

EXHIBIT C
BORROWER'S CERTIFICATION
Business Development Corporation
SSBCI Loan Participation

The undersigned acknowledges that a participation interest (the "Participation") in the loan (the "Loan") for which it has applied from _____ (the "Lender") may be sold to Business Development Corporation of SC (BDC) pursuant to the federal State Small Business Credit Initiative ("SSBCI") of the Small Business Jobs Act of 2010 (Title III of Public Law 111-240); the amended and restated Allocation Agreement dated January 23, 2012 between the United States Department of the Treasury and the State of South Carolina. The Lender will continue to handle and service the entire Loan and all payments will be made to the Lender. In order to induce BDC to purchase a Participation in the Loan, the undersigned agrees and certifies to the Lender and BDC as follows:

1. The project of the undersigned for which Loan funds are to be used (the "Project") would not be undertaken unless the Loan is provided or the President of BDC determines that it is in the best interests of the State of South Carolina' economy to provide the Loan.
2. The undersigned is ready to implement the project and has the financial ability to carry out the Project.

The undersigned Borrower (the "Borrower") acknowledges:

- (a) That the loan to be made by (Lender) _____ to the Borrower will be filed for enrollment by the Lender in the South Carolina Loan Participation Program (the "Program"), a program established by BDC;
- (b) That the purpose of the Program is to assist the Lender in making loans that might otherwise not qualify for a loan from the Lender and to provide financing for South Carolina small businesses and promote economic development in the state of South Carolina;

The Borrower represents that:

- (a) The Borrower is an entity with 500 or less employees;
- (b) The loan proceeds must be used for a "business purpose." A business purpose includes, but is not limited to, start up costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the purchase, construction renovation or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. The definition of business purpose excludes activities that relate to acquiring or holding passive investments such as commercial real estate ownership, the purchase of securities; and lobbying activities as defined in Section 3 (7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

Permissible Borrowers include corporations, partnerships, joint ventures, sole proprietorships, state-designated charitable, religious, or other non-profit or eleemosynary institutions, government-owned corporations, consumer and marketing cooperatives, and faith-based organizations provided the loan is for a "business purpose" as defined above.

- (c) The loan proceeds will not be used to:
 - (1) Repay a delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority; or
 - (2) Repay taxes held in trust or escrow, e.g. payroll or sales taxes; or

- (3) Reimburse funds owed to any owner, including any equity injection or injection of capital for the business' continuance; or
- (4) Purchase any portion of the ownership interest of any owner of the business.

(d) The Borrower is not:

- (1) An executive officer, director, or principal shareholder of the Lender; or
- (2) A member of the immediate family of an executive officer, director, or principal shareholder of the Lenders; or
- (3) A related interest of such executive officer, director, principal shareholder, or member of the immediate family.

For the purposes of these three Borrower restrictions, the terms "executive officer", "director", "principal shareholder", "immediate family", and "related interest" refer to the same relationship to a Lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

(e) The Borrower is not:

- (1) A business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business; or
- (2) A business that earns more than half of its annual net revenue from lending activities; unless the business is a non-bank or non-bank holding company certified as a Community Development Financial Institution; or
- (3) A business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants; or
- (4) A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (Included in these activities is the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution); or
- (5) A business engaged in gambling enterprises, unless the business earns less than 33% of its annual net revenue from lottery sales.

(f) **Sex Offense Against Minor.** As required by Section 3011(C)(2) of the Small Business Jobs Act of 2010, the Borrower hereby certifies to the State of South Carolina, the participating State, that the Principals of the Borrower have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)). For the purposes of this certification, Principal means the following: If a sole proprietorship, the proprietor; if a partnership, each managing partner and each partner who is a natural person and holds a 20% or more ownership interest in the partnership; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the entity, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the entity.

(g) The Borrower authorizes the Lender to report to BDC certain loan information as BDC may reasonably require

OWNERSHIP (%): ___ Male
 ___ Female

RACE: ___ American Indian or Alaska Native
 ___ Asian
 ___ Black or African-American
 ___ Native Hawaiian or Pacific Islander
 ___ White

ETHNICITY: ___ Hispanic or Latino
 ___ Not Hispanic or Latino

VETERAN STATUS: ___ Veteran
 ___ Non-Veteran

Name of Borrower: _____

Primary Business Activity: _____

Annual Sales in Last Fiscal Year: _____

Year Business Established: _____

Total Full Time Employees (*2 half time employees equals 1 full time employee*): _____

Estimated Jobs Created by this Loan: _____

Estimated Jobs Retained by this Loan: _____

Borrower Signature: _____ Title: _____

Printed Name: _____ Date: _____

