



PARTICIPATION STATEMENT

OVERVIEW

The small business linked deposit program, operating under the name Buckeye Business Advantage (the Program), intends to provide Ohio small businesses with access to reduced rate loans via participating financial institutions (FIs), thereby injecting needed capital into the business community, sustaining or improving business growth and profitability, and protecting Ohio jobs, as well as fostering economic growth and development within Ohio. The Program allows the Ohio Treasurer of State (the Treasurer's office) to establish a linked deposit program for eligible Ohio businesses (a Business Applicant; once approved to participate in the Program, a Borrower) to receive an interest rate reduction on their qualifying business loan linked to the Program (Qualifying Loan) of up to the Program established maximum and duration.

- **HOW THE PROGRAM WORKS**

The Treasurer's office places certificates of deposit (Linked Deposit CDs) with FIs that correlate to specific approved Borrower applications for the Program. The Treasurer's office agrees to earn lower interest rates on the Linked Deposit CDs, which savings are passed through to Qualifying Loans of Borrowers as a loan interest rate reduction (Loan Discount Interest Rate).

- **PARTICIPATION STATEMENT**

This Buckeye Business Advantage Participation Statement (Participation Statement), as may be amended or supplemented from time to time, contains important information to be considered when deciding to participate in the Program. Before participating in the Program, you are advised to read and carefully consider the Participation Statement, including any amendments or supplements, in its entirety.

The Program is offered to eligible Ohio small businesses. If the business does not meet the Program participation requirements, it is not eligible to participate in the Program.

- **USE OF PERSONAL INFORMATION**

The Business Applicant will apply to participate in the Program through the FI of its choice. The FI will provide the Treasurer's office with information contained in the Business Applicant's Program application (the Program Application), including confidential personal information of the Business Applicant and Business Owner(s). The Treasurer's office will use this confidential personal information to assess Business Applicant and the Business Owner(s) acknowledge and consent to this disclosure and use of personal information. If the Business Applicant or any of the

Business Owners does not consent to this use of personal information, then the Business Applicant's participation in the Program will be terminated.

■ **ACCEPTANCE OF PARTICIPATION STATEMENT**

The Business Applicant and the Business Owner(s), through the act of applying to participate in the Program and maintaining a Qualifying Loan once approved as eligible, agree they have received, reviewed, and will comply with all the provisions and requirements detailed in the Participation Statement. Failure of the Business Applicant and/or any Business Owner to adhere to the Participation Statement may result in action including, but not limited to, Program termination with potential retrospective and prospective loss of Program benefits.

PROGRAM APPLICATION

■ **WHO MAY PARTICIPATE**

Pursuant to Ohio Revised Code (ORC) § 135.65, an eligible borrower for the Program is any person, including a person engaged in agriculture, that:

1. Is headquartered or domiciled in Ohio;
2. Maintains offices or operating facilities in Ohio, provided that the offices or operating facilities within Ohio comprise not less than fifty-one percent (51%) of the total of all offices and operating facilities maintained by the business;
3. Employs fewer than one hundred fifty (150) employees, not less than fifty-one percent (51%) of whom are Ohio Residents; and
4. Is organized for profit.

Additional eligibility criteria are as follows:

- The Business Applicant cannot have an outstanding tax liability.
- If a Franchise, all proceeds from the Qualifying Loan must be used exclusively for Ohio businesses.
- The Business Applicant must certify that it is not engaged in illegal activities as described in the ORC.
- The Business Applicant must certify that all proceeds from the Qualifying Loan will be used exclusively in Ohio to create new jobs, preserve existing jobs and employment opportunities, or materially contribute to the preservation or growth of the business.

■ **BORROWER DEFINITION**

The Borrower is defined as a single instance of a unique TIN and is an Entity to which the Qualifying Loan is issued by the FI. Once the Business Applicant's Program

application has been approved, the Business Applicant becomes the Borrower, and the Business Loan becomes a Qualifying Loan.

If the Business Applicant is synonymous with an individual (e.g., a sole proprietorship or general partner), the Business Owner must be:

1. An Ohio Resident at the time of application and continue to maintain Ohio residency;
2. A U.S. citizen or an individual residing in the U.S. with a valid SSN or ITIN; and
3. At least eighteen (18) years of age at the time of application.

■ **HOW TO PARTICIPATE**

To apply for Program participation, the Business Applicant must select and engage directly with a participating FI to apply for a business loan (Business Loan) and provide eligibility information and required Program certifications. The Business Applicant does not apply to or work directly with the Treasurer's office to qualify for a loan or submit a Program Application. The FI will follow its existing Business Loan policies and processes, being sure to comply with all applicable federal and/or state regulations. Once the FI approves the Business Loan, the FI will collect all Program required information and certifications for the Business Applicant's Program Application.

■ **PROGRAM ELIGIBILITY BASED ON LOAN STATUS**

While the Treasurer's office does not restrict Program access to only new small business loans, the Treasurer's office does require FIs to indicate the Business Loan status (Loan Status) during the application process. The Treasurer's office, at its sole discretion, may allow or disallow Program admittance, or provide for an Adjusted Loan Discount Interest Rate to the Borrower, based on its evaluation of the Loan Status and other Business Loan criteria. During the Program Application, the FI indicates to the Treasurer's office if the Business Loan is either new or existing to the FI and the Program as follows:

1. New Business Loan to the FI and New to Program - A new Business Loan that is a fresh monetary obligation between the FI and the Business Applicant, distinguished from existing loans, as it is not a continuation, amendment, renewal, or restructuring of any prior debt (New FI Loan/New to Program). It represents a completely new transaction where funds are provided to the Business Applicant who agrees to repay the principal amount, or obligation, plus interest over an agreed-upon period. The borrower of a New FI Loan/New to Program is not currently, nor has ever been, a participant in the Program and the FI is applying for initial Program participation.

2. Existing Business Loan with the FI and New to Program - An existing Business Loan between the FI and the Business Applicant that is already in place and has not been fully paid off under its original terms or a modified agreement and has not participated in the Program (Existing FI Loan/New to Program). It represents an existing loan agreement where funds have been provided by the FI or are available to the Business Applicant, who has already agreed to repay the principal amount or obligation plus interest over an agreed-upon period. The borrower of an Existing FI Loan/New to Program is not currently, nor has ever been, a participant in the Program and the FI is applying for initial Program participation.
3. Existing Business Loan with the FI and Reapplication to Program - An existing Business Loan between the FI and the Borrower, that is already in place and has not been fully paid off under its original terms or a modified agreement and has participated in the Program (Existing FI Loan/Reapplication to Program). It represents an existing loan agreement where funds have been provided by the FI, or are available, to the Borrower, who has already agreed to repay the principal amount or obligation plus interest over an agreed-upon period. An Existing FI Loan/Reapplication to Program is a Qualifying Loan previously in the Program and the FI is reapplying for readmittance of the Qualifying Loan to the Program on behalf of the Borrower.

- **BUSINESS OWNER**

A Business Owner is an individual person with an SSN or ITIN. The Business Applicant is required to disclose all Business Owners, either an individual or group of individuals, with at least a twenty percent ownership stake (20% Business Owner) during the Program Application process.

- **FRANCHISE BORROWERS**

A Franchise is an eligible Borrower provided it meets Program eligibility requirements and certifies to the FI on its Program Application that the entirety of the loan will be used exclusively for Ohio businesses and will not be used for any business located outside Ohio. Franchises are also subject to the Program requirement that the business be headquartered in Ohio. Please note that a Franchise Certification Statement is required.

- **LOAN PURPOSE**

The Treasurer's office may, at its sole discretion, verify or confirm the purpose of the Business Loan or Qualifying Loan even though the FI certifies as such and that the Business Loan or Qualifying Loan meets all eligibility criteria required by Ohio law and Treasurer's office policy.

■ BORROWER CERTIFICATION STATEMENT

The Borrower is required to provide certifications to its FI when applying for a Business Loan. In its certification, the Borrower certifies that they are an eligible borrower under ORC section 135.65, its Qualifying Loan will be used exclusively for eligible purposes, and it will adhere to the Participation Statement. Please note, whoever knowingly makes a false statement concerning their application is guilty of the offense of falsification under ORC section 2921.13. The Borrower certification is as follows, for reference and review.

The applicant hereby certifies on behalf of the business and the owners of the business the following:

The business named in the application ("Business") has applied to participate in Buckeye Business Advantage through the financial institution of its choice and the Business meets all of the eligibility criteria to participate in Buckeye Business Advantage. The Business has instructed the financial institution to provide the application, or the information contained in the application, including confidential information of the Business and owners of the Business ("Business Owners"), to the Ohio Treasurer of State. The Business understands that the Ohio Treasurer of State will use the confidential personal information to assess borrower eligibility, as well as utilize the information to operate Buckeye Business Advantage. By participating in Buckeye Business Advantage, the Business and the Business Owners are acknowledging and consenting to this disclosure of confidential personal information, and understands that if the Business or the Business Owners do not consent to the use of the confidential personal information, then the Business's participation in Buckeye Business Advantage will be terminated.

The Business and Business Owners understand, state, and affirm: that the Ohio Treasurer of State is not a lender of funds; decisions involved in granting any loans to the Business or Business Owners rests solely upon the financial institution; and that the terms of the loan are solely between the Business and the financial institution and do not involve the Ohio Treasurer of State. However, the Business and Business Owners understand that the loan is subject to the requirements of Ohio law, including Chapter 135 of the Ohio Revised Code. The Business understands and certifies that participation in Buckeye Business Advantage is voluntary and neither the State of Ohio nor the Ohio Treasurer of State are a guarantor of the Business's loan responsibilities and are not liable to the Business, Business Owners, lending institution, or any successors in interest in any manner for payment, repayment, or reimbursement of the principal or interest on the loan to the Business or any costs or expenses associated therewith. The Business agrees to allow program compliance monitoring as may be required by the Ohio Treasurer of State and acknowledges that failure to do so may affect the continued participation of the Business in Buckeye Business Advantage.

The Business certifies that the Buckeye Business Advantage Participation Statement has been reviewed, and all of its provisions and requirements will be complied with. The Business and Business Owners agree to the use of their information as outlined in the Buckeye Business Advantage Participation Statement.

The Business hereby certifies it will notify the financial institution if the Business no longer meets these Certification Statements.

The individual submitting the application on behalf of the Business hereby certifies they are authorized to enter into binding agreements on behalf of the Business, they are authorized to make these certifications on behalf of the Business Owners, and they have not knowingly made any false statements or provided false information.

■ **ON-REQUEST BORROWER ELIGIBILITY RECERTIFICATION**

The Treasurer's office or the FI, at their joint or individual discretion, may request a Borrower to recertify its Program eligibility and/or Participation Statement compliance at any time. The Borrower shall promptly review and respond to the Buckeye Business Advantage recertification request, as failure to do so may result in Program participation termination. The Treasurer's office may contact the Borrower directly for recertification and compliance purposes. In such case, the Treasurer's office will provide notice to the FI of the contact.

PROGRAM QUALIFYING LOAN CHARACTERISTICS

■ **QUALIFYING LOAN AND BORROWER MAXIMUM**

A Qualifying Loan maximum has been determined by the Treasurer's office to be one million dollars (\$1,000,000). A Borrower's unique TIN has a concurrent loan limit of one million dollars (\$1,000,000), regardless of the submitting FI (Borrower Maximum). The Treasurer's office may, at its sole discretion, disallow multiple loans to separate TINs controlled by a single Entity.

■ **BUSINESS OWNER MAXIMUM**

Business Owners may have multiple Borrowers with Qualifying Loans at any time; however, the total amount of Qualifying Loans associated with a Business Owner may not exceed the Program policy limit of a total of five million dollars (\$5,000,000) (Business Owner Maximum). **No Business Owner Maximum exceptions** will be considered by the Treasurer's office. The Treasurer's office may, at its sole discretion, disallow multiple loans to separate TINs controlled by a single Entity.

■ **20% BUSINESS OWNER PROGRAM MAXIMUM**

FIs are required to report to the Treasurer's office any 20% Business Owner. For the purposes of the Program, a Business Owner's ownership percentage is not considered for the Business Owner Maximum; meaning that regardless of a Business Owner's ownership percentage of a Borrower, the entire amount of the Borrower's Qualifying Loan will be counted toward the Business Owner Maximum. A Business Owner is an individual person with an SSN or ITIN.

■ **PROGRAM QUALIFYING LOAN DURATION**

The Borrower is eligible for up to a two (2) year Program participation term (Program Term) with **no renewal** feature. At the end of the Program Term, the Borrower may

have its FI reapply for Program consideration by submitting a new Program Application, which if approved, establishes new Program participation terms including a reset Loan Discount Interest Rate. There is no limit to the number of times a Borrower may reapply for Program consideration, but Program approval is at the sole discretion of the Treasurer's office.

■ **BORROWER'S UNDERLYING LOAN AMOUNT AND TERM**

The amount of the Business Loan made to the Borrower by the FI (FI Loan Amount) is not limited to the Borrower Maximum. The term of the Business Loan made to the Borrower by the FI (FI Loan Term) is not limited to the Program Term. The FI Loan Amount may exceed the Borrower Maximum, and the FI Loan Term may be longer than the Program Term and still be submitted for Program consideration, provided the Borrower Maximum and Program Term detailed on the Program Application are not exceeded.

Should the FI Loan Amount exceed the Borrower Maximum, the FI must pass along the Loan Discount Interest Rate in the appropriate manner and communicate the methodology used to the Borrower. If you have any questions regarding how the Loan Discount Interest Rate is applied, please reach out to the FI. The Treasurer's office does not dictate how the FI chooses to apply the Loan Discount Interest Rate (i.e., tiered interest rate, blended interest rate, etc.) when the FI Loan Amount exceeds the Borrower Maximum, provided the correct pro-rata Loan Discount Interest Rate is applied.

■ **PROGRAM QUALIFYING LOAN TERMINATION DATE**

For Program purposes, the Qualifying Loan's termination date for participation in the Program is defined as the earlier of 1) the Program Term or 2) the date the Qualifying Loan is terminated as recorded by the Treasurer's office (Program Loan Termination Date).

■ **NUMBER OF TIMES THE BORROWER MAY PARTICIPATE**

There is no Program prohibition to Borrower eligibility based on prior Program participation except for the Borrower Maximum of one million dollars (\$1,000,000) per TIN. Please note, the Treasurer's office may, at its sole discretion, disallow subsequent Borrower Program participation.

■ **LOAN AND PROGRAM FEES**

The FI is allowed to charge normal fees to the Borrower to apply for, or maintain, a Business Loan. However, the FI is not allowed to charge fees to the Borrower for the application, processing, maintenance, or reporting of the Net Loan Discount Rate for the Borrower's Qualifying Loan, either through direct or indirect fee or interest rate markup. Please verify fees with the FI when applying for a Business Loan.

- **LATE FEES AND DEFAULT INTEREST RATES**

Should the FI determine that the Borrower is not making loan repayments timely on a Qualifying Loan, the FI may assess reasonable late fees commensurate with the FI's standard business practice for similar loan types. Should the FI determine the Borrower's Qualifying Loan is in default, the FI may implement a default interest rate, provided such default interest rate is commensurate with the FI's standard business practice for similar loan types. However, in either situation, the FI is still required to apply the Loan Discount Interest Rate to the Qualifying Loan. Specifically, the FI may increase the Current Loan Interest Rate of a defaulted Qualifying Loan but would then still be required to apply the Loan Discount Interest Rate to the higher loan rate.

- **ELECTRONIC FINANCIAL SERVICES**

The FI may offer a variety of electronic financial services to assist the Borrower in managing its Business Loan. Electronic financial services are those services that allow the Borrower to use ATMs, computers, phones, and other devices to make payments, transfers, or withdrawals to or from its Business Loan. A Borrower may use any electronic financial service as provided by its FI. A separate agreement may be required for certain electronic financial services, such as an agreement for online or mobile services. Please inquire and discuss directly with the FI.

- **ERROR RESOLUTION**

In case of errors with or questions about the Qualifying Loan, the Borrower should contact the FI directly as soon as possible. The Treasurer's office is not directly involved with the Borrower's Qualifying Loan or any Qualifying Loan transaction interactions between the FI and Borrower.

- **FINANCIAL INSTITUTION'S BUSINESS LOAN DECISION**

The Treasurer's office is not involved in the FI's decision to issue or maintain a Business Loan to the Borrower. Borrower participation in the Program does not provide any guarantee, endorsement, default backstop, collateral, credit representation, etc. to either the Borrower or FI by the Treasurer's office.

- **CREDIT RISK AND OWNERSHIP RIGHTS**

The Treasurer's office has no associated credit risk or other risks associated with the Qualifying Loan, that is solely the obligation and risk of the FI. Neither the Borrower, nor the FI, have ownership rights in the corresponding Treasurer's office's Linked Deposit CD or the interest due to the Treasurer's office.

MATERIAL QUALIFYING LOAN MODIFICATIONS

■ **INFORMATION CHANGES**

The Borrower shall notify its FI of any information changes as soon as practicable. The Borrower should notify the FI by phone, in writing, or by other means made available by the FI.

■ **MATERIAL QUALIFYING LOAN MODIFICATIONS**

The FI is required to report to the Treasurer's office any significant change to the terms of the Qualifying Loan's original loan agreement that affects the obligations of the parties involved (Material Loan Modification). Material Loan Modifications are typically substantial enough to warrant a formal amendment or formal written modification to the loan agreement.

The Treasurer's office will review the Material Loan Modification and determine if Program action is required. Program action can vary from internal data updates to an early Program Loan Termination Date.

PROGRAM INTEREST RATES

■ **BUCKEYE BUSINESS ADVANTAGE INTEREST INFORMATION**

The FI has the discretion to change the approved interest rate in accordance with the FI's existing policies and processes. Please review how interest rates are applied with the FI.

■ **NET LOAN INTEREST RATE OVERVIEW**

In consideration of the Treasurer's office placing Linked Deposit CDs at a below market interest rate (Discount Interest Rate) with the FI, the FI reduces the interest rate applied to Borrowers' Qualifying Loans. In effect, the Treasurer's office agrees to receive a lower than market interest rate on its CD so the Borrower will receive an interest rate reduction on its Qualifying Loan.

■ **DETERMINATION OF NET LOAN INTEREST RATE**

The Net Loan Interest Rate the FI applies to the Borrower's Qualifying Loan is determined mathematically as follows:

- 1) The difference between the Prevailing Interest Rate on CDs and the Discount Interest Rate being paid to the Treasurer's office for its Linked Deposit CD is called the Loan Discount Interest Rate.

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- 2) The FI follows its normal policy and timing to set and maintain the Current Loan Interest Rate. This rate may fluctuate based on the terms of the Borrower's Qualifying Loan.
- 3) The Borrower's Qualifying Loan receives the Net Loan Interest Rate, which is determined by subtracting the Loan Discount Interest Rate from the Current Loan Interest Rate.

Please refer any questions on the determination of rates to the FI.

- **LOAN DISCOUNT INTEREST RATE IS STATIC FOR LOAN TERM**

The Loan Discount Interest Rate remains fixed until the Program Loan Termination Date.

- **ADJUSTED LOAN DISCOUNT INTEREST RATE**

The Treasurer's office may increase or decrease the Loan Discount Interest Rate, at its sole discretion, at the time the Borrower's Program Application is approved by the Treasurer's office as eligible (Adjusted Loan Discount Interest Rate). An Adjusted Loan Discount Interest Rate is set on an application-by-application basis. In the case of an Adjusted Loan Discount Interest Rate, the FI will notify the Borrower of the adjustment. The Adjusted Loan Discount Interest Rate remains fixed until the Program Loan Termination Date.

- **PUBLICATION OF LOAN DISCOUNT INTEREST RATE**

The Treasurer's office determines the Prevailing Interest Rate, Discount Interest Rate, and the Loan Discount Interest Rate every quarter and publishes the Loan Discount Interest Rate on the Buckeye Business Advantage Website.

REPORTING AND OTHER MATTERS

- **BUCKEYE BUSINESS ADVANTAGE REPORTING**

Buckeye Business Advantage does not generate statements, reports, tax forms, or other documentation on behalf of the Borrower. The Treasurer's office does not report Program, FI, Borrower, or Business Owner information to federal and/or state tax authorities.

- **BORROWER BUSINESS LOAN STATEMENTS**

The FI will follow its normal policy and practice to make periodic Business Loan statements with balance and transaction details available to the Borrower. Please ask the FI about the statement format and frequency.

■ OTHER TERMS AND CONDITIONS

Subject to the right of the Treasurer's office and the Ohio General Assembly to revise or modify Buckeye Business Advantage and except to the extent that ORC §§ 135.61 through 135.65 and/or Ohio Administrative Code Chapter 113 may be revised, amended, or rescinded, the Participation Statement may be amended or supplemented from time to time. The Participation Statement represents the entire understanding of the Parties and supersedes any prior verbal or written representations. Inaction by the Treasurer's office or failure by it to demand strict adherence thereunder shall not be deemed a waiver. Notwithstanding the foregoing, the Treasurer's office can change the terms of the Participation Statement if the Treasurer's office believes that a change is necessary to keep Buckeye Business Advantage in compliance with state law, or to the extent required for the proper administration of Buckeye Business Advantage in accordance with any applicable federal or state law. Disclosure of the SSNs or ITINs requested from the FIs, on behalf of the Business Owners is mandatory. SSNs or ITINs will be used for purposes of Buckeye Business Advantage administration. Under Ohio law, all records indicating the identity of Borrowers and Business Owners are not subject to public disclosure. The Buckeye Business Advantage Website, tos.ohio.gov/buckeyebusinessadvantage, has additional Program information. The Participation Statement is to be interpreted under the laws of the State of Ohio and is subject to all applicable state and federal laws, and federal law may, in some instances, preempt state law. If any portion of the Participation Statement is found to be invalid or unenforceable by any court, that portion shall be severed from the Participation Statement and the remainder of the Participation Statement shall remain in full force and effect.

■ PROGRAM TERMINATION

If it is determined for any reason that the Program, or any part of it, should be cancelled, then the Treasurer's office may terminate the Participation Statement and the Program.

■ EFFECT OF CERTAIN LEGAL PROCESSES

Certain state or other applicable laws do not protect a Borrower's right, if any, to a Business Loan from certain legal processes. Please consult a legal advisor regarding the correct application of law to specific circumstances.

■ QUALIFYING LOAN ESTABLISHMENT

Upon successful receipt and qualification of the Borrower's Certification Statements (either electronically or manually) provided to the FI during the Program Application, which incorporates and includes an acceptance of the terms and conditions of the Participation Statement and all required information, including, but not limited to, SSNs or ITINs, the Treasurer's office, if appropriate, will approve and confirm to the FI the establishment of the Borrower's Qualifying Loan.

- **CONDITIONAL APPROVAL**

The Borrower may be approved as eligible by the Treasurer's office and a Qualifying Loan established if all eligibility conditions are met and all information has been provided in good order. If at any time the Treasurer's office determines, at its sole discretion, the Borrower fails to meet the conditions for approval or continued participation, the Borrower's participation in Buckeye Business Advantage may, at the Treasurer's office sole discretion, be terminated causing the FI to terminate providing the Loan Discount Interest Rate to the Borrower.

- **RESCISSION OF PARTICIPATION FOR FRAUD**

The Treasurer's office may rescind the Borrower's Program eligibility approval and terminate the Borrower's participation in the Program if any required information has been omitted or fraudulently stated.

- **LIMITATION OF LIABILITY**

The State of Ohio and the Treasurer's office shall not in any way be responsible for determining the creditworthiness of a Borrower. The Borrower agrees through the act of Program participation that the State of Ohio, the Treasurer's office, and the FI, and any representatives of said parties shall not be liable for any loss, damage, or expense, including attorney's fees, which may arise in connection with the Program, except liability arising from the negligence or willful misconduct of the State of Ohio, the Treasurer's office, or the FI or any of their representatives.

- **PROGRAM ADMINISTRATION QUESTIONS**

The statutes and rules pertaining to the Program are available upon request submitted to the Treasurer's office. All written inquiries or documentation requests about the Program administration should be sent to:

Office of the Ohio Treasurer
Attention: CD Programs
30 E. Broad Street, 9th Floor, Columbus, Ohio 43215

DEFINED TERMS

- **20% BUSINESS OWNER** - any Business Owner with at least a twenty percent (20%) ownership stake.
- **ADJUSTED LOAN DISCOUNT INTEREST RATE** – an increase or decrease to the Loan Discount Interest Rate.
- **BORROWER** – a Business Applicant approved for participation in the Program. See also *BUSINESS APPLICANT*.
- **BORROWER MAXIMUM** – the maximum concurrent loan limit a Borrower may have outstanding within the Program at any one time, regardless of submitting FI.
- **BUCKEYE BUSINESS ADVANTAGE (Program)** – the small business linked deposit program authorized under ORC § 135.65.
- **BUCKEYE BUSINESS ADVANTAGE WEBSITE** – the publicly visible website maintained by the Treasurer’s office providing Program information along with participating FIs.
- **BUSINESS APPLICANT** – the legal business entity name and TIN of an Ohio business to which the Business Loan will be issued. Once the Business Applicant is approved, it becomes the Borrower.
- **BUSINESS LOAN** – a business loan issued to a borrower by an FI following its normal internally and externally required lending policies, standards, and requirements when decisioning the business loan. Once the Business Applicant is approved, the Business Loan becomes a Qualifying Loan.
- **BUSINESS OWNER** – an owner of the Business Applicant. The Business Owner must be an individual with an SSN or ITIN and an individual’s legal name.
- **BUSINESS OWNER MAXIMUM** - the maximum concurrent loan limit a Business Owner may have outstanding within the Program at any one time, regardless of submitting FI.
- **CURRENT LOAN INTEREST RATE** – the interest rate borrowers pay on loans issued by the FI (e.g., Prime Rate, etc.).
- **DISCOUNT INTEREST RATE** - an interest rate below the Prevailing Interest Rate that the Treasurer’s office sets as the interest rate FIs will pay on Linked Deposit CDs.
- **ENTITY** - a person, franchise, corporation, or other legal entity receiving a Business Loan from the FI.
- **EXISTING FI LOAN/NEW TO PROGRAM** – a Business Loan that is not currently, nor has ever been, a participant in the Program and the FI is applying for initial Program participation.
- **EXISTING FI LOAN/REAPPLICATION TO PROGRAM** - a Business Loan that has previously been in the Program and the FI is reapplying for readmittance of the Business Loan to the Program.
- **FI** – abbreviation for Financial Institution, which is a bank or credit union that has been approved to participate in the Program.



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- **FI LOAN AMOUNT** - the amount of the FI's Business Loan to the Borrower.
- **FI LOAN TERM** - the term of the FI's Business Loan to the Borrower.
- **FRANCHISE** - the Business Applicant, in which the underlying business is a franchise.
- **LINKED DEPOSIT CD** – a certificate of deposit placed at the FI by the Treasurer's office in association with a Program Application.
- **LOAN DISCOUNT INTEREST RATE** – the rate equal to or greater than the difference between the Prevailing Interest Rate and the Discount Interest Rate.
- **LOAN STATUS** - the Program designation indicating if a Qualifying Loan is either new or existing to the FI and the Program.
- **MATERIAL LOAN MODIFICATION** – a substantial change to the Qualifying Loan's original loan agreement that affects the obligations of the parties involved.
- **NET LOAN INTEREST RATE** – the interest rate reduction applicable to the Borrower's Qualifying Loan, which is equal to or greater than the Current Loan Interest Rate minus the Loan Discount Interest Rate.
- **NEW FI LOAN/NEW TO PROGRAM** – a Business Loan that is not currently, nor has ever been, a participant in the Program and the FI is applying for initial Program participation.
- **OHIO RESIDENT** – an individual who is domiciled in this state, subject to ORC § 5747.24.
- **ORC** – the Ohio Revised Code.
- **PARTICIPATION STATEMENT** – this Buckeye Business Advantage Participation Statement.
- **PARTIES** – the Borrower, Treasurer's office, and FI.
- **PREVAILING INTEREST RATE** – a current market interest rate determined quarterly by the Treasurer's office that Financial Institutions are willing to pay to hold deposits of the Treasurer's office.
- **PROGRAM APPLICATION** - the application submitted by a FI on behalf of a Borrower for participation in the Program.
- **PROGRAM LOAN TERMINATION DATE** - earlier of the Program Term or the date the Qualifying Loan is terminated as recorded by the Treasurer's office.
- **PROGRAM TERM** – the Program maximum duration for a Qualifying Loan.
- **ORC** – the Ohio Revised Code.
- **QUALIFYING LOAN** – a Business Loan linked to the Program, which is subject to the requirements of Ohio law including ORC Chapter 135. See also *BUSINESS LOAN*.
- **TIN** – the Tax ID Number, which includes the Employer Identification Number (EIN), Social Security Number (SSN), or Individual Taxpayer Identification Number (ITIN), associated with the Borrower and/or the Business Owner.
- **TREASURER'S OFFICE** – the Ohio Treasurer of State.