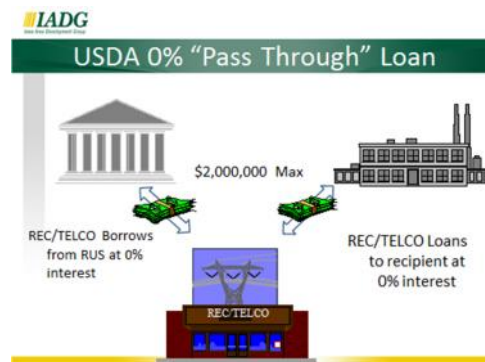


Rural Economic Development Loan *Program Summary*

- Program:** A Nationally competitive program to spur job creation in rural areas.
- Process:** Monthly Applications are sponsored by Rural Utilities Service (RUS) borrowers such as electric cooperatives and independent telephone companies.
- RUS borrower applies on behalf of project or “ultimate recipient of funds”
 - RUS borrower guarantees the loan to USDA
 - Requires USDA RD Environmental Review
- Project Benefit:** 0% interest loan; 10 year; up to 2 year deferral
(2 yr deferral = 8 year amortization)
- Program Maximums:** \$2,000,000* or 80% of project costs
- Expected Collateral:** Irrevocable letter of credit from project’s lender
- Administrative Fee:** An annual administrative fee of up to 1% may be charged by the RUS borrower
- Eligible Entities:** For-profit, non-profit entities, government
- Target Project:**
- Business expansion with job creation & formalized job training program.
 - Project that results in new advanced telecommunications or computer network capabilities.
 - Community population 2,500 or less / especially under 1,250
 - 5-33% of project as defined



* Subject to Legislative Change
** Approximate; not guaranteed