





#### IV. ATTACHMENTS

- \_\_\_\_\_ **Brief History and Description of Business.** Suggested minimum of 2 pages.
- \_\_\_\_\_ **Historical.** Balance sheet, profit & loss statement, company tax returns, and statement of cash flows for last three years. Include accountant's opinion letter and any schedules and notes to financial statements.
- \_\_\_\_\_ **Current.** If most recent year-end statement is over sixty days old, attach current balance sheet, profit & loss statements, and statement of cash flows.
- \_\_\_\_\_ **Consolidating Statements.** If the applicant has related companies, submit consolidating year-end balance sheets and income statements for the last three fiscal years and the current period.
- \_\_\_\_\_ **Future.** Profit & loss projections for next two (2) fiscal years.
- \_\_\_\_\_ **Personal Tax Returns,** for last three (3) years.
- \_\_\_\_\_ **Resume** for each 20%-or-more owner and any other key people. A paragraph or two is sufficient.
- \_\_\_\_\_ **Personal Financial Statement for each 20%-or-more owner.** (Enclosed)
- \_\_\_\_\_ **Application Fee.** Enclose a check payable to the "Quarry Rock Business Capital Fund" for \$500 if the amount requested is \$35,000 or less; or \$1,000 if the amount requested is over \$35,000.
- \_\_\_\_\_ **Completed Business Plan.** Required if business has been in existence for three years or less.
- \_\_\_\_\_ **Purchase Agreement.** Required for acquisition financing request.

#### V. EQUAL OPPORTUNITY LENDER

The Quarry Rock Business Capital Fund is an equal opportunity lender. The Funds invest in all applicants deemed qualified by their investment committees, regardless of race, creed, nationality or gender.

#### VI. CONFIDENTIAL CREDIT AND PERSONAL BACKGROUND REPORT

The Funds will, at their expense, obtain a credit report and personal background check on the applicant(s). The Funds will comply with all provisions of the Fair Credit Reporting Act (15 USC 1681 et seq.). The Funds will not disclose any part of any credit report or background check to anyone except members and staff of the Funds.

#### VII. FEES AND INTEREST

**The applicant is responsible for the following fees and costs:**

1. Application Fee:
  - Applicants requesting up to \$35,000: \$ 500
  - Applicants requesting over \$35,000: \$ 1,000

The application fee is non-refundable and due at time application is submitted.
2. Origination Fee of 2% of the investment amount. Due at the time the applicant accepts the terms and conditions of the Funds investment;
3. Closing costs of \$750 at a minimum. Can be greater depending upon the complexity of the closing. Can be added to the amount invested;
4. Monthly Payments. Any investment by the Funds pursuant to this application will be payable by the Applicant to the Funds in monthly payments over sixty (60) months including interest at an agreed interest rate above a floating prime rate (with a possible floor on prime rate); and
5. Risk Premium. A fee is payable at the end of the term for compensation to the Funds for: a) the relative risk taken by the Funds; and b) the Funds contribution to the enhanced value of the applicant company. The Risk Premium is equal to an agreed percentage (e.g., 10% to 15%) multiplied by the *original investment* for each year, or part of any year, that there is an unpaid balance.

**VIII. PERSONAL GUARANTIES.**

The Funds will require personal guaranties from each of the applicant’s major shareholders.

**IX. SEPARATE DECISIONS OF FUNDS**

As a result of the respective application review, due diligence and investment committee actions by each Fund, this application to the Funds may be approved by both Funds, declined by both Funds or approved by one Fund and declined by the other Fund. Any reference in this application to “Funds” is also a reference to Quarry Rock Business Capital Fund acting alone.

**BANK RELEASE/CERTIFICATION/AUTHORIZATION**

I/We authorize Quarry Rock Business Capital Fund to exchange with the bank of account or the bank participating in this project any information relevant to this application or subsequent loan.

I/We authorize the Quarry Rock Business Capital Fund, at their expense, obtain a credit report and that the Funds will comply with all provisions of the Fair Credit Reporting Act (15 USC 1681 et. seq) and that the Funds will not disclose any part of any credit report to anyone except the staff of the Funds and those involved in the application review, due diligence and investment committee process.

I/We hereby certify that the information contained on this application form as well as the material included as attachments to this document are correct to the best of my/our knowledge.

I/We hereby certify that I/we have read, understand, and agree to the terms and conditions of the Quarry Rock Business Capital Fund programs as set forth above.

\_\_\_\_\_  
Applicant Company

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**Please send completed application, attachments and application fee to:**

**Steve Dusek  
Quarry Rock Business Capital Fund  
1 Prairie Drive  
Slayton, MN 56172**