

Wellmark Community Ventures Fund

Funding:

Typical funding will provide \$10,000 to \$50,000 in convertible debt financing. Wellmark will have the right to convert the loan to equity at a future date should they choose. The term of the loan will be for a period of up to five years with an interest rate of 7 percent. Interest will be payable at the end of each of the five years. The loan principal will be payable at the end of the term of the note. A request may be made at the end of the fifth year to extend the loan for an additional two years.

Qualifications:

Applicant company must be an Iowa based for profit corporation.

Process:

- 1) Projects will be identified, investigated and recommend for funding by the John Pappajohn Entrepreneurial Centers in four locations – University of Iowa, University of Northern Iowa, Iowa State University, and North Iowa Area Community College-Mason City. All applications for funding must pass through one of the four Pappajohn Centers.
- 2) The Pappajohn Centers will present qualified applications for review and approval of funding.
- 3) Packages submitted by the Pappajohn Centers must include:
 - a. Summary Sheet
 - b. Business Plan
 - c. Use of Proceeds
 - d. Personal Financials
 - e. Credit Reference
 - f. Corporate Verification
 - g. Signed Convertible Note
- 4) Upon approval, Wellmark will issue a check to the company, which will be delivered through the respective Pappajohn Center.

Evaluation Criteria:

- 1) Level of impact – based upon factors such as jobs created, quality of jobs created, infrastructure developed (buildings and equipment), and other factors that provide growth in the Iowa economy.
- 2) Management team – experience and fit.
- 3) Uniqueness of project.
- 4) Business plan – demonstrates acceptable probability of success with reasonable risk factors.
- 5) Owner investment in project.
- 6) Leverage – ability to match Wellmark investment with private equity capital or economic development funds.
- 7) At their discretion, individual Pappajohn Centers may impose additional criteria based on the specific dynamics of the region it serves.

Requirements:

- 1) Applicant must work with a Pappajohn Center for Entrepreneurship or Small Business Development Center to develop the business plan.
- 2) Approved companies will provide semi-annual reports of activities and progress to the Pappajohn Center: income statement and balance sheet, cash position, projected cash flow for next six months, and description of goals for next six months. The Pappajohn Centers will compile the required documents from all active accounts and will forward to Wellmark noting any concerns.

Initial Application For Funding

Business Name _____

Primary Contact _____

Address _____

City/State/Zip _____ Telephone _____

Email _____ URL _____

Secondary Contact _____

Address _____

City/State/Zip _____ Telephone _____

Email _____ URL _____

Do you have a business plan? Yes No

Business Description:

Send application (and business plan if available) to one of the following four centers:

<p>University of Iowa John Pappajohn Entrepreneurial Center Attn: David Hensley 108 Pappajohn Business Building, Suite 160 Iowa City, Iowa 52242 Phone 319.335.0992 Fax 319.353.2445 david-hensley@uiowa.edu</p>	<p>Iowa State University Pappajohn Center for Entrepreneurship Attn: Michael Upah 2501 North Loop Drive, Suite 1615 Ames, Iowa 50010 Phone 515.296.6532 Fax 515.296.6714 mjupah@iastate.edu</p>
<p>University of Northern Iowa John Pappajohn Entrepreneurial Center Attn: Katherine Cota-Uyar Curris Business Building, Suite 5 Cedar Falls, Iowa 50614-0130 Phone 319.273.7350 Fax 319.273.7512 katherine.cota@uni.edu</p>	<p>North Iowa Area Community College John Pappajohn Business & Entrepreneurial Center Attn: Tim Putnam 500 College Drive Mason City, Iowa 50401 Phone 641.422.4111 Fax 641.422.4129 putnatim@niacc.edu</p>