

GREENE COUNTY STRATEGIC IMPACT PROGRAM LOAN AGREEMENT

MADE the ___ day of _____, 2017,

Between

GREENE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY, an authority created and existing under the Economic Development Financing Law, as amended, with its principal office at 49 South Washington Street, Waynesburg, Greene County, Pennsylvania, hereinafter referred to as the "AUTHORITY,"

And

_____, a _____ with a place of business at _____, _____, Greene County, Pennsylvania, hereinafter referred to as the "RECIPIENT."

WHEREAS, the Recipient operates a _____ business (the "Business") at _____ (the "Business Premises"); and

WHEREAS, The County of Greene (the "County") has provided funds to the Authority for its Strategic Impact Program ("SIP" or the "Program"); and

WHEREAS, the Recipient has applied for SIP funds which will be used _____, (the "Project"); and

WHEREAS, the Authority has issued a letter to the Recipient informing it that it will loan SIP funds in the amount of \$_____ to the recipient (the "Loan") to pay part of the costs of the Project, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, with the intent to be legally bound hereby, the parties hereto agree as follows:

1. Whereas Clauses. The foregoing whereas clauses are incorporated herein by reference.
2. Amount of the Loan. The Authority agrees to advance SIP funds to or for the benefit of the Recipient in an aggregate sum not to exceed \$_____, subject to the terms and conditions of this Agreement and the Note to be executed by the Recipient on the date hereof (the "Note").
3. Requirements Prior to the Disbursement of the SIP Funds. Prior to the disbursement of any SIP funds hereunder, the Recipient shall furnish to the Authority:

a. The name and location of the Project, a description of the work that will be performed and completed, and any equipment or other property that will be purchased and installed with SIP funds, and any other information required by the Authority to ensure that the Project qualifies for the Loan;

b. Proof that the Recipient owns or leases the Business Premises and that it has obtained all required permits and approvals for the Project;

c. Proof that the Recipient has procured, at its cost, adequate fire and extended coverage on the Business Premises and all contents thereof and that it has adequate liability insurance coverage, worker's compensation, business interruption insurance and fraud insurance, if the Business Premises is located in a flood zone;

d. An estimate of the cost of the Project and any documents necessary to support that estimate;

e. A list of the sources of other funds to be used to pay the cost of the Project, including loans obtained or equity contributions made by the Recipient;

f. A schedule for the Project; and

g. Information regarding the current number and wage rates of employees working at the Business Premises and the number and type of full-time jobs which will be created as a result of the Award, including, but not limited to, a description of the jobs and the wages or salaries being paid to the employees.

4. Disbursement of SIP Funds. The Authority will advance the SIP funds in accordance with the schedule attached hereto as Exhibit "A" and made a part hereof.

5. Incorporation of Covenants and Conditions of Application and Letter. The Recipient incorporates herein the representations made by it in applying for and accepting the _____, 2017 letter from the Authority and all conditions of that letter, which representations, covenants and conditions shall survive the execution and delivery of this Agreement.

6. Inspection. The Authority and its authorized representatives shall have the right to go to the Business Premises from time to time to inspect it and the records to be kept by the Recipient pursuant to paragraph 9 hereof at any time within three years of the date of this Agreement.

7. Additional Covenants, Representations and Conditions. To induce the Authority to disburse the Program funds hereunder, the Recipient covenants and represents that:

a. The Recipient will retain the number of employees it currently employs at the Business Premises, create additional _____ full-time jobs with wages at least equal to 1.5 times the minimum wage and maintain the jobs created for at least three years at the Business Premises in accordance with the information previously provided to the Authority by it in applying for the Award;

b. The Recipient agrees to accept the Program funds with the understanding that it will be in default hereunder and the Authority has the right to require that all SIP funds disbursed hereunder be repaid pursuant to the Note, with interest at the rate of ___% per annum from the date of this Agreement, in the event that the Business conducted by the Recipient at the Business Premises is closed, terminated, sold or moved to another facility outside Greene County, Pennsylvania, or there is any other breach of this Agreement, at any time within three years of the date of this Agreement; provided, however, that in the event there is no such breach as of that date, the obligation to repay those funds will be reduced by one-third of the amount disbursed to the Recipient hereunder on each anniversary of the date of the final disbursement of funds under this Agreement over the three year term of the Note; and provided that in deciding whether to seek repayment in the event of a breach, the Authority will consider and determine in its sole discretion whether the breach was beyond the control of the Recipient;

c. The Recipient agrees to participate in business growth counselling and other business assistance programs as needed or required during the three year period from the date of this Agreement; provided; however, that it understands and agrees that it will make all of its business decisions itself and that the Authority has no liability to it for any decisions it makes or fails to make as a result of any such counselling or business assistance program;

d. This Agreement and all other documents executed by the Recipient in connection herewith have been duly executed and are valid and binding upon the Recipient in accordance with the respective terms of each;

e. There is no action, proceeding or investigation pending or to the knowledge of the Recipient threatened (or any basis therefor known to the Recipient) which questions the validity of this Agreement or the transaction contemplated hereby;

f. The performance of and compliance with the provisions of this Agreement will not result in or be in conflict with, or constitute a default under any instrument, document, decree, order, statute, rule or governmental regulation applicable to the Recipient;

g. SIP funds will only be used for the purposes approved by the Authority, and no part of the SIP funds will be used by the Recipient as working capital; to purchase real estate, inventory or furniture; for any beautification of the Business Premises; for any illicit activity; and for any purpose which is not permitted for a project to be financed under the Economic Development Financing Law or by any statute which governs the use of the funds provided to the authority by the County for the Award;

h. Recipient will maintain the insurance described in this Agreement;

i. Recipient will enter into contracts for the Project and ensure that such contracts comply with all applicable statutes, ordinances, rules and regulations; and

j. Recipient will provide the Authority with a description of the positions and wages for the full-time jobs which are to be created under this Agreement on an annual basis for at least the first three years from the date of this Agreement.

8. Compliance with Applicable Statutes, Ordinances, Rules and Regulations. The Recipient will conduct the Business in accordance with all applicable statutes, ordinances, rules and regulations.

9. Records. The Recipient shall maintain at the Business Premises for at least seven years after the date of this Agreement, provide copies to the Authority, if requested to do so, of records regarding its use of the Program funds, the number of full-time employees employed at the Business Premises during the first three

years of that period and the salary or wages of each such employee, and cooperate with the Authority or any other agency or person who audits the use of the Program funds.

10. Progress Reports. The Recipient shall furnish to the Authority such information as the Authority may from time to time require regarding the status of the Project and the number of jobs created as a result of the Award.

11. Indemnity and Hold Harmless. The Recipient will indemnify and hold the Authority harmless from any claim, demand, action or cause of action arising out of or in any way connected with the Award.

12. Events of Default. The following shall constitute events of default hereunder:

a. The failure of the Recipient to continue to conduct the Business at the Business Premises during the three year period which begins on the date of this Agreement;

b. The sale of the Business or of all or substantially all of the assets of the Business within three years of the date of this Agreement;

c. The failure of the Recipient to perform any other covenant or obligation in this Agreement; and

d. The failure to cure such a default within 30 days after written notice of that default from the Authority.

13. Remedies in the Event of Default. In the event of a default under this Agreement by Recipient, the Authority has the right to terminate this Agreement; withhold any undistributed SIP funds; demand payment of the unforgiven amount of the Program funds then due under the Note, with interest on the amount disbursed hereunder at the rate of ____% per annum from the date of this Agreement; and, if the said balance of the funds due under the Note are not repaid within 30 days of the date of the demand, confess judgment under the Note and exercise any other remedy at law, or in equity, to enforce this Agreement and the Note, and recover all such funds, and all fees, costs, and other expenses incurred by it in order to recover those funds. The Recipient hereby agrees that the Court of Common Pleas of Greene County, Pennsylvania, shall have exclusive jurisdiction over the subject matter of this Agreement and the parties.

14. Miscellaneous. The obligations of this Agreement shall be binding upon, and the benefits thereof shall inure to, the parties, their successors and assigns.

WITNESS the due execution hereof the day and year first above written.

GREENE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY

(SEAL)
ATTEST:

BY: _____

Secretary

AUTHORITY

BY: _____

RECIPIENT