



The purpose of this document is to provide you, the potential borrower, with general information about the type of loans that we at Mission Driven Finance extend so that you can familiarize yourself with the terms and conditions of these financial products, and are comfortable entering into the process to obtain a loan. Please reach out early on with any questions or concerns you may have about any of this information.

***This document is for illustrative purposes only and should not be construed as a legally binding document.***

<b>Borrower</b>	Your company, ex. "Company ABC, LLC"
<b>Lender</b>	A Mission Driven Finance Fund or Mission Driven Finance-managed Fund
<b>Loan purpose</b>	General working capital to bridge capital or timing gaps
<b>Loan amount</b>	Up to \$X. Final amount to be determined as an outcome of final underwriting.
<b>Term</b>	Up to a X-month loan. Final terms to be determined as an outcome of the final underwriting and transaction structuring process.
<b>Interest rate</b>	Up to X% fixed rate
<b>Disbursement date(s)</b>	Anticipated on or before X date. Final disbursement date depends on getting all the required closing documents and meeting all the closing conditions.
<b>Amortization</b>	To be determined as an outcome of the final underwriting and transaction structuring process. As an example of what an amortization table looks like, please refer to the third page.
<b>Position</b>	To take a senior position to all future debts
<b>Closing fees</b>	X%. This fee expense will be deducted from your loan amount.



## Standard loan covenants

Every loan comes with a basic set of rules called covenants that borrowers have to follow. These include things they must do (“positive covenants”) and things they must avoid doing (“negative covenants”). Below is a sample of Mission Driven Finance’s list of these rules, which apply to all borrowers and cannot be changed. The covenants in your loan agreement may differ from these, so be sure to read your loan agreement carefully.

### Positive covenants

1. **Keep us informed:** Tell us promptly if you get involved in any legal or regulatory proceedings involving more than \$5,000.
2. **Stay legit:** Make sure you follow the rules and remain in good standing under the laws where your company operates.
3. **Play by the rules:** Always comply with all laws and regulations that apply to you and your activities.
4. **Share financial updates:** Every quarter, or as agreed, provide us with updated financial info and key impact metrics. This includes sending us:
  - a. Quarterly financial statements and details of who owes you money and who you owe money to within 30 days of each quarter’s end.
  - b. Signed copies of your company’s federal tax returns as filed with the IRS within 30 days of filing each year until the loan is fully paid.
5. **Use the loan wisely:** Only use the loan money for the purposes we’ve approved.
6. **Stay in touch:** Respond promptly and accurately to any communications from us.
7. **Be honest:** Let us know right away if there’s anything that might change the accuracy of what you’ve told us.
8. **Work towards goals:** Continuously and actively work to achieve the key impact metrics we’ve agreed upon.

### Negative covenants

1. **Get approval first:** Don’t borrow money or guarantee someone else’s debt without asking us first, except for usual business trade debts.
2. **No new shares:** Don’t issue any new shares of stock.
3. **No new liens:** Don’t create any new debts secured by your property.
4. **Manage assets carefully:** Don’t sell, lease, or dispose of significant assets unless it’s part of your usual business operations.
5. **No mergers or acquisitions:** Don’t merge with, acquire, or be acquired by another company without our approval.
6. **Fair deals only:** Don’t make deals with related companies unless the terms are as fair as they would be with an unrelated party.
7. **Stick to the plan:** Stick to your projected expenses, or it could affect your ability to meet your loan obligations.
8. **Stay focused:** Don’t start any new business ventures unrelated to what you were doing when you got the loan.
9. **No loans or investments:** Don’t lend money to others or make investments in other businesses.
10. **No payments to owners:** Don’t pay interest or principal on any debts you owe to yourself or your employees.
11. **No major changes:** Don’t make significant changes to your business that could negatively impact the key impact metrics we discussed.
12. **Keep insured:** Make sure you keep all required insurance policies active.
13. **No dividends or stock buybacks:** Don’t pay dividends or buy back your own stock.
14. **Follow additional promises:** Stick to any extra promises (supplementary covenants) we made.

## Sample Amortization Table

*For illustrative purposes only – not legally binding*



As an example, the below table demonstrates how a \$100,000 loan that charges an 11.5% interest rate over two years would have to be paid by the borrower. In this case, the borrower would have to make a monthly payment equal to \$4,684.03 for a total of 24 months to fully repay the loan.

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Payment no.	Payment	Interest payment	Principal payment	Remaining principal balance
0	-\$100,000.00	\$-	\$-	\$100,000.00
1	\$4,217.77	\$492.07	\$3,725.70	\$96,274.30
2	\$4,684.03	\$922.63	\$3,761.40	\$92,512.90
3	\$4,684.03	\$886.58	\$3,797.45	\$88,715.45
4	\$4,684.03	\$850.19	\$3,833.84	\$84,881.61
5	\$4,684.03	\$813.45	\$3,870.58	\$81,011.02
6	\$4,684.03	\$776.36	\$3,907.68	\$77,103.35
7	\$4,684.03	\$738.91	\$3,945.12	\$73,158.22
8	\$4,684.03	\$701.10	\$3,982.93	\$69,175.29
9	\$4,684.03	\$662.93	\$4,021.10	\$65,154.19
10	\$4,684.03	\$624.39	\$4,059.64	\$61,094.55
11	\$4,684.03	\$585.49	\$4,098.54	\$56,996.01
12	\$4,684.03	\$546.21	\$4,137.82	\$52,858.19
13	\$4,684.03	\$506.56	\$4,177.47	\$48,680.72
14	\$4,684.03	\$466.52	\$4,217.51	\$44,463.21
15	\$4,684.03	\$426.11	\$4,257.93	\$40,205.28
16	\$4,684.03	\$385.30	\$4,298.73	\$35,906.55
17	\$4,684.03	\$344.10	\$4,339.93	\$31,566.63
18	\$4,684.03	\$302.51	\$4,381.52	\$27,185.11
19	\$4,684.03	\$260.52	\$4,423.51	\$22,761.60
20	\$4,684.03	\$218.13	\$4,465.90	\$18,295.70
21	\$4,684.03	\$175.33	\$4,508.70	\$13,787.00
22	\$4,684.03	\$132.13	\$4,551.91	\$9,235.10
23	\$4,684.03	\$88.50	\$4,595.53	\$4,639.57
24	\$4,684.03	\$44.46	\$4,639.57	\$-