VIRGINIA INNOVATION PARTNERSHIP CORPORATION and
VIRGINIA SMALL BUSINESS FINANCING AUTHORITY
STATE SMALL BUSINESS CREDIT INITIATIVE

INVESTEE AGREEMENT AND APPLICATION

THIS INVESTEE AGREEMENT AND APPLICATION (this "Investee Agreement"), effective as of ____________ (the "Effective Date"), is by and among ____ ("Investee"), whose address is ____, and ________________________________ (the "General Partner"), the general partner of ________________________________ (the "Fund") for the benefit of the **Virginia Innovation Partnership Corporation** ("VIPC"). VIPC is the operating arm of the Virginia Innovation Partnership Authority ("VIPA"). The Virginia Small Business Financing Authority ("VSBFA") is an economic development and small business financing arm of the Commonwealth of Virginia. VSBFA is recipient of funds from the U.S. Department of Treasury State Small Business Credit Initiative, 12 U.S.C. §§ 5701 – 5710 et seq. ("SSBCI"). Through VSBFA's partnership with VIPA and VIPC, VSBFA makes such funds available to the Fund to invest in the Investee.

Investee's Contact Information:
Name and title of individual:
E-mail address:
Phone #:

RECITALS

A. Investee is seeking funding from the Fund, which has obtained a capital commitment from VIPC under the SSBCI.

B. Subject to Investee's providing the representations, warranties, certifications, and covenants in this Investee Agreement and entering into the Investment Documents, the Fund is willing to make an investment in Investee, which investment will be in the form of ________________________________ (the "Investment"), for the purpose and consistent with the other terms as mutually agreed, which may be set forth in the Fund's term sheet, as such terms may be modified by the General Partner in its discretion. The Investment, when and if made, will be funded, in part, with funds from an Other Credit Support Program as defined in the SSBCI and/or the U.S. Department of the Treasury State Small Business Credit Initiative Capital Program Policy Guidelines, revised October 4, 2024, as the same may be further amended or revised (the "SSBCI Guidelines").

C. The Investment, when and if made, will be evidenced by and will be made under written agreements (e.g., Note Purchase Agreement and Convertible Promissory Note; SAFE; Stock Purchase Agreement; Side Letter; etc.) between Investee and the Fund and, possibly other investors acceptable to the General Partner (the "Investment Documents").

D. As a material inducement to the Fund's making the Investment, Investee is willing to comply with the requirements of investees under the SSBCI and the SSBCI Guidelines, including, without limitation, to provide the Investee representations, warranties, certifications, and covenants set forth in this Investee Agreement and to agree to the covenants and agreements set forth in this Investee Agreement for the benefit of the General Partner, the Fund, VIPC, VIPA, and, VSBFA.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Investee hereby represents, warrants, covenants and agrees with the General Partner as follows:

1. **Investment.** In reliance on Investee's representations, warranties, and certifications set forth this Investee Agreement and Investee's covenants and agreements set forth in this Investee Agreement, the General Partner agrees to make the Investment in Investee subject to and conditioned upon each the following:

(a) Investment Documents. Investee shall have executed and delivered the Investment Documents, in such form and including such terms as are acceptable to the General Partner in its sole discretion, including, without limitation, such other documents required by the General Partner in such form and including such terms as are acceptable to the General Partner in each of their sole discretion (such as the "Ongoing Obligations Agreement");

(b) Approval of Investment. Approval of the Investment by the General Partner investment team; and

(c) Representations, Warranties and Certifications. Each of Investee's representations, warranties and certifications set forth in this Investee Agreement shall be true and correct as of the time of the Investment in Investee pursuant to the terms of the Investment Documents.

2. **Investee Representations, Warranties and Certifications.** Under the SSBCI, any private entity (such as Investee) that receives a loan, a loan guarantee, or other financial assistance including equity investment using funds received by a participating State (including the Commonwealth of Virginia through VSBFA and VIPC) under the SSBCI is required to provide certain certifications, including as set forth below in paragraphs (b) – (i) of this Section 2. Investee hereby represents, warrants, and certifies as follows:

(a) Virginia Company. Investee is a Virginia Company. A company is deemed to be a "Virginia Company" if it meets each of the following criteria:

i. The Investee's headquarters and primary business address (if different than the Investee's headquarters) are located within the Commonwealth of Virginia;
ii. A majority of the Investee's administrative and strategic operations are performed within the Commonwealth of Virginia;
iii. The primary office for a majority of the Investee's senior management, including the Chief Executive Officer, is within the Commonwealth of Virginia; and
iv. The Investee is registered to do business in Virginia and is "in good standing" with the Virginia State Corporation Commission.

(b) Size of Investee. Investee has 500 or fewer employees.

(c) Size of Investment Round. The aggregate dollar amount of Investee's investment round in which the Fund's Investment will be made ("Investee's Investment Offering") does not exceed $20 million.

(d) Substantially the Same Terms. If made, the Fund's Investment will be on substantially the same or better terms as the terms received by other investors in Investee's Investment Offering.

(e) No Relationship with VIPC or the Fund. Neither Investee nor any officer, manager, director, or owner of Investee is:

i. An executive officer or director of VIPC, the General Partner or the Fund. An "executive officer" generally means an individual person who participates or has authority to participate (other than in the capacity of a director) in major policymaking functions of VIPC, the General Partner or the Fund, whether or not the officer has an official title, the title designates the officer an assistant, or the officer is serving without salary or other compensation. The chairman of the board, the president, every vice president, the secretary, and the treasurer of VIPC generally are considered executive officers; or
ii. A member of the immediate family of an executive officer or director of VIPC, the General Partner or the Fund. "Immediate family" means, and includes, an individual person's spouse,

domestic partner, parents, grandparents, children, grandchildren, brothers, sisters, stepbrothers, and stepsisters, and any relatives who live in the same household.; or

iii. A related interest or immediate family member of an executive officer or director of VIPC, the General Partner or the Fund.

For purposes of the above certification, the terms “executive officer,” “director,” “principal shareholder,” “immediate family,” and “related interest” have the meanings set forth at 12 CFR part 215.

(f) Not Certain Businesses. The Investee is not:

i. A business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade. Speculative activities include 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 through the normal course of trade;

ii. A business that earns more than half of its annual net revenue from lending activities, unless the business is (A) a Community Development Financial Institution (“CDFI”), as defined in 12 U.S.C. § 4702(5)(A)), that is not a depository institution or a bank holding company, or (B) a Tribal enterprise, as defined in 25 U.S.C. § 4302(10), lender that is not a depository institution or a bank holding company;

iii. 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;

iv. 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

v. A business engaged in gambling enterprises, unless the business earns less than 33% of its annual net revenue from lottery sales.

(g) Not a Sex Offender. None of the principals of Investee have been convicted of a sex offense against a minor (as those terms are defined in 34 U.S.C. 20911). For purposes of this Section 2(g), “principal” is defined as follows: (i) if Investee is a sole proprietorship, then the proprietor; (ii) if Investee is a partnership, then each partner; (iii) if Investee is a corporation, limited liability company, association, development company, or other entity, then each director, each of the 5 most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of 50% or more of any class of equity interest in the entity; and (iv) if Investee is a partnership where the managing partner is a corporation, limited liability company, association, development company, or other entity, then each director and each of the 5 most highly compensated executives or officers of the entity.

(h) No Conflict of Interest. The Investee is compliant with the venture capital program conflict of interest standards set forth in Section VIII.f of the SSBCI Guidelines. Briefly, these standards provide that no SSBCI insider, or a family member or business partner of an SSBCI insider, has a personal financial interest in the Investee unless an exception specified in Section VIII.f of the SSBCI Guidelines applies. The terms "SSBCI insider," "family member," "business partner," and "personal financial interest" have the meanings set forth in Section VIII.f of the SSBCI Guidelines.

If an exception applies, it must be specified here (please provided details): ____

(i) Assurances of Compliance with Civil Rights Requirements. Under penalty of perjury, the undersigned certifies that the undersigned has read and understood the Investee's (referred to as "Recipient" in Appendix A) obligations as described in Appendix A hereto (the "assurances document"), that any information submitted in conjunction with such assurances document is accurate and complete, and that the investee (Recipient) is in compliance with the nondiscrimination requirements set forth in the assurances document.

3. **Investee Certifications and Covenants.**

(a) Under 12 U.S.C. §§ 5704(e)(7) and 5705(f)(2) of the Small Business Jobs Act of 2010, as amended, any private entity (such as Investee) that receives a loan, a loan guarantee, other financial assistance or investment (including equity investment) using funds received by a participating State (including the Commonwealth of Virginia through VSBFA and VIPC) under the SSBCI is required to provide certain certifications, including as set forth below in this Section 3. Investee hereby certifies and covenants as follows:

i. The Investment proceeds will be used solely for a business purpose. A "business purpose" includes, but is not limited to, the following: start-up costs; working capital; franchise fees; acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business's goods or services; or in the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. SSBCI funds may be used to purchase any tangible or intangible assets, except goodwill. The term "business purpose" excludes acquiring or holding passive investments in real estate, 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 U.S.C. § 1602(7))); and

ii. The Investment proceeds will not be used to:

A. Finance passive real estate investment, which includes, but is not limited to, purchasing residential housing, real estate construction, or development;
B. Refinance Investee's existing debt owed to VIPC, except that if there is additional debt added to the refinance amount, then the additional principal is eligible for funding;
C. Repay delinquent federal or state income taxes, unless Investee has a payment plan in place with the relevant taxing authority;
D. Repay taxes held in trust or escrow, e.g., payroll or sales taxes;
E. Reimburse funds owed to any owner, including any equity injection or injection of capital for the business's continuance;
F. Purchase any portion of the ownership interest of any owner of Investee;
G. Purchase goodwill; or
H. Finance any portion of SBA-guaranteed loans or other federally guaranteed loans.

(b) Remain a Virginia Company. Investee hereby further certifies and covenants that it will remain a Virginia Company as defined above for the length of time specified in the Ongoing Obligation Agreement.

(c) Reporting Requirements. Investee hereby certifies and covenants that it will conform with all document review and retention requirements imposed by the U.S. Department of the Treasury under the SSBCI program with respect to use of SSBCI funds, including, without limitation, the reporting requirements set forth in the Ongoing Obligation Agreement. For avoidance of doubt, Investee agrees that it will provide a pre-investment and post-investment detailed ledger version of the Company capitalization table (which shall include near-equity holdings) to the Fund with respect to the Investment, and understands that it may be required to provide a post-investment detailed ledger version of the Company capitalization table (which shall include near-equity holdings) for each future round of investment during the life of the Company, in order to comply with the reporting requirements specified herein.

4. **Indemnification**. Investee shall indemnify and hold the Fund, the General Partner, VSBFA, VIPA, and VIPC harmless from and against (to include, without limitation, immediately repaying to the Fund (for distribution to VIPC) the amount of any Investment using SSBCI funds), and shall pay to each of the Fund, the General Partner, VSBFA, VIPA, and VIPC, any and all liabilities, damages, claims, costs, or losses incurred or suffered by any of the Fund, the General Partner, VSBFA, VIPA or VIPC, including attorneys' fees and costs and court costs, resulting from or relating to: (a) any breach of or materially incorrect representation, warranty or certification made by Investee or any officer, director or agent of Investee to the Fund, the General Partner, VSBFA or VIPC in connection with the Investment, including, without limitation, in this Investee Agreement or in any Investment Document, or (b) any breach by Investee of the terms or conditions of this Investee Agreement, including, without limitation, Investee's certifications and covenants, or any of the Investment Documents. **Investee also acknowledges that any false statement, certification, or representation made by Investee in connection with the Investment is subject to the penalties provided in 18 U.S.C. § 1001.**

5. **Miscellaneous**.

(a) This Investee Agreement will be governed by and interpreted in accordance with the laws of the United States and the Commonwealth of Virginia, without regard to its conflict of laws provisions. The parties agree that jurisdiction will lie solely in the courts of the Commonwealth of Virginia, and that venue will be solely in the Circuit Court for the City of Richmond, Virginia. In the event that the General Partner, the Fund, VIPC or VSBFA must file a lawsuit to enforce any provision of this Investee Agreement, then the jurisdiction and venue provisions of this Section 5(a) also will apply to the Investment Documents.

(b) Investee's representations, warranties, certifications, and covenants survive Investee's execution of this Investee Agreement.

(c) VIPC, VIPA and VSBFA are each an express third-party beneficiary of, and will have the right to enforce, this Investee Agreement.

(d) INVESTEE HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS INVESTEE AGREEMENT. INVESTEE CERTIFIES AND ACKNOWLEDGES THAT (I) NO REPRESENTATIVE, AGENT, OR ATTORNEY OF VIPC HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT VIPC WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (II) INVESTEE UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (III) INVESTEE MAKES THIS WAIVER VOLUNTARILY, AND (IV) THE GENERAL PARTNER HAS BEEN INDUCED TO ENTER INTO THIS INVESTEE AGREEMENT BY, AMONG OTHER THINGS, INVESTEE'S WAIVERS AND CERTIFICATIONS SET FORTH IN THIS SECTION 5(c).

(e) Any term or provision of this Investee Agreement that is invalid or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Investee Agreement or affecting the validity or enforceability of any of the terms or provisions of this Investee Agreement in any other jurisdiction. If any provision of this Investee Agreement is so broad as to be unenforceable, then the provision will be interpreted only to be so broad as is enforceable.

(f) The headings or captions in this Investee Agreement are included only for convenience of reference and shall be ignored in the construction or interpretation of this Investee Agreement.

(g) This Investee Agreement, the Exhibits hereto and the Investment Documents contain the complete agreement between the parties hereto with respect to the matters described herein and therein and supersede all prior agreements and understandings between the parties hereto with respect to matters herein and therein.

(h) This Investee Agreement may be amended or modified only by an instrument in writing duly executed by Investee and the General Partner and shall not be amended or modified without the prior written consent of VIPC. No waiver by the General Partner or VIPC of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by an authorized representative of the General Partner or VIPC, as applicable. No waiver by the Geneal Partner or VIPC shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in the General Partner's or VIPC's exercising, any right, remedy, power or privilege arising under this Investee Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any General Partner or VIPC right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

(i) This Investee Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. Federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. A signed copy of this Investee Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Investee Agreement.

(j) This Investee Agreement inures to the benefit of, and shall be binding upon, the parties hereto and their successors and assigns.

(k) For auditing purposes, Investee authorizes the General Partner, the Fund, VIPC and VSBFA to provide to the U.S. Department of Treasury (including Treasury's Office of the Inspector General) access to all transaction-related files, program documents, accounting documents, and any other transaction-related information requested pertaining to SSBCI funds and Investee's use of those funds, provided that any and all such records will be kept confidential and withheld from disclosure to third parties to the fullest extent allowable by law.

6. <u>Required Additional Information</u>.

Year that Investee began operations:
Investee's EIN:
Primary Business Activity (Please select one): ☐ Marketing, market research, and commercialization expenses ☐ Research and development ☐ Technology integration in physical production, e.g., manufacturing or supply chain ☐ Technology integration of nonphysical production, e.g., accounting, customers ☐ Acquire land ☐ Purchase existing building ☐ Convert, expand, or renovate buildings – energy efficiency ☐ Construct new buildings ☐ Acquire and install fixed assets

☐ Acquire inventory
☐ Purchase supplies and raw materials
☐ Leasehold improvements
☐ Working capital – wages, salaries, and benefits of employees
☐ Working capital – other
☐ Refinance outstanding debt
☐ Support employee stock ownership plan (ESOP) transactions
☐ Other (please specify):

Secondary Business Activity (Please select all that apply):

☐ Marketing, market research, and commercialization expenses
☐ Research and development
☐ Technology integration in physical production, e.g., manufacturing or supply chain
☐ Technology integration of nonphysical production, e.g., accounting, customers
☐ Acquire land
☐ Purchase existing building
☐ Convert, expand, or renovate buildings – energy efficiency
☐ Construct new buildings
☐ Acquire and install fixed assets
☐ Acquire inventory
☐ Purchase supplies and raw materials
☐ Leasehold improvements
☐ Working capital – wages, salaries, and benefits of employees
☐ Working capital – other
☐ Refinance outstanding debt
☐ Support employee stock ownership plan (ESOP) transactions
☐ Other (please specify):

Climate-aligned Investment:

Indicate whether the SSBCI-supported loan or investment supports a business that makes climate-aligned investments. Climate-aligned investments may reduce greenhouse gas emissions or promote adaptation to climate change or energy transitions. This could be either in the business's activities (including its production processes and use of energy, inputs, supply chain services, and/or actions to increase resiliency) or by supplying products and services that contribute to lower emissions. Climate-aligned investments can include investment supporting weatherization; energy-efficient prefabrication or manufacturing; supply chain use, processes or production resulting in lower emissions; energy site transitions; sustainable and/or climate-smart agriculture and forestry; renewable energy development or implementation (including wind, solar, hydroelectric, biomass, geothermal, and other low-carbon technologies); electric vehicle innovation or use; and other investments that aim to build climate resilience, support adaptation to extreme weather and climate events, and/or mitigate climate change.

Yes ☐ No ☐

Energy or Climate Impacted Communities:

Is your company in a community facing local job losses or business revenue declines because of physical or transition impacts from climate change, including shifts in energy production.

Examples of such local job loss or revenue declines include declines because of changes in the economics of producing certain agriculture or foods, other natural resource goods, chemical inputs, manufactured products, or service sector outputs due to acute or chronic climate impacts, costs, regulations, or shifts in demand. Examples of shifts in energy production include any transition away from fossil fuel extraction, refining, or fossil-based energy generation in the oil, gas, and/or coal sector. Yes ☐ No ☐
NAICS Code:
CDFI Investment Area One or more of the business owners reside in a CDFI Investment Area: Yes ☐ No ☐ Investee is located in a CDFI Investment Area: Yes ☐ No ☐ Investee anticipates being located in a CDFI Investment Area: Yes ☐ No ☐
Indicate whether Investee's Revenue and Net Income is tracked on a calendar year basis ("Calendar Year") or other basis ("Fiscal Year"): Calendar Year ☐ Fiscal Year ☐
Revenue in Last Fiscal Year or Last Calendar Year, as applicable: • If Revenue is based on Investee's Last Fiscal Year, please provide the day, month and year-end for Investee's Last Fiscal Year: • If Revenue is based on Investee's Last Calendar Year, please provide Investee's Last Calendar Year:
Net Income in Last Fiscal Year or Last Calendar Year, as applicable: • If Net Income is based on Investee's Last Fiscal Year, please provide the day, month and year-end for Investee's Last Fiscal Year: • If Net Income is based on Investee's Last Calendar Year, please provide Investee's Last Calendar Year:
Total Number of Full Time Employees *(2 half time employees equals 1 full time employee)*: _______
Estimated Jobs to be Created by this Investment over next 2 years:
Estimated Jobs to be Retained by this Investment over next 2 years: (number of job losses averted by this specific investment, if any)

7. <u>Optional Self-Certification SEDI Demographics-Related Business Status</u>

(The Investee does not have to be a Socially and Economically Disadvantaged Individual owned business to qualify for the SSBCI program and is not required to provide this certification)

1. ☐ If this box is checked, I certify that Investee's business is owned and controlled by individuals who have had their access to credit on reasonable terms diminished compared to others in comparable economic circumstances due to their (please check each that applies):

☐ Membership of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;

☐ Gender;
☐ Veteran status;
☐ Limited English proficiency;
☐ Disability;
☐ Long-term residence in an environment isolated from the mainstream of American society;
☐ Membership of a federally or state-recognized Indian Tribe;
☐ Long-term residence in a rural community;
☐ Residence in a U.S. territory;
☐ Residence in a community undergoing economic transitions (including communities impacted by the shift towards a net-zero economy or deindustrialization); or
☐ Membership of another underserved community.

"Underserved communities" are populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the definition of equity.

"Equity" is the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

For purposes of this certification, a business is "owned and controlled" by applicable individuals: (a) if privately owned, then 51% or more is owned by such individuals; (b) if publicly owned, then 51% more or of the stock is owned by such individuals; and (c) if a mutual institution, then a majority of the board of directors account holders, and the community which the institution services predominantly is comprised of such individuals.

2. ☐ If this box is checked, I certify that Investee's business enterprise is owned and controlled by individuals whose residences are in CDFI Investment Areas, as defined in 12 C.F.R. § 1805.201(b)(3)(ii).[1]

Individual(s)' Address(es) in CDFI Investment Areas:

____

3. ☐ If this box is checked, I certify that Investee's business enterprise will build, open, or operate a location in a CDFI Investment Area, as defined in 12 C.F.R. § 1805.201(b)(3)(ii).

Business Address in CDFI Investment Area:

____

[1] Treasury has provided a mapping tool for the borrower or investee to use to identify whether the relevant address is in a CDFI Investment Area at https://home.treasury.gov/policy-issues/small-business-programs/state-small-business-credit-initiative-ssbci/2021-ssbci/cdfi-fund-investment-areas.

8. Additional Optional Information.

(a) **SSBCI Privacy Notice and Privacy Act Statement**

Privacy Notice. Information collected from this Investee Agreement will be shared with the U.S. Department of the Treasury ("Treasury"). Treasury has published a Privacy and Civil Liberties Impact Assessment that describes what Treasury will do with the information Investee provides in this Investee Agreement. It can be found on the Treasury website. If you have any questions about this Investee Agreement, then please email Privacy@Treasury.gov.

Privacy Act Statement for Sole Proprietorships. The Privacy Act of 1974 ("Privacy Act") protects certain information that the federal government has about "individuals" – i.e., United States citizens and lawfully admitted permanent residents. The Privacy Act does not generally apply to businesses, but some federal courts have found that this law applies to sole proprietors (they are deemed "individuals" under the Privacy Act). If the Investee is a sole proprietor, then you may have rights under the Privacy Act.

Authority. Small Business Jobs Act of 2010 (SBJA), Title III, 12 U.S.C. § 5701 et seq., as amended by the American Rescue Plan Act of 2021 (ARPA), section 3301; Executive Order No. 13985, Advancing Racial Equity and Support for Underserved Communities through the Federal Government, 86 Fed. Reg. 7009 (January 25, 2021); and Interim Final Rule, State Small Business Credit Initiative; Demographics-Related Reporting Requirements, 87 Fed. Reg. 13628 (March 10, 2022).

Purpose. Information collected from this Investee Agreement will be shared with Treasury. This information will be shared with Treasury so it can conduct oversight to ensure compliance with federal law, including requirements related to nondiscrimination and nondiscriminatory uses of federal funds. Treasury also receives this information (including any demographic information provided) to comply with reporting requirements under the authorities listed above and to advance fairness and opportunity in underserved communities in the allocation of federal resources.

Routine Uses. The information furnished by the Investee may be shared in accordance with the routine uses outlined in Treasury .013, Department of the Treasury Civil Rights Complaints and Compliance Review Files; Treasury .015, General Information Technology Access Account Records; and Treasury .017, Correspondence and Contact Information. For example, one routine use under Treasury .013 is to disclose pertinent information to appropriate agencies when Treasury becomes aware of a potential violation of civil or criminal law. Under this routine use, Treasury may disclose demographic information to the appropriate agencies if Treasury becomes aware of a violation of applicable antidiscrimination laws. More information about this and other routine uses can be found in the System of Records Notices ("SORNs") listed above, which are posted on Treasury's website.

Disclosure: Providing this information is voluntary. However, failure to furnish the requested information (except for the demographic information) may result in the denial of this Investee Agreement. Providing demographic information is optional. If you decline to provide this information, then it will not adversely affect your application.

(b) **Demographics-Related Data.**

This transaction is supported with funding provided through the State Small Business Credit Initiative (SSBCI), a federal program that supports small business lending and investment programs in states, the District of Columbia, territories, and Tribal governments (collectively, "participating jurisdictions"). SSBCI programs are designed to expand access to capital, promote economic resiliency, and create new jobs and economic opportunity.

Filling out this form and providing demographic information is optional; applicants are not required to provide the requested information but are encouraged to do so. The entity collecting this information cannot discriminate on the basis of whether an applicant provides this information or based on any information provided on this form. If you decline to provide this information, then it will not adversely affect your application.

The demographics-related information collected can be used only for purposes of the SSBCI program and must not be used for any other purposes (e.g., marketing or sale to third parties). The information collected must also not be used in a manner that violates any applicable anti-discrimination laws, including, but not limited to, the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI), 42 U.S.C. §§ 2000d-1 et seq., and Treasury's implementing regulations, 31 C.F.R. part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. § 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. §§ 1681 et seq., and Treasury's implementing regulations, 31 C.F.R. part 28; the Age Discrimination Act of 1975, 42 U.S.C. §§ 6101 et seq., and Treasury's implementing regulations at 31 C.F.R. part 23.

If you believe you were discriminated against in connection with the provision of the information provided on this form, then contact: Director, Office of Civil Rights and Diversity, U.S. Department of the Treasury, 1500 Pennsylvania Ave, N.W., Washington, DC 20220, or by email at crcomplaints@treasury.gov.

Applicants are encouraged to answer all of the questions below.

This information is being collected to help ensure that communities' small business credit needs are being fulfilled and allow SSBCI to analyze the populations that SSBCI funding is benefiting.

1. Minority-owned or controlled business status

For purposes of this form, minority individual means a natural person who identifies as American Indian or Alaska Native; Asian American; Black or African American; Native Hawaiian or Other Pacific Islander; Hispanic or Latino/a; or one or more than one of these groups.

For purposes of this form, an applicant is a minority-owned or controlled business if the business meets one or more of the following:
(1) if privately owned, 51 percent or more is owned by minority individuals;
(2) if publicly owned, 51 percent or more of the stock is owned by minority individuals;
(3) in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of minority individuals; or
(4) one or more minority individuals have the power to exercise a controlling influence over the business.

Is the applicant a minority-owned or controlled business?	☐ Yes	☐ No	☐ Prefer not to respond

2. Women-owned or controlled business status			
For purposes of this form, an applicant is a women-owned or controlled business if the business meets one or more of the following: (1) if privately owned, 51 percent or more is owned by females; (2) if publicly owned, 51 percent or more of the stock is owned by females; (3) in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of females; or (4) one or more individuals who are females have the power to exercise a controlling influence over the business.			
Is the applicant a women-owned or controlled business?	☐ Yes	☐ No	☐ Prefer not to respond

3. Veteran-owned or controlled business status			
For purposes of this form, an applicant is a veteran-owned or controlled business if the business meets one or more of the following: (1) if privately owned, 51 percent or more is owned by veterans; (2) if publicly owned, 51 percent or more of the stock is owned by veterans; (3) in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of veterans; or (4) one or more individuals who are veterans have the power to exercise a controlling influence over the business.			
Is the applicant a veteran-owned or controlled business?	☐ Yes	☐ No	☐ Prefer not to respond

IN WITNESS WHEREOF, the parties hereto have caused this Investee Agreement to be duly signed and sealed by them as of the date first above written.

[____]

By: ____________________________________(SEAL)
Authorized signer for Investee

Name:__________________________________
Type or print name of authorized signer

Title: __________________________________

Date: __________________________________

[GENERAL PARTNER of FUND]

By: ____________________________________(SEAL)
Authorized signer

Name:__________________________________
Type or print name of authorized signer

Title:

APPENDIX A

ASSURANCES OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS

As a condition of receipt of federal financial assistance from the Department of the Treasury, the recipient named above (otherwise referenced as the “Investee” but hereinafter referred to as the “Recipient”) provides the assurances stated herein. The federal financial assistance may include federal grants, loans and contracts to provide assistance to the Recipient’s beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass contracts of guarantee or insurance, regulated programs, licenses, procurement contracts by the Federal government at market value, or programs that provide direct benefits.

The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Recipient may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Recipient’s program(s) and activity(ies), so long as any portion of the Recipient’s program(s) or activity(ies) is federally assisted in the manner prescribed above.

1. Recipient ensures its current and future compliance with legal requirements related to nondiscrimination and nondiscriminatory use of federal funds. These requirements include ensuring that entities receiving federal financial assistance from Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with, but not limited to, the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI), 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 C.F.R. part 22, and other pertinent executive orders such as Executive Order 13166; Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 C.F.R. part 28; Age Discrimination Act of 1975, 42 U.S.C. 6101 et seq., and the Department’s implementing regulations at 31 C.F.R. part 23.
2. Recipient acknowledges that Executive Order 13166, “Improving Access to Services for Persons with Limited English Proficiency,” seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Recipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury’s implementing regulations. Accordingly, Recipient shall initiate reasonable steps, or comply with the Department of the Treasury’s directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Recipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Recipient’s programs, services, and activities.

3. Recipient agrees to consider the need for language services for LEP persons when Recipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit http://www.lep.gov.

4. Recipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Recipient and Recipient's successors, transferees, and assignees for the period in which such assistance is provided.

5. Recipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above. With regard to Title VI, Recipient agrees to incorporate the following language in every contract or agreement subject to Title VI and its regulations between the Recipient and the Recipient's sub-grantees, contractors, subcontractors, successors, transferees, and assignees:

   The sub-grantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

6. Recipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Recipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property.

7. Recipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Recipient shall comply with information requests, on-site compliance reviews and reporting requirements.

8. Recipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Recipient also must inform the Department of the Treasury if Recipient has received no complaints under Title VI.

9. Recipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Recipient and the administrative agency that made the finding. If the Recipient settles a case or matter alleging such discrimination, the Recipient must provide documentation of the settlement. If Recipient has not been the subject of any court or administrative agency finding of discrimination, please so state.

10. If the Recipient makes sub-awards to other agencies or other entities, the Recipient is responsible for ensuring that sub-recipients also comply with Title VI and other applicable authorities covered in this document. State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that that they are effectively monitoring the civil rights compliance of subrecipients.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

PAPERWORK REDUCTION ACT NOTICE

The information collected will be used for the U.S. Government to process requests for support. The estimated burden associated with this collection of information is 30 minutes per response. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Privacy, Transparency and Records, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington, D.C. 20220. DO NOT send the form to this address. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

OMB Control # 1505-0227