Authorized under the American Rescue Plan by the U.S. Department of the Treasury State Small Business Credit Initiative
SSBCI Background
**BACKGROUND:** SSBCI 1.0: $13.8 Million Allocation

- **$8.9M** in Business Loans (114 Loans)
- **$3.9M** in Business Equity Investments (44 Investments)
- **$15.68M+** in Loans
- **$5.39M+** in Equity Investments
- **$341.3M+** in Private Capital Leverage (Exceeds 10x requirements)

Results as of May 2022

 Participation across loan & equity programs:
- 25% Women-Owned
- 17% Minority-Owned
SSBCI 2.0: $69 Million Allocation

- **Loan**: $42 Million
- **Equity**: $27 Million
SSBCI: Goals for GROWKS

U.S. Treasury

10:1

SEDI

GROWKS

Increase Diversity

Engage more partners
Authorized under the American Rescue Plan by the U.S. Department of the Treasury State Small Business Credit Initiative
Statewide Partners

• Submit (any GROWKS) Applications on behalf of entrepreneurs

• Can serve the entire state

• Monthly Rounds - 15th
Authorized E-Communities

• Decide locally on two GROWKS loans
  • Rural/Urban-Distressed
  • Minority/Women Starter

• Applicants in their E-Community

• Can stack with E-Community (if enough match)
GROWKS Overview
**LOAN/EQUITY PROGRAMS**

- **MINORITY/WOMEN-LED STARTER LOANS**
  Loan Cap: $100,000

- **RURAL/URBAN DISTRESSED LOANS**
  Loan Cap: $100,000

- **MINORITY/WOMEN-LED GROWTH LOANS**
  Loan Cap: $250,000

- **COMMUNITY ASSET LOANS**
  Loan Cap: $250,000

- **TARGET SECTOR LOANS**
  Loan Cap: $1M

**THE KANSAS FRAMEWORK FOR GROWTH**

**GROW KS LOAN FUND PROGRAM**

**SSBCI 1.0: $13.8M Allocation**
Example:
Purchase of an eye care business in Atchison. They had over $450K in bank funds and received another $100,000 from Rural/Urban Distressed Loan.

RURAL/URBAN DISTRESSED LOANS

Match: 150% match of the private investment
Geography: Rural & distressed areas of urban centers
Loan Cap: $100,000

*Authorized E-Community or Statewide Partner
**MINORITY/WOMEN-LED STARTER LOANS**

| Match: 200% match of the private investment |
| Geography: Statewide                        |
| Loan Cap: $100,000                          |

Example:
Construction business in KCK approved for a $50,000 bank loan, used that to leverage another $100,000 Minority/Women-Led Starter Loan

*Authorized E-Community or Statewide Partner*
MINORITY/WOMEN-LED GROWTH LOANS

Match: 25% match of the private investment
Geography: Statewide
Loan Cap: $250,000

Example:
Restaurant in Wichita is working on $1.15M from their bank and applied for an additional $125,000 from the Minority/Women-Led Growth Loan

*Statewide Partner/ASO
**COMMUNITY ASSET LOANS**

*Match: 15% match of the private investment*

*Geography: Statewide*

*Loan Cap: $250,000*

**Example:**

Business in Hutchinson secured $1.3M from the bank and applied for an additional $200,000 from the Community Asset Loan

*Statewide Partner/ASO*
TARGET SECTOR LOANS

Advanced Manufacturing, Aerospace, Distribution, Logistics and Transportation, Food and Agriculture, Professional and Technical Services as specified within the Kansas Framework for Growth

Match: 10% match of the private investment
Geography: Statewide, specific industries eligible
Loan Cap: $1M

Example:
Business receives a $5M bank loan, the business could qualify for an up to $500,000 Target Sector Loan

COMPANION FINANCING TO BANK LOANS

Statewide Partner/ASO
GROWKS Eligibility Basics
Eligibility Basics

- Kansas for-profits and non-profits
- Small businesses (< 500 employees)
- All business stages – startups to growth
- Bank, CDFI, or other financial institution has to be involved
- Focus on socially and economically disadvantaged (SEDI) populations, rural, women, minorities, veterans, distressed census tracts, etc

- Flexible use of funds – working capital, inventory, real estate, equipment, etc
- 90 Day look back on match
- Collateral is not required but is nice
- Personal Guaranty is required for anyone with at least 20% ownership
- 1-5 years, 4%
  6-10 years, 6%
Eligibility Red Flags

• NOT for purchasing stock, speculative activities, illegal activities, or projects with conflicts-of-interest

• BE CAREFUL with
  • Passive real estate
  • Refinancing
    Let’s talk first

• $20M project cap
Program Results YTD

- 8 from Authorized E-Communities
- 15 Statewide*
- Hays to KCK
- 10 Minority/Woman Starter
- 10 Rural/Urban Distressed
- 1 Minority/Woman Growth
- 2 Community Asset
- 22 of 23 = SEDI

Total Loans

- $2.17M Approved
  - $1.36M Disbursed
- 23 Approved
  - 17 Disbursed
- $6.85M Leveraged
  - $2.0M Disbursed
FOR MORE INFORMATION: Call: 877-521-8600 or Email: info@networkkansas.com

www.growks.com
<table>
<thead>
<tr>
<th>Program</th>
<th>Minimum investments: $50,000</th>
<th>Geography: Statewide</th>
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<tbody>
<tr>
<td><strong>MINORITY/WOMEN-LED INVESTMENTS</strong></td>
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<td>First round</td>
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<td>Investment Cap: $250,000</td>
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<tr>
<td>Second round</td>
<td>Match: 100% match of the private investment</td>
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Eligibility & Deal Profile Basics

• For-Profit - Kansas based
• Private capital required as match/leverage
• Rounds no larger than $20M
• 90-day look back
• Industry agnostic
• Pre-seed, seed, early-stage
• Looking to scale/selling outside KS
Equity Program Process

- Prospects contact equity@networkkansas.com
- Candidates receive an application and diligence request list
- Review and diligence completed within 30 days
- Monthly review and approval
• Approved to date: 8 deals/$1.8M

• **Industries:** Animal Health, Industrial SAAS, GovTech, HRTech, Education, Consumer Product, AgTech

• 5 Female Founders/3 Male Founders

• 7 VSB = <10 employees
For more information:
Call: 877-521-8600 or email equity@networkkansas.com

www.growks.com