APPENDIX 10-5

Participating Securities Distribution Worksheet

SBA - Small Business Investment Company Program Investment Division - Office of SBIC Operations Participating Securities Document Checklist & Authorization

Licensee Name:	License No.:
Amount of Draw Request:	Takedowns:
Financial Analyst:	
COMPLIANCE/R	EGULATORY
Licensee Request for Draw: (Amount of Preferred Ltd. Prt. Capital Contrib.)	
Instruments of Admission: (1 pair per takedown)	
Opinion of Counsel:	
Statement of No Material Change:	
SBA Form 468: Filed as of: 3/31/03 (unaudited)	
Statement of Need:	
Statement of Compliance:	
Smaller Business Financing Certification:	
ELIGIBILITY F	FOR FUNDS
Regulatory Issues: Comments:	Yes No
Conditions for Compliance Satisfied: Ye	es No N/A
VERIFICATION	OF CAPITAL
Commitments Outstanding:	
Less: Outstanding Draw Approvals	0
Less: Draw Request	0
Remaining Commitment:	\$0

FINANCIAL REVEW: Trend Analysis:
Capital Adequacy and Solvency:
Asset Quality:
Earnings Capacity and Retention:
Liquidity and Cash:
Risk Rating Model:
Management & Ownership Management:
Ownership:
Other:

1 Name of Licensee					
2 License number					
			Month	Day	Year
3 Earmarked Profit (Loss)	, etc. being computed as	s of:			
4 Is this your fiscal year e	nd? (y/n)		<< use lower case	for y/n answ	ers
5 If "NO" - What was you	most recent fiscal year	end?			
6 OPTIONAL - What is th	e total amount you expe	ct to distribute?			
				L	

Section I: Earmarked Profit (Loss)

Part I-1: Earmarked Asset Ratio

Definition: "EARMARKED ASSETS" means all Loans and Investments EXCEPT:

(a) Loans and Investments acquired before March 31, 1993 and approved for exclusion by SBA; or

(b) Loans and Investments acquired after all Participating Securities have been redeemed in full.

1 Are all your Loans and Investments classified as "Earmarked Assets"? (y/n)

2 If "YES" - STOP (Earmarked Asset Ratio = 100%)

3 If "NO" - Fill in tables 1 and 2 for each month in your fiscal year or year to date ending:

Table 1: Average Loans and Investments (at cost)

	Loans and	Avg. monthly		
	Investments	balance		
Beginning balance				
Ending bal. Month 1		0		
Ending bal. Month 2		0		
Ending bal. Month 3		0		
Ending bal. Month 4		0		
Ending bal. Month 5		0		
Ending bal. Month 6		0		
Ending bal. Month 7		0		
Ending bal. Month 8		0		
Ending bal. Month 9		0		
Ending bal. Month 10		0		
Ending bal. Month 11		0		
Ending bal. Month 12		0		
Sum of avg. balances		0		
Number of months		0		
Avg. Loans & Investments	for period	O		

Table 2: Average Earmarked Assets (at cost)

	Loans and	Avg. monthly
	Investments	balance
Beginning balance		
Ending bal. Month 1		0
Ending bal. Month 2		. 0
Ending bal. Month 3		C
Ending bal. Month 4		C
Ending bal. Month 5		C
Ending bal. Month 6		C
Ending bal. Month 7		(
Ending bal. Month 8		(
Ending bal. Month 9		(
Ending bal. Month 10		
Ending bal. Month 11		(
Ending bal. Month 12		
Sum of avg. balances		
Number of months		
Avg. Earmarked Assets for	period	

Definitions:

"MANAGEMENT EXPENSES" means salaries, office expenses, travel, business development, office and equipment rental, bookkeeping, and expenses related to developing, investigating and monitoring investments. Management Expenses do NOT include services provided by specialized outside consultants, outside lawyers and independent public accountants, if they perform services not generally performed by a venture capital company.

"COMBINED CAPITAL" means the sum of your Regulatory Capital plus your outstanding Leverage.

"MANAGEMENT EXPENSE CEILING" means the LOWER of the following two amounts (if you are computing Earmarked Profit (Loss) for a full fiscal year):

- (a) 2.5% of your weighted average Combined Capital for the year, plus \$125,000 if your weighted average Combined Capital is less than \$20,000,000; or
- (b) The amount of Management Expenses approved by SBA for the fiscal year.

If you are computing Earmarked Profit (Loss) for less than a full fiscal year, you must prorate these annual amounts to determine your Management Expense Ceiling.

"EXCESS MANAGEMENT EXPENSES" means the amount of Management Expenses you incurred in excess of your Management Expense Ceiling for your fiscal year or year to date.

Compute weighted average Combined Capital for the fiscal year or year to date beginning:

ERR

				Regulatory	Outstanding	Days	Comb. Cap.
Beginning	Month	Day	Year	Capital	Leverage	O/S	x Days O/S
balance							0
<u> </u>			740-141-141-141-141-141-141-141-141-141-1				
Increase/						0	C
(decrease)						0	C
						0	C
						0	C
						0	(
						0	
-						0	(
						0	(
						0	
	And the second s					0	1
Ending							
balance	0) 0	0 0	C	C	0	

0

125,000

125,000

2 Compute Management Expense formula limit for fiscal year or year to date:

1 Weighted Average Combined Capital for fiscal year or year to date

Weighted average Combined Capital for fiscal period

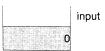
x 2.5%

+ \$125,000 if avg. Combined Capital < \$20,000,000

Annual Management Expense formula limit

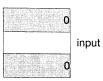
Prorated for partial year

3	Annual Management Expense approved by SBA
	Prorated for partial year



Pg 3

- 4 Lower of formula limit or Management Expense approved by SBA
- 5 Actual Management Expenses for fiscal period
- 6 Excess Management Expense



Part I-3: Earmarked Profit (Loss) for This Fiscal Year or Year to Date

- 1 YTD net income (loss) through date of this worksheet (as determined on SBA Form 468)
- 2 Adj. for amort. of leverage fees and syndication costs (see Instructions below)
- 3 Unrealized Appreciation (Depreciation) on securities distributed during this fiscal period
- 4 Excess Management Expenses:
- 5 Earmarked Profit (Loss) for this fiscal period if Earmarked Asset Ratio = 100%

input	
input	
input	
	0
	0

Instructions for Part I-3, line 2:

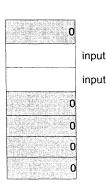
For the purpose of computing Earmarked Profit (Loss), leverage fees paid to SBA in connection with the issuance of Participating Securities, as well as partnership syndication costs, must be treated as if they were capitalized and amortized on a straight-line basis over not less than five years (see section 107.1510(d)(1)). If these items were reported differently by the Licensee on SBA Form 468, the required adjustment must be shown on line 2 of this part.

Adjustment if Earmarked Asset Ratio < 100%:

- 6 Earmarked Profit (Loss) before adjustment
- 7 Less: Net realized gain (loss) on non-earmarked loans & investments
- 8 Less: Net realized gain (loss) on Earmarked Assets ("EGL")
- 9 Remainder
- 10 x Earmarked Asset Ratio

11 Add: EGL

12 Earmarked Profit (Loss) for this fiscal period if Earmarked Asset Ratio < 100%



Part I-4: Cumulative Earmarked Profit (Loss)

- 1 Earmarked Profit (Loss) for this fiscal year or year to date
- 2 Cumulative Earmarked Profit (Loss) from last fiscal year end (see Instructions below)
- 3 Cumulative Earmarked Profit (Loss)

0	
	inpu
0	

Instructions for Part I-4, line 2:

If you had not issued Participating Securities as of your last fiscal year end, enter your Undistributed Net Realized Earnings (Loss) for that year end, adjusted for any excess Management Expense and amortization of syndication costs.

	Amount as			
	of distribu-			Weighted
CURRENT FUNDS AVAILABLE	tion date	x Weight	=	amount
1 Cash and invested idle funds		1.00		0
2 Commitments from Investors (excluding SBA)		1.00		0
3 Current Maturities of Loans and Investments		0.50		O
4 Other Current Assets		1.00		O
5 Publicly Traded and Marketable Securities (at value)		1.00		0
6 Anticipated Operating Revenue for next 12 months		1.00		0
7 Current Funds Available				o
CURRENT FUNDS REQUIRED:				
8 Current Liabilities		1.00		0
9 Outstanding Commitments to Small Concerns		0.75		0
10 Anticipated Operating Expense for next 12 months		1.00		0
11 Anticipated Interest Expense for next 12 months		1.00		0
12 Guarantees and Other Contingent Liabilities		0.25		0
13 Current Funds Required				0
14 Liquidity Ratio (Current Funds Available divided by Current Fu	nds Required)			0.000
15 Available liquidity [Current Funds Available - (1.20 x Current F	Funds Required)]			0
16 Less: Distribution of Prioritized Payments and Adjustments (107.1540):			o
18 Balance				0
19 Less: Tax distribution (107.1550)				O
20 Balance				0
21 Less: Required annual distribution (107.1560)				0
22 Balance				0
23 Less: Optional interim distribution (107.1570(a))				0
24 Balance				0
25 Less: Other optional distributions (107.1570(b))				0
26 Balance				0

Pmt+Charge balance outstanding (mm/dd/yy) balance outstanding Payment Charge (mm/dd/yy) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 Total 0 Total

Total

0

Total

Total

0

Total

0

Fiscal year to date

Current fiscal period

NOTE: In the following account summaries, "beginning balance" is the ending balance following your last update of the Prioritized Payment accounts. An update consists of the following steps: (1) computing Accumulated Prioritized Payments for a fiscal period; (2) transferring Earned Prioritized Payments (if any) from the Accumulation Account to the Distribution Account; (3) distributing the balance in the Distribution Account (if any), subject to available liquidity; and (4) as of the fiscal year end only, computing Adjustments on undistributed account balances (if any) and adding them to the Accumulation Account balance.

		Priorit. Pmts.	Charges	Adjustments	Total	
1	Accumulation Account beginning balance				0	
		input	input	input		
2	Add: Total Prioritized Payments for current fiscal p	eriod			0	
3	Add: Total Charge for current fiscal period				0	
4	Less: Earned Prioritized Payments, Charges and A	Adjustments			0	
5	Accumulation Account balance before Adjustments				0	
6	Add: Adjustments for current fiscal period (full year	only)			n/a	from Pt. III-6
7	Accumulation Account ending balance	0		0 0	0	
8	Distribution Account beginning balance				0	
9	Add: Earned Prioritized Pmts, Charges & Adj.	input	input	input	0	
10	Distribution Account balance before Distributions				0	
11	Less: Distributions to be made	0		0 0	0	from Pt. III-5
12	Distribution Account ending balance	0		0 0	0	
13	Earned Payments Account beginning balance					input
14	Add: Earned Prioritized Payments, Charges and	Adjustments			C	
15	Earned Payments Account ending balance				C)

Part III-4: Earned Prioritized Payments, Charges and Adjustments

1 Cumulative Earmarked Profit (Loss)	0
2 Less: Earned Payments Account beginning balance	, o
3 Less: Prior Distributions under 107.1550, 107.1560 and 107.1570(a)	input
4 Less: Undistributed Profit Participation allocated to SBA	input
5 Profit for Prioritized Payment purposes	0 [A]
 6 Accumulation Account beginning balance 7 Prioritized Payments and Charges for current fiscal period 8 Balance 	0 0 0 [B]
10 Earned Prioritized Payments, Charges and Adjustments	0 lesser of [A] or [B]

Distribution Account balance before distributions		0 [C]
Available liquidity	from Section II	0 [D]
Required year end distribution		0 lesser of [C] or [D]
Maximum permitted amount of interim distribution		0 lesser of [C] or [D]
If you DO NOT want to distribute the maximum permitted amount,	enter the amount	
you choose to distribute (otherwise, leave blank)		input

Part III-6: Adjustments on undistributed balances (at fiscal year end ONLY)

This section applies to you if either the Accumulation Account balance from Part III-3, line 5, or the Distribution Account balance from Part III-3, line 12, is greater than zero as of the end of your fiscal year (AFTER giving effect to any distributions you will make by the second Payment Date following the end of the fiscal year). If either account has a balance, you must compute "Adjustments" (amounts which will be added to your Accumulation Account balance) based on the average account balances for the year.

		input		
1 Accumulation Acct. beginning of ye		x 365 =	n/a	
2 Distribution Acct. beginning of year balance			x 365 =	n/a
3 Sum of daily bal. of prioritized pmts for yr ended:				n/a
4 Prioritized Pmts paid for yr ended:		(see instruct	ions below)	
Amount Month	Day Y	ear Weigh	t	
		()	n/a
		(n/a
		.(n/a
		(n/a
5 Sum of lines 1 through 4				n/a
6 Average undistributed balance (line	e 5 divided by r	no. of days in yr)		n/a
7 Avg trust certificate rate-enter rate	s for 4 fundings	in yr ended:		
				0.000%
8 Total adjustments for fiscal year (li	ine 6 x line 7)		_	n/a

Instructions for Part III-6, line 4:

Enter any Prioritized Payments, Charges and Adjustments you paid to SBA based on Cumulative Earmarked Profits computed as of the end of the specified fiscal year or any interim period during the year.

INCLUDE any payments that you will make by the second Payment Date following the fiscal year end.

Treat any such payments made after the fiscal year end as if they were made on the last day of the fiscal year to which they relate. For example, if you are computing Adjustments for the year ended 12/31/2002, list any Prioritized Payments you will make on or before May 1, 2003 based on your Cumulative Earmarked Profits as of December 31, 2002. Enter 12/31/2002 as the date of the payment.

DO NOT INCLUDE payments that you made based on the prior year's results. For example, if you are computing Adjustments for the year ended 12/31/2002, do not list Prioritized Payments you paid

Part IV-1: Preliminary information

1 Had you ever issued Participating Securities as of the end of your last fiscal year? (y/n)	i	nput
2 IF "YES":		
(a) Enter the Base from your last fiscal year end ("Previous Base")	i	nput
(b) If Previous Base is zero or greaterenter any Unused Loss from previous fiscal year		
carried forward in accordance with section 107.1530(c)(2)	l	nput
3 If "NO" - enter the Undistributed Net Realized Earnings (Loss) from your last annual Form 468,		
adjusted for Excess Mgmt Expense (subject to SBA approval - see section 107.1530(c)(3))	i	nput
4 Did you already compute Profit Participation for any interim periods this fiscal year? (y/n)	i	nput
5 if "YES" - enter the Base used in that computation (if greater than zero).	i	nput
Part IV-2: Compute Base for Profit Participation		
1 Earmarked Profit (Loss) for fiscal year or year to date	0	
2 Less: Total Prioritized Payments and Charges for fiscal year or ytd	0	
3 Less: Adjustments (for full fiscal year only)	n/a	
4 Less: Unused Loss from previous fiscal year	0	
5 Base for Profit Participation	0	
YOU DO NOT OWE ANY PROFIT PARTICIPATION FOR THIS PERIOD. YOU ARE NOT REQUIRED TO COMPLETE THE REST OF SECTION IV.		
Part IV-3: Compute Profit Participation Rate		
1 PLC Ratio (highest ratio of Participating Secs. to Leverageable Capitalsee 107.1530(e))		input
2 Profit Participation Rate before indexing:		
If PLC Ratio is 1 or less: .09 x PLC Ratio		
If PLC Ratio is more than 1: .09 + (.03 x (PLC Ratio - 1))	0.000000%	

Complete the following table for all Participating Securities pooled (continue to include any that have been redeemed):

Original	Issue date:			Treasury
ssue Amt.	Month	Day	Year	Rate
		_		

Days since	Weighted	Wtd.	amt. x
issue date	amount	Trea	s. Rate
	o	0	0
	0	0	0
	0	0	0
	0	0	0
	0	0	0
	0	o	0
	0	0	0
	0	0	0
	0	0	0
	0	0	0
	0	0	0
	0	0	0
	0	0	0
	0	0	0
	0	0	C
	0	0	C
	0	0	- (
	0	0	C
Total		0	C
	[B]		[A]

- 3 Weighted average Treasury Rate: [A] divided by [B]
- 4 Indexing factor (Wtd. avg. Treasury Rate divided by .08)
- 5 Indexed Profit Participation Rate

0.000000%

0.000000%

Part IV-4: Compute Profit Participation

1 Did you already compute Profit Participation for any interim periods in this fiscal year? (y/n)



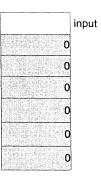
2 IF "YES" - provide the following information for EACH such interim period during this fiscal year (include only periods for which the Base was a positive number):

	Ending date			Profit
	of interim		Profit Parti-	Participation
	period	Base	cipation rate	for period
2a				0
2b				0
2c				0
2d				0
2e	No. Alaka A. Perina			0
2f		0	0.000000%	0

n/a

Part IV-5: Profit Participation Account summary

- 1 Profit Participation Account beginning balance
- 2 Add: Profit Participation allocated to SBA for fiscal period
- 3 Profit Participation Account balance before distributions
- 4 Less: Tax distribution applied to Profit Participation (107.1550)
- 5 Less: Required annual distribution applied to Profit Participation (107.1560)
- 6 Less: Optional interim distribution applied to Profit Participation (107.1570(a))
- 7 Profit Participation Account ending balance



Section V: Retained Earnings Available for Distribution (READ)

- 1 Undistributed Net Realized Earnings before this distribution
- 2 Less: Unrealized Depreciation
- 3 Retained Earnings Available for Distribution
- 4 Less: Earned Prioritized Payments, Charges and Adjustments allocated to SBA
- 5 Balance after Prioritized Payments and Adjustments
- 6 Less: Optional tax distribution (107.1550)--private investors' share + SBA Prof. Part.
- 7 Balance after tax distribution
- 8 Less: Required annual distribution (107.1560)--private investors' share + SBA Prof. Part.
- 9 Balance after required annual distribution
- 10 Less: Optional interim distrib. (107.1570(a))--private investors' share + SBA Prof. Part.
- 11 Balance after optional interim distribution
- 12 Less: Other optional distributions applied as reduction of READ (107.1570(b))
- 13 Balance after other optional distributions

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	inpu
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0	
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0	
, 0	
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0	
0	
0	
C	
	3

Tax distributions may be made only in cash, not in kind. Conditions for making a tax distribution:

- You must have paid all your Prioritized Payments and Adjustments, so that the balance in both your Distribution
 Account and your Accumulation Account is zero.
- 2. The tax distribution must not exceed your available liquidity.
- 3. The tax distribution must not exceed your Retained Earnings Available for Distribution.
- 4. The tax distribution must not exceed your Maximum Tax Liability.

Part VI-1: Compute Maximum Tax Liability

Highest marginal Federal tax rate on ordinary income:	Individual	input
riighest marginari ederal tax rate on ordinary income.	Corporate	input
	Corporate	Input
Highest marginal Endered tay rate on capital gains:	Individual	input
Highest marginal Federal tax rate on capital gains:	Corporate	input
Highest marginal State tax rate on ordinary income (for	Corporate	mput
State where your principal place of business is located):	Individual	input
	Corporate	input
Highest marginal State tax rate on capital gains (for		
State where your principal place of business is located):	Individual	input .
	Corporate	input
Do you want to use individual or corporate tax rates? Enter		
1 for individual or 2 for corporate:		input
Ordinary income (net of expenses) allocated to partners for Fede	eral	
income tax purposes (excluding Prioritized Payments allocated	to SBA)	input
Net capital gain (loss) allocated to partners for Federal income to	ax purposes	
(excluding Prioritized Payments allocated to SBA)		input
Ordinary income (loss)		0
Ordinary income (loss) Highest State tax rate		0 × 0.000%
• , ,		
Highest State tax rate		x 0.000%
Highest State tax rate		x 0.000%
Highest State tax rate State tax liability (benefit) on ordinary income		x 0.000%
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss)		x 0.000% O
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate		x 0.000%
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate		x 0.000%
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains		x 0.000% O
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains Ordinary income (loss)		x 0.000% 0
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains Ordinary income (loss) Less: State tax liability		x 0.000% 0
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains Ordinary income (loss) Less: State tax liability Ordinary income (loss) after State income tax		x 0.000% 0 x 0.000% 0 0 0
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains Ordinary income (loss) Less: State tax liability Ordinary income (loss) after State income tax Highest Federal tax rate		x 0.000% 0 x 0.000% 0 0 0 0 0 0 0 0 0 0 0 0
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains Ordinary income (loss) Less: State tax liability Ordinary income (loss) after State income tax Highest Federal tax rate Federal tax liability (benefit) on ordinary income		x 0.000% 0 x 0.000% 0 0 0 0 0 0 0 0 0 0 0 0
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains Ordinary income (loss) Less: State tax liability Ordinary income (loss) after State income tax Highest Federal tax rate Federal tax liability (benefit) on ordinary income Capital gain (loss)		x 0.000% 0 x 0.000% 0 0 0 0 0 0 0 0 0 0 0 0
Highest State tax rate State tax liability (benefit) on ordinary income Capital gain (loss) Highest State tax rate State tax liability (benefit) on capital gains Ordinary income (loss) Less: State tax liability Ordinary income (loss) after State income tax Highest Federal tax rate Federal tax liability (benefit) on ordinary income		X 0.000% 0 0 0 0 0 0 0 0 0 0 0 0 0

٩mc	ount of tax distribution:	
1 A	vailable liquidity	0
2 R	letained Earnings Available for Distribution	0
3 N	faximum Tax Liability	0
4 N	laximum permitted amount of tax distribution	O
5 If	you DO NOT want to distribute the maximum permitted amount,	
	enter the amount you choose to distribute (otherwise, leave blank)	input
Allo	cation of tax distribution between private investors and SBA:	
6 S	BA's share of tax distribution:	
7	Profit Participation Rate	0.000000%
8	x total tax distribution	0
9	Tax distribution to SBA	0
10	Private investors' share of tax distribution:	
11	Total tax distribution	O
12	Less: Tax distribution to SBA	0
13	Tax distribution to private investors	O
Pa	art VI-3: Application of tax distribution to SBA	
Pre	eliminary information:	
1	Balance of Profit Participation owed to SBA	0
2	Participating Securities - outstanding balance before tax distribution	0
3	Debentures - outstanding balance before tax distribution	input
4	3% or 4% Preferred Securities (Section 301(d) Licensees) - accrued dividends	input
5	3% or 4% Preferred Securities (Section 301(d) Licensees) - outstanding balance	input
Ар	plication of distribution to SBA:	
6	Profit Participation	O
7	Distributions on 3% or 4% Preferred Securities (Section 301(d) Licensees only)	0
8	Redemption of Participating Securities	0
9	Redemption of 3% or 4% Preferred Securities (Section 301(d) Licensees only)	0
10	Repayment of Debentures	D
11	Total	O

Section VII: Required Annual Distribution - Section 107.1560

Distributions under this section can be computed only as of the SBIC's fiscal year end.

If you are computing an interim distribution, go to Section VIII.

Conditions for making a distribution under section 107.1560:

- 1. You must have paid all your Prioritized Payments, Charges and Adjustments, so that the balance in both your Distribution Account and your Accumulation Account is zero.
- 2. You must have computed any permitted tax distribution that you choose to make under section 107.1550.
- 3. The distribution must not exceed your available liquidity.
- 4. The distribution must not exceed your Retained Earnings Available for Distribution.

Part VII-1: Amount of required distribution

- 1 Retained Earnings Available for Distribution balance
- 2 Less: Cumulative prior distributions under sections 107.1560 and
- * 107.1570(a) applied as redemptions of Leverage (leave blank if line 1 is n/a)
 - 3 Add: Cumulative prior distributions under section 107.1570(b) that reduced Retained Earnings Available for Distribution (leave blank if line 1 is n/a)
 - 4 Preliminary amount of required distribution

input input n/a [A]

n/a

- 5 Available liquidity
- 6 Amount of required distribution before reserves/restriction

lesser of [A] or [B]

- 7 Less: Amounts to be withheld from distribution with SBA's approval
- 8 Less: Restrictions on distributions imposed by SBA
- 9 Amount of required distribution

0 input input

n/a [B]

Part VII-2: Percentage of distribution allocable to private investors and SBA

- Total Leverage outstanding as of fiscal year end
- 2 Leverageable Capital as of fiscal year end
- 3 Ratio of Leverage to Leverageable Capital

input input 0.000000

4 SBA Profit Participation Rate

0.000000%

- 5 SBA's percentage share of total distribution
- 6 Private investors' percentage share of total distribution
- 7 Total

0	.00)00	900	%
0	.00)00	900	%
0	.00	000	00	%

Part VII-3: Allocation of distribution between private investors and SBA

- 1 SBA's share
- 2 Private investors' share

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	200 B S S S S S S S S S S S S S S S S S S
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0.0	000	00	%

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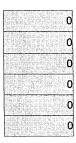
Preliminary information:

- 1 Balance of Profit Participation owed to SBA
- 2 Participating Securities outstanding balance before 107.1560 distribution
- 3 Debentures outstanding balance before 107.1560 distribution
- 4 3% or 4% Preferred Securities (Section 301(d) Licensees) accrued dividends
- 5 3% or 4% Preferred Securities (Section 301(d) Licensees) outstanding balance

0 0 input input input

Application of distribution to SBA:

- 6 Profit Participation
- 7 Distributions on 3% or 4% Preferred Securities (Section 301(d) Licensees only)
- 8 Redemption of Participating Securities
- 9 Redemption of 3% or 4% Preferred Securities (Section 301(d) Licensees only)
- 10 Repayment of Debentures
- 11 Total
- 12 Cumulative distributions to SBA under 107.1560 and 107.1570(a) applied as redemption or repayment of Leverage





Section VIII: Optional Interim Distributions Based on READ - Section 107.1570(a)

Distributions under this section can be computed only as of end of the SBIC's fiscal quarter (or other interim period approved by SBA). If you are computing a year end distribution, go to Section VII.

Conditions for making a distribution under section 107.1570(a):

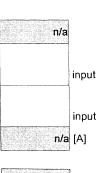
- You must have paid all your Prioritized Payments, Charges and Adjustments, so that the balance in both your Distribution Account and your Accumulation Account is zero.
- 2. The distribution must not exceed your available liquidity.
- 3. The distribution must not exceed your Retained Earnings Available for Distribution.

Part VIII-1: Maximum permitted amount of distribution

- Retained Earnings Available for Distribution balance
- 2 Less: Cumulative prior distributions under sections 107.1560 and 107.1570(a) applied as redemptions of Leverage (leave blank if line 1 is n/a)
- 3 Add: Cumulative prior distributions under section 107.1570(b) that reduced Retained Earnings Available for Distribution (leave blank if line 1 is n/a)
- 4 Maximum distribution amount based on READ
- . .

Available liquidity

- 6 Maximum permitted amount of distribution
- 7 If you DO NOT want to distribute the maximum permitted amount, enter the amount you choose to distribute (otherwise, leave blank)





- lesser of [A] or [B] 0
 - input

Part VIII-2: Percentage of distribution allocable to private investors and SBA

- 1 Total Leverage outstanding as of end of fiscal period
- 2 Leverageable Capital as of end of fiscal period
- 3 Ratio of Leverage to Leverageable Capital
- 4 SBA Profit Participation Rate
- 5 SBA's percentage share of total distribution
- 6 Private investors' percentage share of total distribution
- 7 Total

	input
0.000000	

input

0.000000%

0.0000% 0.0000% 0.0000%

Part VIII-3: Allocation of distribution between private investors and SBA

- 1 SBA's share
- 2 Private investors' share

		. 1

X

(00.0	000)%
(0.00	000)%

=



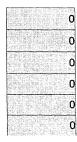
Preliminary information

- 1 Balance of Profit Participation owed to SBA
- 2 Participating Securities outstanding balance before 107.1570(a) distribution
- 3 Debentures outstanding balance before 107.1570(a) distribution
- 4 3% or 4% Preferred Securities (Section 301(d) Licensees) accrued dividends
- 5 3% or 4% Preferred Securities (Section 301(d) Licensees) outstanding balance

0 0 input input input

Application of distribution to SBA:

- 6 Profit Participation
- 7 Distributions on 3% or 4% Preferred Securities (Section 301(d) Licensees only)
- 8 Redemption of Participating Securities
- 9 Redemption of 3% or 4% Preferred Securities (Section 301(d) Licensees only)
- 10 Repayment of Debentures
- 11 Total

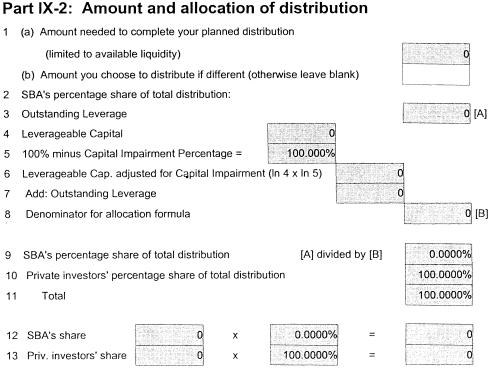


Conditions for making a distribution under section 107.1570(b):

- 1. You must have paid all your "EARNED" Prioritized Payments, Charges and Adjustments, so that the balance in your Distribution Account is zero.
- 2. You must have paid all Profit Participation payable to SBA under sections 107.1550, 107.1560 and 107.1570(a).
- 3. You must have made all distributions required under section 107.1560.
- 4. The distribution must not exceed your available liquidity.
- 5. You must not have a condition of Capital Impairment.
- 7. The distribution must not reduce your Regulatory Capital (EXCLUDING unfunded commitments from Institutional Investors) below the minimum required under section 107.210, unless SBA approves the reduction as part of a plan of liquidation.
- 8. The distribution must not cause you to have excess Leverage (see section 107.1150 through 107.1170).

Part IX-1: Preliminary information:

	•		
1	Available liquidity		0
2	Retained Earnings Available for Distribution		O
3	Outstanding Leverage as of date of Distribution (after distribution:	s under	
	section 107.1560 or 1570(a)):		
	3a Participating Securities	0	
	3b Debentures	0	
	3c 3% or 4% Preferred Securities	O	
	3d Total		0
4	Leverageable Capital as of date of distribution		input
		Lanca	
5	Regulatory Capital as of date of distribution		inpu
6	Capital Impairment Percentage		inpu



Participating Securities - outstanding balance 0 Debentures - outstanding balance 3% or 4% Preferred Securities (301(d) Licensees) - outstanding balance Application of distribution to SBA: Redemption of Participating Securities Redemption of 3% or 4% Preferred Securities (Section 301(d) Licensees only) 0 0 Repayment of Debentures Total Application of distribution to private investors: Reduction of Retained Earnings Available for Distribution Reduction of Regulatory Capital Cumulative distributions under section 107.1570(b) that reduced Retained Earnings Available for Distribution **Section X: Distribution Summary** Distributions to SBA: Prioritized Payments Charges Adjustments SBA Profit Participation Redemption of Participating Securities: 107.1550 107.1560 107.1570(a) 107.1570(b) Total redemption Other distributions: Dividends on Preferred Securities (Section 301(d) Licensees only) Redemption of Preferred Securities (Section 301(d) Licensees only) 0 Repayment of Debentures 0 Total distribution to SBA Distributions to private investors: From READ: 107.1550 107.1560 0 107.1570(a) 107.1570(b) From Regulatory Capital Total distribution to private investors

Form of distributions to SBA:	Amt.	Pg 20
Cash	input	
Securities (list company name):		
	input	
	input	

Section XI: Carryforwards

NOTE: Type CTRL-F to fill in this section.

Each time you do the Participating Securities computations, you will need to "save" some of the results and use them as inputs the next time you do the computations. This section brings together all the figures that you may need to carry forward in this manner. The references given are to the lines where you should input these results next time you use this spreadsheet.

Section	Line	Caption				Input
1-4	2	Cumulative Earmarked Profit (Loss) from last fiscal year end			0	
			Priorit. Pmts.	Charges	Adjustments	
111-3	1	Accumulation Acct. beginning balance	0	0	0	0
III-3	8	Distribution Account beginning balance	0	0	0	.0
III-3	13	Earned Payments Account beginning bal	ance			0
III-4	3	Less: Prior Distributions under 107.1550	, 107.1560 and 10	07.1570(a)	[0
III-4	4	Less: Undistributed Profit Participation a	llocated to SBA		To an annual service and a ser	0
III-6	1	Accumulation Acct. beginning of year bal	ance			o
III-6	2	Distribution Acct. beginning of year balar	ice			0
IV-1	2(a)	Base from last fiscal year end ("Previous	Base")			0
IV-1	2(b)	If Previous Base is zero or greaterenter	any Unused Los	s from previo	ous fiscal	***************************************
		year carried forward in accordance with	section 107.1530)(c)(2)		n/a
IV-1	5	Base from previous interim Profit Particip	pation computation	n		0
				Date	e Base	Rate
IV-4	2a	Interim Profit Participation				
IV-4	2b	Interim Profit Participation				
IV-4	2c	Interim Profit Participation				
IV-4	2d	Interim Profit Participation				
IV-4	2e	Interim Profit Participation				
IV-4	2f	Interim Profit Participation				
IV-5	1	Profit Participation Account beginning ba	alance			0
VII-1	2	Cumulative prior distributions under sec	tions 107.1560 an	d		
		107.1570(a) applied as redemptions o	f Leverage			0
VII-1	3	Cumulative prior distributions under sec	tion 107.1570(b)			
		that reduced Retained Earnings Availa	able for Distributio	n		C
VIII-1	2	Cumulative prior distributions under sec	tions 107.1560 ar	nd		
		107.1570(a) applied as redemptions o	of Leverage			(
VIII-1	3	Cumulative prior distributions under sec	tion 107.1570(b)			News -
		that reduced Retained Earnings Availa	able for Distributio	on		(