



Goldman Sachs 10,000 Small Businesses Loan Program in partnership with Rhode Island Capital Corp.

--Some Examples--

Situation 1: A borrower is being asked out of his existing bank/credit union due to temporary losses. Rather than turn it down, you refer it to us.

Solution: We can offer a daily-followed Asset Based Line (ABL) from \$500,000 to \$3M using Goldman Sachs funds as well as BDC Capital funds with advance rates on A/R (80%) and inventory (50%). A bank would get the deposits and lock box fees – and a relationship to provide financing once the issues are resolved – or a participation loan.

Situation 2: Bank/credit union policy doesn't allow providing the terms being requested. For instance, a borrower wanted a 15 year term for a partner buyout but the bank policy only allows 10 years.

Solution: We can participate with a bank/credit union in an “early out” loan structure. The bank loan is paid in 7 ½ years during which we get interest-only, then our principal payments start in the second half of the term. The bank books a 7 ½ year loan to meet policy, but the borrower gets a 15 year term.

Situation 3: A borrower needs equity for permanent working capital.

Solution: We can structure the Goldman Sachs funds as a mezzanine investment fully subordinate to the bank's senior debt. We can provide a mezzanine investment up to \$5M by supplementing the Goldman Sachs funds with BDC Capital funds.

Situation 4: A borrower is purchasing owner-occupied real estate with an SBA 504 loan from CDC New England and needs funds for some of the down payment or a restructuring of existing debt.

Solution: A Goldman Sachs loan can be secured by real estate in a 3rd position behind a bank/SBA.

Situation 5: A potential borrower needs some business education.

Solution: You can refer them to the Goldman Sachs program at CCRI for a FREE 12-week entrepreneurial education – to get them ready for financing! <http://ccri.edu/10ksb/>

Eligible use of funds includes refinancing, restructuring, business acquisitions, and not-for-profits.

Eligible businesses: Located in Rhode Island; In operation for at least two years; Revenues over \$100,000 in the most recent fiscal year; A minimum of two employees (including owners)

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Rhode Island Capital Corp. (a subsidiary of BDC Capital)

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