

Checklist for Working Capital Loan Policy Application

The following checklist lists the items necessary for UCCPlus to underwrite and issue a “typical” UCCPlus policy. It is intended to provide a general idea of what is required and not to be definitive. UCCPlus reserves the right to require any further documentation it deems necessary. The following documents must be provided to the Company **with reasonable and sufficient time to permit review** before the date of closing/funding. The below list refers to a transaction whereby most/all of the collateral will be perfected primarily by the filing of a financing statement filed with the Secretary of State. For other types of collateral that are perfected by other means (delivery, possession, control), please contact us to discuss.

Each of the items described in **BOLD** below is a critical underwriting item and UCCPlus needs to see these items as early in the transaction as possible. Prior to closing, drafts of all items are acceptable.

I. To obtain a draft UCCPlus Policy:

- a. Application for a UCCPlus Insurance Policy (all sections must be completed);
- b. Structure chart, if any;
- c. **Security agreement or other document describing all of the Article 9 collateral being granted to the lender** (note that each item of pledged collateral must be defined as the definition contained in Article 9 of the Uniform Commercial Code);
- d. Loan Agreement;

II. To obtain a pro-forma UCCPlus Policy (suitable for closing):

- a. All of the items in I above;
- b. Promissory Note, if any;
- c. Current certified charter documents for each entity pledging collateral to the lender, (each a “Debtor”); Note that “Current” means dated within 60 days of funding, “Certified” means by the appropriate state agency – typically the secretary of state, Certified means a complete copy of the record for each entity pledging collateral to the lender.;
- d. Current certified good standing certificates, or equivalent for each Debtor;
- e. Current operating documents (by-laws, limited liability company agreements, etc) for each Debtor;
- f. All resolutions/certificates/consents of Debtor to enter into the subject transaction;
- g. **Certified UCC lien searches dated within 30 days of closing obtained from a national search company acceptable to UCCPlus (CSC, NCR or CT Corporation, et al) on each Debtor in the correct jurisdiction;**
- h. UCC-1 financing statement(s) to be filed with the Secretary of State in form suitable for filing. To be suitable for filing, the financing statement must be completed properly with debtor and secured party information matching the security agreement and organizational documents and must state the collateral covered with specificity. **If the financing statement is to cover “All Assets”, the security agreement must specifically authorize the secured party to file a financing statement on “All Assets”;** and
- i. Escrow letter, if any (shows any UCCPlus obligations).

III. To obtain the final UCCPlus Policy:

- a. All of the items described in I and II above;
- b. Executed and dated copies of I(c), I(d), II(b), II(e), II(f), and II(i);
- c. Payment of all fees due to UCCPlus;
- d. Written email confirmation from lender or lender’s counsel that:
 - i. The transaction closed and funded (must include the date);
 - ii. UCCPlus is authorized to file the financing statements; and
- e. UCC-1 filing acknowledgments; and
- f. Post-filing searches showing the UCC filings to be of record.

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MODIFICATIONS FOR OTHER COMMON CIRCUMSTANCES:

1. Individual Pledgors – II(c)-(f) not required.
 - a. Additional items:
 - i. Current state issued driver's license (or equivalent) for each Pledgor;
 - ii. Written confirmation of each of the Pledgor's residential addresses for the prior five years.
2. Trust (non-business) Pledgors – II(c)-(f) not required.
 - a. Additional items:
 - i. Complete copy of the trust (we cannot accept redacted or summarized versions);
 - ii. Lien searches on the name of the trust and the grantor/trustor;
 - iii. Current state issued driver's license (or equivalent) for the grantor/trustor;
 - iv. Written confirmation of the location of the trust;
 - v. UCC-1 financing statements to be filed on: (1) the name of the trust and; (2) the grantor/trustor (but with the trust box checked on the addendum).
3. If Pledgor is formed within 60 days of funding – II(d) not required.
4. If Pledgor is formed within 30 days of funding – II(g) not required