

Grow Maine

Exhibit C – Borrower/Guarantors Certification for Use of Loan Proceeds and Authorization to Release Information

Legal name of Borrower: _____

The Borrower hereby certifies the following to the United States Department of the Treasury, the Finance Authority of Maine, and the Participant:

1. The loan proceeds will be used solely for a business purpose. A business purpose includes, but is not limited to, start-up costs; working capital; franchise fees; and acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business's goods or services, or in the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. SSBCI funds may be used to purchase any tangible or intangible assets except goodwill. The term "business purpose" excludes acquiring or holding passive investments in real estate; the purchase of securities except as permitted in certification 2.d below, and lobbying activities (as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended (2 U.S.C. § 1602(7))).
2. The loan proceeds will not be used to:
 - a. repay delinquent federal or jurisdiction income taxes unless the borrower or investee has a payment plan in place with the relevant taxing authority;
 - b. repay taxes held in trust or escrow (e.g., payroll or sales taxes);
 - c. reimburse funds owed to any owner, including any equity investment or investment of capital for the business's continuance; or
 - d. purchase any portion of the ownership interest of any owner of the business, except for the purchase of an interest in an employee stock ownership plan qualifying under section 401 of Internal Revenue Code, worker cooperative, or related vehicle, provided that the transaction results in the employee stock ownership plan or other employee-owned entity holding a majority interest (on a fully diluted basis) in the business.
3. The borrower is not:
 - a. a business engaged in speculative activities that profit from fluctuations in price, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business or through the normal course of trade;
 - b. a business that earns more than half of its annual net revenue from lending activities, unless the business is (1) a CDFI that is not a depository institution or a bank holding company, or (2) a Tribal enterprise lender that is not a depository institution or a bank holding company;
 - c. a business engaged in pyramid sales, where a participant's primary incentive

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is based on the sales made by an ever-increasing number of participants;

- d. a business engaged in activities that are prohibited by federal law or, if permitted by federal law, applicable law in the jurisdiction where the business is located or conducted (this includes businesses that make, sell, service, or distribute products or services used in connection with illegal activity, unless such use can be shown to be completely outside of the business’s intended market); this category of businesses includes direct and indirect marijuana businesses, as defined in Small Business Administration (SBA) Standard Operating Procedure (SOP) 50 10 6;2 or
 - e. a business deriving more than one-third of gross annual revenue from legal gambling activities.
4. None of the Borrower, its executive officers, directors, or principal shareholders, nor any immediate family member or related interest of such individuals, is:
- a. an executive officer, director, or principal shareholder of the lender;
 - b. a member of the immediate family of an executive officer, director, or principal shareholder of the lender; or
 - c. a related interest or immediate family member of such an executive officer, director, or principal shareholder of the lender.

For the purposes of the above conflict of interest certification, the terms “executive officer,” “director,” “principal shareholder,” “immediate family,” and “related interest” refer to the same relationship to the lender as the relationships described in 12 C.F.R. part 215.

5. No principal of the entity listed above has been convicted of a sex offense against a minor (as such terms are defined in 34 U.S.C. § 20911). For the purposes of this certification, “principal” means the following: if a sole proprietorship, the proprietor; if a partnership, each partner; if a corporation, limited liability company, association, development company, or other entity, each director, each of the five most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of 20 percent or more of the ownership stock or stock equivalent of the entity.
6. **Borrower authorizes Participant to provide this Certification, and any other information in Borrower’s application for financial assistance required to be reported, to the Finance Authority of Maine (the “Authority”) and authorizes the Authority to report such information to the United States Department of the Treasury (“Treasury”).**



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BORROWER (Legal Name) _____

Signature: _____

By: [Printed Name] _____

Its: [Title]/Authorized Signatory _____

Date: _____

GUARANTORS:

By: [Printed Name] _____

- Ethnicity: Hispanic Non-Hispanic Prefer not to answer
- Middle Eastern Ancestry: Middle Eastern Not Middle Eastern Prefer not to answer
- Veteran Status: Veteran Non-Veteran Prefer not to answer
- Sexual Orientation: Straight Gay/Lesbian Bisexual Other _____ Prefer not to answer
- Race: American Indian Asian Indian Chinese Filipino Japanese
 Korean Vietnamese Black/African American White Native Hawaiian
 Samoan Pacific Islander Guamanian or Chamorro Prefer not to answer

Signature: _____ Date: _____

By: [Printed Name] _____

- Ethnicity: Hispanic Non-Hispanic Prefer not to answer
- Middle Eastern Ancestry: Middle Eastern Not Middle Eastern Prefer not to answer
- Veteran Status: Veteran Non-Veteran Prefer not to answer
- Sexual Orientation: Straight Gay/Lesbian Bisexual Other _____ Prefer not to answer
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Signature: _____ Date: _____



Grow Maine Exhibit C – Borrower/Guarantors Certification for Use of Loan Proceeds and Authorization to Release Information

By: [Printed Name] _____

- Ethnicity: Hispanic Non-Hispanic Prefer not to answer
- Middle Eastern Ancestry: Middle Eastern Not Middle Eastern Prefer not to answer
- Veteran Status: Veteran Non-Veteran Prefer not to answer
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Signature: _____ Date: _____

By: [Printed Name] _____

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