



# Emerging Technology Fund

The Emerging Technology Fund (ETF) was specifically created to help growing technology companies gain access to debt capital. Our goal is to provide innovative debt financing solutions to help companies deliver product to the marketplace while fueling economic growth.

## Loans

The ETF makes loans of up to \$2.5 million to technology companies for facility acquisition, expansion or improvements, working capital, and equipment purchases. We work with companies located in or relocating to Massachusetts that have strong management teams, demonstrated technical developments, market demand for their products, and proven financing records.

## Guarantees

The ETF also offers guarantees of up to \$1.5 million on real estate loans made by banks or other private lenders to technology companies. ETF loan guarantees can allow banks/private lenders to increase their advance rates, giving you more access to capital to support your company's growth.

## ETF Program Summary

### Eligibility

- Technology companies launching or expanding manufacturing operations in Massachusetts.
- Financing for the purchase, expansion, or improvement of real estate; the purchase of equipment; or working capital for growth.
- At least two parties, other than the ETF, must provide financing.
- Financial investment must benefit the Massachusetts economy.

### Terms

- Loans up to \$2.5 million.
- Guarantees up to \$1.5 million.
- A \$250 application fee.
- A 1% commitment fee on the total loan amount is due upon issuance of a loan commitment letter.
- Yield enhancements such as warrants to purchase stock in the company may be required.

### Industries Served Include (but are not limited to)

- Advanced Materials
- Defense/Cyber Security
- Electronics
- Information Technology
- Medical Devices
- Nanotechnology
- Plastics/Polymers
- Software

For more information, contact Jim Kenney at 617.405.5250 x1704 or [jkenney@massdevelopment.com](mailto:jkenney@massdevelopment.com).





## Case Studies

### **Dynamo Micropower Corporation, *Somerville***

MassDevelopment provided a \$175,000 Emerging Technology Fund SBIR Bridge Financing to Dynamo Micropower Corporation, a Somerville-based company that develops flexible micro-turbine based electrical power generation systems for the oil and gas industry. The SBIR Bridge Financing allowed Dynamo to access SBIR grant award dollars from the National Science Foundation on an expedited basis. Dynamo used the bridge loan to fund research, development, and field testing related to commercialization of its turbine technology.

### **Lexington Medical Inc., *Billerica***

MassDevelopment provided a \$2.5 million Emerging Technology Fund loan to Lexington Medical Inc., a developer of abdominal surgical devices. The company will use the loan to help finance its expansion into an 8,000-square-foot facility in Billerica. Lexington Medical will use loan proceeds to install a clean room in the new facility, and to buy customized equipment and materials for developing and producing general surgery medical devices.

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