

**REVOLVING LOAN PROGRAM  
FINANCIAL SUMMARY - CLOSED LOANS  
NOVEMBER 2020**

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CITY	COMPANY	LOAN AMOUNT	PAID TO DATE		PRINCIPAL BALANCE
			PRINCIPAL	INTEREST	
SCOTT COUNTY	Blackhawk Foundary & Machine (10%)	\$25,000.00	\$25,000.00	\$4,766.82	\$0.00
	Titan Wheel International, Inc. (80%)	\$180,000.00	\$180,000.00	\$27,229.08	\$0.00
	GMKS Acquisition Corporation	\$30,000.00	\$30,000.00	\$3,231.56	\$0.00
	Interest on Account			\$0.00	
	<b>SUBTOTAL SCOTT COUNTY</b>	<b>\$235,000.00</b>	<b>\$235,000.00</b>	<b>\$35,227.46</b>	<b>\$0.00</b>
BETTENDORF/ SCOTT COUNTY	Alcoa	\$395,000.00	\$395,000.00	\$4,661.75	\$0.00
	Interest on Account			\$497.81	
	<b>SUBTOTAL BETTENDORF/SCOTT CO</b>	<b>\$395,000.00</b>	<b>\$395,000.00</b>	<b>\$5,159.56</b>	<b>\$0.00</b>
BETTENDORF (W/O \$91,102.86)  (W/O \$78,162.83)	Magnatech, Inc.	\$130,000.00	\$38,897.14	\$22,830.69	\$0.00
	Northern Engineering & Plastics Corp.	\$130,000.00	\$130,000.00	\$12,793.66	\$0.00
	Arch Mirror North, Inc.	\$50,000.00	\$50,000.00	\$5,375.66	\$0.00
	John M. Frey, Co.	\$75,000.00	\$75,000.00	\$14,111.70	\$0.00
	Joseph & LuAnne Klein	\$26,250.00	\$26,250.00	\$3,208.23	\$0.00
	Bee Line Company	\$45,000.00	\$45,000.00	\$4,534.89	\$0.00
	LEDs America	\$107,000.00	\$28,837.17	\$3,377.13	\$0.00
	Interest on Account			\$0.00	
	<b>SUBTOTAL BETTENDORF</b>	<b>\$563,250.00</b>	<b>\$393,984.31</b>	<b>\$66,231.96</b>	<b>\$0.00</b>
DAVENPORT (W/O \$25,000.00) (W/O \$3,499.22)  (W/O \$25,801.83) (W/O \$52,498.43) (W/O \$35,905.82) (W/O \$58,416.10)	Horizon Group	\$25,000.00	\$25,000.00	\$4,351.63	\$0.00
	Fresh Pak Candy	\$80,000.00	\$80,000.00	\$7,945.59	\$0.00
	Consolidated Data Services	\$25,000.00	\$0.00	\$1,148.50	\$0.00
	Screened Sitter Referral	\$4,500.00	\$1,000.78	\$87.57	\$0.00
	Mid American Glass, Inc.	\$50,000.00	\$50,000.00	\$14,304.10	\$0.00
	Lindsay Industries	\$25,000.00	\$25,000.00	\$3,991.32	\$0.00
	Abel Tool Corporation	\$12,722.00	\$12,722.00	\$2,667.37	\$0.00
	Escalator Handrail USA, Inc.	\$75,000.00	\$75,000.00	\$14,397.34	\$0.00
	PCT, Inc.	\$10,000.00	\$10,000.00	\$1,555.45	\$0.00
	Blackhawk Foundary & Machine (90%)	\$225,000.00	\$225,000.00	\$42,489.49	\$0.00
	RiverCenter Plaza Development Co.	\$250,000.00	\$250,000.00	\$26,597.16	\$0.00
	Jimmy Bz's	\$26,500.00	\$698.17	\$84.22	\$0.00
	TMT Manufacturing Company, Inc.	\$91,420.00	\$38,921.57	\$7,044.62	\$0.00
	PCT Engineered Systems, L.L.C.	\$250,000.00	\$250,000.00	\$26,263.51	\$0.00
	Comedy Freight	\$43,000.00	\$7,094.18	\$1,854.92	\$0.00
	Compacker Systems	\$120,000.00	\$61,583.90	\$11,364.29	\$0.00
	PCT Engineered Systems	\$100,000.00	\$100,000.00	\$4,100.83	\$0.00
	Interest on Account			\$0.00	
	<b>SUBTOTAL DAVENPORT</b>	<b>\$1,413,142.00</b>	<b>\$1,212,020.60</b>	<b>\$170,247.91</b>	<b>\$0.00</b>
ELDRIDGE	Eagle Engineering, Inc.	\$205,000.00	\$205,000.00	\$23,417.56	\$0.00
	Potter Form & Tie Company	\$100,000.00	\$100,000.00	\$11,960.50	\$0.00
	Cascade Manufacturing	\$205,000.00	\$205,000.00	\$34,334.84	\$0.00
	Cascade Manufacturing #2	\$75,000.00	\$75,000.00	\$10,875.21	\$0.00
	Grolmus Enterprises	\$112,500.00	\$112,500.00	\$16,954.34	\$0.00
	Interest on Account			\$4,422.53	
	<b>SUBTOTAL ELDRIDGE</b>	<b>\$697,500.00</b>	<b>\$697,500.00</b>	<b>\$101,964.98</b>	<b>\$0.00</b>
EAST MOLINE	Quad City Engineering Co., Inc.	\$100,000.00	\$100,000.00	\$11,239.53	\$0.00
	Interest on Account			\$0.00	
	<b>SUBTOTAL EAST MOLINE</b>	<b>\$100,000.00</b>	<b>\$100,000.00</b>	<b>\$11,239.53</b>	<b>\$0.00</b>
MILAN	Taylor Garages	\$85,000.00	\$85,000.00	\$16,296.26	\$0.00
	Just Kids Child Care, Inc.	\$50,000.00	\$50,000.00	\$6,009.07	\$0.00
	VFC Distributors, Inc.	\$67,500.00	\$67,500.00	\$7,995.31	\$0.00
	Flo Pro Systems	\$30,000.00	\$30,000.00	\$2,034.94	\$0.00
	Builders World L.L.C.	\$85,000.00	\$85,000.00	\$5,425.04	\$0.00
	Interest on Account			\$4,432.25	
	<b>SUBTOTAL MILAN</b>	<b>\$317,500.00</b>	<b>\$317,500.00</b>	<b>\$42,192.87</b>	<b>\$0.00</b>
RICO/MILAN	CharNor, Inc.	\$250,000.00	\$250,000.00	\$26,637.75	\$0.00
	Interest on Account			\$642.53	
	<b>SUBTOTAL RICO/MILAN</b>	<b>\$250,000.00</b>	<b>\$250,000.00</b>	<b>\$27,280.28</b>	<b>\$0.00</b>

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<b>MOLINE</b>	Sivyer Steel Corporation	\$97,222.00	\$97,222.00	\$25,878.35	\$0.00
	Wessel Pattern Company	\$30,000.00	\$30,000.00	\$7,175.37	\$0.00
	Desert Rose, Ltd.	\$35,000.00	\$35,000.00	\$4,227.49	\$0.00
	Sonic Research Corporation	\$25,000.00	\$25,000.00	\$3,121.35	\$0.00
	MI Corporation	\$30,000.00	\$30,000.00	\$11,231.27	\$0.00
	Moline Electric Supply Co.	\$45,000.00	\$45,000.00	\$9,009.46	\$0.00
	Whitey's Ice Cream Manufacturer's, Inc.	\$157,500.00	\$157,500.00	\$43,191.53	\$0.00
	Premier Temp, Inc.	\$15,000.00	\$15,000.00	\$1,760.45	\$0.00
	Ryan-Moline, L.L.C.	\$250,000.00	\$250,000.00	\$61,066.35	\$0.00
	Bent River Brewing Company	\$75,000.00	\$75,000.00	\$30,743.05	\$0.00
	LaPrimavera Grocery Store	\$43,500.00	\$43,500.00	\$9,372.06	\$0.00
	COMMSPEC, Inc.	\$37,500.00	\$37,500.00	\$4,797.02	\$0.00
	Williams, White & Company	\$115,000.00	\$115,000.00	\$35,500.44	\$0.00
	(W/O \$224,733.58) Parakeet Island Inc.	\$250,000.00	\$25,266.42	\$9,683.36	\$0.00
	La Imperial Laudromat	\$37,500.00	\$37,500.00	\$6,339.09	\$0.00
	Dead Poets Espresso, Ltd.	\$50,000.00	\$50,000.00	\$5,312.59	\$0.00
	The Resaurante El Mariachi	\$10,000.00	\$10,000.00	\$1,109.22	\$0.00
	(W/O \$121,972.22) Dominic Rivera Restaurant	\$150,000.00	\$28,027.78	\$9,317.50	\$0.00
	(W/O \$118,289.99) JT&S Productions, Inc.	\$139,500.00	\$21,210.01	\$10,723.00	\$0.00
	(W/O \$22,389.15) Bouncetown Adventures Inc.	\$25,000.00	\$2,610.85	\$658.60	\$0.00
	(W/O \$32,833.00) Interactive Marketing	\$32,833.00	\$0.00	\$387.29	\$0.00
	Heather Allen Enterprises, Inc.	\$43,000.00	\$43,000.00	\$4,515.60	\$0.00
	Interest on Account			\$0.00	
	<b>SUBTOTAL MOLINE</b>	<b>\$1,693,555.00</b>	<b>\$1,173,337.06</b>	<b>\$295,120.44</b>	<b>\$0.00</b>
<b>ROCK ISLAND</b>	Ahrens Manufacturing	\$53,000.00	\$53,000.00	\$9,004.69	\$0.00
	(W/O \$32,762.76) Bi-State Manufacturing	\$40,000.00	\$7,237.24	\$1,083.53	\$0.00
	4711 Partnership (Sage Federal)	\$100,000.00	\$100,000.00	\$15,765.29	\$0.00
	Marketing & Control Technology, Inc.	\$29,222.00	\$29,222.00	\$5,924.22	\$0.00
	Servus Rubber Company	\$33,000.00	\$33,000.00	\$3,978.56	\$0.00
	Durbin Paper Stock Company	\$45,000.00	\$45,000.00	\$14,549.30	\$0.00
	Jacobsen Warehouse Company, Inc.	\$40,000.00	\$40,000.00	\$7,574.95	\$0.00
	(W/O \$11,495.60) Innovative Images, Ltd.	\$15,000.00	\$3,504.40	\$598.55	\$0.00
	Electronic Exchange & Transfer Corp.	\$80,000.00	\$80,000.00	\$14,448.29	\$0.00
	Raufeisen Enterprises, Inc.	\$150,000.00	\$150,000.00	\$28,618.72	\$0.00
	(W/O \$22,367.34) Big River Technologies, Inc.	\$100,000.00	\$77,632.66	\$17,059.24	\$0.00
	GBE Ltd.	\$45,000.00	\$45,000.00	\$4,082.83	\$0.00
	Boemecke Enterprises, Inc.	\$100,000.00	\$100,000.00	\$15,956.83	\$0.00
	Nancy's Pies, Inc.	\$200,000.00	\$200,000.00	\$31,372.49	\$0.00
	Kinseth Hospitality	\$250,000.00	\$250,000.00	\$29,219.43	\$0.00
	Christine Elsberg Insurance Agency, Inc.	\$30,000.00	\$30,000.00	\$3,604.43	\$0.00
	Reynold's Manufacturing Co.	\$150,000.00	\$150,000.00	\$22,755.11	\$0.00
	eServe, L.L.C.	\$150,000.00	\$150,000.00	\$13,345.34	\$0.00
	(W/O \$83,668.71) White Mountain Manufacturing	\$100,000.00	\$16,331.29	\$4,878.64	\$0.00
	L.M.F., L.L.C.	\$100,000.00	\$100,000.00	\$14,737.34	\$0.00
	Paddock Group, L.L.C.	\$100,000.00	\$100,000.00	\$13,561.66	\$0.00
	WBW Investors, L.L.C.	\$30,000.00	\$30,000.00	\$4,485.81	\$0.00
	Quad City Engineering Co., Inc.	\$60,000.00	\$60,000.00	\$8,790.56	\$0.00
	KJWW Properties L.C.	\$150,000.00	\$150,000.00	\$32,512.11	\$0.00
	Process Automation Control	\$60,000.00	\$60,000.00	\$6,523.00	\$0.00
	YMH Torrance - JPF Investments	\$44,700.00	\$44,700.00	\$9,263.05	\$0.00
	JTM Concepts - Masamoto	\$45,000.00	\$45,000.00	\$8,671.33	\$0.00
	Midwest Graphics Management	\$150,000.00	\$150,000.00	\$14,781.55	\$0.00
	Thomas & Heather Hepner	\$45,745.00	\$45,745.00	\$8,377.72	\$0.00
	Premium Manufacturing, Inc.	\$190,000.00	\$190,000.00	\$20,488.82	\$0.00
	Gordon Enterprises Ltd.	\$30,000.00	\$30,000.00	\$2,924.99	\$0.00
	Tri-City Heat Treat	\$90,000.00	\$90,000.00	\$9,370.38	\$0.00
	(W/O \$160,323.11) TESBO Conception Group	\$350,000.00	\$189,676.89	\$74,959.24	\$0.00
	Series I of LPV Enterprises, L.L.C.	\$200,000.00	\$200,000.00	\$43,111.09	\$0.00
	Bent River Brewing Company	\$100,000.00	\$100,000.00	\$10,026.26	\$0.00
	Process Automation Concepts	\$93,325.50	\$93,325.50	\$7,460.38	\$0.00
	Interest on Account			\$0.00	
	<b>SUBTOTAL ROCK ISLAND</b>	<b>\$3,548,992.50</b>	<b>\$3,238,374.98</b>	<b>\$533,865.73</b>	<b>\$0.00</b>
<b>WALCOTT</b>	Titan Wheel International, Inc. (20%)	\$45,000.00	\$45,000.00	\$6,807.21	\$0.00
	Interest on Account			\$502.63	
	<b>SUBTOTAL WALCOTT</b>	<b>\$45,000.00</b>	<b>\$45,000.00</b>	<b>\$7,309.84</b>	<b>\$0.00</b>
<b>FULLY REPAID AND WRITTEN OFF LOANS TOTAL</b>		<b>\$9,258,939.50</b>	<b>\$8,057,716.95</b>	<b>\$1,295,840.56</b>	<b>\$0.00</b>

**REVOLVING LOAN PROGRAM  
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CITY	COMPANY	LOAN AMOUNT	PAID TO DATE		PRINCIPAL BALANCE
			PRINCIPAL	INTEREST	
SCOTT COUNTY	Interest on Account			\$4,111.05	
	<b>SUBTOTAL SCOTT COUNTY</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$4,111.05</b>	<b>\$0.00</b>
BETTENDORF	Aceno Granite, LLC	\$27,000.00	\$27,000.00	\$2,136.63	\$0.00
	Nutrition Works Wellness	\$20,000.00	\$15,862.57	\$1,251.63	\$3,446.67
	Interest on Account			\$6,700.58	
	<b>SUBTOTAL BETTENDORF</b>	<b>\$47,000.00</b>	<b>\$42,862.57</b>	<b>\$10,088.84</b>	<b>\$3,446.67</b>
DAVENPORT	Behneke Construction	\$45,000.00	\$45,000.00	\$2,941.20	\$0.00
	Bucktown	\$74,000.00	\$18,504.18	\$4,686.88	\$55,495.82
	DC & YS, Inc./Power Grafx	\$73,500.00	\$16,648.00	\$3,640.76	\$56,852.00
	Interest on Account			\$21,407.86	
	<b>SUBTOTAL DAVENPORT</b>	<b>\$192,500.00</b>	<b>\$80,152.18</b>	<b>\$32,676.70</b>	<b>\$112,347.82</b>
EAST MOLINE	Boemecke Enterprises, Inc.	\$100,000.00	\$100,000.00	\$15,899.52	\$0.00
	Interest on Account			\$624.61	
	<b>SUBTOTAL EAST MOLINE</b>	<b>\$100,000.00</b>	<b>\$100,000.00</b>	<b>\$16,524.13</b>	<b>\$0.00</b>
SILVIS	Pizza Props LLC	\$30,000.00	\$30,000.00	\$1,696.57	\$0.00
	QC Custom Tees	\$15,840.00	\$10,810.67	\$1,137.04	\$5,029.33
	Interest on Account			\$150.69	
	<b>SUBTOTAL EAST MOLINE</b>	<b>\$45,840.00</b>	<b>\$40,810.67</b>	<b>\$2,984.30</b>	<b>\$5,029.33</b>
MOLINE (W/O \$25,186.60)	Harrington Signal, Inc.	\$125,000.00	\$89,813.40	\$19,519.04	\$10,000.00
	Barley & Rye, Inc.	\$50,000.00	\$44,897.93	\$5,423.58	\$5,102.07
	divvy Med LLC	\$305,000.00	\$305,000.00	\$23,893.87	\$0.00
	Interest on Account			\$24,317.10	
	<b>SUBTOTAL MOLINE</b>	<b>\$480,000.00</b>	<b>\$439,711.33</b>	<b>\$73,153.59</b>	<b>\$15,102.07</b>
ROCK ISLAND (W/O \$1,042.11)	Hilltop Hardware	\$107,775.54	\$106,733.43	\$15,695.66	\$0.00
	RILCO, Inc.	\$75,000.00	\$75,000.00	\$16,104.04	\$0.00
	Media Link, Inc.	\$35,000.00	\$35,000.00	\$5,265.11	\$0.00
	AFS Classico	\$292,500.00	\$157,995.94	\$24,102.80	\$134,504.06
	Pak Source, Inc.	\$80,072.00	\$31,193.99	\$6,133.14	\$48,878.01
	Small Hands Big Hearts LLC	\$20,000.00	\$5,003.00	\$925.72	\$14,997.00
	Interest on Account			\$35,586.50	
	<b>SUBTOTAL ROCK ISLAND</b>	<b>\$610,347.54</b>	<b>\$410,926.36</b>	<b>\$103,812.97</b>	<b>\$198,379.07</b>
	<b>SUBTOTAL ACTIVE LOANS</b>	<b>\$1,475,687.54</b>	<b>\$1,114,463.11</b>	<b>\$243,351.58</b>	<b>\$334,304.96</b>
	<b>GRAND TOTAL ALL LOANS</b>	<b>\$10,734,627.04</b>	<b>\$9,172,180.06</b>	<b>\$1,539,192.14</b>	<b>\$334,304.96</b>
	PROGRAM INCOME				
	BI-STATE PORTION		\$9,172,180.06	\$769,596.07	\$9,941,776.13
				\$769,596.06	---

PORTFOLIO AVERAGE LOANED PER JOB CREATED/RETAINED - \$2,699

AVAILABLE TO LOAN FROM REPAYMENTS:

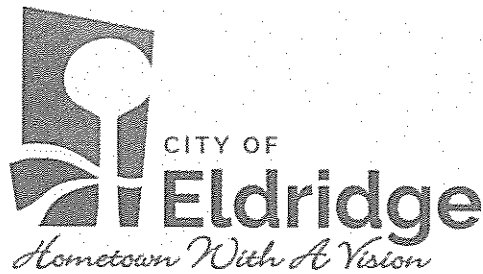
CASH IN BANK	\$1,391,969.55
DUE TO BI-STATE	(\$14,485.02)
SUBTOTAL	\$1,377,484.53
LESS OBLIGATED	\$0.00
	\$0.00
	<u>\$1,377,484.53</u>

Available to Loan

**EDA CARES ACT REVOLVING LOAN PROGRAM  
FINANCIAL SUMMARY  
NOVEMBER 2020**

CITY	COMPANY	LOAN AMOUNT	PAID TO DATE		PRINCIPAL BALANCE
			PRINCIPAL	INTEREST	
DAVENPORT	Symmetry Beauty Lounge	\$41,851.00	\$739.87	\$108.93	\$41,111.13
	Interest on Account			\$0.05	
	<b>SUBTOTAL Davenport</b>	<b>\$41,851.00</b>	<b>\$739.87</b>	<b>\$108.98</b>	<b>\$41,111.13</b>
	SUBTOTAL ACTIVE LOANS	\$41,851.00	\$739.87	\$108.98	\$41,111.13
	GRAND TOTAL ALL LOANS	\$41,851.00	\$739.87	\$108.98	\$41,111.13
	PROGRAM INCOME		\$739.87	\$54.49	\$794.36
	BI-STATE PORTION			\$54.49	---

CASH IN BANK	\$3,467.83
DUE TO BI-STATE	(\$584.95)
SUBTOTAL	\$4,052.78
LESS OBLIGATED	\$0.00
	<u>\$4,052.78</u>



305 N. Third Street, P. O. Box 375  
Eldridge, Iowa 52748-0375  
(563) 285-4841  
(563) 285-7376 fax

December 22, 2020

Re: Lewis Machine and Tool RLF Application

Dear Revolving Loan Fund Committee:

This letter is in support of the RLF application submitted to Bi-State from Lewis Machine and Tool. The City of Eldridge is very proud that LMT has chosen our community to call home. We are working with them on the recent expansions they are planning and know that a loan approval would assist them in this growth and expansion. We appreciate the Loan Committee's review of the application and are hopeful that the application will be approved. If we can be of any assistance during the consideration, we are happy to help.

Sincerely,

Martin P. O'Boyle  
Mayor

Lisa A. Kotter  
City Administrator

# BI-STATE REVOLVING LOAN FUND SUMMARY REPORT

Company

LMT

Prepared by: Denise Bulat

Date: January 4, 2020

**1. Type of proposal: (check one)**

Industrial	<u>  x  </u>
Commercial	<u>          </u>
Service Industry	<u>          </u>
Women/Minority	<u>          </u>
Other	<u>          </u>

**2. Reason for request**

New Business	Yes <u>          </u>	No <u>  x  </u>
Expansion	Yes <u>  x  </u>	No <u>          </u>
Retention	Yes <u>  x  </u>	No <u>          </u>
Relocation from another area	Yes <u>          </u>	No <u>  x  </u>

**3. Total project costs:           \$2,500,000**

<u>Use of Funds</u>	<u>Source</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Status</u>
New Machinery/Equip	LMT/BSRC	485,000	NA/TBD	In Hand/TBD (\$135K/\$350K)
Used Equip.	LMT	15,000	NA	In Hand
Design & Engin.	LMT	750,000	NA	Complete
Prototype	LMT	250,000	NA	Complete
Wages	LMT	1,000,000	NA	In Hand
	TOTAL	2,500,000		

**4. Use of RLF funds:           Equipment/New Machinery**

**Job Creation/Retention**

5. Current number of Employees	<u>  165  </u>
Jobs to be Retained	<u>  12  </u>
Jobs to be Created	<u>  10  </u>

**6 Job Cost Ratio: 1 job retained/created/\$15,909 loaned**

7. What percent is the borrower's equity of the request?

86%

In what form?

New&UsedEquipment/Wages/Eng./Prototype

8. What is the RLF position on collateral?

First

Indicate collateral:

Equipment for Project (Non-Project Collateral Inventory,  
Acct. Receivable, Other Machinery/Equip.

9. Can the applicant obtain economically feasible financing elsewhere?

Yes ☐

No NA

10. Is the borrower willing to comply with all Federal regulations?

Yes x

No ☐

11. Is the borrower carrying more than 1 revolving loan through this RLF program?

Yes ☐

No x

12. If applicable, does the loan request exceed 50% of the total portfolio or working capital?

Yes ☐

No x

13. Where appropriate, will the borrower agree to secure insurance on:

Life Yes ☐ No ☐

Fire Yes x No ☐

Business assets Yes x No ☐

Flood hazard Yes ☐ No ☐

14. What is the current Prime rate?

3.25%

15. Other Summary Information:

Staff recommendation for loan:

Amount:

Loan Term/Amortization:

Review:

Interest Rate:

Monthly Payment:

Collateral:

Other Conditions:

# ECONOMIC DEVELOPMENT LOAN APPLICATION

## GENERAL INSTRUCTIONS

Applications should be typed or printed. Be concise but complete in your narrative descriptions. Additional pages may be used.

### **A. BUSINESS INFORMATION**

#### **1. Legal Name and Address of Applicant.**

Lewis Machine & Tool Co  
Name

<u>1600 East Leonard Ct</u>	<u>Eldridge</u>	<u>IA</u>	<u>52748</u>
Address	City	State	Zip Code

<u>Jennifer Larson</u>	<u>Controller</u>	<u>309-787-7151</u>	<u>309-787-7193</u>
Contact Person	Title	Phone	Fax

**2. Proposed Location of Project:** 1600 East Leonard Ct Eldridge, IA 52748  
Address City State Zip Code

#### **3. Type of Business.**

Manufacturer of weapons, weapon components and modular weapon systems sold to End-users in the Defense (Law Enforcement, Military and Government) and Commercial Market for Shooting Sports (non ATF regulated parts/accessories only. All other items sold through dealers.

**4. Employer Identification No.:** 36-3209189

**5. Is the applicant wholly or partly owned by any other business? If Yes name the other companies and their percentage of ownership.**

X No

       Yes - If Yes, describe other ownership.

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**6. List the names and other information regarding individuals primarily responsible for the management of the business.**

<u>Name</u>	<u>Position</u>	<u>% Ownership</u>	<u>Date Started With Business</u>
Karl Lewis	President	85%	1980
James Jestel	COO/CFO	10%	
Mike Neff	VP Engineering	5%	

**7. Description and History of the Business.**

Date established \_\_\_\_\_ 1980 \_\_\_\_\_

Describe employee growth over last two years \_\_\_\_\_

As sales have increased we have increased both our skilled direct labor resources and our technical resources. Overall employee growth has been 51% over the last 2 years.

Describe business growth over last two year \_\_\_\_\_

Net Revenue has a little more than doubled over the last 2 years due to both increased Manufacturing Contracts and Engineering Services Contracts.

Dates new products/service lines were established \_\_\_\_\_

Other major influences \_\_\_\_\_

**8. Experience of Applicant/Business.**

Provide a brief description of educational, technical and business experience/background as it relates to your ability to successfully operate your proposed activity. If corporate members have related experience, please describe their credentials. OR ATTACH RESUMES

**B. PROJECT INFORMATION**

**9. Project Description.**

Describe land and/or building acquisition \_\_\_None\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Describe building construction and/or renovation \_\_\_\_\_None\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Describe equipment purchases and installation:** There are several projects that are planned that will require equipment purchases. These major purchases include a laser welding cell, CNC lathe, metallurgical analysis equipment, tooling and special fixtures.

**Provide estimated project time schedule:** It is anticipated that the design development, prototyping, testing and production pilot run will take approximately 6 months.

**Describe any changes in business activity including new or expanding operations and relating to existing operations:** LMT is investing heavily in new, more modern equipment that will help to meet capacity demands as well as pave the way for additional product variants to be incorporated into the portfolio. The new equipment and processes require additional skilled labor to set up, run and maintain.

**Provide evidence of the financial feasibility of the project:** LMT is currently involved in several programs with the US government, as well as other commercial and international customers. These programs are the beginning of several much larger opportunities to produce and sell these products. Additionally, the current trend in both domestic and foreign militaries and law enforcement is towards the products that we are developing. This current and projected future demand, coupled with our ability to manufacture high quality products at competitive costs is the impetus behind the programs. We have performed a comprehensive business and market analysis for these products, and project substantially higher margins for them relative to the current portfolio.

**10. Creation/Retention (Full-Time Equivalents)**

165 Current number of employees. (Entire Company)

12 Number of permanent jobs retained as a result of the project.

10 Number of permanent jobs to be created within 24 months of loan.

<u>Types of Jobs Created</u>	<u>Average Rate of Compensation</u>	<u>Average Rate of Fringe Benefits</u>
Welding Specialist _____	\$35/hr _____	12% _____
Process Engineer _____	\$35/hr _____	12% _____
Senior CNC Lathe Operator _____	\$21/Hr _____	18% _____
Finishing Specialist _____	\$21/Hr _____	18% _____
Assembler _____	\$19/Hr _____	20% _____
<u>Types of Jobs Retained</u>	<u>Average Rate of Compensation</u>	<u>Average Rate of Fringe Benefits</u>
Engineer _____	\$35/hr _____	12% _____
CNC Lathe operator _____	\$21/hr _____	18% _____
CNC Mill Operator _____	\$21/hr _____	18% _____
_____	_____	_____
_____	_____	_____

List fringe benefits - Medical Insurance, Dental Insurance, 401k Plan with Company Match, Short Term Disability, Long Term Disability, Life Insurance. Vacation, Holidays

**1. Has any Portion of the Project been Started?**

\_\_\_\_\_ No

X Yes (If "Yes", please describe)

Initial design has started and proof of concept has been completed to ensure project viability. Since the concept has proven to be viable and the market shows significant future demand, we have chosen to advance our efforts on these initiatives.

## 12. Fixed Business Obligations.

Provide information on all installment debts, contracts, notes and mortgages payable. (Present balance should agree with latest balance sheet submitted.)

To Whom Payable	Original Amount	Original Date	Present Balance	Interest Rate	Maturity Date	Monthly Payments	Payment Currency Within 30 Days	Security
Line - First Central State Bank	\$2,000,000	4/19/19	\$1,750,000	Prime with 4% floor	4/19/2021		\$5,260.28 Interest Pd.	See Exhibit 1 below.
IEDA	\$125,000	9/1/18	\$68,752.21	0%	9/1/23	\$2,083.33	\$2,083.33	Letter of Credit w/First Central State Bank for both IEDA Loans
IEDA	\$125,000	9/1/18	\$125,000	Total Forgivable	9/1/23	\$0	\$0	
PPP Loan	\$1,451,900	4/18/20	\$1,451,900	Total Forgivable		\$0	\$0	
Karl Lewis - Owner			\$1,284,349	0%		\$0		

Is the applicant or any existing or proposed guarantor or co-applicant a party to a claim or lawsuit? Yes \_\_\_\_\_ No XAre there any state, federal, or other liens filed against the applicant or any existing or proposed guarantor or co-applicant? Yes \_\_\_\_\_ No X

**13. Description of Collateral.**

List present market value of collateral and what will be offered to secure requested loan.

	<u>Present Market Value</u>	<u>Source of Market Value</u>
A. Land and Building	<u>None</u>	<u></u>
B. Inventory	<u>\$15,000,000</u>	<u>Contract/Market Value</u>
C. Accounts Receivable	<u>\$1,350,000</u>	<u>Contract/Market Value</u>
D. Machinery and Equipment	<u>\$2,600,000</u>	<u>Past Experience</u>
E. Furniture and Fixtures	<u>None</u>	<u></u>
F. Other	<u>None</u>	<u></u>

**14. In what form is the business contribution to this project?**

LMT Defense has been investing heavily over the past three years in the development and preparation to launch this product line. Approximately \$750,000 has been spent in engineering research and development, with an additional \$250,000 in prototyping and proof of concept. In addition to the skilled resources, significant investment in testing capabilities, including sound measurement equipment, high speed video camera, thermal imaging equipment, and many other specialized devices, totaling more than \$100,000. Several dedicated engineering and testing resources are on staff for this program, with average salaries of \$80,000. Most of the funds have come and will come from company cash.

**C. SOURCE AND USE OF FUNDS****15. Summary of Project Costs.**

Land Acquisition	\$ <u></u>	<u></u> %
Building Acquisition	\$ <u></u>	<u></u> %
Building Renovations	\$ <u></u>	<u></u> %
New Construction	\$ <u></u>	<u></u> %
New Machinery & Equipment	\$485,000	19.4 %
Used Machinery & Equipment	\$15,000	.6 %
Architectural & Engineering	\$750,000	30 %
Inventory	\$ <u></u>	<u></u> %
Working Capital	\$ <u></u>	<u></u> %
Other – Prototype and Proof of Concept	\$250, 000	10 %
Other – Employee Wages	\$1,000,000	40 %
<b>Total Project Cost</b>	<b>\$2,500,000</b>	<b>100%</b>

**16. Source of Funds.**

	<u>Amount</u>	<u>Term</u>	<u>Rate</u>	<u>Status</u>
Private Financing	_____	_____	_____	_____
Bank	_____	_____	_____	_____
Company Cash	\$2,150,000 (in hand & used for prototype, design/engineering, etc.)			
Injection/Equity	_____	_____	_____	_____
Other	_____	_____	_____	_____
Public Financing:				
<u>Bi-State Revolving Loan Fund</u>	<u>\$350,000</u>	_____	_____	_____
_____	_____	_____	_____	_____
<b>Total Source of Funds</b>	<b>\$ 2,500,000</b>			

**17. Justification for Public Financing.**

If required or available, provide a justification for the need for public financing. Include a letter from the Participating conventional lender stating the reasons why it will not provide additional funds for the project.

## Exhibit 1:

**COLLATERAL DESCRIPTION.** The word "Collateral" as used in this Agreement means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located, in which Grantor is giving to Lender a security interest for the payment of the indebtedness and performance of all other obligations under the Note and this Agreement:

All inventory, equipment, accounts (including but not limited to all health-care-insurance receivables), chattel paper, instruments (including but not limited to all promissory notes), letter-of-credit rights, letters of credit, documents, deposit accounts, investment property, money, other rights to payment and performance, and general intangibles (including but not limited to all software and all payment intangibles); all oil, gas and other minerals before extraction; all oil, gas, other minerals and accounts constituting as-extracted collateral; all fixtures; all timber to be cut; all attachments, accessions, accessories, fittings, increases, tools, parts, repairs, supplies, and commingled goods relating to the foregoing property, and all additions, replacements of and substitutions for all or any part of the foregoing property; all insurance refunds relating to the foregoing property; all good will relating to the foregoing property; all records and data and embedded software relating to the foregoing property, and all equipment, inventory and software to utilize, create, maintain and process any such records and data on electronic media; and all supporting obligations relating to the foregoing property; all whether now existing or hereafter arising, whether now owned or hereafter acquired or whether now or hereafter subject to any rights in the foregoing property; and all products and proceeds (including but not limited to all insurance payments) of or relating to the foregoing property.

In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

- (A) All accessions, attachments, accessories, tools, parts, supplies, replacements of and additions to any of the collateral described herein, whether added now or later.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section.
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.
- (E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

**D. ASSURANCES**

All information in this application and the attached narratives are true and complete to the best of my/our knowledge. I/We agree to pay or reimburse the County/City for the cost of any surveys, title or mortgage examinations, appraisals, etc.

I/We, the undersigned, authorize the County/City to obtain verification of any information contained in the application from any source named herein.

If Applicant is a Corporation:

Karl Lewis

President



James Jestel

Corporate Secretary



Applicants Signature

Jennifer Larson

Typed Name of Applicant



## SUBMITTAL CHECKLIST

In order to assist you in submitting your application, please use the following checklist. The items listed below must be included in your application packet.

- X   A completed signed application.
- X   Business balance sheet for the last three years, dated within 90 days of Application.
- X   Business income statement for the last three years, dated within 90 days of application.
- Income and expense projections for at least two years.
- X   Aging of Accounts Receivable and Payable.
- N/A   Personal balance sheet for each principal(s) owning more than 20 percent of company, dated within 90 days of application.
- Pending Cost estimates must be provided for machinery and equipment purchases and new construction and/or renovations. An appraisal must be provided for the purchase of a building and/or land.

## **Biography**

### **KARL R. LEWIS**

Cell Phone 309.314.2078 ■ Business Phone 309.787.7151

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#### **CAREER EXPERIENCE**

##### **LEWIS MACHINE & TOOL CO., INC.**

**1980 – Present**

1600 E Leonard Ct.  
Eldridge, IA 52748

##### **Founder, President and CEO**

- Founded company in 1980 as sole employee subleasing 100 square feet.
  - For the past 30 years, has been awarded contracts with the Department of Defense for developing and manufacturing precision components.
  - Produce components in the commercial and international market.
  - Hold several Firearms Patents.
- 

##### **U.S. ULTRA MACHINE TOOL**

**1992 – 1999**

1385 Armour Boulevard  
Mundelein, Illinois 60060

##### **Vice President of Research & Development**

Implemented and assisted in coordinating product development.

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##### **SPRINGFIELD ARMORY**

**1976 - 1981**

Geneseo, Illinois 61254

##### **Maintenance and Plant Supervisor**

- Assisted with product development and manufacturing techniques.
  - Supervised individuals in plant environment on NC machines.
- 

#### **EDUCATION:**

Black Hawk College  
Moline, Illinois 61265

Tool & Die Apprenticeship  
NC Programming

***Biography of Karl Lewis***  
***Page Two***

**AWARDS**

- Award for Small Business Government Procurement 1990 by Black Hawk College
- Illinois Quad City Small Business Development Center
- Illinois Quad City Procurement Assistance Center
- Illinois Quad City Chamber of Commerce
- Award for Contractor Excellence 1991 and 1992 by United States Army Armament, Munitions, and Chemical Command
- Award for Dedication and Service 1993 by Black Hawk College Small Business Development Center
- Award for Community Beautification 1994 by Milan Chamber of Commerce
- Administrators Award of Excellence 1995 by Illinois Small Business Administration
- Award for Outstanding Achievement in Value Engineering 1999 by United States Army Command
- Award for Manufacturer of the Year 2007 by Small Arms Review
- Several Supplier Appreciation Awards from 2009-2012

**ASSOCIATIONS**

- Executive Member, NAC National Armaments Consortium
- Board of Directors, Sterling Multi-Products, Prophetstown, Illinois
- Board Member, Black Hawk College Foundation
- Advisory Board Member, Black Hawk College Business Industry
- Member, National Tooling & Manufacturing Association
- Member, Society of Manufacturing Engineers
- Member, Committee for Small Arms Producers (CSAP)
- Member, National Defense Industrial Association
- Chairman, the National Small Arms Technology Consortium
- Member, National Shooting Sports Foundation

## **Biography**

### **Mike Neff**

A results driven leader with over 25 years delivering engineering and technology products and services. Proven success building and leading cross-functional teams to execute high value programs. Thorough understanding of manufacturing and services industries, holding leadership positions in organizations ranging from start-ups to \$60B annual revenues. Proven track record of managing profitable engineering organizations and growing business through successful delivery and strong client relationships.

#### **SKILLS**

- Strategic Business Planning
- Project Planning
- P&L Management
- Agile Product Development
- Contract Negotiations
- Innovation Strategies
- Operations Management
- Team Building
- Resource Planning
- Budgeting
- Collaboration Strategies
- Continuous Improvement

## **Biography**

### **Jim Jestel**

Jim Jestel as the CFO/COO has over 25 years' experience in business. His experience includes over 20 years as a CPA and Partner with a National Professional Services Consulting firm where he advised middle market companies such as LMT in all aspects of their business to include sales, operations and finance. He has been with LMT for almost six years and has been instrumental in initiating and successfully winning the three largest contracts LMT has had in it's over 40 year history. These contracts have established LMT's place in the industry as a premier supplier of small arms.

LMT Defense  
2 Year Plan  
2021-2022

	Through 10-2020		2021		2022	
Revenue	\$ 24,633,229.52		\$ 35,000,000.00		\$ 38,000,000.00	
Cost Of Goods Sold	\$ (18,331,678.09)	-74%	\$ (26,000,000.00)	-74%	\$ (28,228,571.43)	-74%
Margin	\$ 6,301,551.43	26%	\$ 9,000,000.00	26%	\$ 9,771,428.57	26%
SGA Costs	\$ (3,238,849.68)		\$ (4,000,000.00)		\$ (4,200,000.00)	
Operating Income	\$ 3,062,701.75	12%	\$ 5,000,000.00	14%	\$ 5,571,428.57	15%