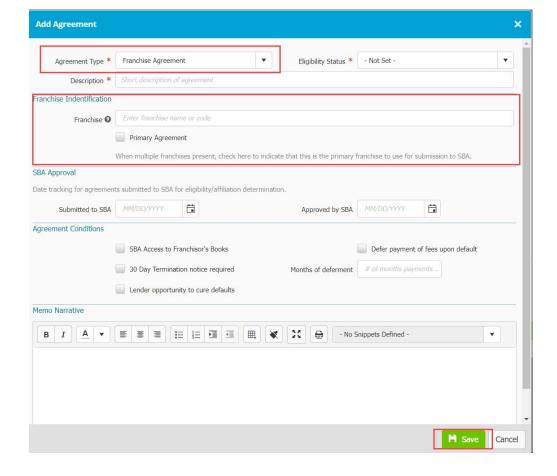


Section E: Additional Requirements - Operating Information

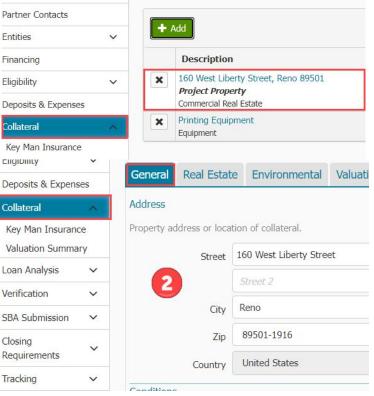
Terms and Conditions Field	Corresponding Ventures Field/Location
Franchise Requirements	Will be inserted automatically if marked as a franchise location To set something as a Franchise Entities > Click the Entity that is a Franchise > Click Eligibility > Scroll to the Contractual & Franchise Agreements > Click Add > In the pop up select Franchise Agreement from the drop down menu. Fill in the rest of the required information, be sure to fill the Franchise Identification field. Click save.

d. Franchise Requirement—Prior to closing CDC must obtain the executed Franchise Agreement, the SBA Addendum to Franchise Agreement (SBA Form 2462), or the SBA Negotiated Addendum (if applicable), and all other documents the franchisor requires the franchisee to sign.





Section E: Additional Requirements - Appraisal



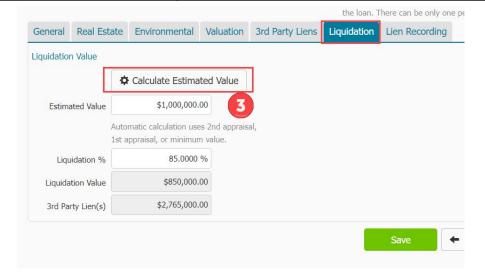
Appraisal

Prior to 504 Loan Closing, and in accordance with SOP 50-10, CDC must obtain and submit to SBA:

a. Real Estate Appraisal on the Project real property located at 160
 WEST LIBERTY STREET Reno, NV 89501 - 1916. If the appraised fair market value is less than \$1,000,000.00, 3 rrower must provide additional investment, additional collateral, or reduce the size of the Project as appropriate.

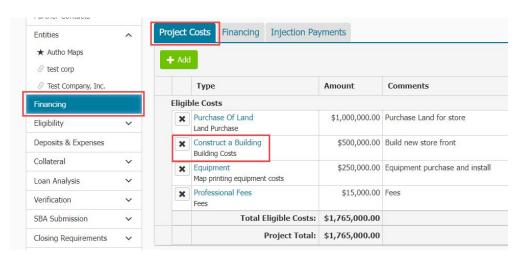
	Terms and Conditions Field	Corresponding Ventures Field/Location
2	Collateral Address	Collateral > Click on the name of the Collateral Record you want to update> General Tab
3	Appraisal Value	Calculated based on the Liquidation Tab Collateral > Click on the name of the Collateral Record> Liquidation Tab To make changes 1. Collateral > Click on the name of the Collateral Record> Valuation Tab 2. Edit the value in the 1st Appraisal value field. Click Save. 3. > Liquidation Tab 4. Click on the calculate estimated value button. Press save.





Section E: Additional Requirements - Construction Provisions

Terms and Conditions Field	Corresponding Ventures Field/Location
Construction Provisions	Sections A and B are automatically included if there is any construction listed under the Project costs. Financing > Project Costs
CDC Interim Financing	Section C is included automatically when a CDC is the interim lender



6. Construction Provisions

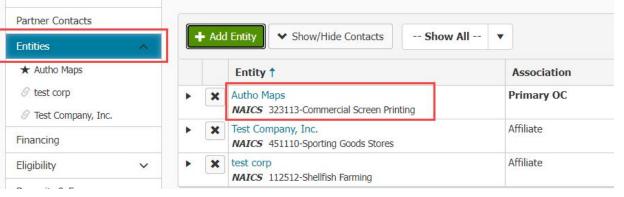
- a. Building Standards—In the construction of a new building or an addition to an existing building, the construction must conform with the 'National Earthquake Hazards Reduction Program Recommended Provisions for the Development of Seismic Regulations for New Buildings' (NEHRP), or a building code that SBA has identified as having substantially equivalent provisions. At or prior to 504 Loan Closing, CDC must obtain from Borrower evidence of compliance with these requirements. Examples of evidence include a certificate issued by a licensed building architect, construction engineer or similar professional, or a letter from a state or local government agency stating that an occupancy permit is required and that the local building codes upon which the permit is based include the Seismic standards.
- b. Required Documentation—At or prior to 504 Loan Closing if any proceeds will be used to repay interim construction financing, CDC must obtain a copy of the Occupancy Certificate, final inspection report, or other evidence that the contractor has substantially completed construction and the property complies with all zoning and necessary governmental permit and licensing requirements. CDC must certify that construction has been completed in accordance with the final plans and specifications. CDC may rely upon a certification by the Interim Lender, except that if an 'as completed' appraisal was obtained prior to construction, CDC must also get a certification from the appraiser after construction is completed to determine if the appraisal needs to be adjusted to reflect substantial changes in the final project from the original plans and specifications.
- c. CDC Interim Financing—If the interim financing for construction comes from a CDC, then:
 - (1) Mortgages must be recorded prior to beginning construction:
 - (2) Inspections must be made by a qualified engineer, appraiser, or other party satisfactory to SBA prior to all

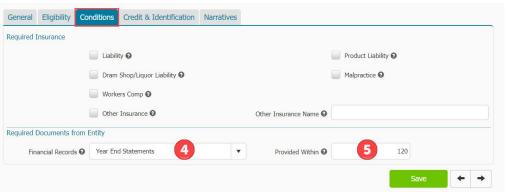
progress disbursements;

- (3) The small business must furnish a firm construction contract to the CDC from an acceptable contractor at a specified price, including a provision that no material changes are to be made without the prior written consent of the CDC;
- (4) The contractor must furnish builder's risk and workers' compensation insurance;
- (5) One complete set of plans and specifications of the proposed construction must be submitted to the CDC;
- 6) Where the CDC or the small business is to inject funds into the construction project, these funds must be used prior to the disbursement of the interim financing;
- (7) The CDC must make and document periodic inspections of construction; and
- (8) When loan funds will be used to improve buildings on leased land, assignment of the lease must be obtained

Section E: Additional Requirements - Certifications and Agreements

	Terms and Conditions Field	Corresponding Ventures Field/Location
4	Financial Record	Entities > Click on the name of the Primary OC > Conditions Tab Make your selection in the financial records drop down menu
5	Time limit to provide financial record (in days)	Entities > Click on the name of the Primary OC > Conditions Tab Enter the number of days past loan closing the documents need to be provided by.

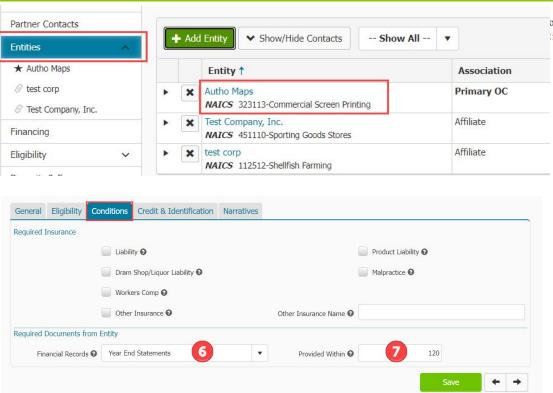




Certifications and Agreements

- a. At or prior to 504 Loan Closing, CDC must require Borrower to certify that:
 - No Adverse Change—Since the date of application there has been no unremedied substantial adverse change in the financial condition of Borrower and Operating Company or their ability to repay the Project financing, including A Note. Borrower must also supply to CDC accurate Year-End statements, current within 120 days of 504 Loan Closing.
 - 2. Child Sport—No principal who owns at least 50% of the ownersh principal who owns at least 50% of the ownersh for voting interest of the company is delinquent more than 60 days under the terms of any (a) administrative order, (b) court order, or (c) repayment agreement requiring payment of child support.
 - Current Taxes— Borrower is current on all federal, state, and local taxes, including but not limited to income taxes, payroll taxes, real estate taxes, and sales taxes.
 - 4. Environmental—For any real estate pledged as collateral for the Loan or where the Borrower is conducting business operations (collectively 'the Property'):
 - a. At the time Borrower submitted the Loan application,
 Borrower was in compliance with all local, state, and
 federal environmental laws and regulations pertaining to
 reporting or clean-up of any hazardous substance,
 hazardous waste, petroleum product, or any other
 pollutant regulated by state or federal law as hazardous to
 the environment ('Contaminant'), and regarding any
 permits needed for the creation, storage, transportation or
 disposal of any Contaminant;
 - Borrower will continue to comply with these laws and regulations;
 - c. Borrower, and all of its principals, has no knowledge of the actual or potential existence of any Contaminant that exists on, at, or under the Property, including groundwater, other than what was disclosed in connection with the Environmental Investigation of the Property;
 - d. Until full repayment of the Loan, Borrower will promptly notify Lender and SBA if it knows or suspects that there has been, or may have been, a release of a Contaminant in, at, or under the Property, including groundwater, or if Borrower or such Property is subject to any investigation or enforcement action by any federal, state, or local environmental agency ('Agency') pertaining to any Contaminant on, at, or under such Property, including groundwater;
 - e. As to any Property owned by Borrower, Borrower indemnifies, and agrees to defend and hold harmless, Lender and SBA, and any assigns or successors in interest which take title to the Property, from and against all liabilities, damages, fees, penalties or losses arising out of any demand, claim or suit by any Agency or any other party relating to any Contaminant found on, at, or under the Property, including groundwater, regardless of whether such Contaminant resulted from Borrower's operations. (Lender or SBA may require Borrower to execute a separate indemnification agreement).

Section E: Additional Requirements - Certifications and Agreements Continued



or prior to 504 Loan Closing, CDC must require Borrower to sify that it will:

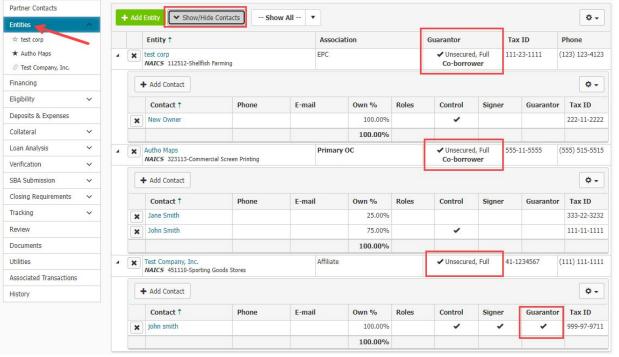
- (1) Reimbursable Expenses—Reimburse CDC for expenses incurred in the making and administration of the Loan.
- (2) Books, Records, and Reports-
 - (a) Keep proper books of account in a manner satisfactory to CDC;
 - (b) Furnish Year-End statements to CDC within 120 days of fiscal year end;
 - (c) Furnish addition annual statements or rewhenever CDC requests them;
 - (d) Allow CDC or SBA, at Borrower's expense, to:
 - 1. Inspect and audit books, records and papers relating to Borrower's financial or business condition; and
 - 2. Inspect and appraise any of Borrower's assets; and
 - Allow all government authorities to furnish reports of examinations, or any records pertaining to Borrower, upon request by CDC or SBA.
- (3) Equal Opportunity—Post SBA Form 722, Equal Opportunity Poster, where it is clearly visible to employees, applicants for employment and the general public.
- (4) American-made Products—To the extent practicable, purchase only American-made equipment and products with the proceeds of the Loan.
- (5) Taxes—Pay all federal, state, and local taxes, including

	Terms and Conditions Field	Corresponding Ventures Field/Location
6	Financial Record	Entities > Click on the name of the Primary OC > Conditions Tab Make your selection in the financial records drop down menu
7	Time limit to provide financial record (in days)	Entities > Click on the name of the Primary OC > Conditions Tab Enter the number of days past loan closing the documents need to be provided by.

Terms and Conditions Field	Corresponding Ventures Field/Location
Occupancy	The Occupancy section is included automatically. Its language will vary based on the EPC/OC structure

- (6) Occupancy—(a) Immediately occupy at least 60% of the Rentable Property; (b) Continue to occupy at least 60% of the Rentable Property for the term of the Loan; (c) Lease long term no more than 20% of the Rentable Property to one or more tenants; (d) Plan to occupy within three years some of the remaining Rentable Property not immediately occupied or leased long term; (e) Plan to occupy within ten years all of the Rentable Property not leased long term.
- (6) Occupancy—Comply with the following provisions: (a) Borrower must lease 100% of the Rentable Property to Operating Company; (b) Operating Company may sublease up to 49% of the Rentable Property; (c) Borrower will not use Loan proceeds to improve or renovate any of the Rentable Property to be sub-leased.

Terms and Conditions Field	Corresponding Ventures Field/Location
Signature Lines	Entities > Click Show Hide Contacts > This will let you see the entities and contacts that are listed as a Guarantor To Change: Click on the contact's or entity name > Use the Guarantee Type dropdown to select Not a Guarantor. Press Save.



G. SIGNATURE LINE

By: Authorized SBA Representative

ADMINISTRATOR SMALL BUSINESS ADMINISTRATION

Date

Borrower, and intending to be bound, Borro fully with the terms and conditions of this A person signing below represents and warra execute this Authorization in the capacity in	wer and CDC accept and agree to comply uthorization for Debenture Guarantee. Each nts that he or she is fully authorized to ndicated.
This Authorization should be executed by a	Il parties within 10 days of Loan approval.
The terms and conditions of this Authorizati sale.	ion survive 504 Loan Closing and Debenture
Ventures Lending Technologies	(Corporate Seal if Required)
By (name, title):	Date
Attest or Witness, as required (name, title):	Date
Autho Maps	(Corporate Seal if Required)
By (name, title):	Date
Attest or Witness, as required (name, title):	Date
John Smith	(Corporate Seal if Required)
By (name, title):	Date
lane Smith	(Corporate Seal if Required)
By (name, title):	Date
Attest or Witness, as required (name, title):	Date
est Company, Inc.	(Corporate Seal if Required)
By (name, title):	Date
Attest or Witness, as required (name, title):	Date
est corp	(Corporate Seal if Required)
By (name, title):	Date
Attest or Witness, as required (name, title):	Date
ohn smith	(Corporate Seal if Required)
By (name, title):	Date

Best Practices for the 504 Terms and Conditions

- 1. Send data portion first
- 2. Generate Terms & Conditions assuming it is correct Save it.
- 3. If Terms & Conditions document is missing data that is available in Ventures, correct the data in Ventures, Save, <u>and resend the data from Ventures</u>
- 4. Regenerate the Terms & Conditions and save it assuming it is correct
- 5. If you need to manually input data within CAFS <u>this is when you want to do it</u>. Access CAFS, enter your data, Save, return to Ventures and generate the Authorization and Save it (<u>do not resend the data</u>).
- 6. Validate from within CAFS directly, if no validations proceed to next step. If validations are presented correct the validations directly in CAFS > Save and proceed to next step.
- 7. Once all validations, data, and Terms & Conditions are correct, proceed with uploading your documents from Ventures.
- 8. This should move you into Reviewer 1 status
- 9. The last step should be uploading documents

For detailed instructions please click here view the <u>Generating the 504 Terms and Conditions Knowledge</u> <u>Base article</u>.

For detailed instructions on correcting a 504 Terms and Conditions document, please click here to view the Correcting a 504 Terms and Conditions Generated from Ventures Knowledge Base article.

FAQ

- Why doesn't my Terms and Conditions open after generating it from Ventures?
 - > You may have a Pop Up Blocker enabled check your web browser settings
- Where do I input the Required Insurance such as Dram Shop?
 - Entities > Primary OC > Conditions tab
- Who requires Life Insurance? Where do I input Life Insurance?
 - Owners listed under an EPC, POC and OC require life insurance.
 - Entities > Click the Entity whose Owner you wish to add insurance for > Click the Owner > General tab (bottom of screen)
- Where do I input Collateral Conditions and Evidence of Title for RE?
 - Collateral > Project Property Real Estate Record (scroll to bottom of page)
- l've updated/corrected data in Ventures but my Terms and Conditions does not reflect the changes.
 - Did you resend the data? Access SBA Submission > Etran > Click on the hyperlinked application # > Click on Next > Enter your credentials > Next > Review data and Next > Review data submitted and select Submit (Review the KB article HERE.)
- The TPL (Third Party Lender) Naming convention in my Terms and Conditions is not consistent? How do I fix it?
 - The Lender naming convention is based on the Location ID and may differ from what you have input in Ventures. The SBA Etran team has received some inquiries from CDC's on this exact situation and they are working with SBA to to confirm the exact guidance on how to handle bank divisions for the Etran Loan Terms and Conditions. SLPC does understand the limitations and should not screen out if it is clear on why the T&C is showing the difference in naming convention. As far as closing is concerned, there may be some questions from CDC Attorneys and/or District Counsel if there is a discrepancy. Further clarification on this is something SBA is working on.

FAQ continued

- I tried to resend my data and now have an error: "unexpected response form SBA. Please contact support if the problem persists"
 - This error typically occurs when the user updates data in CAFS directly then returns to Ventures and tries to resend the data. If you are updating data in CAFS please note that the data does not sync back to Ventures. If you resend data from Ventures you will likely overwrite the data that you have updated in CAFS and this error will occur. This especially happens if you are updating data that does not exist in Ventures. If you are updating data in CAFS, be sure to also generate the Authorization directly from CAFS and save it, then return to Ventures to upload documents and submit the application.
- ♦ I received a screen-out and need to update my Terms and Conditions.
 - Since the Terms and Conditions only merges in PDF format you cannot currently update the PDF. SBA is aware of this and is working on enhancing. SLPC is currently making these changes for the lender. You will want to be sure to document the changes that needs to be made in the Terms and Conditions and provide them to SBA when responding to your screen-out.
- In Ventures, where can I find Water Rights and Assignment of Rents?
 - These fields are not yet available in Ventures, you will need to send the data from Ventures > Access CAFS directly and update this information, then generate the terms and conditions directly from CAFS. You may return to Ventures to upload documents and submit the application.
- I uploaded my documents but they have not exported to the Center, only the Appraisal or Environmental has exported and my status remains in Awaiting Documents.
 - Application Documents will not export to the Center until your Etran Status is **In Review Reviewer 1**. Ensure that you do not have any validations preventing you from submitting the data portion. From Ventures access: SBA Submission > Etran > click on the hyperlinked application #, Click Next, enter credentials > Next > Submit. If you do not see the Submit button please Contact Support for further assistance.

FAQ continued

- Where do I enter Construction Provisions?
 - Confirm that within Financing > Project Costs tab that your Construction Cost has a Description and Use Type (Sub Proceed) identified. If not, please add the data, Save, resend the data, and regenerate the terms and conditions.
- Where do I enter an Additional Injection other than the required injection amount?
 - Financing > Injection Payments > Click Add > In the pop up fill out the details of the payment > Click save
- Where do I enter Standby debt?
 - Financing > Financing > Click Add > Select "Equity Injection (Borrowed)" from the Funding Type dropdown field >Fill out the details > In the Injection Details section of the pop up select "Standby Debt" from the Type dropdown field.> Click Save > When you return to the Financing page, click save
- Where do I enter Subordinate Funding/Subordinate Debt specifically?
 - Ventures does not currently support subordinate debt but you can input this information in CAFS directly. Please review page 28 of the Guidehouse Terms & Conditions workbook available for download from the same KB article you downloaded this workbook from.
- We are submitting our appraisal with the application. We do not need the appraisal section to appear in our Terms & Conditions how do I remove it?
 - Collateral > Click the name of the collateral this applies to > Click the Valuation tab > In the "Valuation Type" dropdown select "Appraisal Submitted with Application"
- My Evidence of Title is based on the Mortgagee's Title, can I enter the Title Policy amount in Ventures?
 - When using a Mortgagee's Title, the Title Amount field is not yet available in Ventures. You have to manually add the amount within CAFS.

FAQ continued

- Why is the name of my Trust not displaying completely?/Why is the name of my Trust cut off?
 - This is due to a character limitation that is in place in CAFS that does not allow more than 80 characters. This has been reported to the Etran team and the suggestion is to include a cover letter with your Terms & Conditions document outlining the exact section, what needs to be corrected and how it should read. Please note that you may need to process a 327 at time of closing.

Questions? / Help Resources

REMINDER:

In Ventures we are collecting the data and sending it to ETRAN. Ventures cannot answer process questions and cannot work around Etran Validations that are returned by SBA such as SSN / EIN requirements. If you are unsure as to how to present or structure your loan, you may want to reach out to NADCO and/or SBA for additional guidance.

Resources:

- Knowledge Base article for <u>Generating the Etran SBA 504 Terms and Conditions from Ventures</u>
- Knowledge Base article for <u>Correcting a 504 Terms and Conditions generated from Ventures</u>
- Visit the <u>Ventures Knowledge Base</u>
- Use the <u>Contact Support</u> widget located on the upper right portion of Ventures to submit Ventures inquiries.