



## E-COMMERCE LOAN PROGRAM

- (1) Objective – To promote e-commerce in Waupaca County by providing financing.
- (2) Eligibility - To be eligible for financing a proposed project must meet all of the following minimum requirements.
  - (a) Financial Feasibility and Business Viability The applicant must demonstrate that the proposed project is viable, and the business will have the economic ability to repay the funds.
  - (b) Compliance with Applicable Laws The applicant shall comply with all applicable local, state, and federal laws and codes.
- (3) Terms and Conditions - The WCEDC Loan Fund Committee or Executive Director shall structure loan proposals on the basis of need and ability to repay. Minimum standards shall include the following.
  - (a) Loan Amount - Loan amounts shall not exceed \$6,700. Loans may be for amounts that equal one or more of the 4 steps involved with setting up a business for E-Commerce. The steps and loan amounts are as follows:
    - Step 1: Digital Basics - \$750
    - Step 2: Basic Website - \$3,200 (includes 1 year of web hosting fees)
    - Step 3: E-Commerce - \$1,850
    - Step 4: Customer Acquisition - \$900
  - (b) Interest Rate - The interest rate shall be 2%.
  - (c) Loan Term - Terms of the loan shall be no longer than 48 months.
  - (d) Repayment - A repayment schedule shall be set up for equal monthly payments of principal and interest. Payments will be set up as automatic withdrawals from the borrower's checking account. For borrowers that receive an approved loan within the first 12 months (September 1, 2020-August 31, 2021) of the E-Commerce Loan Program, and make all payments on schedule, the final payment(s) will be adjusted to make the loan interest free. The Executive Director shall provide a copy of the repayment schedule to each recipient.
  - (e) Prepayment - Loans shall not be subject to any penalty for prepayment.
  - (f) Collateral - Reasonable security will be sought for 100 percent (100%) of the loan. Collateral may consist of: (1) a lien on all other assets owned by and used in the business, (2) personal assets and guarantees and/or, (3) the full faith and credit of the business.