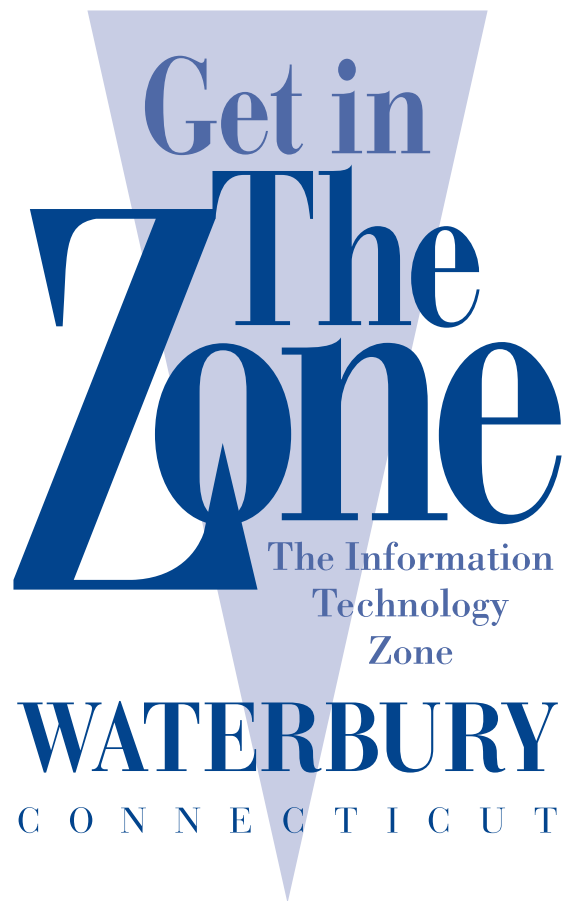


**Downtown Development
Incentive Fund**

**Information Technology
Zone Incentive Fund**



**Program Information
Application for Participation**

To enhance your business location and expansion in Downtown Waterbury, the City of Waterbury, through the Naugatuck Valley Development Corporation (NVDC), has developed two incentive fund programs aimed at facilitating business development and growth in Downtown Waterbury. These funds, the Downtown Development Incentive Fund and the Information Technology Zone Incentive Fund, are sources of capital specifically targeted to businesses committed to locating or expanding in Downtown Waterbury.

The guidelines that will be used to implement the Downtown Development Incentive Fund and the Information Technology Zone Incentive Fund are provided below, along with an application for participation.

Downtown Development Incentive Fund

ELIGIBLE APPLICANTS:

Property owners, those with an agreement to purchase property, and tenants or prospective tenants with an agreement to lease. The property and business under consideration must be located within the predefined downtown geographic area. The applicant must be qualified to conduct business in the City of Waterbury and the State of Connecticut. The applicant and its principals must receive a favorable tax clearance report from the City's delinquent Tax Collector.

ELIGIBLE PROJECTS:

Commercial projects to include office, retail, restaurant, entertainment, educational/cultural, residential and technology based companies appropriate for Information Technology Zone benefits. All projects subject to approval by NVDC.

USE OF FUNDS:

Property acquisition, property improvements, equipment and fixture purchases, working capital, job training, architectural and other design services, and other purposes as determined by the NVDC.

FUNDING AMOUNTS:

\$15,000 minimum to a maximum of \$250,000 for any one project. Larger funding amounts may be considered in situations involving exceptional economic benefit.

FUNDING TERMS:

Generally, loan maturity will not exceed 5 years. NVDC also has the ability to disburse forgiveness loans.

RATES:

Interest rates will be negotiated between the NVDC and the borrower.

COLLATERAL:

The borrower will be required to provide adequate collateral for all funds loaned.

PERSONAL GUARANTEE:

Personal guarantee typically required for all loans.

CREDIT REVIEWS:

NVDC has the right to order credit reports on the borrower, both company and personal.

Information Technology Zone Incentive Fund

The Information Technology Zone Incentive Fund is available under the same terms and conditions as the Downtown Development Incentive Fund with the following exceptions.

ELIGIBLE APPLICANTS:

Property owners, those with an agreement to purchase property, and tenants or prospective tenants with an agreement to lease. The property and business under consideration must be located within the predefined boundaries of the Information Technology Zone. The applicant must be able to conduct its information technology business under the zoning classification for the property it intends to occupy.

ELIGIBLE PROJECTS:

An Information Technology Zone eligible business is an enterprise that is determined to use, in principal part, voice, data, video or other electronic transmission media to conduct its business, and in compliance with state statutes.

Application Process:

Interested businesses are encouraged to complete the attached application and return it to the Business Development Specialist at the Naugatuck Valley Development Corporation, 156 W. Main Street, Waterbury, CT 06702.

Phone (203) 756-2719 or fax (203) 756-9077

For further information on downtown development opportunities, please contact the Downtown Development Director for the Information Technology Zone, 83 Bank Street, 4th floor, P.O. Box 1469, Waterbury, CT 06721.

Phone (877) 987-2879 or (203) 757-0701

Fax (203) 756-3507

Incentive Fund Application

BUSINESS PROFILE

Business Name: _____

Business Address: _____

Nature of Business: _____

Business Telephone: _____ Year Business was established: _____

TYPE OF BUSINESS

- Proprietorship General Partnership C Corp Limited Liability
 Limited Partnership Not-for-Profit S Corp Other

TYPE OF APPLICATION

- Downtown Development Incentive Fund Information Technology Incentive Fund Both

BUSINESS OWNERSHIP

Name	% Ownership	Title	Years in Position
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

JOBS

Present Employment

Projected Employment (1 year)

Full Time: _____ Part Time: _____ Total: _____ Full Time: _____ Part Time: _____ Total: _____

PROJECT COSTS

Equipment	\$ _____
Working Capital	\$ _____
Leasehold Improvements	\$ _____
Purchase of Land	\$ _____
Purchase of Existing Building	\$ _____
Renovations/Construction	\$ _____
Refinancing Existing Debt	\$ _____
Other:	\$ _____
Total Project Costs:	\$ _____

SOURCE OF FUNDS

Equity from Owners/Partners	\$ _____
Funds from Business	\$ _____
Bank Loans	\$ _____
Downtown Development Incentive Fund	\$ _____
Information Technology Zone Incentive Fund	\$ _____
Other	\$ _____
Total Source of Funds:	\$ _____

Note: Total Project Costs should equal the total Source of Funds.

What costs will incentive funds be applied to? *(Be specific.)*

What collateral will you be pledging to secure this loan? *(Please estimate the value of the collateral. Also include your basis for the estimate.)*

Are there any liens or loans on the proposed collateral? If yes, please give details.

TRADE REFERENCES

(List your 4 largest trade creditors):

Creditor	Contact	Trade Terms	High Credit	Bal.	Collateral
1. _____	_____	_____	_____	_____	_____
2. _____	_____	_____	_____	_____	_____
3. _____	_____	_____	_____	_____	_____
4. _____	_____	_____	_____	_____	_____
5. _____	_____	_____	_____	_____	_____

TOP 5 CUSTOMERS

Name	Address	Selling Terms	% of Sales
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____
4. _____	_____	_____	_____
5. _____	_____	_____	_____

DEBTS

	Lender	Original Balance	Present Balance	Annual Payments	Interest Rate	Maturity
A. BANK LOANS:						
Mortgage	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
Term Loans	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
Working Capital	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
Other	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
TOTAL:		\$ _____	\$ _____	\$ _____		____yrs.

B. OTHER LOANS:						
Prior Owners	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
Stockholders	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
Officers	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
Trade	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
Other	_____	\$ _____	\$ _____	\$ _____	_____	____yrs.
TOTAL:		\$ _____	\$ _____	\$ _____		____yrs.

C. UNPAID TAXES:

Federal \$ _____ State \$ _____ Municipal \$ _____

Additional Information

Please provide the following information:

- ▼ Current Business Plan
- ▼ Business Financial Statements (3 yrs. historical, if available)
- ▼ Personal Financial Statements (if more than 10% owner of Company)
- ▼ Business Cash Flow Forecast
- ▼ Personal Federal Returns
- ▼ Business Tax Returns (3 yrs. historical, if available)
- ▼ Most current aging of Accounts Receivable and Accounts Payable
- ▼ Employment growth projection – 5 years

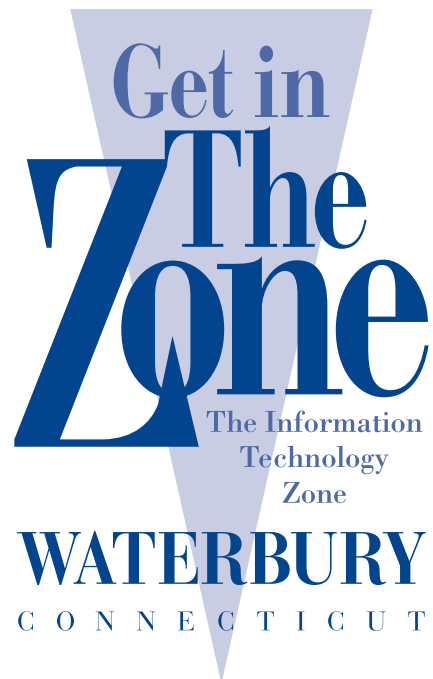
Administration Fee

An administration fee of 2% of the loan amount is payable to the NVDC. An application fee of \$100 is due at the point of application and is nonrefundable. The remainder of the administrative fee is due at closing.

Certification

It is hereby represented by the undersigned as an inducement to the Naugatuck Valley Development Corporation to approve the loan proposed herein, that to my best knowledge and belief no information or data contained in the application or in the attachments are in any way false or incorrect that no material information has been omitted, including the Financial Statements. The undersigned agrees that banks, credit agencies and references are hereby authorized now, to give the Naugatuck Valley Development Corporation any and all information in connection with the matters referred in this application. In addition, the undersigned agrees the funds provided pursuant to this application will be utilized exclusively for the purposes represented in this application, as may be amended.

Signature: _____ Title: _____ Date: _____



The Information Technology Zone is administered by the Naugatuck Valley Development Corporation on behalf of the City of Waterbury and funded by the Connecticut Department of Economic and Community Development.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT:

The Information Technology Zone
83 Bank Street • P.O. Box 1469
Waterbury, CT 06721

Toll Free: (877) 987-2879
Phone (203) 757-0701
Fax (203) 756-3507

www.waterburyitz.com

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