



Butler County REC

Your Touchstone Energy® Cooperative 

Butler County Rural Electric Cooperative Revolving Loan Fund

Thank you for your interest in the Butler County Revolving Loan Fund (RLF).

Below are a few items of interest to aide you in the application process.

- Please fill out the application in its entirety. This includes, but is not limited to, historical financial information and financial projections. Partial applications will not be considered.
- Applications are due on the 6th of each month. Notification of approval or disapproval is usually made by the 1st of the following month.
- Funding is first-come, first-served upon approval of the Butler County REC board of directors.
- If approved, loan closing can take anywhere from 45-60 days after board approval.
- A \$600 fee is due at closing, along with a voided check for the ACH loan payment process.
- Loans require a personal guarantee, in addition to other collateral.

Revolving Loan Fund Overview

- Current Interest Rate (as of 5/20/2024) – 5% (4% interest plus 1% admin fee).
- Eligible Applicants:
 - Corporations
 - Limited Liability Companies
 - Partnerships
 - Sole Proprietorships
 - Cooperatives
 - Nonprofit entities
 - Governmental units including: local townships, municipalities, county government, regional authorities, school districts, and city or county hospitals.
- Eligible Use of Funds:
 - Land
 - Buildings
 - Manufacturing machinery and equipment
 - Office and work equipment
 - Infrastructure improvements
 - Working capital (only in conjunction other assets as previously specified)

- Ineligible Use of Funds
 - Refinancing of existing debt or payment to business owner or partners.
 - Projects without any supplemental financing.
 - Activities determined to be for investment purposes.
 - General improvement loans related to normal replacement needs of a business and unrelated to business expansion/job creation.
 - Projects that would result in the transfer of existing employment or business activity more than 25 miles from its existing location.
 - Agricultural production, except where the project is a farmer-owned cooperative or similar and the agriculture production of the loan will not exceed 50 percent of the loan amount.
 - Projects that are primarily working capital with limited security and/or without other capital purchases as a part of the project.
 - Construction projects of an individual residential nature.
 - Vehicles used for general purposes or that may be considered for personal use.
 - Illegal activities and legalized activities (e.g., gambling casinos) that in the opinion of the board of directors adversely affect RLF interests.
 - Projects in which there is directly or indirectly a conflict of interest or the appearance of a conflict of interest; this would include a situation in which Butler; its officers; managers; board of directors; employees; board of directors' and employees' spouses, children, or close relatives have a financial or ownership interest in the project being funded, including its construction or development.

*If you have any questions, please do not hesitate to contact
Craig Codner, CEO, at ccodner@butlerrec.coop or at 319-267-2726.*

Butler County REC

Revolving Loan Fund Application

Date: _____

Date received (office use): _____

I. BASIC INFORMATION

Name of business: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Business contact person: _____ Phone: () _____

Fax Number: () _____ Alternate Phone: () _____

Federal Tax ID #: _____ (or Social Security # if a sole proprietorship)

EUI #: _____ E-mail: _____

Other contact(s)/application assistance providers:

Name:

Telephone #

() _____

() _____

() _____

Type of business:

☐

Sole Proprietorship

☐

Corporation

☐

Partnership

Have you ever filed personal or corporate bankruptcy No ☐ Yes ☐ If yes, please explain

II. NATURE OF THE LOAN REQUEST

Amount of loan request _____ Total Project Cost _____

New Business _____ Business Expansion _____

of existing jobs _____ #of jobs created _____ # of jobs retained _____

Average Wage Per Hour _____

III. FINANCING PURPOSE AND SOURCES

Purposes for
which funds
are to be used

IRP
RLF

Bank #1

Bank #2

Other #1
(Specify)

State of IA
(Specify)

New
Equity

TOTAL

Property Acquisition

Site Improvements

Building Renovation

New Construction

Machinery & Equipment

Working Capital

Inventory

Other (Specify)

Total

IV. FINANCING TERMS AND CONDITIONS

	RLF	Bank #1	Other #1 Bank #2	Other #2 (Specify)	State of IA (Specify)	Equity	TOTAL
Amount	_____	_____	_____	_____	_____	_____	_____
% of Project Costs	_____	_____	_____	_____	_____	_____	_____
Term (years)	_____	_____	_____	_____	_____	_____	_____
Interest Rates	_____	_____	_____	_____	_____	_____	_____
Annual Debt Service	_____	_____	_____	_____	_____	_____	_____
Collateral Offered:	_____	_____	_____	_____	_____	_____	_____
Asset	_____	_____	_____	_____	_____	_____	_____
Lien Position	_____	_____	_____	_____	_____	_____	_____
Collateral Offered:	_____	_____	_____	_____	_____	_____	_____
Asset	_____	_____	_____	_____	_____	_____	_____
Lien Position	_____	_____	_____	_____	_____	_____	_____

Participating Bank #1: _____

Contact Person: _____ Phone: () _____

Participating Bank #2: _____

Contact Person: _____ Phone: () _____

Other Lender #1: _____

Contact Person: _____ Phone: () _____

Other Lender #2: _____

Contact Person: _____ Phone: () _____

V. BUSINESS PLAN OUTLINE

A. Executive Summary of the Company and Project

B. Brief History of Business

1. Describe the past operation of the business and/or the events leading to its creation
2. Current or proposed ownership
3. Number of employees, average wage, benefit and training package

C. Market Analysis and Strategy

1. Description of current buyers and target markets (provide verification of purchase orders, contracts, etc., which relate to reasons for the loan request)
2. Competition
3. Pricing
4. Distribution
5. Advertising
6. Sales promotion

D. Products

1. Description of product line
2. Proprietary position of patents, copyrights, legal and technical considerations
3. Comparison to competition

E. Manufacturing Process

1. Materials
2. Production methods

F. Describe the Project

1. Describe the project to be undertaken and time line
2. Has the project started? If yes, please explain
3. Break down the number of new employees to be hired within next 24 months including average wage
4. Include construction blueprints and/or a list of equipment to be purchased as part of the project. If contractor, architect or equipment vendor have been selected, please include information on that business.

G. Financial Statements

1. Sources/Uses Statement for the project
2. Monthly cash flow analysis for next 12 months
3. Profit and Loss Statement: last three years and current quarter, plus two-year projection
4. Balance Sheet: last three years and current quarter, plus two-year projection
5. Schedule of existing business debt including outstanding balance, interest rate, term, maturity date, and collateral on all existing debt

H. Statement of Proposed Collateral

A detailed list of all collateral offered, its value, and security position by funding source

I. Resumes and Personal Financial Statements

Include resumes of all principals as well as current, dated, and signed personal financial statements on all principals with a significant financial interest in this business.

J. Commitment Letters

Include Commitment letters from banks or others which state the terms and conditions of their participation.

K. Affiliates

Description of any affiliates or subsidiaries of business or principals requesting assistance, as well as balance sheets and income statements for past two fiscal years on such affiliates or subsidiaries.

L. Appraisals/Proposed Lease/Purchase Options or Agreements

An independent appraisal will be required for any real estate which is a subject of the proposed financing or which is offered as a major source of collateral to secure the loan. Also include copies of existing or proposed lease(s), purchase options or agreements, or any other financial arrangements.

M. Partnership Certificate of Authorization or Corporate Certificate of Authority and Incumbency

Include minutes of the corporate meeting adopting this certification, where applicable.

N. Other Required Documents

1. Copy of last year's submitted business income tax statement
2. Copy of last year's submitted personal income tax statement
3. Articles of Incorporation (or Organization if L.L.C.)
4. Bylaws
5. Written verification from primary lender that project could not be funded from commercial sources – either due to underwriting guidelines, rates and/or term.
6. Evidence of payment of last quarter's payroll tax
7. Evidence of Worker's Compensation insurance coverage

CERTIFICATION TO BE SIGNED BY APPLICANT

The undersigned, duly authorized officers of Applicant, hereby certify that the filing of this application was duly authorized by its Board of Directors (or governing body), that the statements made in the foregoing application and in all exhibits and documents submitted in connection therewith are true and correct to be the best information and belief of the undersigned and are submitted as a basis for the loan.

Likewise, the undersigned has willfully furnished this confidential information to Butler County REC for the purpose of applying for a loan. I understand that this information will be reviewed by RLF staff. I further understand that this information will become available to the Revolving Loan Fund Review Committee and Butler County REC Board of Directors. I further authorize RLF staff to be in contact with those individuals and institutions involved in the proposed project.

In addition, the undersigned also acknowledges that the loan applicant will be responsible for all “out of pocket” expenses such as, but not limited to, attorney fees, abstract charges, filing feels, appraisals and environmental reviews.

NAME OF APPLICANT

(Individual, general partner, trade name, corporation, or political subdivision)

By _____ Date _____

Typed Name _____

Title _____

Attest by _____

Typed Name _____

Title _____

RIGHT TO FINANCIAL PRIVACY ACT OF 1978

-NOTICE-

This Act is designed to protect your right to financial privacy. This is notice to you, as required by the Right to Financial Privacy Act of 1978, of Butler County REC's access right to financial records held by financial institutions that are or have been doing business with you or your business, including any financial institution participating in this loan or loan guaranty in connection with your loan application. The law provides that the access rights continue for the term of any approved loan without further notice as long as Butler County REC retains any interest in the loan.

ACKNOWLEDGEMENT

I (We) certify that I (we) have read this notice and that I (we) have been given a copy of it.

Business Name: _____

By: _____
(Name and Title)

Date: _____

Proprietor, Partners, Principals and Guarantors

Date: _____
(Signature)

Date: _____
(Signature)

Date: _____
(Signature)

Date: _____
(Signature)

NONDISCRIMINATION STATEMENT

In Accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, religion, age, disability, or marital or family status. (Not all prohibited bases apply to all programs.)

To file a complaint of discrimination, write USDA Director Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202)720-5964 (voice and TDD). USDA is an Equal Opportunity provider and employer.

IMPORTANT NOTICE

The following information is requested by the Federal Government in order to monitor compliance with Federal Laws prohibiting discrimination against applicants seeking to participate in the program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you choose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname.

Ethnicity:

- ☐ Hispanic or Latino
- ☐ Not Hispanic or Latino

Race: (Mark one or more)

- | | |
|--|--|
| ☐ White | ☐ Black or African American |
| ☐ American Indian/Alaska Native | ☐ Asian |
| ☐ Native Hawaiian or Other Pacific Islander | |

Sex:

- ☐ Male
- ☐ Female

Information provided by:

- ☐ Borrower
- ☐ Lender

Free Resources for Small Business

The Small Business Administration

www.sba.gov

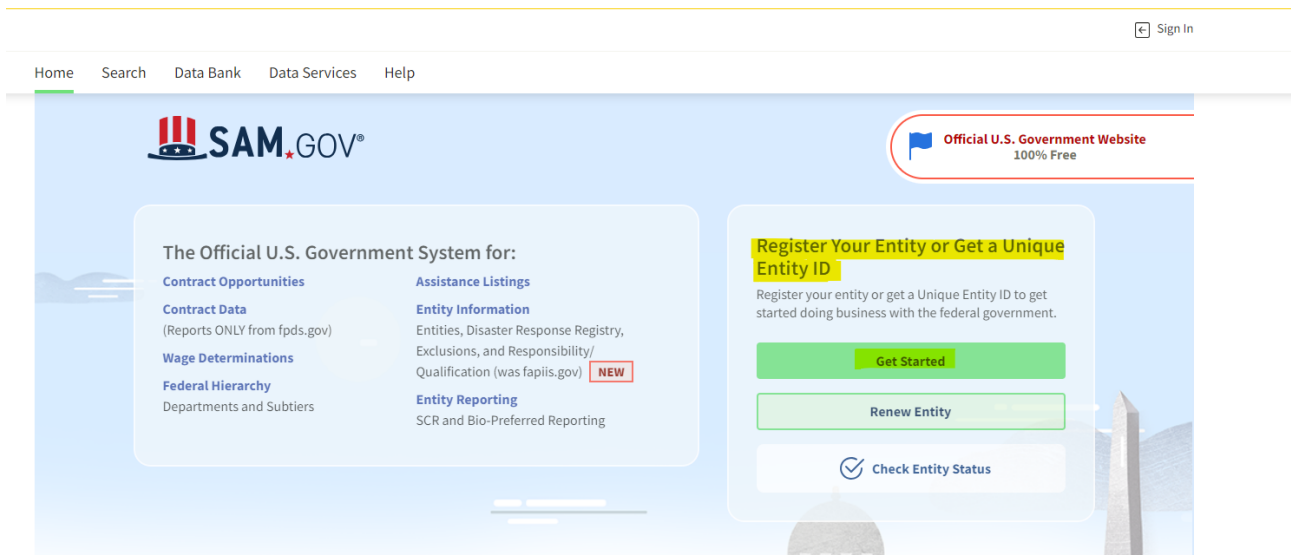
USDA Rural Development Programs

<http://www.rurdev.usda.gov/>

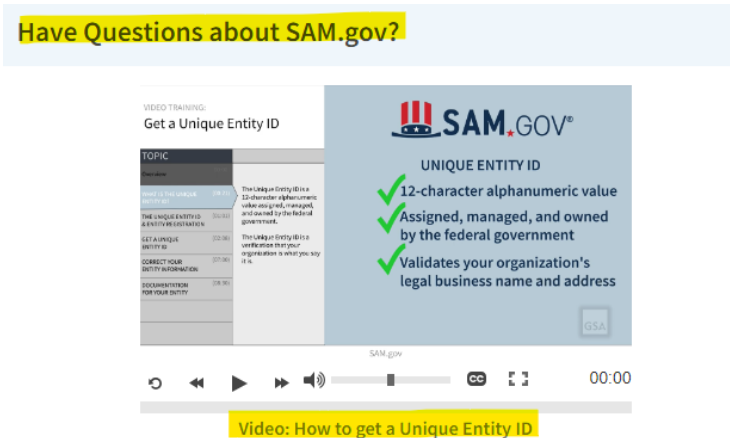
The Small Business Development Centers in Iowa

<http://www.iabusnet.org>

To apply for a Unique Entity ID (UEI) visit the website: <https://sam.gov>.
Click "Get Started" to begin.



There is also a video available to further explain the process.



Frequently Asked Questions

- ? Do I need a user account? [🔗](#)
- ? What's the difference between signing up and registering? [🔗](#)
- ? What if I already have a login.gov account? [🔗](#)
- ? What do I need to register my entity? [🔗](#)