

Financial Information - CHIPS Incentives Request Excel Template

Document Overview:

These instructions refer to the downloadable full application CHIPS Incentives Request Excel template that can be found in at this link: <https://www.nist.gov/document/chips-nofo-commercial-fabrication-facilities-full-application-offline-incentives-request>.

Applicants for the CHIPS Incentives program submitting a full application should complete this template according to the instructions in this document and upload a completed version.

Please refer to the CHIPS Incentives Program—Commercial Fabrication Facilities Notice of Funding Opportunity (CHIPS-CFF NOFO) section IV.I.7. Financial Information. Please also refer to the FAQs on the CHIPS website (at <https://chips.gov/frequently-asked-questions>) for general information on the full application.

Throughout the review process, the Department may request additional information and/or revisions regarding this submission

Instructions:

Provide a summary of the funding request and available credit ratings in the CHIPS Incentives Request Excel template available for download. Applicants should complete the Incentives Request Form on a best-efforts basis. Please refer to the Notice of Funding Opportunity (NOFO) Section IV.I.7 – Financial Information: CHIPS Incentives Request for an overview of the requirements for this portion of the application.

**Please note that the final decision on the CHIPS financing assistance and key terms will be made by the the Department of Commerce. This information is to help the Department understand the Applicant's estimate of CHIPS financing assistance.

A) CHIPS Incentives Request Summary – Provide a summary of the type of incentives requested, as well as the amount of funding requested. Please ensure information provided in this form matches the corresponding CHIPS Direct Funding, CHIPS Loans, and Guaranteed portion of Third-party Loans Guaranteed by CHIPS Program sections in the “S&U – Summation across projects sheet” sheet in the Sources and Uses of Funds Excel template.

Guidelines for CHIPS Loans and Loan Guarantees - Please see NOFO Section I.B.8 for further details.

- **Interest Rate:** The interest rate on a CHIPS Loan will generally be based on the cost of funds to the Department of the Treasury for obligations of comparable maturity plus a portion of the spread to the market rate for commercial loans or debt of similar risk, tenor, and terms.
- **Tenor:** Loans will generally be extended for a term that covers the construction period plus up to 15 years. The maximum tenor is 25 years.
- **Structure:** Loans will be available on both a corporate and project finance basis, depending on the legal structure and nature of the project.
- **Amortization:** Corporate finance loans will generally be bullet loans repayable at maturity. Project finance loans will generally be non-amortizing during the construction period of a project and then amortizing until maturity.
- **Prepayment:** CHIPS Loans may be prepaid at the election of the borrower, subject to prepayment periods, waiting periods, and other terms to be agreed upon.

The specific terms of a CHIPS Loan Guarantee will be subject to negotiation with the applicant and the third-party lender(s). While the extent of the loan guarantee will vary based on the financing requirements and risk characteristics of a transaction, loan guarantees are not expected to cover more than 80% of any third-party debt obligation. CHIPS Loan Guarantees will be subject to comparable underwriting and diligence standards as CHIPS Loans.

A1. CHIPS Direct Funding Request: Indicate whether direct funding (e.g., grant, Other Transaction Authority) will be requested. If requested, enter the expected amount to be requested in dollars.

A2. CHIPS Loans Request: Indicate whether CHIPS loans will be requested. If the application includes a request for a loan

- Provide the dollar amount requested
- Provide the requested tenor of the loan (not to exceed 25 years)
- Indicate whether the financing structure of the loan will be “Corporate Finance” or “Project Finance.” Corporate Finance implies debt is incurred at the parent of development company level, with debt secured at the development company level. Project Finance implies that debt is secured at the project company level to finance the project
- Provide other requested terms for the requested CHIPS loan (e.g., details on amortization schedule, deferred interest option, pre-payment, seniority, collateralization, fixed vs floating interest rate type). To the extent that requested terms differ from the baseline terms in Section I.B.8 of the NOFO, the summary should include a justification.

A3. CHIPS Loan Guarantee Request: Indicate whether CHIPS loan guarantees will be requested. If the application includes a request for a loan guarantee

- For a loan requested to be guaranteed:
 - Provide the total size of the loan in dollars
 - Provide the amount of the loan requested to be guaranteed in dollars (not to exceed 80% of the total size of the loan)
 - Provide the requested tenor of the loan guarantee (not to exceed 25 years)

- o If known, provide the third-party lender (include all lenders if the loan is syndicated)
- Verify that the calculated loan guarantee summary fields correctly reflect the loan guarantee information entered
- Provide other known or requested terms for the loan requested to be guaranteed (e.g., details on amortization schedule, deferred interest option, pre-payment, seniority, collateralization, fixed vs floating interest rate type). To the extent that requested terms differ from the baseline terms in Section I.B.8 of the NOFO, the summary should include a justification.

B) Credit Rating Summary – Provide the most recent credit ratings applicable to the borrowing entity and its corporate parent / sponsor, if available.

- **Borrowing entity for Project:** enter details such as entity name, SAM.gov unique enterprise identifier (if available), mailing address, and organization website. Some fields may be auto populated from other sections and the applicant should verify the information is correct.
- **Corporate Parent / Sponsoring Entity:** If applicable, provide details for the corporate parent or sponsoring entity that houses the entity that will borrow from the CHIPS program
- **Credit Rating of Borrowing Entity:** If the borrowing entity has received a long-term corporate credit rating from a credit rating agency, indicate the name of the agency, the rating, and the date the rating was released. Provide the most recent rating for any agency which has rated the entity's corporate creditworthiness.
- **Credit Rating of Corporate Parent / Sponsoring Entity:** If the corporate parent / sponsoring entity has received a long-term corporate credit rating from a credit rating agency, indicate the name of the agency, the rating, and the date the rating was released. Provide the most recent rating for any agency which has rated the entity's corporate creditworthiness