

Arkansas Economic Development Commission Quick Action Loan Program

The Arkansas Economic Development Commission (AEDC) has established a Quick Action Loan Program (QALP) funded through \$4M from Governor Hutchinson's Quick Action Closing Fund and \$3M from Attorney General Rutledge's Consumer Education and Enforcement Fund. The QALP will prioritize loan requests from businesses that are in the supply chain for essential goods and services, with emphasis on healthcare, food manufacturers, and logistics. This program will provide loan and loan guarantees to business in Arkansas that are impacted by the COVID-19 health emergency.

Quick Action Loan Guaranty:

- The AEDC will guaranty up to 80% of the principal balance of a loan capped at \$250,000
- Borrower must demonstrate adverse impact by the current health emergency
- Uses include working capital, inventory, payroll, and the facilitation of continuing operations
- Borrower will be subject to the lender's customary underwriting and collateral requirements
- Loan amount may be amortized for up to 5 years
- Initial payments may be deferred for up to 90 days at the option of borrower and lender
- Borrower and lender must sign loan guaranty agreements that include job retention requirements

Quick Action Direct Loan:

- Loans issued directly to borrower by AEDC, capped at \$250,000
- Loans are at zero interest and may be amortized for up to two years
- Payments may be deferred for up to 6 months following closing on the loan
- Borrower must demonstrate to AEDC that it has no other satisfactory financing options
- Borrower must demonstrate that it has been adversely impacted by the health emergency
- Borrower must satisfy AEDC's financial underwriting requirements
- Borrower must agree to job retention requirements

The Quick Action Loan Program is a discretionary incentive program offered by AEDC. Not all applications will be approved. If you are interested in applying please send an e-mail directly to COVID19.businessinfo@arkansasedc.com and print in the subject line "Quick Action Loan Program" for best response. Additionally, include or be prepared to provide the following information:

- Industry
- Product
- Location
- # of employees
- Average wage
- COVID 19 issues
- Special Considerations
- Loan Amount Requested