

# Exhibit 10-3

Selected Sources of Business Financing

Financing Source	Category of Financing	Type(s) of Financing	Uses of Funds	Notes
Entrepreneur/Self	Debt or Equity	Loan or Owner's Equity	Any	Debt terms to be established at borrowing; earnings through dividends and/or sale of company.
Friends or Family	Debt or Equity	Loan or Stock	Any	Negotiable on debt; earnings through dividends and/or sale of stock

<p>Small Business Investment Companies (SBICs), Minority Enterprise SBICs (MESBICs), Rural Business Investment Companies (RBICs), New Markets Venture Capital Funds (NMVC)</p> <p><a href="http://www.sba.gov/inv/index.html">http://www.sba.gov/inv/index.html</a></p>	<p>Debt or Equity</p>	<p>Loan or Stock</p>	<p>Varies according to licenses with the SBA and the types of entities served; funds are to be used as requested by the businesses</p>	<p>Generally, installment loans for debt; earnings through dividends and/or sale of stock</p>
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<p>Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR)</p> <p><a href="http://www.sba.gov/aboutsba/sbaprograms">http://www.sba.gov/aboutsba/sbaprograms</a></p>	Grant	Research Grant	Specific research as defined in grant application	Must complete requirements of grant funding
<p>Community Development Corporations</p> <p><a href="http://www.opportunityfinance.net">http://www.opportunityfinance.net</a></p>	Linked Deposits and Savings	Gift	According to program guidelines	Savings and financial literacy requirements
<p>Venture Capitalists</p>	Equity	Stock	Start-up or growth	IPO, buy-out, dividends, royalties
<p>Community Development Venture Capital Funds</p> <p><a href="http://www.cdvca.org">http://www.cdvca.org</a></p>	Equity	Stock	Start-up or growth	IPO, buy-out, dividends, royalties

Angel Investors	Equity	Stock	Start-up or growth	IPO, buy-out, dividends, royalties
Investment Banks	Equity	Stock	Private or public placemen ts (IPOs)	Paid in fee income
Economic Development Agencies <a href="http://www.eda.gov">http://www.eda.gov</a>	Debt	Varies	Varies	Varies broadly from state to state and other localities
Leasing Companies	Debt	Vehicle s or Equip ment	To acquire use of vehicles and/or equipmen t	Monthly payments of fees; purchase option generally available at end of term.

Banks/Financial Institutions	Debt	Real Estate Loans  Equipment, Vehicle, or Other Working Capital  Home Equity  Credit Card	Real estate  Equipment and other capital as specified in the loan request  Supplies, materials, cash flow  Personal loan for any purpose secured	Mortgage—long term with installment payments  Promissory note—medium term with installment payments  Lines of credit usually with a maximum of 1-year term; must be paid to \$0 annually  Many variations; often a
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			<p>against a home</p> <p>Unsecured loan for business or consumer use</p>	<p>monthly payment</p> <p>Revolving credit with minimum monthly payments</p>
Mortgage Companies	Debt	<p>Real Estate</p> <p>Loans</p> <p>Home Equity</p>	<p>Real estate</p> <p>Personal loan for any purpose secured against a home</p>	<p>Mortgage—long term with installment payments</p> <p>Many variations; often a monthly payment</p>

Insurance Companies	Debt	Policy Loan	Any	Reduces cash surrender value; varies
Community Development Banks <a href="http://www.opportunityfinance.net">http://www.opportunityfinance.net</a>	Debt	Similar to Banks	Capital to rebuild communities through targeted lending	Terms vary according to mission and community need
Community Development Credit Unions <a href="http://www.natfed.org">http://www.natfed.org</a>	Debt	Loans to Members	Per community ownership	Varies depending on type of loan

<p>Community Development Loan Funds <a href="http://www.opportunityfinance.net">http://www.opportunityfinance.net</a></p>	<p>Debt</p>	<p>Equipment, Leasehold, or Other Working Capital</p>	<p>Purchase of essential equipment and improvement for start-up and growth operation</p>	<p>Primarily term loans; some lines of credit; typically for nontraditional credit; may include microloans, lending to not-for-profits, and lending to developers of affordable housing</p>
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<p>Microenterprise Development Loan Funds  <a href="http://www.microenterpriseworks.org">http://www.microenterpriseworks.org</a>  <a href="http://www.opportunityfinance.net">http://www.opportunityfinance.net</a></p>	<p>Debt</p>	<p>Primarily Working Capital and Start-Up</p>	<p>Relatively small loans (\$35,000 maximum) for purpose detailed in applications and/or business plans</p>	<p>Installment loans; designed for nontraditional customers.</p>
<p>Receivable Factors</p>	<p>Debt</p>	<p>Accounts Receivable</p>	<p>Any</p>	<p>Factor is repaid by entrepreneur's customers; receivables discounted, and funds held back until they are paid</p>

Title Lenders	Debt	Title Loans	Any	Short terms with high interest rates
Payday Lenders	Debt	Payday Loans	Any	Short terms with high interest rates
Vendors	Debt	Trade Credit	Any	Entrepreneur delays payment of invoices