

Angel Loan Fund Program (ALF)  
Proof of Investment and Loan Request Form

**Applicant Information**

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Contact Person and Title: \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_ Website: \_\_\_\_\_

Number of Employees (Full-Time Equivalent): \_\_\_\_\_ Most Recent Annual Revenues: \_\_\_\_\_

NOTE: The number of employees includes parent company and all locations unless the applicant business is a completely independent subsidiary.

Amount of funding obtained \$ \_\_\_\_\_ Requested loan amount \$ \_\_\_\_\_

**(Note: The ALF maximum loan amount will be equal to 10% of funding raised during the funding round as identified in the ALF Acceptance Letter, with a minimum loan value of \$20,000 and a maximum loan value of \$250,000. All funding must be evidenced by proof of investment as described on page 2 of this Proof of Investment and Loan Request Form)**

Describe the use of funds for both the investments raised during the funding round, and the anticipated ALF loan:



# EMPLOYMENT AND ECONOMIC DEVELOPMENT

The following pieces of documentation must be submitted for each investment included in the Proof of Investment submission:

For investments enrolled in the Minnesota Angel Tax Credit Program (ATC), a copy of the Qualified Investment Approval email received from the ATC may be submitted as proof of investment.

For investments made during the funding round that are not enrolled in the ATC:

1. A copy of the signed investor subscription agreement, or other underlying transaction document, documenting the investment\*
2. A copy of the investor's or fund's check made out to the business\*\*
3. A copy of the business' deposit receipt or bank statement showing the deposit of the check\*\*

\* if multiple investors using identical documents, you may submit one complete copy plus signature pages for others

\*\*a copy of a wire transfer showing the accounts of originator and beneficiary may be substituted; if funds are flowing to and from an escrow account, show or explain this clearly

Please indicate the identity of the investor who fulfills the ALF requirement for at least one investment made by an investor that is both certified by the ATC and qualified as an Accredited Investor per the U.S. Securities and Exchange Commission under Rule 501 of Regulation D.

**ATC Certified & SEC Accredited Investor or Fund making investment:**

Name of investor/fund: \_\_\_\_\_

Date of Investment: \_\_\_\_\_ Investment Amount: \_\_\_\_\_

**Please list all other equity investments for which you are submitting prove of investment:**

Name of Investor/Fund	Date of Investment	Investment Amount

Note: All investments must be invested subsequent to the date indicated in the ALF Acceptance Letter that you received.

The undersigned:

- a. certifies that all representations made in this ALF Proof of Investment and Loan Request Form or information provided herein are true and complete to the best of his or her knowledge,
- b. grants the State of Minnesota and its agents the right to contact individuals and organizations as the State may deem necessary to verify the accuracy and completeness of any and all applicant data,
- c. agrees to execute and deliver written authorizations for the release of data or for any data privacy waivers reasonably required for the State to verify the accuracy or completeness of applicant data,
- d. acknowledges that it is aware that the act of providing false applicant data may subject it to penalties provided by State and Federal laws,

Signature of Authorized Representative: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

**DATA PRIVACY ACKNOWLEDGEMENT:**

**Tennessee Warning Notice:** per MN Statutes 13.04, Subd.2, this data is being requested from you to determine if you are eligible for assistance from the Minnesota Department of Employment and Economic Development. You are not required to provide the requested information, but failure to do so may result in the department's inability to determine your eligibility for assistance. The data you provide that is classified as private or non-public and will not be shared without your permission except as specified in state and federal laws.

**Data Privacy Notice:** per MN Statutes 13.591, Subdivision 1, certain data provided in this Application is private or non-public data; this includes financial information about the business, including credit reports, financial statements, net worth calculations, business plans; income and expense projections; balance sheets; customer lists; income tax returns; and design, market, and feasibility studies not paid for with public funds. Per MN Statutes 116J.401, Subd. 3., certain data provided in this application is private data; this includes data collected on individuals pursuant to the operation of business finance programs.

I have read the above statements and I agree to supply the information requested to the MN Department of Employment and Economic Development, Office of JOBZ and Business Finance with full knowledge of the information provided herein. I certify that all information provided herein is true and accurate and that the official signing this form has authorization to do so.

Typed Name of Business Official: \_\_\_\_\_

Signature of Business Official: \_\_\_\_\_ Date: \_\_\_\_\_



# EMPLOYMENT AND ECONOMIC DEVELOPMENT

This certification is required by Section 3011(c)(2) of the Small Business Jobs Act of 2010 from any private entity that receives a loan, a loan guarantee, or other financial assistance using funds received by a participating State under the State Small Business Credit Initiative.

Legal name of entity: \_\_\_\_\_

As required by Section 3011(c)(2) of the Small Business Jobs Act of 2010, the private entity hereby certifies to the participating State that the Principals of the private entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)). For the purposes of this Certification, Principal means the following: if a sole proprietorship, the proprietor; if a partnership, each managing partner and each partner who is a natural person and holds a 20% or more ownership interest in the partnership; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the entity, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the entity.

Legal Name: \_\_\_\_\_

By: \_\_\_\_\_

Authorized Signatory

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# EMPLOYMENT AND ECONOMIC DEVELOPMENT

These assurances reference Section 3005(e)(7) and Section 3011(c)(2) of the Small Business Jobs Act of 2010.

Legal name of borrower or investee: \_\_\_\_\_

The borrower or investee hereby certifies the following to the lender or investor:

1. The loan or investment proceeds will be used for a “business purpose.” Business purpose includes, but is limited to, startup costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the purchase, construction renovation or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. The definition of business purpose excludes: activities that relate to acquiring or holding passive investments, such as commercial real estate ownership and the purchase of securities; and lobbying activities, as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.
2. The loan or investment proceeds will not be used to:
  - a) repay a delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority; or
  - b) repay taxes held in trust or escrow, e.g. payroll or sales taxes; or
  - c) reimburse funds owed to any owner, including any equity injection or injection of capital for the business’ continuance; or
  - d) to purchase any portion of the ownership interest of any owner of the business.
3. The borrower or investee is not:
  - a) an executive officer, director, or principal shareholder of the lender; or
  - b) a member of the immediate family of an executive officer, director, or principal shareholder of the lenders; or
  - c) a related interest of an such executive officer, director, principal shareholder, or member of the immediate family.

For the purposes of these three restrictions, the terms “executive officer”, “director”, “principal shareholder”, “immediate family”, and “related interest” refer to the same relationship to a lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

4. The borrower or investee is not:
  - a) a business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business; or
  - b) a business that earns more than half of its annual net revenue from lending activities; unless the business is a non-bank or non-bank holding company certified as a Community Development Financial Institution; or
  - c) a business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants; or

- d) a business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution); or
- e) a business engaged in gambling enterprises, unless the business earns less than 33% of its annual net revenue from lottery sales.

Legal Name: \_\_\_\_\_

By: \_\_\_\_\_

Authorized Signatory

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_