

FAQs

1. What is the process of getting funding through the NDDF?

Companies should reach out to the NDDF prior to submitting an application to make sure it is a fit for the program(s).

Applicants should submit their application and supporting materials (listed in the application guidelines document) to the NDDF via a data room. The NDDF will not begin the review of the application until all documentation has been submitted. Applications are reviewed on a first come-first-serve basis.

Once all applications materials are received, the NDDF will enter due diligence which spans an average of one month. The company should expect to have several meetings with the NDDF staff during this process.

Any application over \$150,000 must be reviewed and approved by the NDDF Board of Directors. The NDDF Board has standing monthly meetings.

At the conclusion of the due diligence period, the NDDF staff will propose terms to the company. The NDDF Board of Directors can change the terms proposed to them.

The company will present at the board meeting. The board will vote to approve or deny the request at that board meeting.

2. Will the NDDF call the references listed on my application?

The NDDF may reach out to the banking references listed on the application. The NDDF may also reach out to any customers, investors, or debtors to the company.

3. Does the NDDF require matching funds?

The NDDF **may** require matching funds from a company.

4. How do you determine what my interest rate will be?

The NDDF does not compete with the private sector. Companies should reach out to their financial institution and/or private investors prior to coming to the NDDF. The NDDF will match the rate offered by these sources. If other sources are not included in the package or the NDDF is providing an alternative security, the rate will be set based on risk of the investment determined at the conclusion of the due diligence period.

5. Do I have to be incorporated in North Dakota?

No. You do not have to be incorporated in North Dakota. You must register with the ND Secretary of State to do business in North Dakota.

6. I do not have three years of tax returns or financials to provide. Can I still qualify for financing?

Yes. Please provide as any historical financials and tax returns that you have available.

7. What does the 15% equity requirement mean?

The NDDF requires a company and its owners have invested at least 15% of the amount requested into the company over its lifetime. This does not need to be new money invested.

8. Does the application need to be signed by a Financial Institution/Developer?

A signature from a financial institution or developer is only required if there is a financial institution or development agency requesting the NDDF participate in a loan package with them.