

Investor Support Letter

The financial viability of some companies depends on loans, advances and credit facilities provided by major shareholders or investors. Without these credit facilities, an organization could have difficulty paying expenses and meeting its financial obligations on a timely basis.

If a Phase II applicant's financial viability relies on, among other things, the continuation of loans or credit facilities from shareholder(s) or investor(s), the company should provide a Financial Support Letter(s) signed by such shareholder(s) or investor(s) confirming:

- (i) their intention to continue providing the loan or credit facilities to the company for the 2-year period during which Phase II research is underway; and
- (ii) an undertaking that such groups or shareholders will not cause any existing loans or advances to the company to be repaid during the 2-year period Phase II research is underway; if repayment affects the solvency of the company or ability to meet its financial obligations on a timely basis.

The following is an example financial support letter which should be provided by an organization which relies on loan or credit facilities provided by shareholders or investors.

(Example Financial Support Letter)

(On Shareholder or Investor Letterhead)

National Science Foundation
Division Institution & Award Support
Cost Analysis and Audit Resolution Branch
4201 Wilson Blvd
Arlington, VA
22230

Date _____

To the National Science Foundation:

[Name] [Address] is a shareholder or investor in [company name] [Address]
("Company") and provides the following credit and loan facilities to the Company:

(Describe)

We understand that Company has requested funding from the National Science Foundation for Phase II research to be performed under the Small Business Innovation Research (SBIR) & Small Business Technology Transfer (STTR) Program.

We hereby confirm:

- (i) our intention to continue to provide loan or credit facilities to the Company for the 2-year period during which Phase II research is underway; and
- (ii) an undertaking that we will not cause any existing loans or advances or to the Company to be repaid during the 2-year period Phase II research is underway; if repayment affects the solvency of the Company or ability to meet its financial obligations on a timely basis.

Signed:
[Shareholder/Investor Name]

BY:

Name/title