

**Ulster County Economic Development Alliance  
Ulster County Revolving Loan Fund  
Loan Committee Report**

**Applicant:  
ORGANIC NECTARS LLC**

**Date of Application:  
4/17/2017**

**TABLE OF CONTENTS**

|     |   |    |
|-----|---|----|
| 1.0 | APPLICATION SUMMARY .....                           | 2  |
| 2.0 | PROJECT OVERVIEW .....                              | 3  |
| 2.1 | Description of the Company and the Principals ..... | 3  |
| 2.2 | Owners and Key Management.....                      | 4  |
| 2.3 | Company Operations .....                            | 4  |
| 3.0 | PROPOSED USES OF FUNDS .....                        | 5  |
| 4.0 | PROPOSED SOURCES OF FUNDS .....                     | 5  |
| 5.0 | UNDERWRITING REPORT .....                           | 6  |
| 5.1 | Adjusted Cash Flow Analysis & Coverage .....        | 6  |
| 5.2 | Value of Proposed Collateral.....                   | 7  |
| 5.3 | Net Worth of Guarantors .....                       | 8  |
| 6.0 | CONCLUSION .....                                    | 9  |
| 7.0 | APPLICATION TRACKING SUMMARY .....                  | 10 |

## 1.0 APPLICATION SUMMARY

**BORROWER:** Organic Nectars LLC  
 Lisa Protter  
 162 Malden Tpke, Bldg 5,  
 Saugerties, NY 12477  
 Phone # 845-246-0506

**LOAN AMOUNT:** \$42,000

**RATE:** 4%                      **TERM:** 4 years

| <b><u>Use of Funds</u></b>    | <b><u>RLF Loan</u></b> | <b><u>Equity</u></b>   | <b><u>Bank/Other</u></b> | <b><u>Total</u></b>    |
|-------------------------------|------------------------|------------------------|--------------------------|------------------------|
| Purchase of capital equipment | \$42,000               | \$15,000               | \$0                      | \$57,000               |
| <b>TOTALS</b>                 | <b><u>\$42,000</u></b> | <b><u>\$15,000</u></b> | <b><u>\$0</u></b>        | <b><u>\$57,000</u></b> |

**Security**      A) UCC-1 filing on equipment purchased with loan proceeds  
                      B) Second lien on additional existing capital equipment  
                      C) Personal guarantee by Lisa Protter

**Jobs:**  
 Existing:            3 full time                      0 part-time                      3 FTE  
 New:                1 full-time                      1 part-time                      1.5 FTE

## 2.0 PROJECT OVERVIEW

Organic Nectars LLC was founded in 2004 by Lisa Protter with the goal of offering a small, select quantity of only the very finest raw products that are truly healthy, environmentally friendly and, of course, delicious. From raw, low glycemic agave sweeteners and dessert syrups to agave cashew crème gelato to extra virgin olive oil, gojiberries and raw cacao products, Organic Nectars is dedicated to delivering the finest quality artisanal food products.

Organic Nectars is poised to capitalize on a growing consumer demand for delicious and indulgent foods that meet a wide range of modern dietary preferences, including: organic/natural/GMO-free, plant-based, dairy-free, gluten-free, low-calorie/low-sugar, kosher and more. The estimated value of the organic food market segment has grown nearly 14% per year since 2000, and now represents total purchases of over \$32 billion.

Nearly seven years ago, Lisa was diagnosed with cancer. As she underwent treatment, she was forced to reduce her work schedule, which resulted in a decline in business income and profits. During this difficult period, Lisa also experienced financial hardship, which led to a default on a personal credit card and to missed payments on her personal mortgage.

Thankfully Lisa has made a full recovery from her illness. She has addressed the delinquent credit card debt, which is no longer in collections. She has also caught up her mortgage payments and has rebuilt personal equity in her home.

Two years ago, she began to rebuild her client base and returned the business to profitability. While her revenues have declined in the past two years, she attributes this to the continuing effects of her forced hiatus, and has redoubled her efforts with an eye toward rapid expansion in the next few years. To compensate, she has been diligent about controlling her expenses and has managed to turn a profit in 2015 and 2016.

As Lisa leads the company on a path toward expansion, she has developed plans and projections that involve the need for increased capital. In 2016 she prepared an investor prospectus and has been seeking equity capital in the amount of \$600,000. While she has yet to secure an investor, she sees several near-term opportunities to increase sales through the purchase of capital equipment, and has approached the Ulster County Revolving Loan Fund to request a loan in the amount of \$42,000.

Coupled with a commitment of the business' own cash in the amount of \$15,000, this loan would allow Organic Nectars to purchase chocolate-making and gelato-making equipment. This equipment would contribute to increased throughput in the company's production process, allowing it to satisfy larger orders from existing customers who have expressed an interest in additional product. This purchase will advance the company's larger plans for growth as outlined in their financial projections (see application materials).

## 2.1 Description of the Company and the Principals

**BORROWER NAME:** Organic Nectars LLC  
**ADDRESS:** 162 Malden Tpke, Bldg 5, Saugerties, NY 12477  
**PHONE #:** 845-246-0506 **FAX #:** 845-246-0508  
**TAX ID#:** [REDACTED]

**Organizational Structure:** S Corp

**Borrower Size:** \$626,114 in  
Including revenue (2016)  
Affiliates

## 2.2 Owners and Key Management

|                                |  |
|--------------------------------|--|
| <b>Name:</b>                   | Lisa Protter                           |
| <b>Address:</b>                | 26 Woodmore Ln<br>Saugerties, NY 12477 |
| <b>Phone #:</b>                | 914-742-1738                           |
| <b>SS#:</b>                    | ██████████                             |
| <b>% Owned:</b>                | 100%                                   |
| <b>Title/Role in Business:</b> | President/CEO                          |

See application packet for resume of Lisa Protter.

## 2.3 Company Operations

The leadership team at Organic Nectars includes Lisa Protter, President/CEO (see resume in application materials) and Stephen Treccase, VP/CCO. Stephen is a life-long culinary and nutritional foods innovator with a background in music performance and composition.

Organic Nectars produces four main product lines at its facility in Saugerties.

- Cashewtopia® - the world's first organic dairy-free cashew-based frozen dessert
- Dessert Syrups and Beverage Flavors – world's first organic dairy-free alternative sweetener-flavored syrups
- Alternative Organic Sweeteners – delicious and nutritious low-glycemic organic sweeteners
- Raw Cacao Coconut Sugar Chocolates – world's first organic dairy-free coconut sugar chocolates

The company is past recipient of numerous awards and accolades, including two consecutive soft™ GOLD Awards, the specialty food industry's most coveted honor, and "best raw ice cream" and "favorite vegan ice cream" in VegNews, the nation's leading magazine for the vegetarian lifestyle.

Organic Nectars' products enjoy wide distribution – regionally and nationally – through grocery/specialty/natural food stores, restaurants and food service institutions. Key distributors include UNFI, Sysco, and McMahon's Farm (which supplies products for Whole Foods Markets). As well, Organic Nectars self-distributes to wholesale clients in the Hudson Valley region, including Hannaford, Adams Fairacre Farms, and Sunflower Natural Foods. The company also offers online direct-to-consumer sales.

Over the next few years, Organic Nectars plans to accomplish several important milestones in the process of expanding its operations from <\$1M in annual sales to nearly \$7M by 2019.

- Developing a creative brief for packaging and website design companies
- Developing new packaging for chocolate line, which is the company's fastest growing category

- Adding key equipment for improved and expanded production capabilities for in-house production and to respond to repeated request for private label manufacturing
- Pursuing relationships with distributors to establish a presence in key retailers such as Trader Joes, Sams Club, Organic Ave
- [REDACTED] has expressed a desire to increase sales by 20-30% in 2017
- Organic Nectars has recently added 20 Ralphs stores in Southern California

The company's expansion project is planned over two phases. During the first phase, the company will invest in packaging, website development, and key capital equipment. During phase two, the company will invest in an expanded sales and marketing team, additional capital equipment and process automation, key new hires and working capital to provide ingredients and inventory as production scales up.

Additional information about the company's expansion plans are provided in the application packet (see the Investment Opportunity presentation).

### 3.0 PROPOSED USES OF FUNDS

The company proposes to use the proceeds of funds from the UCRLF for the purchase of three pieces of production equipment: a temperer and enrobing system, a vibrating table-sheet pan, and a variegating table-top depositor.

The company's equity portion of the project will cover delivery and installation of the equipment above, plus the costs of new packaging and website development.

| Uses of Funds                              |                 |
|--|-----------------|
| Uses                                       | Amount          |
| Capital equipment purchases                | \$52,000        |
| Working capital                            | \$5,000         |
| <b>Total Uses</b>                          | <b>\$57,000</b> |
| FinancialAnalysis_OrganicNectars_FINAL.xls |                 |

### 4.0 PROPOSED SOURCES OF FUNDS

The Company is seeking funding from two sources, including the UCRLF and NYBDC (SBA loan). It is anticipated that all sources will be debt financing.

| Sources of Funds   |                 |           |               |              |                           |                          |
|--|-----------------|-----------|---------------|--------------|---------------------------|--------------------------|
| Source   | Amount          | Partic. % | Interest Rate | Term (years) | Est. Monthly P+I Payment* | Est. Annual P+I Payment* |
| UCRLF (term loan)  | \$42,000        | 74%       | 4.00%         | 4            | (\$948.32)                | (\$11,379.84)            |
| Owner Equity   | \$15,000        | 26%       | 0.00%         | 0            |                           |                          |
| <b>Total Sources</b>   | <b>\$57,000</b> |           |               |              | <b>(\$948.32)</b>         | <b>(\$11,379.84)</b>     |
| FinancialAnalysis_OrganicNectars_FINAL.xls   |                 |           |               |              |                           |                          |
| * For LoC, assumes interest-only payments, ** Assumes full amount is drawn each year |                 |           |               |              |                           |                          |

**\* Note: Terms for all sources subject to change until final commitments are issued by lenders.**

## 5.0 UNDERWRITING REPORT

Based on analysis of the Company's financials and other information provided in the loan application, this borrower's request was evaluated to determine its classification under UCEDA's "Underwriting Criteria for Ulster County Loan Funds."

Our analysis indicates that **the project is classified as IA+**. This classification indicates that the loan exceeds the underwriting criteria, and that there is a high degree of confidence that the loan will be repaid.

| Adjusted Cash Flow |  | Discounted Collateral |                | Adjusted PNW |                  |
|--------------------|--|-----------------------|----------------|--------------|------------------|
| CLASS              | QUALITY                                    | CLASS                 | QUALITY        | CLASS        | QUALITY          |
| <b>I</b>           | Existing CF is $\geq 1.0 : 1$              | <b>A</b>              | 1.0+: 1        | +            | $\geq$ loan amt. |
| <b>II</b>          | Projected CF is $\geq 1.0 : 1$             | <b>B</b>              | .85 to 1.0: 1  | -            | < loan amt.      |
| <b>III</b>         | Secondary (non-SBC)<br>Source of Repayment | <b>C</b>              | $\leq .84 : 1$ |              |                  |

### 5.1 Adjusted Cash Flow Analysis & Coverage

Based on the "Underwriting Criteria for Ulster County Loan Funds," Adjusted Existing Cash Flow is calculated as follows:

$$\text{Earnings Before Taxes} + \text{Depreciation} + \text{Interest Payments} = \text{Adjusted Existing Cash Flow}$$

In order to be classified as a "Class I" deal, the guidelines state that the Cash Flow Coverage Ratio must be  $\geq 1:1$ , or, stated another way, that the Adjusted Existing Cash Flow must be greater than or equal to the total debt service payments.

$$\text{Cash Flow Coverage} = \text{Adjusted Existing Cash Flow} \div \text{All Proposed Debt Service (P+I)}$$

In this case, as the table below shows, Cash Flow Coverage has exceeded the 1:1 threshold for the past two years. In the company's first year as an S Corp, in 2014, Cash Flow Coverage was negative since the Company posted a loss for the year. Lisa Protter, the owner, attributed this loss to personal health issues that prevented her from directing her full energy and attention toward the business.

| Statement of Cash Flows                      | ACTUAL            |  |                 |                 |
|--|-------------------|--|-----------------|-----------------|
|  | 2014              |  | 2015            | 2016            |
| <b>Earnings Before Taxes</b>                 | (\$21,602)        |  | \$43,891        | \$53,150        |
| + Depreciation                               | \$18,142          |  | \$12,134        | \$19,179        |
| + Interest Expense                           | \$0               |  | \$0             | \$0             |
| <b>Adjusted Existing/Projected Cash Flow</b> | (\$3,460)         |  | \$56,025        | \$72,329        |
| <b>Debt Service</b>                          |                   |  |                 |                 |
| UCRLF  | (\$11,380)        |  | (\$11,380)      | (\$11,380)      |
| Other existing debt service                  | \$0               |  | \$0             | \$0             |
| <b>Total Cash for Debt Service</b>           | (\$11,380)        |  | (\$11,380)      | (\$11,380)      |
| <b>Cash flow margin</b>                      | <b>(\$14,840)</b> |  | <b>\$44,645</b> | <b>\$60,949</b> |
| <b>Cash flow coverage</b>                    | <b>-0.30 :1</b>   |  | <b>4.92 :1</b>  | <b>6.36 :1</b>  |
| FinancialAnalysis_OrganicNectars_FINAL2.xls  |                   |  |                 |                 |

Since the adjusted existing cash flow is greater than the total proposed debt service, the underwriting criteria indicate that this project is classified as a “**Class I**” deal.

Since cash flow in 2014 was insufficient to cover the proposed payments to the UCRLF, it is prudent and necessary to explore the Company’s projected future financial performance. The table below shows that over the next three years, the Company expects to generate sufficient cash to cover debt service obligations.

| Statement of Cash Flows                      | PROJECTED       |  |                 |                 |
|--|-----------------|--|-----------------|-----------------|
|  | 2017            |  | 2018            | 2019            |
| <b>Earnings Before Taxes</b>                 | \$54,745        |  | \$56,387        | \$58,078        |
| + Depreciation                               | \$20,000        |  | \$20,000        | \$20,000        |
| + Interest Expense                           | \$1,079         |  | \$1,440         | \$1,218         |
| <b>Adjusted Existing/Projected Cash Flow</b> | \$75,824        |  | \$77,827        | \$79,296        |
| <b>Debt Service</b>                          |                 |  |                 |                 |
| UCRLF  | (\$11,380)      |  | (\$11,380)      | (\$11,380)      |
| Other existing debt service                  | \$0             |  | \$0             | \$0             |
| <b>Total Cash for Debt Service</b>           | (\$11,380)      |  | (\$11,380)      | (\$11,380)      |
| <b>Cash flow margin</b>                      | <b>\$64,444</b> |  | <b>\$66,447</b> | <b>\$67,917</b> |
| <b>Cash flow coverage</b>                    | <b>6.66 :1</b>  |  | <b>6.84 :1</b>  | <b>6.97 :1</b>  |
| FinancialAnalysis_OrganicNectars_FINAL2.xls  |                 |  |                 |                 |

## 5.2 Value of Proposed Collateral

This loan is secured by the following collateral:

- a) Lien (first position) on equipment purchased with loan proceeds
- b) Lien (first position) on other business assets

## c) Personal guarantee by Lisa Protter

Based on the “Underwriting Criteria for Ulster County Loan Funds,” the adjusted value of the proposed collateral is \$65,267.

| <b>Collateral</b>                           |                                 |                          |                            |                        |                      |                         |
|---|---------------------------------|--------------------------|----------------------------|------------------------|----------------------|-------------------------|
| <b>Asset</b>                                | <b>Type (See UW Guidelines)</b> | <b>Fair Market Value</b> | <b>Prior Lien Loan Amt</b> | <b>Available Value</b> | <b>Discount Rate</b> | <b>Discounted Value</b> |
| New capital equipment                       |                                 | \$52,000                 | \$0                        | \$52,000               | 50%                  | \$26,000                |
| Existing capital equipment                  |                                 | \$27,201                 | \$0                        | \$27,201               | 50%                  | \$13,601                |
| Accounts Receivable                         |                                 | \$59,165                 | \$0                        | \$59,165               | 80%                  | \$11,833                |
| Inventory                                   |                                 | \$69,167                 | \$0                        | \$69,167               | 80%                  | \$13,833                |
|   |                                 |                          |                            |                        |                      | \$0                     |
|   |                                 |                          |                            |                        |                      | \$0                     |
|   |                                 |                          |                            |                        |                      | \$0                     |
| <b>Total Collateral Value</b>               |                                 |                          |                            |                        |                      | <b>\$65,267</b>         |
| <b>Value of UCRLF Loan</b>                  |                                 |                          |                            |                        |                      | <b>\$42,000</b>         |
| <b>Excess Collateral Value</b>              |                                 |                          |                            |                        |                      | <b>\$23,267</b>         |
| <b>Coverage Ratio (LTV)</b>                 |                                 |                          |                            |                        |                      | <b>1.55</b>             |
| FinancialAnalysis_OrganicNectars_FINAL2.xls |                                 |                          |                            |                        |                      |                         |

Since the value of the collateral is in excess of the value of the loan amount, this project’s collateral value is **classified as “A.”**

### 5.3 Net Worth of Guarantors

| <b>Name</b>  | <b>Stated Net Worth</b> | <b>Adjusted Net Worth</b> | <b>Credit Score</b> |
|--------------|-------------------------|---------------------------|---------------------|
| Lisa Protter | ████████                | ████████                  | ████                |

Since the adjusted net worth of the guarantors is in excess of the loan value, the adjusted personal net worth is **classified as “+.”**



## **6.0 CONCLUSION**

The application from Organic Nectars exceeds the underwriting criteria set forth by the Ulster County Revolving Loan Fund, with a classification of IA+, the highest rating possible under the UCRLF's criteria.

Lisa Protter, the owner of Organic Nectars, is highly committed to the growth of the company. She is seeking investors to contribute approximately \$600,000 of capital to facilitate a major expansion of production, marketing and sales. With that investment, Lisa is confident that the Company will grow dramatically in the next several years, and she expects sales to jump to over \$6 million per year within four years.

With a modest investment from the Ulster County Revolving Loan Fund, Organic Nectars will solidify its current level of production while it pursues its larger investment goals. Since the Company's application meets the UCRLF's underwriting guidelines, creates jobs, and supports the expansion of a company that fits within one of the County's target industry clusters, this appears to be a solid loan application.

## 7.0 APPLICATION TRACKING SUMMARY

|                                      |   |          |                       |           |          |
|--------------------------------------|---|----------|-----------------------|-----------|----------|
| Applicant Name:                      | Lisa Protter  |          |                       |           |          |
| Business Name:                       | Organic Nectars, Inc.   |          |                       |           |          |
| Initial Inquiry Date:                | 3/30/2017   |          | Loan Amount:          | \$45,000  |          |
| Initial Application Date:            | 3/31/2017   |          | Loan Fund(s):         | UCRLF     |          |
| Loan Purpose:                        | \$45,000 for purchase of equipment to expand production, as part of larger capital raise of approximately \$600,000. Other sources/uses described in application. |          |                       |           |          |
| Office of Economic Development Tasks |   |          | Underwriting Tasks    |           |          |
| Task                                 | Date  | Initials | Task                  | Date      | Initials |
| App received                         | 3/31/2017   |          |                       |           |          |
| App forwarded to UW                  | 4/5/2017  |          | App received by UW    | 4/5/2017  |          |
|                                      |   |          | Questions due         | 4/12/2017 |          |
| Questions received by OED            | 4/12/2017   |          | Questions sent to OED | 4/12/2017 |          |
| Questions sent to Applicant          | 4/14/2017   |          |                       |           |          |
| Response rec'd                       | 4/17/2017   |          |                       |           |          |
| Application finalized                | 4/17/2017   |          |                       |           |          |
| Response due to UW                   | 4/17/2017   |          | Response received     | 4/17/2017 |          |
|                                      |   |          | Determination due     | 4/18/2017 |          |
|                                      |   |          | UW Determination      | Approved  |          |
| Applicant notified                   |   |          |                       |           |          |
| Determination due                    | 5/30/2017   |          |                       |           |          |
| RLF Meeting Date                     | 5/11/2017   |          |                       |           |          |
| EDA Meeting Date                     | TBD   |          |                       |           |          |
| RLF Recommendation                   | Approve / Deny  |          |                       |           |          |
| EDA Determination                    | Approve / Deny  |          |                       |           |          |
| USDA Determination Due               | N/A   |          |                       |           |          |
| USDA Determination                   | Approve / Deny  |          |                       |           |          |



ULSTER COUNTY USDA INTERMEDIARY RELENDING  
PROGRAM LOAN FUND APPLICATION FOR FINANCIAL  
ASSISTANCE

Tim Weidemann

Fx: 845  
943  
4108

ULSTER COUNTY ECONOMIC DEVELOPMENT  
ALLIANCE

SECTION I. APPLICATION/PERSONAL INFORMATION

Name: Lisa Protter  
Address: 26 Woodmore Ln  
Saugerties, NY 12477  
Telephone: 917-742-1738 Fax: \_\_\_\_\_ Email: lprotter@organicnectars.com

SECTION II. INFORMATION ABOUT YOUR BUSINESS, EMPLOYEES AND BUSINESS  
LOCATION

Name of Business: Organic Nectars, Inc.  
Address of Business: Box 158  
Malden, NY 12453  
Business Telephone: 845-246-0506 Business Fax: 845-246-0508  
Type of Business: manufacturing  
Date Established: 2005  
Date of Incorporation: S corp - 2014  
Federal ID Number: [REDACTED]  
Social Security Number: [REDACTED]

Bank Where Your Business Has An Account

Name of Bank: Key Bank  
Address of Bank: 258 Main St  
Saugerties, NY 12477  
Telephone: 845-217-2682

Number of Employees Presently Employed: Full Time 3 Part Time: \_\_\_\_\_ FTE: \_\_\_\_\_  
Current Jobs Retained After Project: Full Time: 3 Part Time: \_\_\_\_\_ FTE: \_\_\_\_\_  
Jobs Created After Project: Full Time: 4 Part Time: 1 FTE: \_\_\_\_\_

"This institution is an equal opportunity provider, employer and lender."

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov).

### SECTION III. INFORMATION ABOUT MANAGEMENT

List the names of all owners (having 20% or greater interest), officers, directors, and/or partners. Provide the percent of ownership and the annual compensation. If more space is required attach a separate sheet.

Name and Title: Lisa Protter, President

Address: 26 Woodmore Ln

Saugerties, NY 12477

Telephone: 917-742-1738

Percent of Ownership: \_\_\_\_\_ Annual Compensation: \_\_\_\_\_

Name and Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Percent of Ownership: \_\_\_\_\_ Annual Compensation: \_\_\_\_\_

### SECTION IV. SUMMARY OF COLLATERAL

All loans made through the Revolving Loan Fund are secured. Please list items to be secured. Prior to closing, you will be required to provide an appraisal and deed for real property; or a list of make, model, serial number and appraised value for machinery, equipment, furniture or fixtures.

|                                 | Present<br>Market Value | Present Lien or<br>Mortgage Balance | Date<br>Purchased | Notes |
|---------------------------------|-------------------------|-------------------------------------|-------------------|-------|
| A) Land and Building            | \$                      | \$                                  | / /               |       |
| B) Machinery and Equipment      | \$<br>75,000            | \$<br>N/A                           | / /<br>varied     |       |
| C) Furniture and Fixtures       | \$                      | \$                                  | / /               |       |
| D) Personal Residence           | \$                      | \$                                  | / /               |       |
| E) Other                        | \$                      | \$                                  | / /               |       |
| <b>Total Collateral Offered</b> | <b>\$ 75,000</b>        | <b>\$</b>                           |                   |       |

# SECTION V. SOURCES AND USES OF FUNDS FOR PROJECT

## PROJECT BUDGET - SUMMARY OF PROPOSED EXPENDITURES

| Use of Funds                                    | Source of Funds |              |                        |            |
|---|-----------------|--------------|------------------------|------------|
|   | Loan Fund       | Owner Equity | Bank / Other (Specify) | Total      |
| Land Acquisition                                |                 |              |                        |            |
| Clearance and Demolition                        |                 |              |                        |            |
| Streets / Site Improvements, Parking Facilities |                 |              |                        |            |
| Water / Sewer Facilities                        |                 |              |                        |            |
| Buildings                                       |                 |              |                        |            |
| ___ Acquisition                                 |                 |              |                        |            |
| ___ Construct                                   |                 |              |                        |            |
| ___ Renovate/Reconstruct                        |                 |              | 13,500                 |            |
| Capital Equipment                               |                 |              |                        |            |
| ___ New   |                 |              |                        |            |
| ___ Used  | 42,000          | 15,000       | 99,200                 |            |
| Furniture and Fixtures                          |                 |              |                        |            |
| ___ New   |                 |              |                        |            |
| ___ Used  |                 |              |                        |            |
| Professional Fees                               |                 |              | 145,200                |            |
| Working Capital (attach a detailed list)        |                 |              | 260,000                |            |
| Contingencies (attach a detailed list)          |                 |              |                        |            |
| <b>TOTAL PROJECT COSTS</b>                      | \$              |              | \$                     | \$ 574,900 |

Total Project Cost

Term of Loan Requested: 4 years/months

\* See attached "Use of Proceeds Budget"



# Use of Proceeds Budget

## EQUIPMENT

|                                |         |
|--------------------------------|---------|
| Flow wrapper                   | 60,000  |
| Depositer/Continuous tempering | 25,000  |
| Enrober                        | 9,000   |
| Vibrating table                | 1,200   |
| Conveyor                       | 5,000   |
| Racks/Cooling room             | 25,000  |
| Gelato depositer               | 20,000  |
| Bottling depositer             | 8,000   |
| Bottling capper                | 3,000   |
| Subtotal                       | 156,200 |

## LABOR

|              |        |
|--------------|--------|
| Electrician  | 2,000  |
| Plumbing     | 1,500  |
| Construction | 10,000 |
| Subtotal     | 13,500 |

## PACKAGING

|                    |         |
|--------------------|---------|
| Design             | 10,000  |
| Flow wrap film     | 15,000  |
| Choc bar packaging | 35,000  |
| Gelato packaging   | 65,000  |
| Subtotal           | 125,000 |

## BRANDING / WEBSITE

|                |        |
|----------------|--------|
| Branding       | 10,000 |
| Package Design | 15,000 |
| Website        | 15,000 |
| Social Media   | 15,000 |
| Subtotal       | 55,000 |

## SALES & MARKETING

|                      |         |
|----------------------|---------|
| Marketing Consultant | 85,000  |
| Sales Manager        | 60,000  |
| Demos                | 40,000  |
| Trade shows & events | 40,000  |
| Subtotal             | 225,000 |

**GRAND TOTAL 574,700**

## PERSONAL FINANCIAL STATEMENT

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan.

Name: Lisa Protter

Residence Address: 26 Woodmore Ln

City, State & Zip Code: Saugerties, NY 12477

Business Name of Applicant/Borrower: Organic NectarB

### ASSETS

Cash on hand & in Banks [REDACTED]  
Savings Accounts [REDACTED]  
IRA or Other Retirement Account [REDACTED]  
Accounts & Notes Receivable [REDACTED]  
Life Insurance-Cash Surrender Value Only  
(Complete Section 8) [REDACTED]  
Stocks and Bonds  
(Describe in Section 3) [REDACTED]  
Real Estate  
(Describe in Section 4) [REDACTED]  
Automobile-Present Value [REDACTED]  
Other Personal Property  
(Describe in Section 5) [REDACTED]  
Other Assets  
(Describe in Section 5) [REDACTED]

Total Assets [REDACTED]

### LIABILITIES

Accounts Payable [REDACTED]  
Notes Payable to Banks and others  
(Describe in Section 2) [REDACTED]  
Installment Accounts (Auto) [REDACTED]  
Installment Accounts (Other) [REDACTED]  
Loan on Life Insurance [REDACTED]  
Mortgages on Real Estate  
(Describe in Section 4) [REDACTED]  
Unpaid Taxes  
(Describe in Section 6) [REDACTED]  
Other Liabilities  
(Describe in Section 7) [REDACTED]

Total Liabilities [REDACTED]

Net Worth [REDACTED]

As Endorser or Co-Maker [REDACTED]  
Legal Claims & Judgments [REDACTED]  
Provision for Federal Income Tax [REDACTED]  
Other Special Debt [REDACTED]

Section 1. (Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward income.)

Salary [REDACTED]  
Net Investment Income [REDACTED]  
Real Estate Income [REDACTED]  
Other Income (Describe Below) [REDACTED]

Description of other income:

[REDACTED]  
[REDACTED]  
[REDACTED]

## Section 2.

## NOTES PAYABLE TO BANKS AND OTHERS

| Name and Address<br>Of Note Holder | Original<br>Balance | Current<br>Balance | Payment<br>Amount | Frequency<br>(Monthly, etc.) | How Secured<br>Or Endorsed<br>Type of Collateral |
|------------------------------------|---------------------|--------------------|-------------------|------------------------------|--|
|                                    |                     |                    |                   |                              |  |
|                                    |                     |                    |                   |                              |  |
|                                    |                     |                    |                   |                              |  |

## Section 3.

## STOCKS AND BONDS

| Number of<br>Share | Name of Securities | Cost | Market Value<br>Quotation/<br>Exchange | Date of<br>Quotation/<br>Exchange | Total Value |
|--------------------|--------------------|------|--|-----------------------------------|-------------|
|                    |                    |      |  |                                   |             |
|                    |                    |      |  |                                   |             |
|                    |                    |      |  |                                   |             |
|                    |                    |      |  |                                   |             |

## Section 4.

## REAL ESTATE OWNED

|  | Property A    | Property B | Property C |
|--|---------------|------------|------------|
| Type of Property                       | private house |            |            |
| Name & Address<br>of Title Holder      | Lisa Prother  |            |            |
| Date Purchased                         | 2002          |            |            |
| Original Cost                          | \$208,000     |            |            |
| Present Market Value                   | \$350,000     |            |            |
| Name and Address of Mortgage<br>Holder | Wells Fargo   |            |            |
| Mortgage Account Number                | ██████████    |            |            |
| Mortgage Balance:                      | \$49,756.01   |            |            |
| Payment Amount per Month/Year          | \$1575.74     |            |            |
| Status of Mortgage                     | current       |            |            |



Section 5.

Other Personal Property and Assets: (Describe, and if any is pledged as security, state name and address of lien holder amount of lien, terms of payment, and if delinquent, describe delinquency).

N/A

Section 6.

Unpaid Taxes: (Describe in detail, type, to whom payable, when due, and to what property, if any, attach tax lien)

N/A

Section 7.

Other Liabilities: (Describe in detail)

N/A

Section 8.

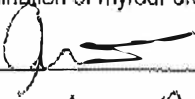
Life Insurance Held: (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries)

~~Protective~~ Protective Life Insurance  
\$250,000 death benefit

PERSONAL FINANCIAL STATEMENT

1. Have you ever gone through bankruptcy or comprised a debt?      No X Yes  
If YES, Please attach an explanatory statement.
2. If this is a statement of you and your spouse, are any assets a spouse's separate property? X No      Yes  
If YES, Please attach an explanatory statement.
3. Are any assets pledged or debts secured except as shown above? X No      Yes  
If YES, Please attach an explanatory statement.

The information contained in this statement is provided for the purpose of obtaining a loan from funding programs on my/our behalf or on behalf of firms or corporations in whose behalf I/we may, either severally or jointly with others, execute a guaranty in favor of the funding program. I/We understand that this information, including the designation made as to ownership of the property will be used in deciding to grant or continue credit. I/We certify that the information provided is true and complete to the best of my/our knowledge. I/we authorize the loan fund administrator to check my/our credit history and employment listing or to make all other inquiries you deem necessary to verify the accuracy of the statements made on this form in the determination of my/our credit-worthiness and answer questions about or report my/our credit experience.

  
Signature  
Lisa Protter  
Printed Name

3/31/17  
[REDACTED]  
Social Security Number

      
Signature (Joint Applicant)  
      
Printed Name (Joint Applicant)

      
Date  
      
Social Security Number (Joint Applicant)

## APPLICATION FORMS & INFORMATION COLLECTION REQUIREMENTS

All recipients, other than those using guarantee programs, are required to collect data on race/ethnic and gender of users of beneficiaries.

Application form must include below the signature and date block the following disclosure statements: (rev. 1/2001 as per Fed. Register Vol. 62 No. 210)

"The following information is requested by the Federal Government in order to monitor compliance with Federal Laws prohibiting discrimination against applicants seeking to participate in the program. You are not required to furnish this information, but are encouraged to do so. This information will not be used in evaluating your application or to discriminate against you in any way. However, if you chose not to furnish it, we are required to note the race/national origin of individual applicants on the basis of visual observation or surname."

Ethnicity:

Hispanic or Latino \_\_\_\_\_  
Not Hispanic or Latino ☒

Race: (Mark one or more)

White ☒ Black or African American \_\_\_\_\_  
American Indian/Alaska Native \_\_\_\_\_ Asian \_\_\_\_\_  
Native Hawaiian or Other Pacific Islander \_\_\_\_\_

Gender: Male \_\_\_\_\_ Female ☒