

<p><b>Program Summary</b></p>	<p>The Linked Deposit Program (LDP) is an interest rate subsidy program that was developed in 1993 to encourage and assist eligible businesses within the state to make investments and undertake projects that will contribute to improving their performance and competitiveness, leading to a stronger economic climate for New York State. LDP is a very successful economic development tool. In 2012 LDP processed 221 applications and approved 187 loans totaling \$77.4 million. LDP maintains its 5-day turnaround on applications. <b>NYS has \$560 million committed to this program, and there is over \$278 million available to fund new projects.</b></p>
<p><b>Legislative Changes</b></p>	<p><b>Effective April 2013:</b> The Governor and NYS Legislature amended legislation to allow technology and innovation businesses to qualify for LDP’s 3% interest rate subsidy. Included are businesses engaged in biotechnologies, information and communication technologies, advanced materials and processing technologies, electronic and photonic devices and components, energy efficiency, renewable energy, and environmental technologies, or small scale systems integration and packaging.</p> <p><b>Effective April 2012:</b> One change was enacted to allow Agricultural Firms (as defined in subdivision two, section 301, Ag &amp; Markets Law) that employ 500 or fewer full-time, NYS-based employees to qualify for LDP’s 3% interest rate subsidy if they are undertaking projects that will expand or improve agricultural operations and create or retain full-time permanent jobs in NYS.</p> <p><b>Effective April 2011:</b> Two changes were enacted that (1) increased the LDP lifetime maximum allowance per eligible business from \$1 million to <b><u>\$2 million</u></b>, and (2) allows borrowers to apply for a <b><u>four-year renewal/extension</u></b> on an existing LDP loan, providing up to 8 years of assistance on certain loans. For questions or to obtain a renewal form, contact LDP staff at 518-292-5261.</p>
<p><b>LDP Loan Limits</b></p>	<p>REMINDER: In 2012, LDP’s Loan Limits were enhanced – An eligible business can now have:</p> <ul style="list-style-type: none"> <li>▪ An <b>unlimited</b> number of LDP loans outstanding (prior limit was three loans).</li> <li>▪ A total amount of <b>\$1.5 million</b> in outstanding deposits (prior limit was \$1 million).</li> <li>▪ Each single deposit cannot exceed <b>\$1 million</b> (increase from the previous limit of \$500K). There is no minimum deposit amount.</li> </ul> <p>The total lifetime assistance (including renewals and prior deposits) cannot exceed the legislated lifetime maximum of <b>\$2 million</b>.</p>
<p><b>Application Eligibility</b></p>	<ol style="list-style-type: none"> <li>1. The Borrower must be an existing NYS business (manufacturer employing 500 or fewer or service company employing 100 or fewer)</li> </ol>

	<p>and must be undertaking an expansion project that will improve its competitiveness. LDP cannot assist startups or companies that are not currently headquartered in NYS.</p> <ol style="list-style-type: none"> <li>2. Professional and personal service businesses and retail companies are not eligible for LDP assistance UNLESS they employ 100 or fewer AND are located in a highly distressed census tract, federal empowerment zone, or enterprise or renewal community, OR they are a zone-certified business employing 100 or fewer and undertaking a project that will create/retain jobs at a certified Empire Zone location.</li> <li>3. LDP proceeds can be used to help finance projects that will improve the company's competitiveness, increase productivity, and result in the creation or retention of full-time permanent jobs. Examples include the purchase/upgrade of machinery and equipment (and rolling stock), purchase/construct /improve owner-occupied real estate, increase inventory, acquire assets of an existing NYS business, provide expansion working capital (for R&amp;D, hiring/training employees) or other expansion purposes.</li> <li>4. A Borrower cannot already be fully committed to the project prior to applying for and receiving LDP approval.</li> <li>5. The Borrower must demonstrate a need for LDP assistance.</li> </ol>
<p><b>Information Online</b></p>	<p>LDP materials are available online:</p> <ul style="list-style-type: none"> <li>▪ LDP application</li> <li>▪ Q&amp;A paper</li> <li>▪ List of Participating Lenders</li> <li>▪ LDP Annual Reports</li> <li>▪ To download or print these documents insert the following in your browser:</li> </ul> <p><a href="http://www.esd.ny.gov/BusinessPrograms/LinkedDeposit.html">http://www.esd.ny.gov/BusinessPrograms/LinkedDeposit.html</a></p>
<p><b>Contact Information</b></p>	<p>Linked Deposit Program office at (518) 292-5261 or <a href="mailto:linkeddeposit@esd.ny.gov">linkeddeposit@esd.ny.gov</a></p>

This is an overview of the program, and does not include all requirements and details.