

EXHIBIT 1 ED B - CONTRACTORS LOAN GUARANTEE FACT SHEET

Purpose	<p>Assist in the development/expansion of small businesses by providing the opportunity to enter into contracts with eligible organizations.</p> <p>Participants in this guarantee may obtain new loans or non-revolving lines of credit to pay expenses necessary to perform on an eligible contract.</p>
Business Eligibility Requirements	<p>Business is unable to obtain conventional financing at reasonable terms.</p> <p>Business employs 250 or fewer full-time equivalent employees at time of application.</p> <p>Business must have been in operation for at least 12 months.</p> <p>Business is located in Wisconsin.</p> <p>Owner is current in child support payments and not in default on any WHEDA loans.</p> <p>The project will create or retain jobs.</p>
Eligible Contracts	<p>This guarantee is available to a business which has been awarded a contract/sub-contract, purchase order, or other instrument approved by WHEDA from any of the following:</p> <ul style="list-style-type: none"> ○ Local government agency; ○ State or Federal agency; ○ Businesses with gross annual sales of at least \$5 million.
Eligible Uses of Loan Proceeds	<p>Expenses necessary to complete an awarded contract or purchase order, which may include:</p> <ul style="list-style-type: none"> ○ Employee salaries, wages, and benefits; ○ Inventory, supplies and specific equipment needed to perform the contract.
Terms and Conditions	<p>Maximum guarantee is the lesser of 50% or \$750,000.</p> <p>Maximum guarantee term is the term of the underlying contract, purchase order, or other instrument approved by WHEDA. Equipment loans can be up to 5 years.</p> <p>Interest rate is set by the lending institution and is subject to WHEDA approval – variable rate loan may not exceed Prime + 2.75%.</p> <p>Loan must be secured by either and/or all of the following:</p> <ul style="list-style-type: none"> ○ If Working Capital – General Business Security Agreement and/or Assignment of Contract Proceeds; ○ If Equipment – General Business Security Agreement and/or Specific Security Interest.

