

Ulster County Economic Development Alliance
P.O. Box 1800, 244 Fair Street
Kingston, NY 12402-1800
Tel: 845.340.3556



December 16, 2020

John Parker
JSP Plumbing and Heating
80 Boices lane, Building 33
Kingston NY 12401

RE: Loan Commitment for JSP Plumbing

Dear John:

It is our privilege to inform you that the Ulster County Economic Development Alliance, Inc. (UCEDA) has approved your loan request for \$38,000 from the Ulster County Revolving Loan Fund. Throughout this document, the term "Lender" refers to the UCEDA, as administrator of Ulster County's revolving loan fund programs.

The new loan is subject to the following terms and conditions:

1. **BORROWER:** JSP Plumbing & Heating
2. **AMOUNT:** \$38,000
3. **USE OF PROCEEDS:** Job Retention
4. **TERM OF LOAN:** 16 months
5. **RATE OF INTEREST:** This loan will bear the fixed interest rate of four percent (0.0%) per annum.
6. **DRAWDOWNS AND DISBURSEMENTS:** This loan will be disbursed in one installment after verification is received that all items and special contract conditions specified have been met.
7. **REPAYMENT SCHEDULE:**

The loan will be paid with a one-time balloon payment on or before April 15, 2020 in the amount of \$26,000. Thereafter monthly self-amortizing loan payable in equal monthly installments. The monthly payments of principal will be approximately \$1,000.

From April 1, 2020 to the first day of the succeeding month, Borrower will pay remainder of the loan (\$12,000) on the first day of each month for twelve (12) months.

8. **PRE-PAYMENT PRIVILEGE:** This loan may be pre-paid at any time without penalty provided the Borrower gives the Lender fifteen (15) working days written notice of its intent to pre-pay the loan.
9. **COLLATERAL AND GUARANTEES:** This loan shall be secured by the following collateral and guarantees:
- Personal guarantees of []
 - [list any other collateral].
- 10 **JOB CREATION:** In return for the Lender providing this loan, the Borrower agrees to maintain at least 35 FTEs in Ulster County.
- This loan does not require additional jobs.
- The Lender will require the Borrower to submit periodic employment records at the close of each yearly tracking period and at such other times as deemed necessary by the lender, to monitor job creation necessary for the lender to verify compliance with all regulations.
11. **SALE OF INTEREST IN BORROWER OR GUARANTOR:** This commitment shall become invalid upon the change of ownership or the sale of any stock or other interest in any corporate Borrower or Guarantor.
- This loan is subject to a balloon payment if there is a change in ownership of the Borrower.
- Additionally, the loan agreement between the parties shall provide as an event of default, any change of ownership, or the sale of stock or other interest in, or any bankruptcy or receivership of the Borrower(s) or Guarantor(s).
12. **ASSIGNABILITY OF RIGHTS UNDER THIS COMMITMENT:** This commitment is made in favor of only the person or persons to whom this commitment is addressed as "Borrower". This commitment is not assignable or transferable by the Borrower, except with the prior written consent of the Lender.

this commitment have not been satisfactorily completed and the closing has not occurred within 90 days of the date of the Lender's approval of this loan; or

- (b) Any event has occurred before the closing of this loan which, in the sole judgment of the Lender, adversely affects the business, prospects, or condition (financial or otherwise) of the Borrower so as to make Borrower's repayment of principal and interest on this loan less likely; or
- (c) Any information previously submitted by the Borrower to the Lender proves to be false.

This commitment shall be binding only if the Lender receives, prior to closing, all documents required to close the loan from the Borrower and said documents are satisfactory to the Lender's counsel in all respects.

19. COVENANTS AND CONDITIONS:

- (a) Future Year End financial statements to be submitted annually to the Lender on an accrual basis.
- (b) Is subject to legal counsel being satisfied as to security and collateral arrangements and ownership.
- (c) Borrower provides access to the equipment to be used as collateral for the purpose of annual inspections.

The Lender will not schedule a closing until all the documents required by this commitment are received and approved by counsel. The Lender requires that the documents are received and approved five (5) business days before a scheduled closing.

20. ACCEPTANCE:

This commitment is not valid unless and until the Lender has received one original of this commitment, properly executed by the Borrower, within thirty (30) days of the date of

this letter.

21. NON-DISCRIMINATION:

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, age, disability, religion, sex, and familial status. (Not all prohibited bases apply to all programs).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights,

1400 Independence Avenue, S.W.,
Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD).

22. INSURANCE:

Property used for collateral must be insured. A lien to the title of the equipment will be filed. The Lender will be notified prior to any attempts to transfer, sell, or otherwise dispose of the collateral.

23. ANTICIPATED CLOSING DATE:

Subject to the conditions stated above, Lender anticipates the date of closing for this loan shall be no later than January 7, 2020.

Sincerely,

Lisa Berger,
President & CEO, UCEDA

CC: Sarah Haley
Lynn Archer
Jennifer Clark

ACKNOWLEDGED AND ACCEPTED

**Ulster County Economic
Development Alliance, Inc.**

[JSP Plumbing and Heating]

BY: _____

BY: _____

NAME: Lisa Berger
On Behalf of:
Ulster County Economic
Development Alliance, Inc.

NAME: John Parker
On Behalf of:
JSP Plumbing and Heating

TITLE: President & CEO

TITLE: _____

DATE: _____

DATE: _____

EXHIBIT A: List of Equipment for Loan Collateral

[illegible]