

Emergency Support Loans

Purpose:

- Funds must be used to support existing businesses in Lambton County

Program Guidelines:

- The maximum loan amount is \$ 50,000.
- Funds may be used for, but not limited to:
Working capital purposes, inventory purchases, operational expenses, including staff related costs.

Eligibility Criteria:

- Sole proprietors, partnerships, corporations, and not-for-profit corporations may apply. **Franchises are NOW eligible.**
- Applicants have been actively in business, full-time, immediately preceding date of application.
- Business must be located within Lambton County
- A business is eligible for only one Emergency Support Loan at any given time
- A family unit owning more than one business can apply for Emergency Support Loan financing for each individual business, if they can clearly demonstrate that their financial records and tax reporting are not consolidated and that the respective businesses are not substantially inter-dependent
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Repayment Terms:

- Repayment terms based on amount borrowed and available cash flow with a maximum term of five (5) years, with a maximum 5 year amortization period.
- First twelve months may be repayable on an interest only basis. Thereafter the principal will be repaid over the remainder of the established term and amortization, commencing on the first anniversary of the loan disbursement date.
- First payment is due thirty (30) days from loan interest adjustment date following loan disbursement or first advance.

Security:

- Security is a Promissory Note executed by the owner(s) or majority shareholder(s) of the business, together with General Security Agreement registered under the Personal Property Security Act forming a non-specific charge on the assets of the business and/or borrower