

2019 MICRO-LOAN FUND QUESTIONS AND ANSWERS

Q: When is the application deadline and when will the funds be awarded?

A: *Application review and awards will be made on an ongoing basis until all the available funds have been awarded or until September 18, 2019 – whichever comes first. Due to high anticipated demand, companies should submit an application as soon as possible in order to ensure the best consideration.*

Q: Can start-up companies apply?

A: *Yes. Start-up companies will be held to the same application and award criteria as existing businesses.*

Q: Is anything specifically not eligible?

A: *Funds cannot be used to pay for regular operating expenses or salaries. We will not fund proposals relating to gaming, tobacco, or illegal activity. We are looking for an investment in marketing, training, software, etc. that will further develop the company, allowing it to increase personnel and revenues.*

Q: How can the funds be utilized?

A: *Funds can be used to purchase services or equipment to help a company create more jobs and increase revenues. Each proposal must outline concrete tasks that the funding will help achieve and show how these milestones advance the commercial progress of the company. Payment is only made once a milestone has been completed.*

Q: If a company has several projects to advance, should the company submit different applications?

A: *Only one application will be accepted per company.*

Q: Will I be awarded the full amount requested in my application?

A: *You may be awarded the full or a partial amount of your request. For this reason, it is important to prioritize your tasks and the associated funding costs in Section G of the application.*

Q: Will small companies in rural areas be given an advantage?

A: *Preference will be given to companies located in rural parts of Sandoval, Santa Fe, Los Alamos, San Miguel, Mora, Rio Arriba, or Taos counties.*

Q: Who will review applications?

A: *An independent review panel comprised of local and regional business experts. Applicants not awarded will be provided one-on-one technical assistance including information on other funding resources.*

Q: Do members of the review panel and the RDC sign confidentiality agreements?

A: *As a matter of convention and practicality, confidentiality agreements are not signed as part of the fund's application process; however, access to the applications is only granted to the RDC, and to the review panel - all of whom realize that applications must be treated as sensitive. If this is of concern, before submitting an application a company should confirm with appropriate advisors or legal counsel that any intellectual property described in the*

application is appropriately protected. It is expected that most applicants will be able to present a compelling business case without divulging unprotected proprietary information.

Q: What are the repayment criteria of the no-interest loan?

A: *Although there is no formal repayment process, companies are highly encouraged to repay the loan in order to "pay it forward" and grow the fund. For every full repayment collected, we will be able to fund an additional applicant the following year. Those who repay the loan will be eligible to reapply in subsequent years and will be recognized at the region's annual economic development conference.*

Q: What documentation will companies have to provide in order to get the funds?

A: *Cash awards will not be made upfront, but will be paid out upon completion, proof, and approval of tasks/milestones. The company/owner is expected to complete a W-9 form for tax purposes. Upon request, companies agree to report their future revenue growth and employment numbers for up to 3 years. This information will help to continue to sustain and grow the opportunity in the future.*

Q: Will the RDC retain rights to my company's patents or intellectual property if I am awarded?

A: *No. All patents and intellectual property remain with the company. The goal of the fund is to grow companies that diversify the economy of New Mexico.*

Q: Does the RDC offer any other funds and am I eligible to apply for those funds as well?

A: *Native American-owned businesses can apply to the RDC's Tribal Economic Diversity Fund and technology-based and manufacturing businesses can apply to the **Technology and Manufacturing (TEAM) Fund**, if they are eligible. More information can be found at www.rdcnm.org.*

Q: Is other assistance offered with the Micro-Loan Fund?

A: *The RDC offers free workshops and one-on-one technical service consultations that pair small businesses with other resources, including funding options.*

Q: Do you see the program growing in the future?

A: *Our goal is to continue the Micro-Loan Fund which is designed to help foster rural and other Northern New Mexico businesses in need of smaller amounts of capital. Future funding and growth of the fund is contingent on successes of the companies awarded and on loan payment.*