

MEMORANDUM OF UNDERSTANDING

The following agreement, entered into on October 23, 2014 by McPherson County Small Business Development Association (McPherson SBDA) and the South Central Kansas Economic Development District (SCKEDD) describes the working relationship that exists between the two organizations relative to the treatment of McPherson SBDA and its efforts while operating as a Lending Service Provider (LSP) under SCKEDD's Certified Development Company (CDC) umbrella for the upcoming year ending June 30, 2015.

1. SCKEDD may claim all activity reported by McPherson SBDA between July 1, 2013 and June 30, 2014 in its report to the Kansas Department of Commerce when negotiating its current contract with that agency.
2. SCKEDD will receive a potential award of \$ _____ from the Kansas Department of Commerce on behalf of McPherson SBDA as a result of McPherson SBDA's activity between July 1, 2013 and June 30, 2014. SCKEDD will then dispense to McPherson SBDA 100% of the disbursement funds received. These funds will be disbursed in quarterly disbursements, the first being \$ _____, leaving a balance of \$ _____. The Kansas Department of Commerce may at its option reduce remaining disbursements.
3. Seventy percent of the McPherson SBDA 504 servicing fees transferred to SCKEDD by SBA will be paid to McPherson SBDA in consideration of our site servicing tasks.

Future Activity

1. SCKEDD will report all successful projects undertaken by McPherson SBDA in its reports to the Kansas Department of Commerce. McPherson SBDA will be compensated for any monetary gain by SCKEDD as a result of McPherson SBDA's efforts. Compensation will be made in a similar fashion to that described above.

2. For all 504 projects packaged by McPherson SBDA while this agreement is in effect, the packaging fees will be divided on a project-by-project basis mutually agreed upon by staff members.

McPHERSON COUNTY SMALL BUSINESS
DEVELOPMENT ASSOCIATION

Date: _____

Ted Odle, Chairman of the Board

Attest: _____

SOUTH CENTRAL KANSAS ECONOMIC
DEVELOPMENT DISTRICT (SCKEDD)

Date: _____

Tim Goodpasture, President

Attest: _____

Rick Rekoske, Secretary-Treasurer