



# SNIEDC

Seneca Nation of Indians  
Economic Development Company

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## MICRO LOAN FUND

	Minimum	Maximum
Loan Limit	\$500	\$50,000
Term of Repayment	Up to 5 Years	

The Micro Loan Fund (“Micro Loan”) is intended to address the needs of small “Cottage” type enterprises. It is anticipated that such businesses will benefit from peer-group interaction in evaluation of business plans and in periodic review of actual performance. Particular features of the Micro Loan are offered below:

### ELIGIBLE BORROWERS

Enrolled members of the Seneca Nation of Indians, corporations, partnerships, and joint ventures in which enrolled members own a majority of the ownership interest and are active in the conduct of business. A Non-Seneca Enrolled Native American supporting a Seneca Family is also eligible.

All borrowers of SNIEDC Micro loans are subject to and shall be deemed covered employers under the Tribal Employment Rights Ordinance (TERO) enacted in Special Council Session of the Seneca Nation of Indians on June 23, 1993, as amended. As such, applicants for SNIEDC loans are required to meet with and to submit such information as is required by the TERO office. Compliance with TERO shall be an affirmative action covenant of all loan agreements between SNIEDC and its borrowers.

### ELIGIBLE LOCATIONS

The area served shall generally be within Seneca Nation of Indian Territories and geographical areas surrounding. While preference will be given to borrowers whose business will be conducted on Seneca Nation of Indians land, consideration will be given to eligible borrowers whose businesses are operated, in part or whole, on non-Seneca lands so long as a sound business justification is provided for the off-reservation location(s).

### NATURE OF BUSINESS

Borrowers may be involved in research and development, manufacturing, processing, distribution, wholesale and retail trades, or the provision of services.

## USE OF PROCEEDS

Loan proceeds may be used for land and building acquisition, construction and/or renovation of real property, the purchase of machinery and equipment, the purchase of furniture and fixtures, and the purchase of other tangible personal property used in a business or acceptable non-profit enterprise. Funds may also be used for general working capital purposes including job-training activities.

## INTEREST RATE

SNIEDC uses a Risk-based calculation to determine an applicant's interest rate. For the Micro loan, SNIEDC uses an applicant's Credit Score and Debt-to-Income ratio to calculate the interest rate from 1% to 5% above the Wall Street Journal Daily Prime Rate.

**Financial Incentive Program** - SNIEDC customers are eligible for a one (1) percentage point reduction in the loan interest rate after paying timely for 12 consecutive months. The reduced interest rate will remain in place so long as the borrower continues to make timely payments.

## COLLATERAL

Collateral requirements on Micro Loans are subject to the discretion of the SNIEDC Board of Directors.

## GUARANTEES

As additional comfort to the repayment of SNIEDC Micro loans, guarantees of principals and affiliates of the borrower may be required.

## FEE STRUCTURE

### *Closing Fees*

3%	Loan Origination fee
\$300/variable	Standard Legal fee / Mortgage Legal fee
\$20/\$40	UCC Filing Fee County (real property) and State (first 5 yrs, if applicable)
\$20/\$40	Credit Report fee (single/partners)
\$25	Bank Wire fee (if applicable)
Variable	Interim Interest (accumulated between closing and start of payment cycle)
Variable	Any other necessary closing fees or increases in fee costs

### *Maintenance Fees*

\$30	Returned Check fee
\$25	Late Payment fee
\$20	UCC Filing Extension fee (after 5 years)