PROP GLOSSARY OF TERMS

***Disadvantaged Business Enterprise*:** A small business that 1) is at least 51% owned by one or more socially and economically disadvantaged individuals or, in the case of any public-owned business, at least 51% of the stock is owned by one or more socially and economically disadvantaged individuals and 2) whose management and daily business operations are controlled by one or more socially and economically disadvantaged individuals. An economically and socially disadvantaged individual is a person who is a citizen or lawful permanent resident of the United States and who is: 1) female, which includes any person of the female gender including persons having origins of any of the ethnic groups described below and any person of the Caucasian groups; 2) African-American, which includes persons having origins in any of the black ethnic groups of Africa; 3) Hispanic-American, which includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race; 4) Native-American, which includes persons who are American Indians, Eskimos, Aleuts or native Hawaiians; 5.) Asian-Pacific American, which includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U. S. Trust Territories of the Pacific, and the Northern Marianas; 6) Asian-American Indians, which includes persons whose origins are from India, Pakistan, and Bangladesh; and 7) other individuals may be found to be socially or economically disadvantaged on a case-by-case basis. Such individual cases may include, but are not limited to a disabled Vietnam veteran, an Appalachian white male, or another person can lay claim to being socially or economically disadvantaged. These owners must demonstrate that their disadvantaged status arose from individual circumstances, rather than by virtue of membership in a group.

Critical or essential service: Any service(s) or industry(s) that a specific community or group of communities is lacking that would impact quality of life and/or health and well-being. Examples include but are not limited to: supermarkets, pharmacies, continuing education, child care, and health care. The burden of proof for demonstrating that a business meets these criteria falls on the applicant. The PROP review committee will make the final determination as to whether or not a project receives extra consideration for meeting these criteria.

Demonstrated community support: To include but not limited to letters from groups in the community pledging tangible support to the project.

Equity Investment: Equity is defined as capital that has no guaranteed or mandatory repayment or has no definite timetable for repayment of the capital investment, and cannot be withdrawn at the contributor's option without the permission of the superior debt holders.

Equity includes: cash from principal(s); cash from investor(s) (not to be repaid with loan proceeds); land and/or buildings already owned and less existing debt on said building/land that are contributed to the project (to be valued at the lesser value of either the purchase price or an appraisal in the last 12 months); purchase options to be deducted from sale price upon exercising; and other project/development costs already paid that do not constitute a choice limiting activity. Exclusions include, but are not limited to: any private financing and unsold tax credits.

Other current relevant financial information: If applicable, the business may be asked to provide the following and other additional financial documentation: aging of receivables; manufacturing or purchasing contracts; and government contracts.