

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

ANNUAL FINANCIAL STATUS REPORT
STATE GOVERNMENT ARTICLE

TITLE 9, SUBTITLE 1A-35

Submitted by:

The Maryland Department of Commerce

As of June 30, 2016

TABLE OF CONTENTS

History & Program Description3
Fund Manager Activity as of June 30, 20164
Anne Arundel VOLT Fund Manager Activity (AAEDC).....9
MMG Maryland Casino Business Investment Fund Activity (MCBIF).....17
Maryland Capital Enterprise VLT Fund Activity (MCE).....27
Baltimore Development Corporation (BDC).....32
Baltimore County Department of Economic and Workforce Development (DEWD)..... 34
Howard County Economic Development Authority (HCEDA).....36
Tri County Council of Western Maryland (TCCWMD).....45
Fund Manager Activity Charts.....49
Certifications66

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

History and Program Description

Article XIX of the Maryland Constitution authorizes video lottery terminals (VLTs) to fund education. This provision was enacted pursuant to Chapter 5, Acts of the 2007 Special Session and ratified by Maryland voters in the November 2008 General Election. As a result, Chapter 4, Acts of the 2007 Special Session also became effective and established the Small, Minority, and Women-Owned Businesses Account (the Account) under the Authority of the Board of Public Works (BPW).¹

State Government Article §9-1A-27 requires that 1.5 percent of the proceeds from VLTs at each video lottery facility be paid into the Account. State Government Article §9-1A-35 requires BPW to make grants to eligible fund managers to provide investment capital and loans to small, minority, and women-owned businesses in the State, of which at least 50 percent must be allocated to such businesses in the jurisdictions and communities surrounding a video lottery facility. BPW designated the Department of Commerce (Commerce), formerly the Department of Business and Economic Development, to manage the Account on their behalf, through a Memorandum of Understanding dated August 22, 2012.

Licenses were awarded to operate VLT casinos in Cecil, Worcester, Anne Arundel, Allegany, Prince George’s Counties and Baltimore City. The casinos in Cecil, Worcester, and Anne Arundel Counties began VLT gaming operations on September 27, 2010, January 4, 2011, and June 6, 2012, respectively. VLT gaming operations opened in Allegany County at the Rocky Gap Resort in May of 2013. The Baltimore VLT facility opened in August of 2014. National Harbor in Prince George’s County is expected to open in the December of 2016. The Account began receiving funds during fiscal year 2011 when the first VLT facility began gaming operations.

Awarded are as follows:

Fund Manager	Secretary Item 15 (4/17/13)	Secretary Item 9 (6/18/14)	Secretary Item 10 (06/18/14)	Secretary Item 4 (6/23/15)	Secretary Item 7 & 8 (6/22/16)
\$ Amounts MILLIONS					
Anne Arundel Economic Development	\$3.36	\$2.00		\$1.85	\$4.00
Baltimore County Economic Development			\$1.50	\$1.60	\$3.00
Baltimore Development Corporation			\$1.00	\$1.75	\$3.00
FSC First					\$2.00
Howard County Economic Development			\$1.50	\$1.75	\$3.00
Maryland Capital Enterprises	\$1.00			\$1.00	\$2.68
Meridian Management Group	\$3.50	\$2.00		\$2.15	\$4.00
Tri County Council of Western MD			\$1.10	\$1.00	\$2.50
Total Awarded	\$7.86	\$4.00	\$5.10	\$11.10	\$24.18

A summary of Account activity through June 30, 2016 is presented below. Revenues into the Account were \$10.8 million, with disbursements from the Account for Fund Managers including

¹ See also State Government Article §9-1A-35

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

administrative expenses of \$9.8 million. Remaining encumbrance of \$13.3 million represent prior and new Fund Manager encumbrances. The available balance at June 30, 2016 was \$1.4 million.

Small, Minority, and Women-Owned Business Account

Starting FY16 Balance **13,877,004**

FY 2016 Revenues
10,815,061

FY 2016 Disbursements
9,874,773

Ending FY16 Balance **14,817,292**

(less)Encumbrances as of 6/30/16 13,353,764

Available funds **1,463,528**

Since Inception of the Fund, (276) transactions have been approved for \$32.3 million, projected to create 575 new jobs and retain 591, leveraging \$26.3 million in private sector capital. A total of (238) transaction have settled for \$25.7 million expected to create 873 jobs and retain 1,253 leveraging \$39.5 million in private sector capital.

Fund Manager	# Approved Since Inception	Amount	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel County Economic Development	51	\$ 7,703,000	\$ -	0	0
Baltimore County Economic Development	27	\$ 3,095,800	\$ 19,400,000	282	204
Baltimore Development Corporation	12	\$ 2,456,000	\$ -	0	0
Howard County Economic Development	24	\$ 3,590,000	\$ 6,958,513	204	235
Maryland Capital Enterprise	61	\$ 2,000,263	\$ -	89	152
Meridian Management Group	89	\$ 11,281,792	\$ -	0	0
Tri County Council of Western MD	12	\$ 2,253,173	\$ -	0	0
Since Inception	276	\$ 32,380,028	\$ 26,358,513	575	591

Fund Manager	# Settled Inception	Amount Settled	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel County Economic Development	43	\$6,329,000	\$21,475,756	253	265
Baltimore County Economic Development	23	\$2,545,800		0	0
Baltimore Development Corporation	12	\$2,456,000	\$9,818,500	160	295
Howard County Economic Development	18	\$2,860,000		0	0
Maryland Capital Enterprise	61	\$2,000,263		82	152
Meridian Management Group	72	\$8,254,302		271	524
Tri County Council of Western MD	9	\$1,338,173	\$8,221,348	57	17
Since Inception	238	\$25,783,538	\$39,515,604	823	1,253

**new and retained jobs and private sector dollars leveraged are new measures*

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Two Fund Managers, MCE and MMG reported delinquencies greater than 90 days. AAEDC has one loan in workout, and Howard County has one transaction under forbearance.

Fund Managers' income since inception was \$1.3 million with reported expenses of \$2.9 million. Total principal repayments were \$4.4 million.

Fund Manager Income & Expenses Since Inception	Income	Expenses	Variance	Principal Repayments
Anne Arundel Economic Development	\$306,137	\$951,913	(\$645,776)	\$780,383
Baltimore County Economic Development	\$79,000	\$49,200	\$29,800	\$131,400
Baltimore Development Corporation	\$61,249	\$120,000	(\$58,751)	\$314,817
Howard County Economic Development	\$105,839	\$130,874	(\$25,035)	\$326,341
Maryland Capital Enterprise	\$188,638	\$172,814	\$15,824	\$388,540
Meridian Management Group	\$502,911	\$1,346,427	(\$843,516)	\$2,440,119
Tri County Council of Western MD	\$145,955	\$171,070	(\$25,115)	\$20,708
Total	\$1,389,729	\$2,942,298	(\$1,552,569)	\$4,402,308

Bank Accounts: Fund Managers are required to have a State interest bearing checking account to manage VLT fund activity. The seven State VLT checking accounts below had \$3.6 million at June 30, 2016 to be used for VLT loans and investments.

Fund Manager	Checking Account Balance as of 06/30
Anne Arundel Economic Development	\$586,729.54
Baltimore County Economic Development	\$309,051.08
Baltimore Development Corporation	\$329,562.05
Howard County Economic Development	\$542,770.48
Maryland Capital Enterprise	\$224,618.85
Meridian Management Group	\$1,624,175.25
Tri County Council of Western MD	\$44,005.73
Total Funds in State Checking Accounts	\$3,660,912.98

Fund Managers expenses since inception were \$2.9 million, which includes the 8% start-up fee. Overall expenses to award amount were 10%, with MMG having the highest expenses since inception to award of 18% and Baltimore County with lowest at 2%.

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

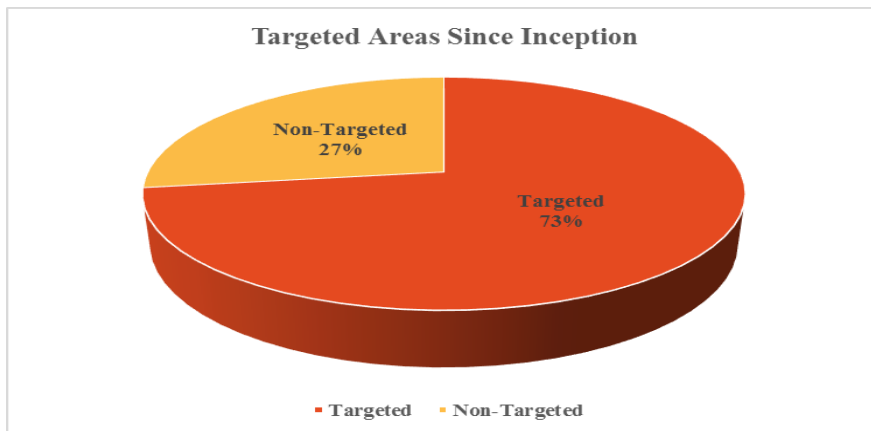
Fund Manager	Awarded	Expenses	Exp/Award
Anne Arundel Economic Development	\$7,210,000.00	\$951,913	13%
Baltimore County Economic Development	\$3,100,000.00	\$49,200	2%
Baltimore Development Corporation	\$2,750,000.00	\$120,000	4%
Howard County Economic Development	\$3,250,000.00	\$130,874	4%
Maryland Capital Enterprise	\$2,000,000.00	\$172,814	9%
Meridian Management Group	\$7,650,000.00	\$1,346,427	18%
Tri County Council of Western MD	\$2,100,000.00	\$171,070	8%
Total	\$28,060,000.00	\$2,942,298	10%

Out of the \$2.9 million in expenses claimed by the Fund Managers, Commerce has reimbursed \$1.3 million to the Fund Managers this includes the original 8% stand-up fee and excess expenses.

Fund Manager	EXP FY13	EXP FY14	EXP FY15	Reimbursed Expenses
Anne Arundel Economic Development	n/a	\$268,800	\$195,824	\$464,624
Baltimore County Economic Development	n/a	n/a	\$34,518	\$34,518
Baltimore Development Corporation	n/a	n/a	\$80,000	\$80,000
Howard County Economic Development	n/a	n/a	\$120,000	\$120,000
Maryland Capital Enterprise	n/a	\$80,000	\$0	\$80,000
Meridian Management Group		\$434,000	\$86,297	\$520,297
Tri County Council of Western MD	n/a	n/a	\$88,000	\$88,000
Total Expenses	n/a	\$782,800	\$604,639	\$1,387,439

More than 50% of funds were deployed to targeted areas as required by statute since inception of the program.

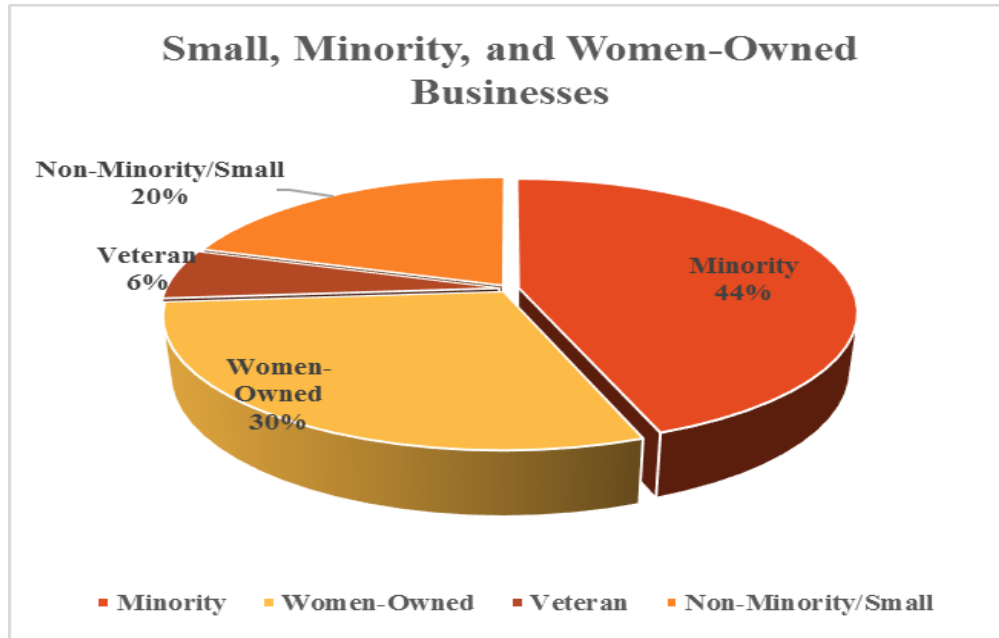
TARGETED AREAS



**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

SMALL, MINORITY, WOMEN, AND VETERAN OWNED

Since Inception, \$25.7 million were deployed to small, minority, and women-owned businesses broken down as follows: \$11.4 million to minority owned businesses, \$7.5 million to women-owned businesses, \$1.5 to veteran owned businesses and \$5.1 million to non-minority small businesses².



For Fiscal Year 2016 (126) transactions have been approved for \$14.9 million, projected to create 420 jobs and retain 531 jobs, leveraging \$22.9 million of private sector capital. Total of (109) transactions have settled for \$11.5 million, expected to create 587 jobs and retain 566 jobs, leveraging \$31.2 million in private sector capital.

Fund Manager	# Approved FY 16	Amount	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel Economic Development	15	\$2,650,000	\$0	0	0
Baltimore County Economic Development	15	\$1,655,800	\$11,250,000	98	161
Baltimore Development Corporation	9	\$1,736,000	\$7,568,500	137	189
Howard County Economic Development	15	\$2,210,000	\$4,115,438	185	181
Maryland Capital Enterprise	21	\$657,495	\$0	0	0
Meridian Management Group	41	\$4,393,990	\$0	0	0
Tri County Council of Western MD	10	\$1,643,173	\$0	0	0
FY 16 Total	126	\$14,946,458	\$22,933,938	420	531

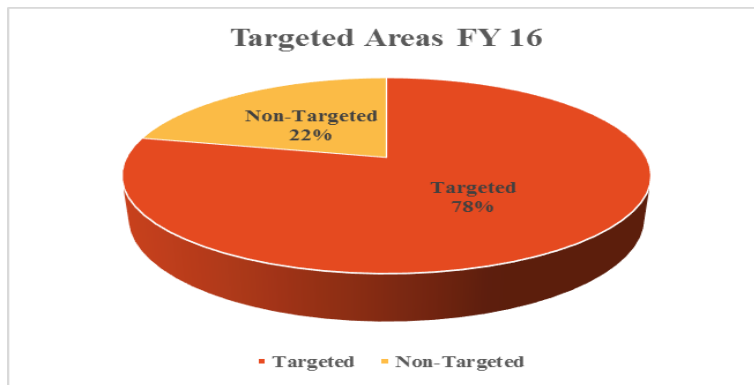
² Minority status is self-reported by the borrower

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Fund Manager	# Settled FY 16	Amount Settled	Private Sector Dollars Leveraged	New Jobs	At Risk/Retained Jobs
Anne Arundel Economic Development	12	\$2,002,000	\$8,557,546	79	94
Baltimore County Economic Development	16	\$1,545,800	\$10,264,000	109	27
Baltimore Development Corporation	8	\$1,536,000	\$7,568,500	135	191
Howard County Economic Development	10	\$1,513,000	\$3,677,938	129	27
Maryland Capital Enterprise	23	\$949,495	\$0	41	21
Meridian Management Group	32	\$3,024,500	\$966,750	69	189
Tri County Council of Western MD	8	\$938,173	\$221,348	25	17
FY 16 Total	109	\$11,508,968	\$31,256,082	587	566

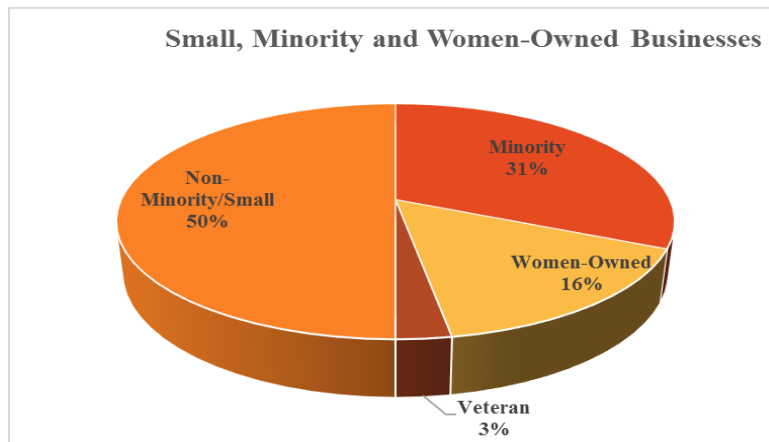
More than 50% of funds were deployed to targeted areas as required by statute in the fiscal year.

TARGETED AREAS



SMALL, MINORITY, WOMEN, AND VETERAN OWNED

For fiscal year 2016, \$15 million were deployed to small, minority, and women-owned businesses broken down as follows: \$4.7 to minority owned businesses, \$2.3 million to women-owned businesses, \$403,998 to veteran owned businesses, and \$7.5 million to non-minority small businesses.



FUND MANAGER CUSTOMER SATISFACTION SURVEY

Commerce developed a customer satisfaction survey this year. The survey consisted of fourteen questions and distributed via email to 137 companies using *Survey Monkey*. Recipients selected were from the Salesforce VLT Partner Portal. Out of the 137 companies, 18 or 13% responded. Below is a summary of the results:

- 55.56% rated the Fund Manager as Very Helpful, 11.11% Somewhat Helpful, and 33.33% Very Unhelpful
- 27.78% were declined by a previous lender and 55.56% were not
- 5.56% found the Fund Manager application process Very Easy, 27.78% Somewhat Easy, 33.33% Neither Difficult nor Easy, 27.78% Somewhat Difficult, and 5.56% Very Difficult
- 27.78% found the Fund Manager settlement process Very Easy, 27.78% Somewhat Easy, 27.78% Neither Difficult nor Easy, 11.11% Difficult, and 5.56% Very Difficult
- 61.11% were Very Satisfied with the terms of their transactions (interest rate, repayment), 33.33% Somewhat satisfied, and 5.56% Very Unsatisfied.
- 77.78% reported that the loan or investment was helpful in growing their business, 5.56% Somewhat Helpful, and 16.67% Very Unhelpful
- 83.33% reported they are Very Likely to hire new employees in the next year, 11.11% Somewhat Likely, and 5.56% Very Unlikely
- 83.33% reported being Very Satisfied with their Fund Manager, 16.67% Somewhat Satisfied
- 94.44% were Very Likely to refer another business to the Fund Manager, and 5.56% Somewhat Likely

For full survey results please visit: <http://commerce.maryland.gov/media/document-library>

As the designated administrator of the Account, Commerce has collected and reviewed the Fund Managers' activity from July 1, 2015 through June 30, 2016. Below is a presentation of each Fund Manager's activity along with a listing of the Account transactions and disbursement activity.

FUND MANAGER ACTIVITY

Anne Arundel County Economic Development Corporation VOLT (AAEDC)

The mission of the AAEDC is to support business and serve as a catalyst for business growth in Anne Arundel County thereby increasing job opportunities, expanding the tax base and improving quality of life.

By providing investment and technical assistance and fostering community revitalization initiatives, the AAEDC plays a vital role in enhancing commercial districts, improving county infrastructure, increasing agriculture-based business and promoting high-value business sectors such as technology and national security.

To accomplish its mission, AAEDC:

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- Recruits new businesses to locate in Anne Arundel County and assists in the expansion of existing businesses
- Anticipates and addresses workforce development needs of the county's business community
- Promotes Anne Arundel County as a premier location for business
- Provides advocacy for Anne Arundel County businesses undergoing the regulatory and approval process
- Provides financing assistance to county businesses
- Incentivizes redevelopment and revitalization along older commercial corridors
- Promotes technology development and attracts start-up ventures through Anne Arundel County's technology incubator, the Chesapeake Innovation Centre
- Promotes agriculture development and expands markets for agri-business

The VOLT Fund Loan Program: Businesses in Maryland may qualify for a loan of between \$25,000 to \$500,000 for expenses such as business and commercial real estate acquisition and expansion, leasehold improvements, equipment and vehicle purchase, and working capital.

Program Performance Since Inception to June 30, 2016

Since May 1, 2013, 50 applications were approved for financing totaling \$7,675,000. AAEDC approved 14 loans in the amount \$2,450,000 that were loans with equity features and 36 loans for \$5,225,000 that were conventional loans. Forty-three (43) loans settled for \$6,329,000. Economic impact of all closed transactions is 265 retained jobs, 253 created jobs, and total project costs of \$21,475,756. There has been a 339% return on investment for the Fund since inception.

Of the closed loans, 25 loans for \$3,784,750 were within the targeted areas of the five existing VLT facilities including Maryland Live Casino in Anne Arundel County, the Rocky Gap Casino in Allegany County, Ocean Downs in Worcester, Hollywood Casino in Perryville, and Horseshoe Casino in Baltimore City and \$2,544,250 was outside of the radius. All closed loans were to small businesses, 15 loans for \$2,332,000 were woman owned businesses, 14 loans for \$1,907,000 were minority owned businesses, and six loans for \$671,000 were veteran owned businesses. Loans were made to a variety of industry sectors including: retail, marketing, childcare, construction, manufacturing, a personal training gym, cyber security, medical technology, biotechnology, service based technology companies, home health care, medical device, restaurant, and an alcoholic beverage manufacturer.

In the first fiscal year, income of the fund included fees and total interest of \$54,874.76. Expenses for the fund totaled \$301,316.20. In the second fiscal year, income of the fund included fees and

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

total interest of \$85,367.38. Expenses for the fund totaled \$308,298.11. In the third fiscal year, income of the fund included fees and total interest of \$165,894.76. Expenses for the fund totaled \$324,299.15. Major expense categories in all three years were legal, marketing, sponsorships, and salaries expense. Total principal payments since inception equal \$780,382.72. The fund balance available to lend as of 6/30/2016 was \$996,757.72.

Program Activity for FY 2016

For the fiscal year ending 6/30/2016, the VOLT fund received 93 applications. Conventional applications totaled 43 and 50 applications for loans with equity features. Fourteen (14) applications were approved for financing totaling \$2,672,000. Of these applications, 4 loans in the amount \$800,000 were loans with equity features and 10 loans for \$ 1,872,000 were conventional loans. Twelve (12) loans settled for \$2,002,000. Seven loans in the amount of \$1,197,000 were in a targeted area, 5 loans for \$805,000 were outside the targeted area, 6 loans in the amount \$702,000 were to woman owned businesses, 3 loans in the amount of \$437,00 were to minority owned businesses and 1 loan in the amount of \$125,000 was to a veteran owned business. Ninety-four (94) jobs were retained, 79 jobs were created, and total investment was \$8,557,546. There was a 427% return on investment for the Fund in FY 2016. Loans were made to a variety of industry sectors including: retail, marketing, childcare, home health care, medical device, restaurant, and an alcoholic beverage manufacturer. There are no current delinquencies over 90 days, no loans charged off, and no recoveries.

Overall Portfolio Performance

The VOLT Fund currently has a portfolio of 41 loans with a principal balance of \$5,291,761.30. This is further broken down as 29 in conventional loans with a current principal balance \$3,030,361.40 and 12 loans with equity features (patient capital loans) with a current principal balance \$2,261,399.90. One conventional loan is currently past due. The past due loan is I-Lighting which is 30 days past due as of 6/30/16. The current principal balance of that loan is \$143,569.41. All other loans are up to date. Two businesses have closed (HallCentral and Miniscule) but still are paying as agreed from personal resources. Two loans (Brick House and Indigenous Intelligence) have paid off since issued. Four loans (I-Lighting, Miniscule, Mckenzie Christopher

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Associates, and Mensch Makers) have had the original terms of the loan modified to allow lower payments due to cash flow issues.

Of the 12 loans with equity features (patient capital loans), three are currently in repayment. All three companies (SameGrain, Milestone, and Cwist) received follow up funding of at least 4 times the loan amount issued by the VOLT Fund thus triggering the 10% loan fee paid to the fund and principal repayment. The total amount in follow up funding received was \$3,425,000. One of the companies (Milestone) is paying a modified payment schedule while they await the next round of funding. There is one loan (Opia Holdings, Inc.) for \$150,000 that is currently in workout/legal. The company is insolvent and actively looking to sell off the assets. AAEDC has placed the loan in default and seeking a confessed judgment against the borrower.

MBE Participation

ALL MBE REQUIREMENTS HAVE BEEN MET

First Contract Year

McKennon, Shelton and Henn -\$84,869.19

Illume Communications-\$23,149.10

Integrity Title and Escrow -\$9,184.15

The total amount paid to all MBE's was \$117,202.44 or 44% of the upfront expense fee of \$268,800. The minimum amount required by the RFP was 10% of the total upfront expense fee.

Marketing Outreach Efforts FY 2016

Below is a summary of the marketing and outreach for the VOLT Fund for FY 2016.

EVENTS HOSTED

9/30/15 VOLT Tech Application Workshop – Central Maryland

10/16/15 VOLT Application Workshop (co-hosted with Worcester Economic
Development) – Eastern Shore

EVENTS SPONSORED

11/4/15 SBA's Operation Fund My Biz veteran event (exhibit table, one-on-one speed
meetings) – Baltimore region

11/13/15 Baltimore Washington Corridor Chamber of Commerce Women Veteran
Entrepreneurs Event – Central Maryland (exhibit table, brief remarks,)

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

- 12/10/15 Greater Severna Park Chamber of Commerce Women in Business Luncheon
(exhibit table, brief remarks)
- 4/6/16 BizPeake Magazine's Women Entrepreneurs Conference (exhibit table, brief
remarks) – Central Maryland

DIGITAL ADVERTISING

- 11/15 VOLT ads displayed on 140+ websites and Facebook targeting minority business
owners– resulted in about 419 clicks to the VOLT webpage
- 1/16 VOLT ads displayed on 140+ websites and Facebook targeting to Mid- Eastern
Shore Business owners – resulted in about 800 clicks to the VOLT webpage
- 9/15- 8/16 Ad on Baltimore Washington Corridor Chamber of Commerce website.

**SPONSORSHIPS (which include a combination of benefits including program print ads,
exhibit opportunities and distribution of VOLT flyer to members)**

Chambers of Commerce

- West Anne Arundel County Chamber of Commerce
- Northern Anne Arundel County Chamber of Commerce
- Greater Severna Park/Arnold County Chamber of Commerce
- Maryland Hispanic Chamber of Commerce
- Mid-Atlantic Hispanic Chamber of Commerce
- Southern Anne Arundel County Chamber of Commerce

MEDIA RELATIONS

- 6/11/15 CAPITAL GAZETTE: Anne Arundel County's Volt Fund could get \$1.85M
- 7/11/15 BBJ: Casino fund benefits companies that would not qualify for traditional loans
- 2/26/16 TECHNICALLY BALTIMORE: These 4 companies just received bridge
funding from Anne Arundel County
- 2/29/16 BBJ: Four Baltimore-area companies share \$800K in loans from Anne Arundel
casino fund

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- 3/1/16 CAPITAL GAZETTE: Four emerging tech companies, two in Anne Arundel County, named VOLT fund loan recipients
- 3/2/16 POTOMAC TECH WIRE: AAEDC Awards VOLT Loans to Four Central Maryland Tech Startups

MEDIA RELATIONS – AAEDC will continue to pitch VOLT Fund stories to its media contacts, particularly awardees from its VOLT Tech round. Media outlets may include:

Mainstream and business outlets such as:

- Baltimore Sun
- Baltimore Business Journal
- Washington Post
- Washington Times
- Washington Examiner
- BizPeake Magazine

Community papers in rural areas such as:

- Cecil Whig - Elkton MD
- The Courier - Berlin MD
- Daily Times - Salisbury MD
- Dorchester Star - Easton / Cambridge MD
- Kent County News - Chestertown MD
- Ocean Pines Gazette - Berlin MD
- Star-Democrat - Easton MD
- Times-Record - Denton MD
- Southern Maryland News – covers Charles, Calvert and St. Mary’s Counties

Technology news outlets such as:

- DCInno.com
- Technical.ly Baltimore
- Potomac TechWire
- Washington Post - tech
- Wall Street Journal – tech

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

- Tech.co/DC

DIGITAL COMMUNICATIONS – Implement a digital advertising campaign on LinkedIn that geo-targets businesses in communities and industry sectors as outlined by the Maryland Department of Commerce. Create VOLT Fund specific content to promote on social media.

- Veteran Owned Businesses (May, November, July)
- Clean Energy Businesses (April)
- Manufacturing Businesses
- Cyber Industry Businesses (October)
- Woman Owned Businesses (March)
- Businesses in Rural Communities

PARTNER PROMOTIONS – Provide a VOLT Fund flyer to the following organizations with a request to electronically disseminate or mail to their respective constituencies; where appropriate, consider events hosted by these organizations and request that a speaking role and/or exhibit table be given for the purpose of highlighting and distributing information on the VOLT Fund to attendees.

Veteran Owned Businesses (May, July, November)

- Anne Arundel County Regional Mission Growth contacts
- Ft. Meade TAP Office
- Ft. Meade Alliance
- Small Business Development Center (SBDC)
- Maryland Procurement Technical Assistance Center (PTAP)
- AFCEA
- Maryland Department of Veterans Affairs
- SBA Boots to Business program
- CIC's TechVets subscribers
- Veterans of Foreign Wars, Maryland
- Project Opportunity

Disabled Owned Business

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- Maryland Department of Disabilities
- Maryland Department of Human Resources

Clean Energy Businesses (April)

- Maryland Solar Energy Industries Association (SEIA)
- Mid-Atlantic Renewable Energy Coalition (MAREC)
- Maryland Energy Administration (MEA)
- Maryland Department of Housing & Community Development – Office of Energy Efficiency
- Chesapeake Climate Action Network (CCAN)
- Environment Maryland
- Labor Network for Sustainability
- Maryland Clean Energy Center (MCEC)

Manufacturing Businesses

- Regional Manufacturing Institute of Maryland
- Maryland World Class Consortia
- Maryland Manufacturing Extension Partnership
- Manufacturers Alliance of Maryland

Cyber Industry Businesses (October)

- Chesapeake Regional Tech Council
- Tech Council of Maryland
- Cyber Association of Maryland
- Fort Meade Alliance
- AFCEA
- Chesapeake Innovation Center
- Maryland Business Incubator Association of Maryland
- bwtech@UMBC
- University of Maryland, College Park
- University of Maryland, University College

Woman Owned Businesses (March)

- Maryland Women's Commission
- Anne Arundel Women's Commission
- Small Business Development Center (SBDC)
- Maryland Procurement Technical Assistance Center (PTAP)
- AFCEA
- Maryland Federation of Business and Professional Women
- National Association of Women Business Owners – Baltimore Region
- Chesapeake Regional Tech Council – Women in Technology committee
- Maryland Women's Business Center

Businesses in Rural Communities

- Main Street Maryland program – Run by the Maryland Department of Housing and Community Development, this office can help promote the VOLT Fund to many businesses located in Main Street communities.
- County economic development offices that have businesses in rural areas, especially economic development corporation's in eastern shore counties and southern Maryland (St. Mary's, Charles and Calvert counties).

County Chambers of Commerce

- Southern Anne Arundel County Chamber of Commerce
- Calvert County Chamber of Commerce
- Caroline County Chamber of Commerce
- Carroll County Chamber of Commerce
- Charles County Chamber of Commerce
- Dorchester Chamber of Commerce
- Harford County Chamber of Commerce
- Kent County Chamber of Commerce
- Ocean Pines Chamber of Commerce
- Pocomoke City Chamber of Commerce
- Queen Anne's County Chamber of Commerce
- Salisbury Area Chamber of Commerce

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

- St. Mary's County Chamber of Commerce
- Talbot County Chamber of Commerce

Future Deployment of Funds

The current pipeline for conventional loans consists of six (6) applications for \$1,040,000. These applications are in various stages of the underwriting process. The VOLT Fund has a robust waiting and contact list with potential candidates for the loans with equity features. There is a planned allocation of \$800,000 for loans with equity features. The Anne Arundel Economic Development Corporation anticipates closing 15 loans in the amount \$2,500,000 within the next fiscal year. The loans would be deployed in a similar fashion to previously approved/closed transactions. The format of the lending is further described in AAEDC's original response to the RFP issued 12/14/2012. The marketing plan for the next allocation is detailed below.

Anne Arundel Economic Development Corporation will employ a multi-prong strategy to promote the VOLT Fund over the next two years. Particular outreach will be made to attract interest from particular constituencies and industry sectors as outlined by the Maryland Department of Commerce.

MMG Maryland Business Casino Investment Fund (MCBIF)

MMG's primary mission has always been to serve the underserved and strengthen Maryland's economic base through the growth and development of small, minority and woman-owned businesses. MMG has accomplished this by providing access to capital to businesses that could not obtain funding from traditional sources such as banks, credit unions, venture capital and private equity funds.

The purpose of the Maryland Casino Business Investment Fund (MCBIF) is to provide access to capital for small businesses, minority owned businesses, women owned businesses and veteran owned businesses (Targeted Businesses) in Maryland. MCBIF has a geographic mandate to focus on businesses in targeted areas, which are in the designated radius (by zip code or county) of casino facilities. However, businesses located in the non-targeted areas are also eligible for assistance. MCBIF provides affordable and flexible financing to assist in the acquisition of businesses, equipment, owner-occupied commercial real estate, vehicles, furniture/fixtures, and

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT- VIDEO LOTTERY TERMINAL (VLT)

leasehold improvements. It also provides working capital assistance for maintaining and improving business cash flow; marketing; adding personnel; inventory expansion; and obtaining professional consulting assistance. In addition, it refinances existing debt under certain circumstances.

On May 1, 2013, COMMERCE, formerly DBED, contracted the management of \$3,500,000 of the Video Lottery Terminal Fund (VLT) Pool to MMG; \$2,000,000 was awarded on July 7, 2014, \$2,150,000 was awarded on July 16, 2015; and \$4,000,000 was awarded on July 1, 2016.

Program Performance Since Inception to June 30, 2014

Since the inception of the fund, May 1, 2013 through June 30, 2016, MCBIF has had 72 accounts under management totaling \$8,254,302, of which there have been six loan payoffs, totaling \$582,802. During this period, there were 89 transactions approved, totaling \$11,281,792; 72 transactions settled, totaling \$8,254,302, all of which have been fully funded. These funded transactions created an estimated 271 new jobs and retained 524 jobs. There were four transactions in collections for a total of \$333,000. All four occurring during fiscal year 2016 and none of which have been charged off. However, there were nine transactions with payments more than 90 days delinquent, totaling \$148,353. Five of these transactions, including one in collections, with payments totaling \$41,272 will be restructured to meet the cash flow capabilities of the businesses.

The following schedule details the overall financial performance of the fund from May 1, 2013 through June 30, 2016:

Revenue	\$502,911
Expenses	\$1,346,427
NOTE: \$423,129 of the expenses represents provisions for loan losses	
Total Principal Payments	\$2,440,119
Total Fund Balance	\$6,811,532
Total Cumulative Net Losses from Operations	(\$621,518)
Total Capital Investment	\$7,650,000
Return on Investment	-8.12%
Total Private Sector Dollars Leveraged	\$1,803,750

In Targeted/Non-Targeted Area Funding

MCBIF has funded 72 transactions in 15 of Maryland's 24 jurisdictions, across 13 different industries totaling \$8,254,302.

A. In the targeted geographic areas (40) transactions, totaling \$5,651,802:

1. Anne Arundel (8); \$1,200,000
2. Baltimore City (12); \$1,471,500
3. Baltimore County (5); \$700,000
4. Cecil County (1); \$500,000
5. Harford County (4); \$375,302
6. Howard County (8); \$1,193,000
7. Prince George's County (1); \$150,000
8. Worcester County (1); \$62,000

B. In the non-targeted geographic areas (32) transactions, totaling \$2,602,500:

1. Allegany County (1); \$135,000 (prior to its inclusion in the Rocky Gap targeted area)
2. Anne Arundel (1); \$65,000
3. Baltimore City (4); \$345,000 (prior to its inclusion in the Horseshoe target area)
4. Baltimore County (3); \$475,000
5. Calvert County (1); \$45,000
6. Caroline County (1); \$100,000
7. Carroll County (2); \$40,000
8. Charles County (1); \$50,000
9. Frederick County (1); \$19,000
10. Harford County (1); \$150,000
11. Montgomery County (5); \$539,500
12. Prince George's County (11); \$639,000

There was one approval for \$200,000 during Fiscal Year 2016 in St. Mary's County that has not yet closed. The Fund will continue to make every attempt to provide funding in all of the above 15 jurisdictions and the remaining nine counties in which it has yet to provide funding.

Demographics

MCBIF has provided funding to 51 different companies* of which 35 were African American Owned; 1 Hispanic Owned; and 1 East Indian Owned; 17 were Women Owned; and 7 were Veteran Owned. All of MCBIF's transactions have been to small businesses. These businesses span 14 different industries including Information Technology, Cyber Security, Alternative Energy, Advertising/Marketing, Health, Construction, Retail, Restaurant, Automotive, Waste Removal & Recycling, Manufacturing, Event Hosting, Fitness and Recreational, and Janitorial.

* Note: Some of the businesses qualify in multiple categories

Overall Portfolio Performance

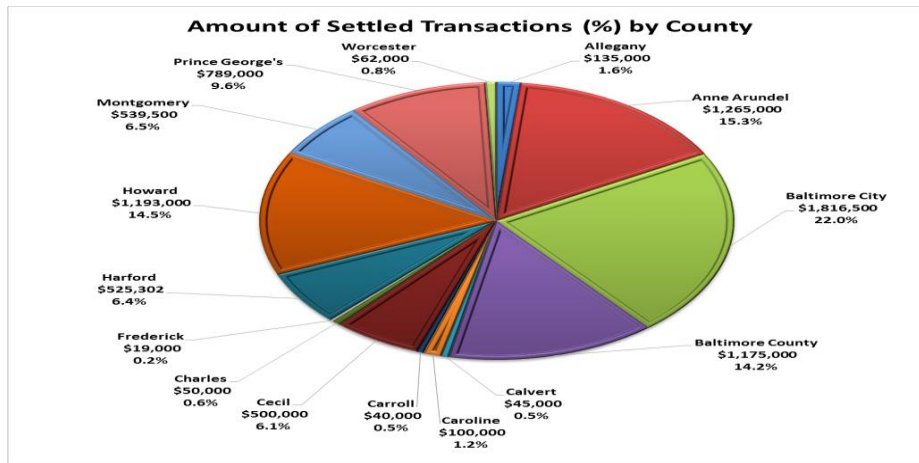
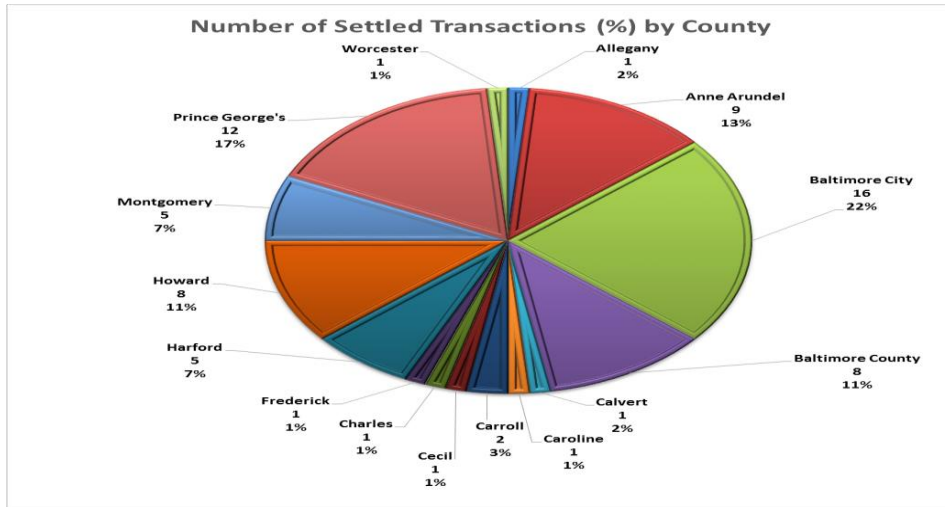
From May 1, 2013 through June 30, 2016, MCBIF provided funding to 51 small, minority, women, and veteran owned businesses across 14 different industries totaling \$8,254,302.

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

	Number of Transactions		Gross Transaction Amounts	
Counties				
Allegheny	1	1.4%	\$ 135,000	1.6%
Anne Arundel	9	12.5%	1,265,000	15.3%
Baltimore City	16	22.2%	1,816,500	22.0%
Baltimore County	8	11.1%	1,175,000	14.2%
Calvert	1	1.4%	45,000	0.5%
Caroline	1	1.4%	100,000	1.2%
Carroll	2	2.8%	40,000	0.5%
Cecil	1	1.4%	500,000	6.1%
Charles	1	1.4%	50,000	0.6%
Frederick	1	1.4%	19,000	0.2%
Harford	5	6.9%	525,302	6.4%
Howard	8	11.1%	1,193,000	14.5%
Montgomery	5	6.9%	539,500	6.5%
Prince George's	12	16.7%	789,000	9.6%
Worcester	1	1.4%	62,000	0.8%
Totals	72	100%	\$ 8,254,302	100%
Ethnic Background *				
African American	35	68.5%	\$ 5,507,302	66.7%
White	14	27.5%	2,507,000	30.4%
Hispanic	1	2.0%	150,000	1.8%
East Indian	1	2.0%	90,000	1.1%
Totals	51	100%	\$ 8,254,302	100%
Gender *				
Male	31	60.8%	\$ 5,911,802	71.6%
Female	17	33.3%	2,037,500	24.7%
Male/Female	3	5.9%	305,000	3.7%
Totals	51	100%	\$ 8,254,302	100%
Industry				
Construction	7	13.7%	\$ 1,338,000	16.1%
Cyber Security	2	3.9%	\$455,302	5.5%
Information Technology	4	7.8%	945,000	11.5%
Manufacturing	3	5.9%	400,000	4.9%
Power	1	2.0%	150,000	1.9%
Retail	3	5.9%	451,500	5.5%
Service	31	60.8%	4,514,500	54.6%
Totals	51	100%	\$ 8,254,302	100%
Area				
Targeted Area	40	55.6%	\$ 5,651,802	68.5%
Non-Targeted Area	32	44.4%	2,602,500	31.5%
Totals	72	100%	\$ 8,254,302	100%
¹ Although the total number of transactions totaled 72, the ethnic, gender, and industry numbers only totaled 51 due to repeated transactions to the same companies.				
² There were 10 settled transactions for 7 Veteran Owned Businesses totaling \$1,485,000				

MCBIF has funded 40 transactions, totaling \$5,651,802 in the targeted geographic areas and 32 transactions, totaling \$2,602,500 in the non-targeted geographic areas. Accordingly, 68.5% of its grant funds were invested in the targeted geographic areas.

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**



Program Activity for Fiscal Year 2016

For the fiscal year ended June 30, 2016, MCBIF received 35 applications, of which nine applicants have been declined. There were 41 approved transactions, totaling \$4,393,990 (some of the approvals were made to companies that submitted their applications in the previous fiscal year); and 32 settled transactions, totaling \$3,024,500, all of which have been fully funded. The funded deals produced an estimated 69 new jobs and 189 retained jobs. During this fiscal year, there were four transactions in collections for a total of \$333,000, none of which have been charged off. However, there were nine transactions with payments more than 90 days delinquent, totaling \$148,353. Five of these transactions, including one in collections, with payments totaling \$41,272 will be restructured to meet the cash flow capabilities of the businesses.

The following details the financial performance of the fund for the fiscal year ended June 30, 2016:

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Revenue	\$289,549
Expenses	\$533,948
Net Loss from Operations	\$244,400
Total Principal Payments	\$3,068,035
Total Private Sector Dollars Leveraged	\$966,750

Targeted & Non-Targeted Geographic Areas

MCBIF has funded 16 transactions, totaling \$2,067,000 in the targeted geographic areas and 16 transactions, totaling \$957,500 in the non-targeted geographic areas. Accordingly, 68.3% of grant funds were invested in the targeted geographic areas.

A. In the targeted geographic areas, 16 transactions, totaling \$2,067,000:

1. Baltimore City (8), \$794,000
2. Baltimore County (3), \$350,000
3. Cecil County (1), \$500,000
4. Howard County (4), \$423,000

B. In the non-targeted geographic areas, 16 transactions, totaling \$957,500:

1. Allegany County (1); \$135,000
2. Baltimore City (1); \$125,000
3. Baltimore County (1); 125,000
4. Calvert County (1); \$45,000
5. Frederick County (1); \$19,000
6. Montgomery County (2); \$54,500
7. Prince George's County (9), \$454,000

Demographics

For the period ending June 30, 2016, MCBIF has funded 32 transactions in nine of Maryland's 24 jurisdictions, totaling \$3,024,500. These transactions were made to 23 small, minority, women, and veteran owned businesses, of which 18 were new portfolio clients and five existing portfolio clients, across 10 different industries (Information Technology, Advertising/Marketing, Health, Construction, Retail, Restaurant, Waste Removal & Recycling, Event Hosting, Fitness and Recreational, and Janitorial).

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

	Number of Transactions		Gross Transaction Amounts	
Counties				
Allegany	1	3.1%	\$ 135,000	4.5%
Baltimore City	9	28.1%	919,000	30.4%
Baltimore County	4	12.5%	475,000	15.7%
Calvert	1	3.1%	45,000	1.5%
Cecil	1	3.1%	500,000	16.5%
Frederick	1	3.1%	19,000	0.6%
Howard	4	12.5%	423,000	14.0%
Montgomery	2	6.3%	54,500	1.8%
Prince George's	9	28.1%	454,000	15.0%
Totals	32	100%	\$ 3,024,500	100%
Ethnic Background*				
African American	17	73.9%	\$ 1,899,500	62.8%
White	5	21.7%	1,035,000	34.2%
East Indian	1	4.3%	90,000	3.0%
Totals	23	100%	\$ 3,024,500	100%
Gender*				
Male	12	52.2%	\$ 1,719,500	56.8%
Female	8	34.8%	1,000,000	33.1%
Male/Female	3	13.0%	305,000	10.1%
Totals	23	100%	\$ 3,024,500	100%
Industry				
Construction	4	17.4%	\$ 513,000	17.0%
Information Technology	2	8.7%	395,000	13.1%
Retail	1	4.3%	54,500	1.8%
Service	16	69.6%	2,062,000	68.2%
Totals	23	100%	\$ 3,024,500	100%
Area				
Targeted Area	16	50.0%	\$ 2,067,000	68.3%
Non-Targeted Area	16	50.0%	957,500	31.7%
Totals	32	100%	\$ 3,024,500	100%
¹ Although the total number of transactions totaled 32, the ethnic, gender, and industry numbers only totaled 23 due to repeated transactions to the same companies.				
² There were 2 settled transactions for 2 Veteran Owned Businesses totaling \$370,000				

MBE Participation

ALL MBE REQUIREMENTS HAVE BEEN MET

MBE	MBE TYPE	\$ FUNDS PAID
1. . Abrams, Foster, Nole & Williams, P.A.	WMBE	\$8,595
2. . Global Design, Inc.	MBE	26,967
3. . Sue-Anne's Office Supply, Inc.	WMBE	5,244
4. . Jones & Associates, P.C.	MBE	12,512
TOTAL		\$53,318

The Department confirmed via email on August 14, 2014, that MMG had met the required MBE goal of 14% of the initial expense fee; and reporting for MBE usage was no longer required for the contract. MMG's MBE participation was actually 16.61%.

Marketing Outreach Efforts

For 21 years, MMG has been a well-established part of the infrastructure that supports the growth of small, minority and women owned businesses throughout Maryland. The reputation of MMG will continue to be an effective marketing tool for the fund. MMG participated as panelist or exhibitors at 38 conferences, workshops, and seminars over the past year (FY 2016 MMG Marketing and Outreach Initiatives are attached as Exhibit B). The conferences, workshops and seminars primarily serve to inform target businesses of the financing capability of MCBIF. Typically, the results from these marketing/outreach initiatives are not immediate, but materialize several weeks, months and sometimes years later when financing becomes a need for the business or another entrepreneur associated with the business. MMG's marketing activities in FY 2016 produced 81 referrals that lead to 41 approved transactions and 32 settled transactions.

Projected Performance

MMG will continue to attempt to provide capital investments and/or loans to businesses throughout all of Maryland's jurisdictions. From May 2013 through June 30, 2016, MCBIF has provided funding to businesses in 15 of Maryland's 24 jurisdictions. MCBIF is projecting it will approve 29 transactions and settle 22 transactions during FY2017 and FY2018. As of June 30, 2016, there were four transactions pending approval, totaling \$1,070,000; and seven transactions pending closing, totaling \$1,014,000. We will continue to provide at least 50% of the allocated grant in investments and/or loans to businesses in the Targeted Areas.

Marketing/Outreach

MMG is a consistent participant and sponsor of financing workshops, seminars and conferences throughout Maryland held by local, state, federal agencies, chambers of commerce, business organizations and associations. These affiliations will assist in building awareness of the Fund and identifying targeted businesses.

State Agency Network MMG has a working relationship with, among others, the Maryland Department of Commerce (Commerce); Maryland Department of Housing and Community Development (DHCD); Governor's Office of Minority Affairs (GOMA); Maryland Small Business Development Center Network (SBDC); and a member of MMG's executive staff is a member of the Maryland Technology Development Corporation (TEDCO) Investment Committee. All of these relationships will continue to be a source of referrals to MCBIF.

County and Local Economic Development Network MMG has strategic relationships with county and local economic development agencies across the state. MMG has established close relationships with the Prince George's County Economic Development Corporation, the Montgomery County Department of Economic Development, Rockville Economic Development, Inc., the Anne Arundel Economic Development Corporation, the Baltimore Development Corporation, the Baltimore County Department of Economic Development, the Howard County Economic Development Authority, and the Tri County Council of Western Maryland. These entities have been referral sources and MMG will continue to stay in contact with these agencies to participate in funding targeted businesses in their respective jurisdictions.

MMG will focus attention on establishing more consistent relationships with the Queen Anne's County Department of Economic Development, the Talbot County Office of Economic Development, Dorchester Economic Development, St. Mary's County Department of Economic Development, and the Kent County Tourism and Economic Development Office. This will be accomplished by quarterly email and telephone communication with the respective Managers and Directors of each entity. Visits to these agencies will be made at least semi-annually. MMG will attempt to meet, email or call the economic development agencies in Alleghany, Cecil, Garrett, Harford, Somerset, Washington, Wicomico and Worcester Counties every few months.

Bank, Accountant, and Attorney Network MMG has well established working relationships with large commercial banks and smaller community banks in Maryland. These banks include M & T Bank, The Harbor Bank of Maryland, Branch Banking and Trust (BB&T), SunTrust Bank, Bay Bank, Eagle Bank, Wells Fargo Bank, The Columbia Bank, PNC Bank, New Windsor State Bank, Old Line Bank, Shore Bank, The Bank of Delmarva, Bank of America, Industrial Bank,

Sandy Spring Bank, Annapolis Bank and several others. MMG will make presentations to bank lending groups and meet with individual loan officers to identify Targeted Businesses.

MMG meets with and is contacted by accountants and attorneys on a regular basis to discuss how MCBIF financing can assist their clients. This activity has helped develop a stream of referrals and will continue to be a source to identify targeted businesses in targeted and non-targeted areas.

Chamber of Commerce and Other Business/Community Organization Network MMG has a long, established history of marketing through active participation with business associations, chambers of commerce and community organizations. Some of the organizations are the Maryland Chamber of Commerce, Capital Region Minority Supplier Development Council, The Maryland Women's Business Center, Shore-Up! (Eastern Shore), East Baltimore Community Corporation, East Baltimore Development, Inc., Johns Hopkins University & Hospital, Morgan State University, Greater Baltimore Committee, Economic Development & Training Institute (PG County), Prince George's County Black Chamber of Commerce, Prince George's County Chamber of Commerce, Maryland Hispanic Chamber of Commerce, Small Business Resource Center (Baltimore City), Maryland Minority Contractors Association, Maryland Washington Minority Companies Association, The Entrepreneurial Development and Assistance Center, Southern Maryland Minority Chamber of Commerce, Maryland Women's Business Center, The Maryland Business Assistance Resource Center (Prince George's County Community College, Laurel, MD) and Maryland Chapter-National Association of Black Accountants.

We have referred several potential applicants to Maryland Capital Enterprises, Baltimore County Department of Economic Development, and the Tri-County Council. We were not aware of the need to keep track of the number of referral applicants or the outcomes, but we will document the referrals in FY 2017 and thereafter.

Maryland Capital Enterprises (MCE)

MCE empowers businesses to grow, create jobs, and generate wealth on Maryland's Eastern Shore and across the state.

MCE loans funds to micro and small businesses on the Eastern Shore of Maryland (Worcester, Wicomico, Somerset, Dorchester, Talbot, Queen Anne, Kent, and Caroline Counties) and in Baltimore City, Baltimore and Anne Arundel Counties. Loans can range from \$500 to \$150,000 for up to 10 years with an interest rate ranging from 5-12%. In order to be eligible for financial services provided by MCE, a potential borrower must agree to the following in addition to the qualifications above: financial business counseling before and after loan closing, periodic site visits, periodic credit checks as MCE deems necessary, legally organized as a for-profit entity, create and/ or retain full time and/or part time employment too low to moderate income residents in the aforementioned areas, demonstrate ability to repay the loan with documentable income, and has been turned down by a traditional lender prior to application. MCE has received \$2,000,000 to date of VLT funding.

Performance of the Fund since Inception

MCE has approved, settled, and closed 61 loans for \$2,000,262.50 since the inception of the program. MCE has created 89 new jobs and retained 152 in this time. MCE has earned income of \$188,638.30 and has had expenses of \$172,814.02, with \$388,540.37 repaid in principal. Five loans are more than 90 days delinquent totaling \$27,761.82 as of June 30, 2016. There have been no charge offs or recoveries for the fund. Twenty-nine loans have been made in the targeted area for \$1,149,068 and 32 have been made outside the target area for \$851,194.50. Fifteen loans have been made to minorities totaling \$633,693.50. Twenty-eight have been made to women for \$827,072. Five have been made to veterans for \$45,396.50. The return on investment for the fund is estimated at 9.43% overall.

The fund has performed well overall. No charge offs have been made throughout the life of the fund. Additionally, only five out of 61 (8%) loans are more than 90 days delinquent. Many jobs are being created and retained because of the funding. Further, a good amount of the loan funds are going to minorities, women, and to veterans. In addition, more than 50% of the funding has gone to business within the target area. Furthermore, the fund has a 9.43% return on investment

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

which is higher than the 7% that we originally expected. MCE has worked hard to meet the goals of the fund and will continue to do so in the future.

Program Activity for Fiscal Year 2016

MCE received 53 loan applications in this fiscal year. Ten of applications were denied, and 21 were approved and funded with VLT funds for \$657,495. Twenty-three loan settlements were completed for \$949,495. Forty-one new jobs were created and 21 were retained because of the funding. MCE earned \$86,702 in income and \$24,965 in expenses for the period of July 1, 2015 to June 30, 2016. Principal repayments received were \$161,444. There were five accounts that were >90 days delinquent for an outstanding balance of \$27,762. There were no charge offs or recoveries. Eleven loans were made in the target area totaling \$609,497 and 12 were not in the target area totaling \$339,998. Nine loans were made to minorities totaling \$499,498, and seven were made to women totaling \$187,499. Three loans were made to veterans totaling \$28,998 (includes ones that was a veteran/minority). The return on investment for the fund is estimated at 8.13% for the fiscal year.

MBE Participation

MCE's MBE Requirements were met in FY2014 and are the following:

The Baltimore Times	\$ 1,340.00
The Baltimore Afro American Times Newspaper	\$ 1,550.00
Alice G. Pinderhughes, P.A.	\$ 4,000.00
The Baltimore Afro American Times Newspaper	\$ 1,110.00
TOTAL	\$8,000.00

Marketing Outreach Efforts

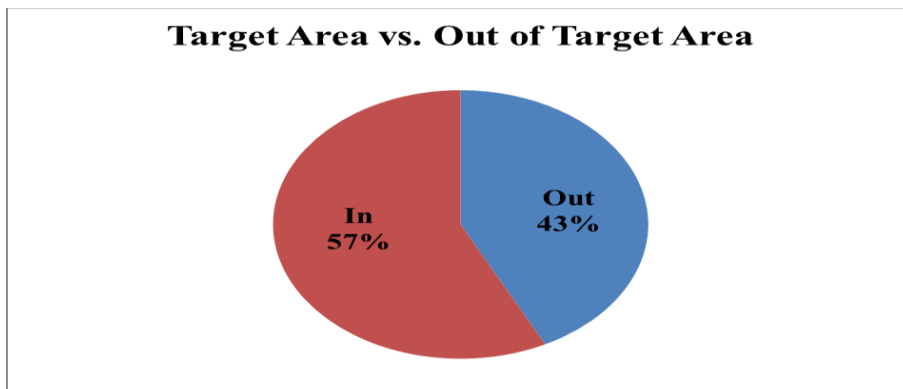
Most of our marketing was through newspaper articles, TV news reports and appearances, and networking. We have great relations with the media serving the Eastern Shore and the minority newspapers serving the Baltimore market. We continue to develop relations with the Baltimore mass media. The networking included participation in expos, workshops, businesses after hours, chambers of commerce meetings, etc.

We continue to use our webpage to market our loan funds and have a page there dedicated to the VLT fund. We also use blogging and our Facebook page, Twitter account, and LinkedIn account to promote the fund.

MCE's outreach resulted in 24 loan settlements and usage of all the funds allocated to us this fiscal year. It has also helped us to build relationships with others in the community in order to receive future referrals. We have also referred clients we are unable to assist to other fund managers. The outreach we are doing has been successful.

Projected Performance

MCE plans to continue its outreach efforts that are currently in place. We will continue to seek partnerships in order to meet client needs. The use of social media, traditional advertising and networking at various events will help us to continue to make the program successful. MCE will refer clients that we are unable to assist to another fund manager or to another agency if necessary and if it makes sense. Since MCE was awarded \$2,681,623 for fiscal years 2017 and 2018, MCE plans to allocate \$1,340,812 in 2017 and the remaining amount in 2018. We are confident we can achieve this since we have not had any issues disbursing the funds in the past. We plan to continue to make good loans and provide assistance to clients who become delinquent in order to help them become current. MCE has been successful in meeting the goals for this program and plans to do so in the future as well.



SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

Approved and Settled Loans Since Inception					
No.	Business Name	Approved Loan Amount	Action Date	Zip Code	In Targeted Area Y/N
1	Nurse Prof Home Care & Staffing, LLC	\$48,000	6/10/2013	21842	Yes
2	Nex Stylz, LLC dba Deucez	\$15,000	6/12/2013	21216	Yes
3	Gordshell's Holdings, LLC	\$50,000	7/23/2013	21244	Yes
4	Seaside Counseling & Wellness Ctr, LLC	\$30,000	8/1/2013	21842	Yes
5	Reynolds Tavern & Restaurant	\$18,000	9/4/2013	21401	No
6	Birdland Sports Bar & Grill	\$66,800	9/18/2013	21206	No
7	Station North Arts Café Gallery	\$3,500	9/18/2013	21201	No
8	MRS, Inc. dba Kent Island Crab Cakes	\$50,000	9/24/2013	21666	No
9	Esther's Hair Salon	\$15,000	10/10/2013	21060	Yes
10	19th Hole OC Golf Package	\$60,000	11/8/2013	21842	Yes
11	Berlin Coffee House	\$20,575	11/20/2013	21811	Yes
12	Memsahib Restaurant/Ron's Restaurant	\$49,999	11/14/2013	21201	No
13	Soup & Salad	\$10,000	11/20/2013	21601	No
14	Property Management, Inc.	\$50,000	12/5/2013	21222	No
15	Birdland Sports Bar & Grill	\$4,999	1/9/2014	21206	No
16	SneakerThirst	\$4,999	1/9/2014	21207	Yes
17	Polaris Recovery Center	\$50,000	1/31/2014	21117	No
18	New Horizons	\$6,399	1/31/2014	21215	No
19	Esther's Hair Salon	\$4,999	2/12/2014	21060	Yes
20	Stages Early Childhood	\$49,999	3/7/2014	21811	Yes
21	Hubba's	\$4,999	3/24/2014	21842	Yes
22	Undercover Cleaning	\$10,000	3/12/2014	21811	Yes
23	Symmetry Massage	\$13,000	4/4/2014	21804	No
24	Precious Boutique	\$3,000	4/4/2014	21842	Yes
25	Ocean Breeze Café, LLC	\$100,000	3/31/2014	21223	Yes
26	No Pins Framing and Presentations, LLC	\$40,000	5/1/2014	21201	No
27	The Green House, Inc.	\$15,000	5/13/2014	21842	Yes
28	Taxi, Etc.	\$49,500	6/27/2014	21801	No
29	Sprout Group, LLC	\$55,000	6/30/2014	21811	Yes
30	Undercover Cleaning	\$3,000	6/30/2014	21811	Yes
31	Sandbridge Academy	\$25,000	7/10/2014	21206	No
32	Studio 7 The Salon	\$50,000	8/21/2014	21230	Yes
33	I Heart Crepes	\$25,000	9/15/2014	21401	No
34	H&R Block	\$5,000	11/20/2014	21853	No
35	Reeven's Auto Service	\$10,000	11/25/2014	21801	No

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT- VIDEO LOTTERY TERMINAL (VLT)

36	Property Management, Inc.	\$12,000	12/23/2014	21222	No
37	SASS, LLC	\$17,000	1/13/2015	21030	No
38	Mid Atlantic Transportation	\$5,000	4/15/2015	21801	No
39	A B Construction	\$3,500	7/10/2015	21829	No
40	Celebrate Us Gift Baskets	\$2,500	7/14/2015	21217	Yes
41	Total Lawn Care of Delmarva Inc	\$4,999	7/31/2015	21802	No
42	C Ayers Transportation	\$35,000	7/31/2015	21851	No
43	Gym Supreme	\$30,000	9/4/2015	21117	No
44	Red Oak Car Wash and Laundry	\$4,999	9/4/2015	21801	No
45	Badjo T Industries	\$20,000	9/4/2015	21804	No
46	Subway	\$50,000	8/14/2015	21663	No
47	Greenbrier Staffing, LLC	\$60,000	9/4/2015	21817	No
48	C & S Jones Group	\$49,999	10/5/2015	21202	Yes
49	Studio 7 The Salon	\$49,999	10/2/2015	21230	Yes
50	Tabor Ethiopian Cuisine	\$242,000	10/8/2015	21201	Yes
51	Solace Sup Boards	\$20,000	11/24/2015	21872	Yes
52	College Scooters/Shore Cycles	\$45,000	12/2/2015	21801	No
53	M & E Enterprises	\$40,000	12/15/2015	21811	Yes
54	Gifted Creations Hair Salon	\$2,500	2/2/2016	21801	No
55	Lewrox Transportation	\$40,000	2/8/2016	21076	Yes
56	Inflatables Delmarva, LLC	\$9,000	2/11/2016	21801	No
57	Tingle Services	\$14,999	2/11/2016	21811	Yes
58	Gilbert Provisions	\$50,000	3/4/2016	21811	Yes
59	SouthBound Alley	\$75,000	3/16/2016	21801	No
60	Assateague Life, LLC	\$50,000	5/10/2016	21842	Yes
61	AIHG, LLC	\$50,000	6/3/2016	21054	Yes

Baltimore Development Corporation (BDC)

The Baltimore Development Corporation (BDC) is a non-profit organization, which serves as the economic development agency for the City of Baltimore. Our mission is to retain and expand existing businesses, support cultural resources, and attract new opportunities that spur economic growth and help create jobs. BDC serves as a one-stop shop for anyone interested in opening, relocating or expanding a business in Baltimore City.

The purpose of BDC managing Video Lottery Terminal funds is:

To target small, minority and women owned businesses and assist with financing, business acquisition; commercial real estate acquisition; the purchase of furniture, fixtures and equipment; leasehold improvements, and working capital.

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

Businesses in Maryland may qualify for a loan between \$30,000 to \$300,000 and in some cases; the limit may be set higher. Funds may be used for expenses such as business and commercial real estate acquisition and expansion, leasehold improvements, equipment and vehicle purchase, and working capital. BDC reviews cash flow, collateral, personal guarantor's information and credit reports for individuals. The business has to be in good standing; the personal credit has to be acceptable; the use of funds must conform to the allowable uses and the business must demonstrate the ability to repay the loan.

BDC's has been a fund manager of VLT funds since July 2014. In July 2014, we were awarded \$1,000,000 (One Million Dollars) and subsequently in July 2015, we were awarded \$1,750,000 (One Million, Seven Hundred, Fifty Thousand Dollars, for a total of \$2,750,000. Of the \$2,750,000, \$80,000 was used in year one for start-up and other expenses, leaving net funds to lend of \$2,670,000. Of the \$2,760,000, as of June 30, 2016, BDC has funded, 12 companies totalling \$2,456,000. This represents 92% of total available funding that has been disbursed.

Performance of the Fund since Inception:

Since inception, BDC has funded 12 loans. One of the 12 one paid off early; therefore, we have eleven (11) loans outstanding as of June 30, 2016. Since inception, we have approved 12 loans for a total of \$2,456,000 of which all 12 were closed and funded. Total retained jobs for the funded loans is, 295; new jobs is 160 for a total job count of 455. Total private sector funds leveraged is \$9,818,500.

The current outstanding balance of the eleven loans as of June 30, 2016, is \$2,078,212.54. Total income is \$61,248.82; principal repayments received are \$314,816.84. Total expenses since inception have been approximately \$120,000. There have been no charge offs and no past due accounts. The total dollar value loaned in targeted areas is \$2,286,000 and in non-targeted areas is \$170,000. There have been two loans to MBE's totaling \$320,000 and two loans to women owned businesses totaling \$260,000. Total return on investment is approximate at 4.25%. Fund balance in the Bank of America checking account is \$329,562.05. Industry sectors have ranged from retail to manufacturing.

Performance has been excellent! All borrowers have paid on time and we have no past due accounts.

Program Activity for FY 2016

During fiscal year 2016, we received 12 applications, of which nine were approved, three declined and two withdrawn by the prospective borrowers. We approved nine loans totaling \$1,736,000 and settled eight of the nine for \$1,536,000. Retained jobs were 189; new jobs were 137 for a total job count of 326. Private sector dollars leveraged were \$7,568,500. Income totaled \$47,832.55; expenses were \$30,000. Principal payments back to the fund totaled \$293,205.88. There were no charge offs, past dues or delinquency's. Of the seven loans settled, all were in targeted areas. Seven of the loans funded were in Baltimore City for \$1,460,000 and one in Harford County for \$76,000. Of the eight loans closed, one was to an MBE business and one was to a WBE business. Return on investment is approximately 4.25%. Business sectors range from retail to manufacturing.

MBE Participation

Required MBE Goals have been met

Marketing and Outreach

To market BDC's VLT fund, BDC used its existing staff, which call on businesses daily. In addition, the Small Business Resource Center has daily contact with small, minority and women owned businesses. BDC also participated in numerous events, through its Small Business Resource Center to market the program.

We have also had referrals from other fund managers and borrowers. In a couple of cases, we referred a potential borrower to another fund manager due to geographic location.

Projected Performance:

For marketing and outreach, we will continue to use our existing staff that calls on businesses throughout the city, and our website. For the non-city loans, we will make use of our economic development partners around the state and other fund managers for referrals or to partner. In addition, the Small Business Resource Center has daily contact with small, minority and women owned businesses. BDC also participated in numerous events, through its Small Business Resource Center to market the program.

BDC was approved for \$3,000,000 for the next two years in funding which will be our third round of VLT funding. We would fully expect to lend these funds out in accordance within the program guidelines.

As it relates to improving performance, all of our loans are current and we have had no payment issues or otherwise.

Baltimore County Department of Economic and Workforce Development (DEWD)

The mission of DEWD is to support businesses and to stimulate business growth in Baltimore County thereby increasing job opportunities and expanding the tax base.

To accomplish its mission, DEWD:

- Works directly with new businesses that are interested in locating in Baltimore County and assists in the expansion of existing businesses
- Acts as a business liaison
- Focuses on redevelopment opportunities in the seventeen Commercial Revitalization Districts and the three designated Enterprise Zones
- Addresses workforce development needs of the County's business community
- Supports and promotes the County's Small Business Resource Center. The Center provides

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

services to small, minority and woman-owned businesses including technical assistance, seminars and one-on-one counseling

- Provides financing assistance to county businesses
- Promotes technology development and assists start-up ventures at the UMBC and Towson University incubators

The Boost Loan Program:

Businesses in Maryland may qualify for a loan of between \$50,000 to \$250,000 for expenses such as commercial real estate acquisition and improvements, leasehold improvements, equipment and working capital. Loans are provided to small, woman owned, minority owned and veteran owned businesses.

Program Performance Since Inception to June 30, 2016

In July 2014, under the second round of VLT funding, Baltimore County was allocated \$1,500,000 from the VLT fund. This contract was amended in July 2015 for an additional \$1,600,000 for a total of \$3,100,000 under management.

Since July 1, 2014, twenty-seven (27) loans have been approved for financing totaling \$3,095,800. Twenty-three (23) loans settled for \$2,545,800. Seventeen (17) settled loans totaling \$2,065,500 were located in the target area and represented 81% of the total loans settled. There were twenty (20) approved transactions in the target area totaling \$2,465,500 and seven (7) approved transactions outside of the target area for a total of \$630,300.

The economic impact of all approved transactions is 282 retained jobs and 204 new jobs. Total project costs of \$19,400,000.

All loans were provided to small businesses, ten (10) loans totaling \$1,275,000 were provided to woman owned businesses, seven (7) loans totaling \$585,300 were provided to minority owned businesses and four (4) loans totaling \$600,000 were provided to veteran owned businesses.

Income of the fund include fees and interest of \$79,000. Expenses for the fund total \$49,200. Total principal repayments are \$131,400.

All grant funds have been committed to projects in various industry sectors including manufacturing, service and retail.

Portfolio Performance:

The current portfolio is paying as agreed except for a \$30,300 loan that is 30 days past due.

Program Activity for the Current Fiscal Year:

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

During the current fiscal year, fifteen (15) loans have been approved for financing totaling \$1,655,800. Sixteen (16) loans settled for \$1,545,800. Eleven (11) approved transactions are located in the target area totaling \$1,325,500 and four (4) approved transactions are located outside of the target area for a total of \$330,300. During the current fiscal year seventeen (17) applications were received and two (2) applications were withdrawn.

The economic impact of all approved transactions is 161 retained jobs and 98 new jobs. Total project costs of \$11,250,000.

All loans were provided to small businesses, six (6) loans totaling \$725,000 were provided to woman owned businesses, (5) loans totaling \$435,300 were provided to minority owned businesses (2) loans totaling \$250,000 were provided to veteran owned businesses and (3) to non-minority owned businesses for \$135,500.

Income of the fund include fees and total interest of \$53,500. Expenses for the fund total \$9,500. Total principal repayments are \$108,700.

MBE Participation

In fiscal year ending June 30, 2015, Baltimore County spent \$10,749 with Pinnacle Communication, its MBE subcontractor. **ALL MBE REQUIREMENTS HAVE BEEN MET.**

Marketing Outreach Efforts

To promote the Boost Fund, Baltimore County contracted with Pinnacle Communication, a certified MBE creative design marketing firm in Baltimore County, to design the brand and collateral materials. DEWD's marketing effort includes strong media relations outreach to print, broadcast and online media outlets, online promotions through DEWD's social media channels, targeted to small businesses including minority and women business audiences. In promoting the Boost Fund, DEWD participated in numerous events, which include the Small Business Administration's information session in Baltimore City. The County also held two informational sessions throughout the County that provided information on the County's economic development and workforce programs including the Boost Fund. Additionally, DEWD responded to numerous media inquiries on the Boost loan program.

Future Deployment of Funds

The current pipeline includes 20 inquiries, including two (2) loan applications totaling \$325,000 as of June 2016. The applications are in various stages of the underwriting process. Baltimore

County anticipates that it will use the entire \$3,000,000 in new funding that will be available in FY 17/FY18.

Baltimore County anticipates that at a \$3,000,000 funding level, will yield approximately twenty (20) transactions in FY17/FY18.

Howard County Economic Development Authority (“HCEDA”)

The mission of the Howard County Economic Development Authority is to promote economic growth and stability in Howard County by supporting existing businesses, attracting targeted new businesses and attracting corporate and/or regional headquarters; to serve as the liaison between public and private economic development and planning organizations; and to recommend policies to County government that support the achievement of planned economic goals.

Catalyst Fund is a statewide loan program available to small businesses anywhere in Maryland for loans from \$25,000 to \$250,000. Loan proceeds may be used for normal business uses such as working capital, tenant improvements, equipment purchase, real estate purchase, franchise fees and inventory purchases. VLT Award Amount to date totals \$3,250,000.00 of which \$1,500,000.00 was awarded for the period July 1, 2014-June 30, 2015 and \$1,750,000.00 awarded for the period July 1, 2015 to June 30, 2016.

Performance of the Fund since Inception

Since inception on July 1, 2014, the Catalyst fund has approved \$3,590,000 in twenty-four (24) loans. Out of the twenty-four loans, two (2) loans were declined by the Borrowers subsequent to approval and will not settle. In aggregate, eighteen (18) loans for \$2,860,000 have settled. Loans approved in designated “targeted areas” total twenty-three (23) or \$3,505,000. This represents 97.63% of all loans approved since inception of the program. The remaining \$85,000 is one (1) approved loan for a woman-owned business located in a non-targeted area of Prince George’s County. The table below details the loan distribution by county.

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

County	Principal	Count	Percentage
Anne Arundel	\$65,000	1	2%
Baltimore City	\$400,000	2	11%
Baltimore County	\$500,000	2	14%
Howard County*	\$2,540,000	18	71%
Prince George's County	\$85,000	1	2%
Total	\$3,590,000.00	24	100%
*Subsequent to approval, one Borrower opened actual business location in Montgomery County, MD			

Approved loans supported businesses retaining two hundred and thirty five (235) jobs and intending to create two hundred and four (204) new jobs. The dollar amount of private sector funds leveraged over the life of the program is \$6,958,513. The return on this investment is 1.94X since program inception.

Program income is received from fees, which include a non-refundable \$250 application fee, a 1% of approved loan commitment fees and pass through recording and third party fees, plus interest earned on the outstanding loans. Since July 1, 2014, total interest received for all outstanding loans is \$70,994, and total commitment and application fees of \$34,845 have been collected. Principal repaid back into the fund is \$326,340.85. There are no loans that are delinquent more than 90 days, no charge-offs nor any recoveries within the portfolio for the period July 1, 2014 through June 30, 2016.

Of the total approved loans, 58% were approved to Woman, Minority or Veteran Owned Small Business enterprises.

MBE Status	Count	Principal	% Total Approved
Minority Owned	9	\$1,529,000	43%
Woman Owned	5	\$296,000	8%
Veteran Owned (SC	1	\$250,000	7%
Non-Minority	9	\$1,515,000	42%
TOTAL	24	\$3,590,000	100%

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

By industry, the Catalyst fund has approved loans to a diverse cross section of industries. Based upon the industry sectors within the region, Information Technology as a general category comprises the greatest share of approved loans at \$1,500,000 approved.

Industry	Principal	Count	Percentage
Manufacturing	450,000.00	3	13%
Information Technology	1,500,000.00	8	42%
Cybersecurity	565,000.00	3	16%
Education	202,000.00	2	6%
Services	188,000.00	3	5%
Retail	435,000.00	4	12%
Telecommunications	250,000.00	1	7%
Total	\$3,590,000.00	24	100%

Overall, the loan portfolio is performing well and gaining exposure and routine monitoring includes a minimum of one site visit per borrower per annum.

Program Activity for Fiscal Year 2016

For the period of July 1, 2015 through June 30, 2016, Catalyst received eighteen (18) complete applications of which four (4) of the applications were declined or withdrawn by the applicant and fifteen (15) loans totaling \$2,210,000 were approved. Ten (10) loans aggregating \$ 1,513,000 settled by June 30, 2016 and total principal disbursed in FY 2016 was \$1,450,348 as two (2) loans are structured with multiple drawdown capacity and each Borrower only requested a partial disbursement at loan settlement. Two (2) loans (\$275,000) were approved but were not accepted by the borrower. Of the total loans approved from July 1, 2015 through June 30, 2016, 48% were approved to Woman, Minority or Veteran Owned Small Business enterprises.

MBE Status	Count	Principal	% Total Approved
Minority Owned	6	\$920,000	42%
Woman Owned	2	\$125,000	6%
Veteran Owned (SC	0	\$0	0%
Non-Minority	7	\$1,165,000	53%
TOTAL	15	\$2,210,000	100%

By industry, information technology continues to account for the largest segment of approved loans or 45% of the loans approved in the current fiscal year. Six (6) loans approved can be classified as businesses within that sector. Manufacturing, which includes food production, accounted for 16% or two (2) loans totaling \$350,000 approved for the current fiscal year. By

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

geographic distribution, loans were approved for Borrowers with locations in Anne Arundel, Baltimore and Howard Counties and in Baltimore City,

County	Principal	Count	Percentage
Anne Arundel	\$65,000	1	3%
Baltimore City	\$150,000	1	7%
Baltimore County	\$250,000	1	11%
Howard County	\$1,745,000	12	79%
Total	\$2,210,000.00	15	100%

Total new and retained jobs reported for all approved Borrowers during FY 2016 are one hundred and eighty five (185) projected new and one hundred and eighty one (181) retained. The approved transactions combined to leverage a total of \$4,115,438 of private sector financing, thus yielding a return on investment of 1.86X.

Since July 1, 2015, total interest received for all outstanding loans is \$59,167.89 and total commitment and closing and application fees of \$19,425 have been collected. Fund management expenses for the year totaled \$ 130,874.

Principal repaid back into the fund was \$257,518.06. As of June 30, 2016, one loan is under a forbearance agreement as the company attempts to sell its technology. There are no loans that are delinquent more than ninety-days, no charge-offs nor any recoveries within the portfolio for the period July 1, 2015 through June 30, 2016. The aggregate principal balance of loans outstanding or available committed under lines of credit as of June 30, 2016 was \$ 2,511,600.95.

MBE Participation

During the current FY2016 HCEDA paid MBE Insight 180, \$595 for design updates and print charges. HCEDA spent a total of \$15,216.50 during FY 2015 of which \$12,000 was spent with MBE contractor Insight 180 for brand design, collateral materials and template design and \$3,216.50 with MBE Rapid Refill for printing of promotional materials. **“ALL MBE REQUIREMENTS HAVE BEEN MET”.**

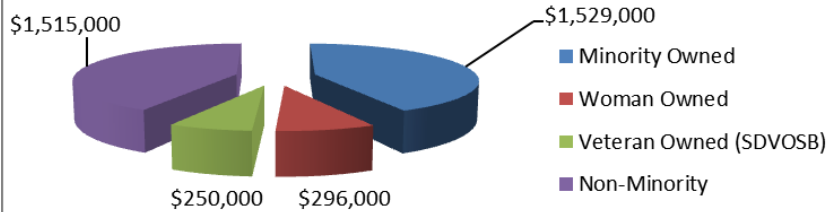
Marketing Outreach Efforts

The principal marketing venue for HCEDA Catalyst VLT Fund was and will continue to be through networking and speaking engagements throughout the region together with printed collateral material, social media and a dedicated webpage. HCEDA aligned with MDSBDC to sponsor the 2015-2016 **CEO Accelerator** and **Growth Accelerator** business education series held in various jurisdictions throughout Maryland including Howard, Baltimore and Charles Counties. HCEDA provided educational content in eight (8) workshops and conferences in Columbia, MD, Frederick, MD, Rockville, MD, Baltimore City, MD, Waldorf, MD and multiple venues in Howard County MD. The Fund Manager for HCEDA met individually with twenty-three (23) regional bank representatives, economic development officials, SBDC Counselors (Carroll, Montgomery and Charles counties), business groups and state and municipal agency representatives to promote the Catalyst VLT Fund. Networking and educational content presentations will remain the main marketing vehicles for FY 2017. Planning is already underway for presentations in Frederick, Harford and Cecil Counties.

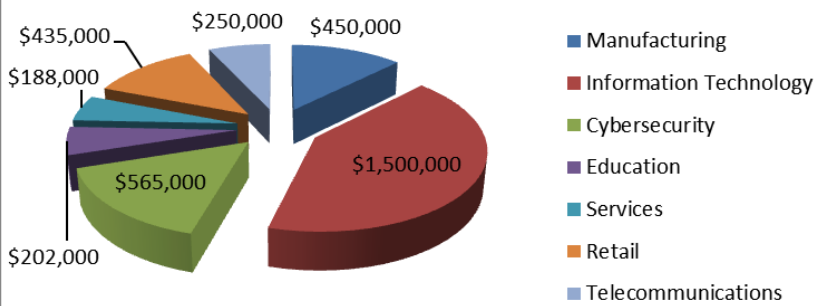
Projected Performance

HCEDA expects to commit the \$3,000,000 allocation. There are six (6) active applications in the pipeline at various stages of review and underwriting. These applications total \$1,050,000. Two (2) of these six (6) were approved for \$250,000 subsequent to June 30, 2016. Of these six (6) active applications, the jurisdictions represented include Frederick, Montgomery, Prince George's, and Howard Counties. HCEDA also utilizes an interest form or pre-application screening process in addition to the full application form; Catalyst Fund has in review five (5) interest forms for \$310,000 in funding need and includes businesses located or intending to start operations in the following jurisdictions: Carroll County, Howard County, and Baltimore City.

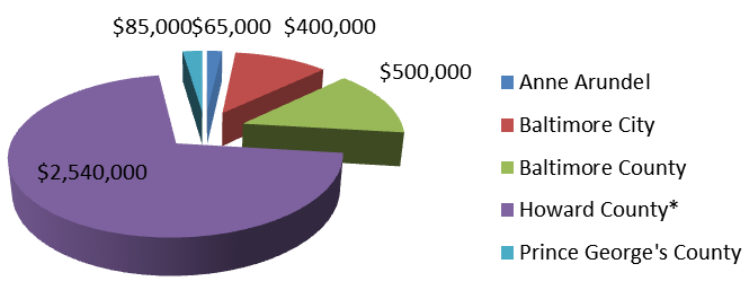
MBE Status of Approved Loans July 1, 2014-June 30, 2016



Industry Distribution of Approved Loans July 1, 2014-June 30, 2016



County Distribution of Loans Approved July 1, 2014-June 30, 2016



**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Fund Manager: Howard County Economic Development Authority												
July 1, 2014-June 30, 2016												
Account County	Borrower	Industry	Approved Date	Approved Transaction Amount	Private Sector Funds Leveraged	MBE Status	Targeted Area	Purpose/Use of Funds	Current Jobs	At Risk Jobs	New Jobs	
Howard	Manor Hill Brewing	Agriculture & Forestry	8/9/2014	\$100,000.00	\$200,000.00	Non-Minority		Equipment	-	-	-	
Baltimore City	Slickweather, Inc	Cyber	10/7/2014	\$250,000.00	\$1,350,000.00	Non-Minority		Provide working capital	-	-	-	
Baltimore County	EpiRxial, Inc	Defense	10/7/2014	\$250,000.00	-	Minority		Leasehold improvements	6	-	4	
Howard	The Children's SPOt Inc	Health Care Tech & Services	11/5/2014	\$53,000.00	\$5,000.00	Woman Owned		Acquire equipment and make tenant improvements in larger space to be leased	15	-	5	
Prince Georges	The Still Point	Other	11/25/2014	\$85,000.00	\$780,000.00	Woman Owned		Working capital support to fund growth	2	-	3	
Howard	Sinergy Educare LLC	Education	1/15/2015	\$149,000.00	\$7,075.00	Minority Owned		Leasehold improvements	2	0	2	
Howard	BTS Software	Information Technology	2/4/2015	\$250,000.00	\$500,000.00	Veteran Owned		Working capital support to fund growth	27	27	5	
Howard	Vedic, LLC	Retail Trade	3/12/2015	\$210,000.00	-	Minority Owned		Leasehold improvements	-	-	-	
Howard	Life Safety Consortium Inc	Health Care Tech & Services	5/6/2015	\$33,000.00	-	Woman Owned		Working capital to support marketing plan.	2	2	-	
Howard	Sans Technology	Information Technology	8/5/2015	\$200,000.00	\$50,000.00	Minority Owned		Working capital support for marketing plan execution	6	-	3	
Howard	Cookies-N-Milk, Inc	Manufacturing	8/5/2015	\$200,000.00	-	Non-Minority Owned		Equipment	15	15	-	
Howard	Quality Oriented Solutions, Inc	Information Technology	8/27/2015	\$50,000.00	-	Minority Owned		Working capital	5	-	3	
Anne Arundel	Cheesapeake NetCratemen	Cyber	4/29/2016	\$65,000.00	\$0.00	Non-Minority Owned		Leasehold improvements	44	-	25	
Howard	Tennis For Everyone	Retail Trade	5/17/2016	\$100,000.00	\$15,000.00	Woman Owned		Inventory, working capital	0	0	2	
Howard	Bicasta, LLC	Defense	5/4/2016	\$250,000.00	\$2,900,000.00	Non-Minority		Expansion	25	-	22	
Howard	Hi Pro Media	Film/Television	5/17/2016	\$25,000.00	\$27,500.00	Woman Owned		Equipment	2	2	0	
Howard	Racktop Systems	Information Technology	11/19/2015	\$100,000.00	-	Non-Minority		Working capital	22	-	40	
Howard	Puente Technologies	Telecommunications	10/7/2015	\$250,000.00	-	Minority Owned		Federal contract support	6	5	5	
Howard	Morka Technologies	Information Technology	12/2/2015	\$250,000.00	-	Minority Owned		Working Capital	16	-	4	
Baltimore City	Slickweather, Inc.	Technology	1/6/2016	\$150,000.00	\$530,000.00	Non-Minority Owned		Product development	5	5	43	
Howard	Jonathon Markel	Retail Trade	3/11/2016	\$40,000.00	\$35,000.00	Minority Owned		Equipment, working capital	0	0	5	
Howard	Inspired Options, Inc	Health Care Tech & Services	3/11/2016	\$130,000.00	\$30,000.00	Minority Owned		Working capital	0	-	3	
Baltimore County	Verbstim, Inc.	Information Technology	4/6/2016	\$250,000.00	\$360,000.00	Non-Minority		Working capital	35	8	20	
Howard	Bulk Head Brewing	Manufacturing	4/6/2016	\$150,000.00	\$167,938.00	Non-Minority		Tenant improvements	0	0	10	

\$3,590,000.00
avg \$149,583.33

Current Risk New
Jobs 235 64 204

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)**

Fund Manager: Howard County Economic Development Authority										Settled Loans						
July 1, 2014-June 30, 2016										Private Sector Funds Leveraged	MBE Status	Targeted Area	Purpose/Use of Funds	Current Jobs	At Risk Jobs	New Jobs
Account County	Borrower	Industry	Settled Date	Approved Transaction Amount	Private Sector Funds Leveraged	MBE Status	Targeted Area	Purpose/Use of Funds	Current Jobs	At Risk Jobs	New Jobs					
Howard	Manor Hill	Agriculture & Forestry	12/10/2014	\$100,000.00	\$200,000.00	Non-Minority	<input checked="" type="checkbox"/>	Equipment	-	-	-					
Baltimore City	Brewina Sickweather, Inc	Cyber	12/18/2014	\$250,000.00	\$1,350,000.00	Non-Minority	<input checked="" type="checkbox"/>	Provide working capital	-	-	-					
Baltimore County	Eptaxial, Inc	Defense	12/23/2014	\$250,000.00	-	Minority Owned	<input checked="" type="checkbox"/>	Leasehold Improvements	6	-	4					
Howard	The Children's SPOT Inc	Health Care Tech & Services	3/20/2015	\$53,000.00	\$6,000.00	Women Owned	<input checked="" type="checkbox"/>	Acquire equipment and make tenant improvements in larger space to be leased	15	-	5					
Prince Georges	The Still Point	Other	3/3/2015	\$85,000.00	\$780,000.00	Women Owned	<input type="checkbox"/>	Working capital support to fund growth	2	-	3					
Howard	Sirenergy Educare LLC	Education	3/31/2015	\$149,000.00	\$7,075.00	Minority Owned	<input checked="" type="checkbox"/>	Leasehold Improvements	2	0	2					
Howard	BTS Software	Information Technology	3/4/2015	\$250,000.00	\$500,000.00	Veteran Owned	<input checked="" type="checkbox"/>	Working capital support to fund growth	27	27	5					
Howard	Vedic, LLC	Retail Trade	5/29/2015	\$210,000.00	-	Minority Owned	<input checked="" type="checkbox"/>	Leasehold Improvements	-	-	-					
Howard	Life Safety Consortium Inc	Health Care Tech & Services	8/26/2015	\$33,000.00	-	Women Owned	<input checked="" type="checkbox"/>	Working capital to support marketing plan.	2	2	-					
Howard	Sans Technology	Information Technology	9/23/2015	\$200,000.00	\$50,000.00	Minority Owned	<input checked="" type="checkbox"/>	Working capital support for marketing plan execution	6	-	3					
Howard	Cookies-N-Milk, Inc	Manufacturing	12/18/2015	\$200,000.00	-	Non-Minority Owned	<input checked="" type="checkbox"/>	Equipment	15	15	-					
Howard	Quality Oriented Solutions, Inc	Information Technology	9/25/2015	\$50,000.00	-	Minority Owned	<input checked="" type="checkbox"/>	Working capital	5	-	3					
Howard	Bricata, LLC	Defense	6/30/2016	\$250,000.00	\$2,900,000.00	Non-Minority	<input checked="" type="checkbox"/>	Expansion	25	-	22					
Howard	Racktop Systems	Information Technology	12/22/2015	\$100,000.00	-	Non-Minority	<input checked="" type="checkbox"/>	Working capital	22	-	40					
Howard	Puente Technologies	Telecommunications	12/8/2015	\$250,000.00	-	Minority Owned	<input checked="" type="checkbox"/>	Federal contract support	6	5	5					
Baltimore City	Sickweather, Inc.	Information Technology	2/8/2016	\$150,000.00	\$530,000.00	Non-Minority Owned	<input checked="" type="checkbox"/>	ProductDevelopment	5	5	43					
Howard	Inspired Options, Inc	Health Care Tech & Services	5/6/2016	\$130,000.00	\$30,000.00	Minority Owned	<input checked="" type="checkbox"/>	Working capital	0	-	3					
Howard	Bulk Head Brewing	Manufacturing	4/22/2016	\$150,000.00	\$167,938.00	Non-Minority	<input checked="" type="checkbox"/>	Tenant improvements	0	0	10					
\$2,860,000.00										Current Risk New Jobs 138 54 148						

Tri-County Council for Western Maryland, Inc. (TCCWMD)

TCCWMD is the regional, economic development-planning agency for the three counties in Western Maryland. Through its Comprehensive Economic Development Strategy (CEDS) planning process, TCCWMD annually conducts an analysis of economic problems and opportunities that address the region's economy, population, unemployment, geography, workforce, transportation, education, telecommunications, health care, and infrastructure.

TCCWMD's work program goals, as related to its lending programs, include:

- Increase job opportunities and per capita income in the region to reach parity with the nation,
- Strengthen the capacity of the people of region to compete in the global economy,
- Work directly with new and expanding businesses to provide referrals for technical assistance and access to capital in an effort to create and/or retain jobs
- Work closely with the Small Business Development Center to provide technical assistance to RLF clients
- Coordinate efforts with local banks and economic developers to ensure that companies that start-up or expand in the region are aware of the programs and assistance available
- Expand the TCCWMD Revolving Loan Fund's capacity through a diverse set of funding sources to achieve a variety of flexible funding tools

Traditionally, private financing for new business start-ups has been difficult for prospective businesses to obtain in the region. Flexibility is required to meet the diverse needs of target industries at different stages of growth and development. Local banks, which provide conventional financing, are often unable or unwilling to respond to the needs of new business start-ups, businesses wishing to expand, or those, which must modernize existing buildings, equipment, or technology when there is not sufficient collateral to support the added debt.

VLT Account - State Lottery Terminal (SLoT) Fund

On July 1, 2014, The Maryland Department of Business and Economic Development entered into an agreement with Tri-County Council for Western Maryland to manage \$1,100,000 in funds from the Small, Minority and Women-Owned Business Account, with \$1,012,000 available for lending. On October 6, 2014, the first modification to the agreement was signed.

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

On November 7, 2014, the Membership of Tri-County Council amended its by-laws in order to establish a standing committee for the purpose of oversight of the VLT program. Shortly thereafter, a five-member committee was formed to perform oversight duties, review loan requests, and report to the Council's membership. The committee consists of two public sector representatives and three private sector representatives, all with wide knowledge of business practices, lending experience, and financial acumen.

Having met the eligibility requirements of the program, on July 1, 2015, TCCWMD was awarded an additional \$1,000,000 in loan funds.

Award amounts to date:

FY 2015	\$1,012,000
FY 2016	\$1,000,000
TOTAL	\$2,012,000

Performance of the Fund since Inception

The SLoT Fund has nine Accounts under management with a total outstanding principal balance of \$1,317,464.56. Twelve loans have been approved for a total of \$2,253,173, nine loans have been settled for a total of \$1,338,173, and nine loans were funded for a total of \$1,338,173. The nine funded loans will create 57 new jobs and will retain 17 jobs. The nine funded loans leveraged \$8,221,348 in private sector dollars. Total income of the fund manager is \$145,955.31 (including the \$88,000 fund establishment fee), total principal repayments received back into the fund total \$20,708.44, and total expenses of the fund manager total \$171,069.75. The fund has no charge offs, the fund has no accounts with payments delinquent over 90 days, and total recoveries does not apply to the fund. Four loans were funded for a total of \$870,000 in targeted area, five loans were funded for a total of \$468,173 in non-targeted area, three loans were made to minority businesses for \$710,000, five loans were made to women owned for \$557,965, and no loans were made to veteran owned businesses. Total return on investment for the fund is 6.14, the fund balance on June 30, 2016 is \$673,827, but it should be noted that three loans were approved in June totaling \$915,000 which, when funded, would leave the fund balance at \$-241,173. One loan funded in the hospitality sector for \$120,208, three loans were funded in the tourism/hotel sector for \$697,965, two loans were funded in the manufacturing sector for \$120,000, two loans were funded in the service sector for \$240,000, and one loan was funded in the energy sector for \$160,000.

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL (VLT)

All nine funded loans are performing as expected and current with payments.

Program Activity for Fiscal Year 2016

The SLoT fund received 17 applications, and five applicants were declined. Ten applications were approved for a total of \$1,643,173, eight loans settled for a total of \$938,173, and eight loans were funded for a total of \$938,173. The eight funded loans will create 25 new jobs and will retain 17 jobs, and the eight funded loans leveraged \$221,348 in private sector dollars. The fund manager had income of \$57,955.31, and expenses of \$83,069.75. Principal repayments back into the fund total \$20,708.44, there are no delinquencies >90 days, there have been no charge offs, and recoveries is not applicable. Of the eight funded loans, three were in targeted areas for \$470,000: Allegany County, one loan for \$100,000, Howard County, one loan for \$210,000, and Cecil County one loan for 160,000. Of the eight funded loans, five were out of targeted area for \$468,173, Allegany County three loans for \$338,173, and Washington County two loans for \$130,000. Two loans were made to minority businesses for \$310,000, five loans were made to women owned for \$557,965, and no loans were made to veteran owned businesses. Total return on investment for the fund is .24. One loan was funded in the hospitality sector for \$120,208, two loans were funded in the tourism/hotel sector for \$297,965, two loans were funded in the manufacturing sector for \$120,000, two loans were funded in the service sector for \$240,000, and one loan was funded in the energy sector for \$160,000

MBE Activity

During FY 2015 TCCWMD fulfilled the MBE requirements associated with the fund management agreement. Our MBE requirement was \$8,800 and TCCWMD procured a combined total of \$11,520 in approved goods and services from Illume Communications and Bontay Business Products.

ALL MBE REQUIREMENTS HAVE BEEN MET

Marketing Outreach Efforts

During fiscal year 2016, our marketing efforts included speaking about the program at events, making presentations on the program to commercial lenders, and citing testimonials and program statistics in our newsletter and on social media. Staff presented program information at SBDC seminars across Western Maryland on 3 occasions during FY 2016, once in each county. There

was also opportunity to make presentations to lenders at M&T Bank and Orrstown Bank during the fiscal year.

TCCWMD saw a steady request for the loan funds available throughout the fiscal year, and closed the year with \$938,173 in loans closed with another \$915,000 in loans approved / pending closing in July for a total of \$2,253,173. TCCWMD made efforts to reach clients not only in Western Maryland, but also in the other rural parts of the State through our networks with the other regional councils, county economic development officials, and the Small Business Development Centers. We also maintain relationships with the other fund managers, and although we did not share any loan deals during 2016, we did make and receive several referrals.

Projected Performance

TCCWMD executed the “*First Amended and Restated Grant and Fund Management Services Agreement*” on June 30, 2016, and was awarded an additional \$2,500,000. We have had steady inquiries for financing, so we anticipate continuing the marketing strategy that was initiated during FY 2016. Given the changes made to the target areas across the rural parts of the State, we anticipate marketing efforts to continue to focus first on Western Maryland and secondarily on the other rural, underserved counties across the State.

The SLoT fund currently has applications in various stages of development representing another \$650,000 in loan requests (all in target areas).

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Fund Manager	Account: Account Name	Approved Transaction Amount	Account County
Anne Arundel Economic Development Corporation	Smart Graphics Design Inc.	\$125,000	Worcester
Anne Arundel Economic Development Corporation	RKP Associates, LLC	\$28,000	Montgomery
Anne Arundel Economic Development Corporation	Vixiar Medical Inc.	\$250,000	Anne Arundel
Anne Arundel Economic Development Corporation	Bier House	\$380,000	Anne Arundel
Anne Arundel Economic Development Corporation	Olde Town Candy Company	\$125,000	Worcester
Anne Arundel Economic Development Corporation	Minerva Home Healthcare, Inc.	\$37,000	Anne Arundel
Anne Arundel Economic Development Corporation	Grip Boost, LLC	\$250,000	Baltimore County
Anne Arundel Economic Development Corporation	Vasoptic Medical, Inc.	\$150,000	Baltimore City
Anne Arundel Economic Development Corporation	Aryana Rainbow, LLC	\$200,000	Anne Arundel
Anne Arundel Economic Development Corporation	Eco-Tots, LLC	\$200,000	Montgomery
Anne Arundel Economic Development Corporation	Kiddie Academy of Millersville, LLC	\$200,000	Anne Arundel
Anne Arundel Economic Development Corporation	Pirates Cove	\$275,000	Anne Arundel
Anne Arundel Economic Development Corporation	Backshore Brewing Co	\$250,000	Worcester
Anne Arundel Economic Development Corporation	The Daily Brew Coffeehouse, LLC	\$30,000	Worcester
Anne Arundel Economic Development Corporation	Appian Medical	\$150,000	Montgomery
15		\$2,650,000	

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)**

Fund Manager	Account: Account Name	Approved Transaction Amount	Account County
MMG	M.K. Catering, Inc.	\$50,000	Prince George's
MMG	Calmi Electrical Company, Inc.	\$250,000	Baltimore City
MMG	PHENOMENAL LLC	\$25,000	Baltimore County
MMG	Pioneer Pub, Inc.	\$125,000	Baltimore County
MMG	The Stone Foundation, LLC	\$50,000	Baltimore County
MMG	The Stone Foundation, LLC	\$50,000	Baltimore County
MMG	Edward & Hill Communications LLC	\$150,000	Howard
MMG	Ayates Plumbing & Mechanical, LLC	\$100,000	Baltimore City
MMG	PHENOMENAL LLC	\$65,000	Baltimore County
MMG	Sweatism, LLC	\$60,000	Prince George's
MMG	Lyles Cleaning Services, LLC	\$19,000	Frederick
MMG	PHENOMENAL LLC	\$50,000	Baltimore County
MMG	Voniks Juice, LLC	\$17,500	Montgomery
MMG	Elk Manor Operations, LLC	\$500,000	Cecil
MMG	Integrata, Inc. trading as Integrata Security	\$200,000	Baltimore City
MMG	Edward & Hill Communications LLC	\$400,000	Howard
MMG	Voniks Juice, LLC	\$43,490	Montgomery
MMG	Capitol Concrete & Landscape, LLC	\$25,000	Howard
MMG	Proud Mary, Inc.	\$25,000	Prince George's
MMG	Proud Mary, Inc.	\$25,000	Prince George's
MMG	Voniks Juice, LLC	\$37,000	Montgomery
MMG	Total Body Trainers, Inc. dba Evolution Training Athletics, LLC	\$45,000	Calvert
MMG	L & J Waste Recycling, LLC	\$200,000	Baltimore City
MMG	Delights By Mina, LLC	\$11,000	Baltimore City
MMG	Delights By Mina, LLC	\$15,000	Baltimore City
MMG	C&M Construction and renovations, LLC	\$135,000	Allegany
MMG	SRB Communications	\$150,000	Baltimore City
MMG	Interdynamics, Inc.	\$100,000	Prince George's
MMG	Capitol Concrete & Landscape, LLC	\$15,000	Howard
MMG	Capitol Concrete & Landscape, LLC	\$75,000	Howard
MMG	Mosaddegh Physical Therapy & Sports Medicine	\$90,000	Prince George's
MMG	LC Erdman, LLC dba Little Caesars of Erdman	\$150,000	Baltimore City
MMG	Mainstreet Technologies	\$325,000	Howard
MMG	True Chesapeake Oyster Company	\$200,000	Baltimore City
MMG	Blessing Groups of Company, Inc. dba Perfect Care Learning Center	\$199,000	Baltimore City
MMG	Fyodor Biotechnologies, Inc.	\$148,000	Baltimore City
MMG	Weber Solutions, LLC	\$24,000	Prince George's
MMG	Superior Technology Solutions Corporation	\$70,000	Baltimore City
MMG	Hidden Levels, LLC	\$50,000	Baltimore City
MMG	Delights By Mina, LLC	\$35,000	Baltimore City
MMG	PHENOMENAL LLC	\$90,000	Baltimore County
41		\$4,393,990	

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

MARYLAND CAPITAL ENTERPRISE VLT FUND

<u>Date Request Received</u>	<u>Disbursement Request</u>	<u>"EXPENSE FEE" Disbursement Request</u>	<u>"FUND" Disbursement Request</u>	<u>Fund Balance</u>	<u>Expense Fee Balance</u>
7/1/15 starting				\$1,000,000.00	
7/22/2015	\$250,000.00		\$250,000.00	\$750,000.00	
8/13/2015	\$250,000.00		\$250,000.00	\$500,000.00	
10/8/2015	\$250,000.00		\$250,000.00	\$250,000.00	
3/8/2016	\$250,000.00		\$250,000.00	\$0.00	
	\$1,000,000.00	\$0.00	\$1,000,000.00	\$0.00	N/A

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)**

Fund Manager	Account: Account Name	Approved Transaction Amount	Account County
Maryland Capital Enterprises	M&E Enterprises	\$40,000	Worcester
Maryland Capital Enterprises	College Scooters, LLC	\$45,000	Wicomico
Maryland Capital Enterprises	Solace SUP Boards	\$20,000	Worcester
Maryland Capital Enterprises	Lewrox Transportation	\$40,000	Anne Arundel
Maryland Capital Enterprises	Gilbert's Provisions	\$50,000	Worcester
Maryland Capital Enterprises	Badjo T Industries, LLC	\$20,000	Wicomico
Maryland Capital Enterprises	Tingle Services	\$14,999	Worcester
Maryland Capital Enterprises	Inflatables Delmarva	\$9,000	Wicomico
Maryland Capital Enterprises	C&S Jones Group, LLC dba CSJG	\$49,999	Baltimore City
Maryland Capital Enterprises	Red Oak Car Wash & Laundry, LLC	\$4,999	Wicomico
Maryland Capital Enterprises	Gym Supreme, LLC	\$30,000	Baltimore County
Maryland Capital Enterprises	Studio 7 The Salon, LLC	\$49,999	Baltimore City
Maryland Capital Enterprises	Greenbrier Staffings, LLC	\$60,000	Somerset
Maryland Capital Enterprises	Gifted Creations Hair Salon	\$2,500	Wicomico
Maryland Capital Enterprises	Advanced Integrative Health Group, LLC	\$50,000	Anne Arundel
Maryland Capital Enterprises	Total Lawn Care of Delmarva	\$4,999	Wicomico
Maryland Capital Enterprises	Celebrate Us Gift Baskets	\$2,500	Baltimore City
Maryland Capital Enterprises	A B Construction	\$3,500	Worcester
Maryland Capital Enterprises	C Ayers Transportation	\$35,000	Worcester
Maryland Capital Enterprises	Assateague Life, LLC	\$50,000	Worcester
Maryland Capital Enterprises	SouthBound Alley	\$75,000	Wicomico
	21	\$657,495	

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Fund Manager	Account: Account Name	Approved Transaction Amount	Account County
Baltimore Development Corporation	FX UAPC 10 Light Street, LLC	\$300,000	Baltimore City
Baltimore Development Corporation	True Chesapeake Oyster Company	\$200,000	Baltimore City
Baltimore Development Corporation	D&U, LLC	\$60,000	Baltimore City
Baltimore Development Corporation	Madison Cloud IT Solutions, LLC	\$150,000	Baltimore City
Baltimore Development Corporation	Planit	\$500,000	Baltimore City
Baltimore Development Corporation	Maryland Thermoform Corporation	\$300,000	Baltimore City
Baltimore Development Corporation	Taco Fiesta, LLC	\$82,500	Baltimore City
Baltimore Development Corporation	StarrSmith, LLC	\$76,000	Harford
Baltimore Development Corporation	Taco Fiesta, LLC	\$67,500	Baltimore City
9		\$1,736,000	

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)**

Fund Manager	Account: Account Name	Approved Transaction Amount	Account County
Baltimore County Department of Economic and Workforce Development	KLR Real Estate, Inc.	\$50,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Eyring, LLC/Bob's Overhead Doors	\$250,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Little Crystal Bijoux, LLC	\$100,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Site Support Services, Inc.	\$150,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	KR & FP , LLC	\$30,300	Frederick
Baltimore County Department of Economic and Workforce Development	Rosedale Printing	\$25,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Dr. Elezabeth Klebe DVM	\$50,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	East Coast Dyes	\$150,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Wagner 5, LLC	\$200,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Sparks Dynamics, LLC	\$100,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Devaney & Associates	\$100,000	Baltimore County
Baltimore County Department of Economic and Workforce Development	Aetna Shirt	\$50,500	Baltimore County
Baltimore County Department of Economic and Workforce Development	Exclusive Motor Cars, LLC	\$150,000	Baltimore City
Baltimore County Department of Economic and Workforce Development	Oasis Restaurant Group	\$150,000	Harford
Baltimore County Department of Economic and Workforce Development	Schiavi, Wallace & Rowe, PC	100000	Baltimore County
15		\$1,655,800	

**SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)**

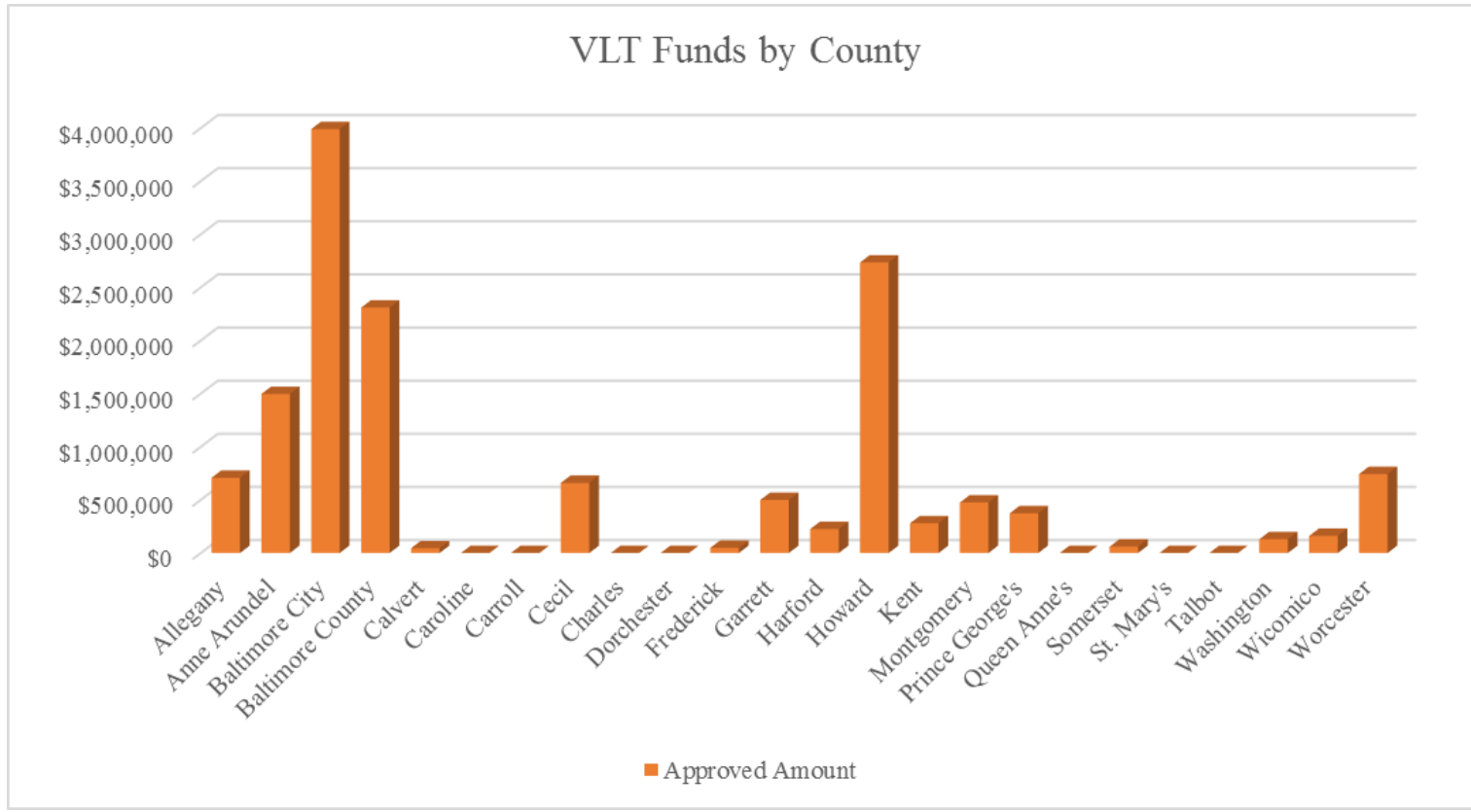
Fund Manager	Account: Account Name	Approved Transaction Amount	Account County
Howard County Economic Development Authority	Tennis For Everyone	\$100,000	Howard
Howard County Economic Development Authority	Sickweather	\$150,000	Baltimore City
Howard County Economic Development Authority	Puente Technology LLC	\$250,000	Howard
Howard County Economic Development Authority	Quality Oriented Solutions Inc	\$50,000	Howard
Howard County Economic Development Authority	Inspired Options Inc	\$130,000	Howard
Howard County Economic Development Authority	Jonathan Markel Salon	\$40,000	Howard
Howard County Economic Development Authority	SANS Technology	\$200,000	Howard
Howard County Economic Development Authority	Cookies n Milk	\$200,000	Howard
Howard County Economic Development Authority	Bricata LLC	\$250,000	Howard
Howard County Economic Development Authority	Verb8tm, Inc	\$250,000	Baltimore County
Howard County Economic Development Authority	Bulk Head Brewing Company LLC	\$150,000	Howard
Howard County Economic Development Authority	Mokxa Technologies LLC	\$250,000	Howard
Howard County Economic Development Authority	Rack Top Systems Inc	\$100,000	Howard
Howard County Economic Development Authority	Chesapeake NetCraftsmen	\$65,000	Anne Arundel
Howard County Economic Development Authority	Hi Pro Production & Media LLC	\$25,000	Howard
15		\$2,210,000	

SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL
(VLT)

Fund Manager	Account: Account Name	Approved Transaction Amount	Account County
Tri-County Council for Western Maryland (Frostburg, MD)	Simtat, LLC	\$100,000	Washington
Tri-County Council for Western Maryland (Frostburg, MD)	Lysczek Law Office	\$30,000	Washington
Tri-County Council for Western Maryland (Frostburg, MD)	Warming Embers, LLC	\$20,000	Allegany
Tri-County Council for Western Maryland (Frostburg, MD)	American Home Energy Corporation	\$160,000	Cecil
Tri-County Council for Western Maryland (Frostburg, MD)	Cresaptown Automotive Machine	\$100,000	Allegany
Tri-County Council for Western Maryland (Frostburg, MD)	Guthrie Real Estate	\$135,000	Allegany
Tri-County Council for Western Maryland (Frostburg, MD)	Lakeview Foods	\$500,000	Garrett
Tri-County Council for Western Maryland (Frostburg, MD)	Just Right Enterprises	\$280,000	Kent
Tri-County Council for Western Maryland (Frostburg, MD)	Clatter, LLC	\$120,208	Allegany
Tri-County Council for Western Maryland (Frostburg, MD)	Allegheny Trail House B&B	\$197,965	Allegany
10		\$1,643,173	

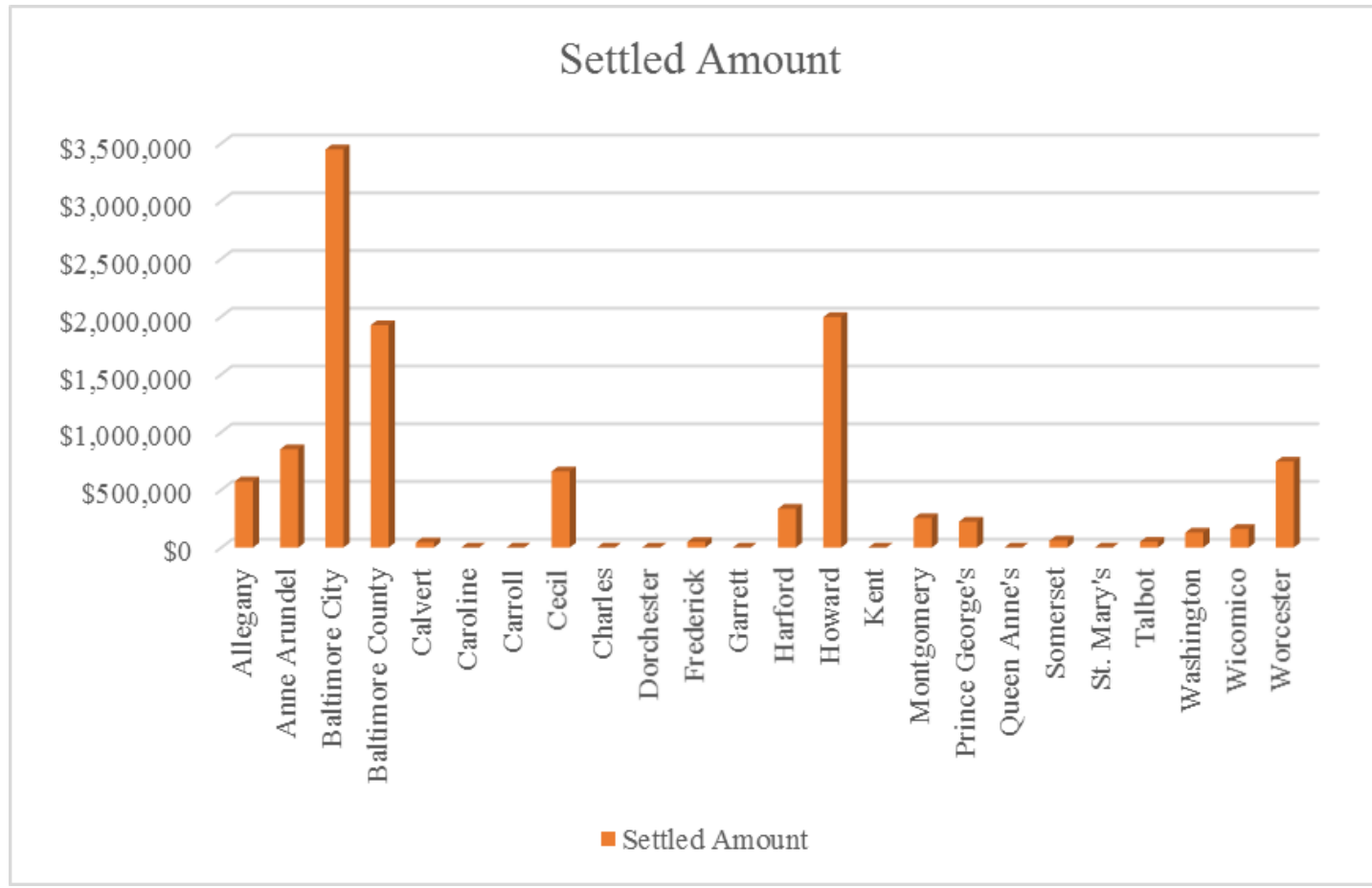
SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL (VLT)

FY 16 COUNTY DISTRIBUTION OF APPROVED VLT TRANSACTIONS



SMALL, MINORITY, AND WOMEN-OWNED BUSINESSES INVESTMENT ACCOUNT-VIDEO LOTTERY TERMINAL (VLT)

FY 16 COUNTY DISTRIBUTION OF SETTLED VLT TRANSACTIONS



DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

**AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)**

I, Beth A Woodring, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Vice President Finance and Strategic Initiatives and Fund Manager of Howard County Economic Development Authority HCEDA.
- 3) As Vice President Finance and Strategic Initiatives and Fund Manager , I have authority to execute this Affidavit on behalf of HCEDA.
- 4) As Vice President Finance and Strategic Initiatives and Fund Manager , I have personal knowledge of and have reviewed Catalyst Fund accounting records that were used in preparing HCEDA Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Howard County Economic Development Authority HCEDA accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 7/29/2016

**Howard County Economic
Development Authority (HCEDA)**



Signature

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

I, Timothy L. Smoot, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Sr. Vice President of Meridian Management Group, Inc. dba Maryland Casino Business Investment Fund (MCBIF).
- 3) As Sr. Vice President, I have authority to execute this Affidavit on behalf of MCBIF.
- 4) As Sr. Vice President, I have personal knowledge of and have reviewed MCBIF's accounting records that were used in preparing Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, MCBIF's accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 7/29/16

MERIDIAN MANAGEMENT GROUP, INC.


Signature

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

I, Leanne D. Mazer, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Executive Director of Tri-County Council for Western Maryland.
- 3) As Executive Director, I have authority to execute this Affidavit on behalf of Tri-County Council for Western Maryland.
- 4) As Executive Director, I have personal knowledge of and have reviewed Tri-County Council for Western Maryland's VLT Fund accounting records that were used in preparing Tri-County Council for Western Maryland's Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Tri-County Council for Western Maryland's accounting records are true and were prepared in accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 7/29/16

Tri-County Council for Western Maryland


Signature

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL

State Government Article Section 9-1A-35

**AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)**


I, Fred Homan, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Administrative Officer of Baltimore County, Maryland, a body corporate and politic and a political subdivision of the State of Maryland.
- 3) As Administrative Officer, I have authority to execute this Affidavit on behalf of Baltimore County, Maryland.
- 4) As Administrative Officer, I have personal knowledge of and have reviewed Baltimore County Boost Fund accounting records that were used in preparing the Baltimore County Boost Fund Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Baltimore County, Maryland accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

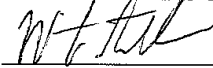
I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 07/08/2016

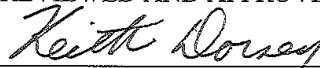
BALTIMORE COUNTY, MARYLAND

By: 
Fred Homan
Administrative Officer

REVIEWED AND APPROVED:

 6/30/2016
Will Anderson, Director
Department of Economic and
Workforce Development

REVIEWED AND APPROVED:


Keith Dorsey, Director
Office of Budget and Finance

APPROVED FOR FORM AND LEGAL SUFFICIENCY

 7/5/16
OFFICE OF THE COUNTY ATTORNEY *sm w. 2/1/14*

NO CERTIFICATION NECESSARY

 06/30/16
Office of Budget and Finance Date *ms*

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

**AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)**

I, JEFFREY P. PILLAS, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Vice President of City of Baltimore Development Corporation.
- 3) As Vice President, I have authority to execute this Affidavit on behalf of City of Baltimore Development Corporation.
- 4) As Vice President, I have personal knowledge of and have reviewed VLT Fund, City of Baltimore Development Corporation accounting records that were used in preparing City of Baltimore Development Corporation VLT Fund Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, City of Baltimore Development Corporation accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 7/1/16

CITY OF BALTIMORE
DEVELOPMENT CORPORATION



By: Jeffrey P. Pillas
Vice President

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

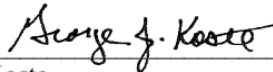
I, GEORGE KOSTE, hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the EXECUTIVE DIRECTOR OF MARYLAND CAPITAL ENTERPRISES, INC.
- 3) As EXECUTIVE DIRECTOR, I have authority to execute this Affidavit on behalf of MARYLAND CAPITAL ENTERPRISES, INC.
- 4) As EXECUTIVE DIRECTOR, I have personal knowledge of and have reviewed MARYLAND CAPITAL ENTERPRISES, INC.'S accounting records that were used in preparing MARYLAND CAPITAL ENTERPRISES, INC.'S Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, MARYLAND CAPITAL ENTERPRISES, INC.'S accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: July 21, 2016

MARYLAND CAPITAL ENTERPRISES, INC.



George Koste
Executive Director
P.O. Box 213
144 East Main Street
Salisbury, MD 21803
(410) 546-1900

DEPARTMENT OF COMMERCE
AFFIDAVITS

SMALL, MINORITY, AND WOMEN-OWNED BUSINESS INVESTMENT ACCOUNT-
VIDEO LOTTERY TERMINAL
State Government Article Section 9-1A-35

AFFIDAVIT IN SUPPORT OF ANNUAL FINANCIAL STATUS REPORT
FOR VIDEO LOTTERY TERMINAL ACCOUNT SECTION 9-1A-27(a)(6)

I, Stephen Primosch hereby swear and affirm that:

- 1) I am over the age of 18 years old and am competent to testify as to the matters herein.
- 2) I am the Vice President, Financial Services at Anne Arundel Economic Development Corporation).
- 3) As Vice President, I have authority to execute this Affidavit on behalf of Anne Arundel Economic Development Corporation.
- 4) As Vice President I have personal knowledge of and have reviewed the VOLT Fund accounting records that were used in preparing the VOLT Fund Annual Financial Status Report for the Video Lottery Terminal Account Section 9-1A-27(a)(6).
- 5) To the best of my knowledge, information, and belief, Anne Arundel Economic Development Corporation accounting records are true and were prepared accordance with Generally Accepted Accounting Principles (GAAP).

I SWEAR AND AFFIRM THAT THE FOREGOING STATEMENTS AND REPRESENTATIONS ARE TRUE, ACCURATE, AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

DATE: 7/19/16

(Anne Arundel Economic Development Corporation)


Signature