**OFFICE OF STRATEGIC CAPITAL**
**Notice of Funding Opportunity**

## 1. BASIC INFORMATION

*Federal Agency Name:* Office of Strategic Capital ("OSC"), U.S. Department of War

*Federal Funding Opportunity Title:* National Security Fund Finance ("NSFF") Program

*Announcement Type:* Notice of Funding Opportunity

*Date*: August 19, 2026

*Funding Details:* Funding is available for program credit facilities for one or more professionally managed debt investment fund managers ("Firms"). Firms may request funding of the lesser of (a) [$500,000,000 - $1,000,000,000][1] and (b) [125%] of the Total Fund Equity Capitalization, as defined in Attachment I. Firms requesting funding greater than [$500,000,000 - $1,000,000,000] or [125%] of the Total Fund Equity Capitalization, as applicable, and Firms requesting funding less than [$500,000,000], will not be evaluated and will be removed from consideration. OSC reserves the right to limit awards to [$500,000,000 - $1,000,000,000]. Any award made pursuant to this opportunity will be no less than [$500,000,000], and no greater than the total funding requested in the proposal (up to a maximum of [500,000,000 - $1,000,000,000]).

*Key Dates:* Complete proposals must be submitted to OSDRE-NationalSecurityFundFinanceSubmissions@groups.mail.mil by 5:00 p.m. EDT on November 1st, 2026. OSC intends to evaluate proposals and select parties for further due diligence and negotiation by January 10th, 2027. Conditional commitments are expected to be made on or before March 10th, 2027. A conditional commitment is not an authorization to begin performance. Performance is subject to finalization of the terms and conditions of an executed credit facility agreement and related documentation. OSC reserves the right to make one or more award(s) at an escalated timeline and may have dialogue with applicants during the period between proposal submission and the finalization of award decisions, and OSC reserves the right to extend any deadline(s). All proposals must state that they remain valid through March 10th, 2027, unless withdrawn in writing by the Firm submitting the proposal.

*Executive Summary:* OSC is issuing this Notice of Funding Opportunity ("NOFO") to attract and scale private capital to minerals and materials critical to the national security of the United States. The NSFF Program is a fund-level financing solution to increase private capital investment in gaps, shortages, and vulnerabilities in the supply of critical minerals and materials, as that term is used in 10 U.S.C. § 149(h)(2)(HH), and associated technologies, supply chains, and production processes, vital to U.S. national security (hereinafter, "Critical Minerals and Materials Supply Chains"). The NSFF Program provides loans to qualified investment fund managers, which combine OSC loans with private capital to invest in portfolio companies focused on solving U.S. national security shortages, gaps, and vulnerabilities with respect to Critical Minerals and Materials Supply Chains. By providing credit to qualified asset managers, the NSFF Program acts

[1] NTD: Department of War reserves the right to increase this figure in the future.

as a force multiplier to increase and accelerate investment into Department of War ("DoW") priorities.

OSC will select one or more eligible Firms for the award of a credit facility containing the terms and conditions set forth in Attachment I, Summary of Terms and Conditions, subject to any modifications contemplated in paragraph 4.C. below. No credit facility may exceed the lesser of (a) 125% of the Total Fund Equity Capitalization, as defined in Attachment I, or (b) [$500,000,000 - $1,000,000,000].

*Agency Contact Information:* Requests for further information should be directed to: OSDRE-NationalSecurityFundFinanceSubmissions@groups.mail.mil

## 2. ELIGIBILITY

OSC will consider proposals from professional managers of debt investment funds, which professional managers and their applicable managed funds are duly formed under the laws of one of the States in the United States and that possess all authorizations, permits, licenses and certifications required by Federal and state laws and regulations to conduct the management and investment activities identified in this Notice.

Firms submitting proposals in response to this NOFO shall be judged according to criteria which include:

- Significant leadership, employees, and operations located in the United States;
- Significant assets currently under management;
- Significant years of operating history;
- High quality financial reporting capabilities;
- Adherence to industry cyber standards;
- Proven experience managing investments in firms or industries involving Critical Minerals and Materials Supply Chains; and
- Possession of all relevant accreditations or certifications, including, but not limited to, Registration as an Investment Adviser with the U.S. Securities and Exchange Commission (SEC) pursuant to the Investment Advisers Act of 1940.

OSC reserves the right to waive or increase any of the above eligibility criteria in its sole discretion, including if an otherwise ineligible Firm demonstrates exceptional alignment with NOFO objectives and requirements.

Any Firm that is a "Restricted Entity" as defined in Attachment I, Schedule IV is ineligible for award.

## 3. PROGRAM DESCRIPTION

### A. Purpose of the NSFF Program

OSC's mission is to attract and scale private capital to technologies critical to the national and economic security of the United States. DoW will utilize financial tools available to OSC to attract and scale the private capital needed to commercialize and scale critical technologies that enhance the United States' broader national security and economic interests. OSC is authorized to provide loan funding to eligible projects in select covered technology categories, one of which is critical minerals and materials as used in 10 U.S.C. § 149(h)(2)(HH). OSC aims to build on successful examples of administering efficient, cost-effective financial tools to advance national security priorities. By aligning government and private sector incentives around investments vital to national security and economic interests, DoW aims to use the power of the market and economic competition to attract the capital required for critical national security investment.

### B. NSFF Funding Priorities

The NSFF Program is a fund-level financing solution to increase private capital investment in Critical Minerals and Materials Supply Chains. The NSFF Program provides loans to qualified investment fund managers, who combine OSC loans with private capital to invest in portfolio companies focused on Critical Minerals and Materials Supply Chains.

### C. Funding Restrictions

Draws under a Credit Facility may only be used for the origination of Eligible Assets in compliance with the Investment Restrictions. The terms below reflect the requirements and definitions set forth in Attachment I.

> "**Eligible Assets**" shall consist of any of the below loans that satisfy the Eligibility Criteria as outlined in Attachment I, Schedule III:
>
> > "**First Lien Loan**" means (x) all or a portion of a first lien cash pay senior secured loan which is not subordinated (payment or lien) to any other debt (other than lien subordination with respect to customary revolvers or working capital facilities and last-out payment priority with respect to first lien unitranche facilities) and (y) all right, title and interest in all loan documents with respect thereto.
> >
> > "**Second Lien Loan**" means (x) all or a portion of a cash pay senior secured loan which is only lien (and not payment) subordinated to first lien debt, and (y) all right, title and interest in all loan documents with respect thereto.
>
> "**Eligible Portfolio Company**" means any entity that is an issuer of (or is otherwise a counterparty to) any Eligible Asset.
>
> "**Invested Capital**" means the aggregate amount of total capital contributions from Partners plus amounts drawn under the Credit Facility plus net positive returns from the Portfolio Investments that are used to finance Portfolio Investments.

"**Investment Restrictions**" means the parameters set forth below, all of which must be satisfied:

> Critical Minerals and Materials Supply Chains: 100% of advances under the Credit Facility must be invested in Eligible Assets with Eligible Portfolio Companies and solve/address gaps, shortages, and vulnerabilities regarding Critical Minerals and Materials Supply Chains that are important to U.S. national security, as determined at the discretion of OSC.
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> Non-Solely Defense Applications: 100% of advances under the Credit Facility must be invested in Eligible Assets with Eligible Portfolio Companies for a technology that does not solely have defense applications.
>
> Non-Federal Funding Requirement: 100% of advances under the Credit Facility must be invested in Eligible Assets with Eligible Portfolio Companies in an industrial or commercial sector that has, in the opinion of the Administrative Agent identified in Attachment I, not been solely or predominantly capitalized by the federal government.
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> Concentration Limit: No investment in a Portfolio Company Group may account for more than: [8.5% - 10.0%] of Total Capitalization.
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> Equity Investments: No amount of Total Capitalization may be invested in equity investments, provided that equity interests may be received and retained in connection with a work-out or restructuring of an Eligible Asset.
>
> Restricted Entities: Credit Parties shall not make or hold any investments in any Portfolio Company that is a Restricted Entity as defined in Attachment I, Schedule IV, or that has Affiliates that are Restricted Entities.

"**Portfolio Company Group**" means, collectively, an entity that issues (or is otherwise a counterparty to) any Portfolio Investment and, with respect to any debt Portfolio Investment, such entity's direct parent, subsidiaries and each obligor of such Portfolio Investment.

"**Total Capitalization**" means, as of any date of determination, the sum of Total Fund Equity Capitalization, as of such date plus amounts available under, and drawn under, the Credit Facility as of such date.

Draws may not be used for any other purpose, including distributions or other payments to partners, including general partners, of the awardee.

## 4. FEDERAL FUNDING INFORMATION

### A. Funding Instrument

A multi draw term loan facility provided for the purpose of providing credit to the Firm and its related Credit Parties to make investments in shortage areas and vulnerabilities in Critical Minerals and Materials Supply Chains that are important to U.S. national security, as more particularly set forth in Attachment I.

### B. Funding Availability

Up to [$500,000,000 - 1,000,000,000] is available for each of one or more professionally managed debt investment funds.

### C. Terms and Conditions

The credit facilities awarded pursuant to this NOFO will reflect the terms and conditions set forth in Attachment I, Summary of Terms and Conditions. Firms may, but are not required to, propose alternative language to one or more provisions in Attachment I. OSC will evaluate Firms favorably to the extent that Firms accept Attachment I as written. By submission of a proposal, the Firm accepts all portions of Attachment I except for those specific portions the Firm takes exception to in its proposal. Any proposed alternative language shall be accompanied by an explanation why the proposed language will materially advance the interests of OSC and the NSFF Program. Acceptance by OSC of any proposed alternative language may be subject to additional diligence requests and further dialogue with applicants.

## 5. PROPOSAL CONTENT AND INSTRUCTIONS

Complete proposals must be submitted to OSDRE-NationalSecurityFundFinanceSubmissions@groups.mail.mil by 5:00 p.m. EDT on the deadline outlined in *Key Dates*, above. A complete proposal consists of the following four (4) volumes:

Volume I – General Firm/Fund Information and Eligibility, including completed Attachments II, III, IV, and a completed Standard Form 328 (See Section 5.A)

Volume II – Investment Strategy and Advancement of OSC Priorities (See Section 5.B)

Volume III – Other Information, including completed Attachment V (See Section 5.C)

Volume IV – Revisions to Summary of Terms and Conditions—NSFF Program Credit Facility

All Firms submitting proposals are required to (1) be registered in the System for Award Management (SAM) before submitting a proposal, (2) provide a valid Unique Entity Identifier (UEI), and (3) continue to maintain an active SAM registration with current information at all times during which the registered entity has an active federal award or a proposal/application under consideration by OSC in accordance with the requirements at 2 C.F.R. Part 25. For entities not currently registered with SAM, please be advised to allow two (2) to three (3) weeks to complete the registration process required to submit proposals or apply for funding opportunities. First-time entities applying for federal funding must register at SAM.gov.

Any misrepresentation made by a Firm in any aspect of the Firm's proposal will render the Firm ineligible for award. A misrepresentation in a proposal may also subject the Firm submitting the proposal to a variety of other criminal, civil, and administrative remedies and penalties.

OSC recognizes the importance of protecting proprietary or otherwise confidential business information. OSC and the Department will follow applicable laws, including, for example, the Trade Secrets Act, and the Freedom of Information Act ("FOIA"), as well as the DoW Controlled Unclassified Information ("CUI") policy to protect such information. A Firm should clearly mark those pages of its proposals that the Firm believes are exempt from disclosure under FOIA. In the absence of such marking, OSC will assume that all information submitted is not exempt from disclosure. Any requests for information covered by a confidentiality claim will be disclosed by OSC in accordance with the procedures set forth under 32 C.F.R. Subchapter N, or as otherwise required by law or order of court with appropriate jurisdiction.

Firms are advised that employees of commercial firms under support contract(s) to the Government may be used to process proposals or perform other administrative duties requiring access to Firm's proprietary information, if applicable. These support contracts include nondisclosure agreements prohibiting their contractor employees from disclosing any information received in the course of their work for OSC or using such information for any purpose other than that work.

### A. General Firm/Fund Information and Eligibility

Volume I shall provide (1) a completed Cover Sheet set forth in Attachment II, (2) a completed Standard Form 328, Certificate Pertaining to Foreign Interests, (3) a completed Attachment II, (4) a completed Attachment III, (5) a completed Attachment IV, and (6) the following general information regarding the Firm and the Firm's fund(s). Volume I shall establish that the Firm satisfies the eligibility criteria set forth in Section 2, above.

**Firm: General Information**

A1. Provide a brief overview of the Firm, including information on the founding, subsequent history and information on any predecessor firm and/or parent firm.

A2. Describe any plans to change or expand the Firm (e.g., entering/exiting business lines or office locations) over the next five years.

A3. Provide an overview (including chart) of the ownership structure of the Firm, including all direct and indirect owners of any ownership percentage, the Firm's relevant investment advisors and any parent organization. Include details on the timing and rationale for each significant ownership change. State any limitations on the ability of the Firm principals to assign their interests in the General Partner. Include percentage ownership for each direct and indirect owner, ownership vesting schedules and any changes in ownership over the last five years for both the General Partner and the Management Company.

A4. Detail how the Firm protects sensitive, proprietary, and confidential information regarding its investors and investments, including any physical, electronic, and operational safeguards.

A5. Provide an organizational chart showing the management/organizational structure of the Firm. Include the structure and the different departments within the Firm (e.g., Operations, IT, HR, Legal, Accounting or Finance). Only provide names of C-suite and department heads (e.g., Head of Operations). Names for all other Firm employees do not need to be provided as part of the organizational chart.

A6. Has the Firm entered any joint ventures with or sold a minority interest in the Firm to another manager? If so, describe any situation where the Firm has entered any joint ventures with or sold a minority interest in the Firm to another manager, including the structure, governance and economics of the relationship.

A7. Provide an overview of the C-suite at the Firm, including the information outlined in Attachment III.

A8. Does the Firm have any existing business lines that are unrelated to the Fund's investment strategy?

A9. Provide a list of all investment vehicles previously managed by the Firm over the last ten years, including predecessors to the Fund, vehicles with different investment strategies than that of the Fund and separate accounts managed by the Firm.

A10. Describe the Firm's capital raising plans over the next five years, including new funds, strategies or business lines. Provide context into any plans related to taking the Firm public or raising permanent capital.

A11. Provide information regarding indebtedness of any kind, including pledges of interest in the Firm/Management Company or any of its affiliates. If applicable, provide the schedule of such borrowings and provide details regarding the key terms and covenants contained in such agreements. Are there any personal guarantees involved? If so, by whom?

A12. Describe any situation in the last five years where the Firm, its leadership, or any of its affiliated entities has failed to make payments under any secured or unsecured indebtedness when due.

A13. Describe any situation where the Firm, its leadership (includes current and former leadership as well as senior investment professionals, current or former), or any affiliated entity ever filed for bankruptcy.

A14. Will the Firm or any members of Leadership or Senior Investment Professionals conduct outside business activities, advisory or investment management activities during the investment period of the Fund? Describe any outside business activities, advisory or investment management activities of the Firm or any members of Leadership or Senior Investment Professionals.

A15. Is the Firm a publicly held company, or a direct or indirect subsidiary of a publicly held company?

A16. Provide information regarding the Firm/Management Company's liquidity and capitalization, including that of the Parent Company (if applicable), as well as any external shareholders.

A17. Provide the Firm's annual pro-forma budget for the period covering the life of the Fund. Please include a cash flow model for the Fund.

A18. Has the Firm or any of its Funds or portfolio companies accessed any government assistance programs in the last five years? If so, describe any government assistance programs accessed by the Firm or any of its Funds or portfolio companies in the last five years.

A19. Identify any government assistance programs the Firm or any of its Funds or portfolio companies intends to receive in the future.

A20. Indicate whether the Firm has any of the following codes, manuals or policies (as referenced in the table below) and whether the Firm requires or encourages portfolio companies (where the Firm is a significant lender) to have the following codes, manuals or policies. Identify if copies have been provided. Copies for portfolio companies are intended to be representative examples of the codes, manual or policies – examples for every portfolio company do not need to be provided.

a. Firm Governance / Risk / Compliance

i. AML/CFT Policy

ii. Compliance Manual

iii. Code of Conduct/Code of Ethics

iv. Financial and Organizational Conflicts of Interest Policies

v. Insurance Policy(s) (e.g., fidelity bond insurance, errors and omission insurance, director's and officer's insurance or cyber threat insurance)

vi. Policy on the Handling and Safeguarding of Any Material Non-public Information

b. Accounting / Valuation

    i. Valuation Policy

c. Data Security / Technology / Third Party(s)

    i. Business Continuity Plan

    ii. Disaster Recovery Plan

    iii. Cyber/Information Policy

A21. Is there a succession plan for the Firm? Describe the Firm's process for developing a succession plan and the succession plan itself.

A22. Identify any past, present, or anticipated future foreign ownership, control, or influence on the Firm and describe any plans, policies, or strategies to mitigate or eliminate any foreign ownership, control, or influence during the life of the Fund.

A23. Provide full census of employees, consultants and advisors.

**Fund: General Information**

A24. Outside of the General Partner, will non-Limited Partners affiliated with the Firm be prohibited from investing or holding an ownership interest in the Fund's investments?

A25. Describe how the Fund will utilize Placement Agents, if any, during the capital raising process.

A26. Describe where the responsibilities for capital raising live within the Firm, including the individuals responsible for capital raising activities.

A27. Detail the capital raising timeline for the Fund, including each of the actual or anticipated closing dates.

A28. Describe the expected timing and format of any LPAC/Annual General Meetings during the life of the Fund, including context into the nature of the meetings (e.g., virtual, in-person or hybrid), existence of in-camera session, if minutes and/or recordings are made available and if there are defined topics discussed in each meeting.

A29. Describe the anticipated composition of the Fund's LPAC. Provide a list (with contact information) of any Limited Partners that have already agreed to participate on the advisory committee.

A30. Provide an overview of the Boards and Committees at the Firm that cover the Fund. Indicate how decisions are ratified.

A31. Please provide details of your intended fee scheme inclusive of all management fees, incentive fees, expense reimbursement, transaction fees, and portfolio company fees.

A32. Please provide investment track record details by populating Attachment IV. Applicants are asked to provide information regarding credit and equity investments during the last 10 years.

A33. Provide the Fund's annualized pro-forma budget, detailing the expenses/costs required to conduct the business of the Fund during its entire life.

### B. Investment Strategy and Advancement of OSC Priorities

Volume II of the Firm's proposal shall describe the Fund's investment strategy and demonstrate how the Fund will advance the purpose, priorities, goals, and objectives of the NSFF Program set forth in Section 3, above. At minimum, each Firm must respond to each question below but is encouraged to provide any other information that the Firm believes will demonstrate how and why the Firm's Investment Strategy furthers the mission of the NSFF Program and OSC.

B1. Summarize the Fund's investment strategy and types of transactions the Fund will pursue. Include details on anticipated transaction sizes (including minimum/maximum), investment pace, holding periods, geographic focus, industry/sector focus, company development stage and any other relevant characteristics.

B2. Identify the specific Critical Minerals and Materials Supply Chains that the Fund, pursuant to its investment strategy, will invest in to address U.S. national security shortages, gaps, and vulnerabilities, and describe (in detail) how the Fund's investments will address shortages, gaps, and vulnerabilities relevant to U.S. national security in each Critical Minerals and Materials Supply Chain.

B3. Describe the Firm's ability to invest at the Fund's targeted size and the implications for co-investing with Limited Partners and non-Limited Partners.

B4. State the Firm's policy regarding how investment opportunities will be allocated between active funds. Describe any funds, listed vehicles, permanent capital vehicles, SPACs and/or separate accounts with potential allocation considerations.

B5. In the context of the Fund, what controls and rights will the Firm seek when executing investments? How are controls and rights established through board membership, covenants, etc.?

B6. Please provide the ten most recent examples where the Firm made a debt investment in a portfolio company and there was a covenant breach in the debt of the portfolio company. Please describe the situation and how the situation was resolved.

B7. Describe any investments that will not be considered.

B8. Describe the risk factors of the Fund's investment strategy (e.g., political, economic, financial, technology, business cycle, environmental or human capital risks) and the steps taken to mitigate these risks.

B9. Describe the Firm's approach to working with existing or new management teams at portfolio companies. Provide examples of the strategies that are used to incentivize portfolio company management teams.

B10. Describe the typical methods used by the Firm to create value for its portfolio companies (e.g., restructuring, strategic re-positioning, leveraging or operational improvements). Identify how the Firm's strengths in creating value for investments impact its sourcing capabilities. Provide case studies to illustrate the Firm's value creation capabilities.

B11. What is the targeted return-profile threshold (e.g., gross IRR or money multiples) for investments by the Fund? What is the expected holding period?

B12. Will the Fund offer co-investments? If so, how will these co-investment opportunities be allocated? If applicable, provide examples of past co-investments including the portfolio company details, list of co-investors and amounts invested and insight into any non-Limited Partner co-investors.

B13. Describe the Firm's deal sourcing capabilities. How is the sourcing process staffed, conducted and documented? Identify any technology tools (e.g., software, applications, information systems or portals) used. Describe the robustness and sustainability of the Firm's proprietary network of contacts used to identify opportunities. Provide context on any organizations that the Firm will not typically source deals from. Specifically outline how you will source deals in Critical Minerals and Materials Supply Chains.

B14. Describe the Firm's screening and due diligence processes. How is each process staffed, conducted and documented? How long is a typical due diligence process? Describe the process used to identify attractive investment opportunities. What criteria are used to assess an investment's attractiveness? Will the deal team be in charge of the investment until exit, or will other professionals be assigned post-origination? Include details on any due diligence checklists, internal reports, financial models and investment committee documents prepared, as well as any technology tools used (e.g., software, applications, information systems or portals).

B15. Discuss how the Fund will promote U.S. national security objectives including board and executive team composition, headquarters and domiciliation, restricted entity covenants, foreign ownership restrictions, ability for Department of War to direct production output, time of conflict production direction rights, and reshoring.

### C. Other Information

Volume III of the Firm's proposal shall include the following documents:

C1. Fund Limited Partnership Agreement

C2. Private Placement Memorandum (PPM) of the Fund

C3. Annual General Meeting materials for the last two years

C4. Firm's most recent regulatory body registration/disclosure form(s) (e.g. Form ADV Parts 1 and 2)

C5. The Partnership Agreement of the General Partner

C6. All audited annual & unaudited quarterly reporting packages sent to Limited Partners for each active predecessor fund over the last five years

C7. The audited financial statements, including supplements, of the Firm for the last three years

C8. Examples of capital call and distribution notices

C9. The Investment Advisory Agreement between the Fund and the General Partner

C10. Presentation materials and minutes of all LPAC meetings held over the last two years

C11. Attachment V Individual Legal Questionnaire as attached for Senior Management of the Fund and the Firm

C12. Sample deal pipeline for the Fund

### D. Revisions to Summary of Terms and Conditions—NSFF Program Credit Facility

The credit facilities awarded pursuant to this NOFO will reflect the terms and conditions set forth in Attachment I, Summary of Terms and Conditions. Firms may, but are not required to, submit a Volume IV that proposes alternative language to one or more provisions in Attachment I. By submission of a proposal, the Firm accepts all portions of Attachment I except for those specific portions the Firm takes exception to in its Volume IV. Acceptance by OSC of any proposed alternative language may be subject to additional diligence requests and further dialogue with applicants. Any misrepresentations made by an applicant will render the applicant immediately ineligible for award.

## 6. OSC Evaluation of Proposals and Due Diligence

### A. Initial Screening

OSC will perform an initial screening of proposals received in response to this NOFO to identify and eliminate ineligible Firms. OSC may, at its discretion, defer the final determination of a Firm's eligibility until later in the proposal evaluation or due diligence process. Deferral of a final determination of eligibility may be required if, for example, OSC must coordinate with other Federal agencies to assess the Firm's eligibility.

In addition to determining eligibility, OSC will evaluate proposals received in response to this NOFO to assess the extent to which the Firm, its proposed fund(s), its investment strategies, and the other elements of the Firm's proposal will advance the purpose, priorities, goals, and objectives of the NSFF Program set forth in Section 3, above.

### B. Proposal Evaluation

OSC will evaluate proposals based on the following criteria and will identify one or more Firms with which OSC will engage in due diligence. In the event that OSC terminates due diligence with one of more Firms, OSC may select additional Firms for due diligence at any point during the period of proposal validity.

#### (1) Economic and National Security Alignment

OSC is guided by the OSC mission statement: to attract private capital to national security priorities and scale private investment into critical technologies. Successful Firms will have a demonstrated investment—or demonstrated commitment to investing—in companies and industries that advance OSC's goals with respect to Critical Minerals and Materials Supply Chains.

#### (2) Economic and National Security Objectives

OSC will evaluate the Firm's commitment to supporting national security objectives related to Critical Minerals and Materials Supply Chains at portfolio companies. These include, but are not limited to, board and executive team composition, headquarters and domiciliation, restricted entity covenants, foreign ownership restrictions, ability for Department of War to direct production output, time of conflict production direction rights, and reshoring.

#### (3) Proven Investment Strategy and Track Record of Success

OSC will evaluate proposals to assess the extent to which the Firm will pursue a familiar strategy that Firm leadership has successfully pursued as an investor or operator in the past. OSC will evaluate the Firm's demonstrated prior track record of successful investments based on the proposed strategy. OSC will assess the likelihood that the Firm will be able to raise the required amount of capital from investors based on the Firm's track record. Particular attention will be given to the Firm's fundraising history and momentum in assets under management, the Firm's historical fund returns, and the Firm's underwriting discipline and credit portfolio performance.

**(4) Appealing Firm Structure**

OSC will evaluate proposals to determine the extent to which the Firm's structure aligns the incentives of the Firm's managers and investors with the overall mission of OSC. Particular attention will be given to the quality and diversification of the current limited partner base in the relevant fund vehicles and the proposed fee/carry structure.

**(5) Likelihood of Consummating a Credit Facility Agreement**

OSC will evaluate proposals to assess the likelihood that OSC and the Firm will reach agreement on a definitive credit facility agreement. OSC's evaluation will consider the scope of any alternative language to the terms and conditions set forth in Attachment I, Summary of Terms and Conditions, and the Firm's history of successfully consummating similar agreements.

**(6) Creditworthiness**

OSC will review Firms for a demonstrated history of reliable credit repayment. OSC will not issue a credit facility unless it determines that the applicant has a reasonable prospect of repaying the principal and interest on the loan in a timely manner and that the principal, when combined with amounts available to the Firm from other sources, will be sufficient to carry out the Firm's investment strategy.

### C. Due Diligence

OSC will select one or more Firms for further business and legal due diligence to evaluate the financial and legal soundness of the proposed credit facility. At this stage, OSC may seek the Firm's approval for employment of consultants or advisors to perform or support any due diligence.

Following due diligence, the proposal materials and findings will undergo an approval process within OSC, resulting in OSC proposing a score to OMB. OMB will evaluate the final subsidy cost of the direct loan and provide its concurrence or non-concurrence with the proposed score. The final subsidy cost approved by OMB may require adjustments to negotiated financial terms, including interest rates.

## 7. Federal Funding Administration Information

### A. Third-Party Expenses and Fees

OSC may utilize independent technical, financial, or other consultants and contractors and outside legal counsel during the due diligence process. Subject to the express agreement of the Firm, the Firm shall be responsible for the payment of all expenses charged by the independent consultants or contractors and OSC outside legal counsel in connection with an application. In such case, OSC shall not be responsible for expenses incurred, including if an application is denied.

### B. Funding Availability and Limitation of Liability

Funding for the NSFF Program is contingent upon the availability of appropriations. In no event will OSC be responsible for application preparation costs. Neither publication of this NOFO nor any invitation to engage in due diligence will oblige OSC to award a credit facility or to obligate available funds. This NOFO is not intended to and does not create any rights enforceable by any alleged third-party beneficiaries.

OSC is not under any obligation to provide additional future funding in connection with any funding made under this NOFO.

### C. Reporting

OSC understands the importance of undertaking systemic data collection and rigorous evaluative activities to assess the outcomes related to funds given under this NOFO. OSC is committed to this goal, and all applicants should expect that such collection and evaluation will be a requirement of funding.

All funding recipients will be expected to comply with all reporting requirements, as well as program evaluation activities undertaken by OSC, in a format acceptable to OSC.

OSC may publish generalized information through the review, selection, and credit facility issuance process. OSC may inform and, to the extent required by law, seek consent from Firms of any such disclosures. In addition, as will be set forth in the terms and conditions of each credit facility, successful Firms will be expected to support program and project reviews, audits, and program evaluation activities, including by submitting required financial and performance information and other relevant data in an accurate and timely manner, making available documents and other records related to the project upon request, and by cooperating with OSC and external program evaluators, including, but not limited to, the Office of the Inspector General.

OSC may also publish aggregated information from Proposals.

### D. Additional Information

Any decision by OSC to reject a Proposal shall be final and non-appealable. Unsuccessful Firms will be notified of a denial by email. Unsuccessful proposals will be retained in accordance with Department of War recordkeeping requirements.

### E. Privacy Advisory

*Authority:* The information requested by this NOFO is authorized by 10 U.S.C § 149.

*Purpose:* The information requested by this NOFO will be used to determine whether the Firm is eligible; whether the credit facility transaction presents a reasonable assurance of repayment; and whether the credit facility supports the mission of OSC to attract and scale private investment for national and economic security. The information collected will also be used for “know your customer" purposes to assure that transaction parties do not have ownership, control, or influence from or by foreign parties adverse to the United States.

*Uses:* While the information requested by this NOFO is primarily intended to be used internally at OSC, in certain circumstances it may be necessary to disclose this information externally, including to contractors, experts, consultants, and others performing or working on a contract, service, or other assignment for the Federal Government, when necessary to accomplish an agency function. All applications submitted to OSC (including all attachments) are subject to the federal Freedom of Information Act (FOIA), 5 U.S.C. § 552 and 32 C.F.R. Subchapter N, and the Privacy Act, 5 U.S.C. 552a. By law, OSC must release federal records in response to a FOIA request unless specific information within the records is exempt from release according to specific statutory requirements (in which case, that information will be redacted before the application is released). Applicants are advised to include no more personally identifiable information or confidential financial information than necessary to fully answer the application requirements.

*Disclosure:* Provision of the information requested by this NOFO is voluntary. However, failure to provide the requested information may result in OSC being unable to determine eligibility under this NOFO and rejection of a proposal. At all times, OSC reserves the right to decline to process or to discontinue processing any application.

*[OMB Control Number*: The Office of Strategic Capital may not require the information requested by this application, and applicants are not required to provide the requested information, unless a currently valid OMB control number is displayed on this application form.]

***[Paperwork Reduction Act Statement:*** **The Office of Strategic Capital estimates that it will take the applicant approximately [15] hours to complete this form. This includes the time it will take to read the instructions, gather the necessary facts, information, and documents, and fill out the form. If you have comments or suggestions regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing the burden, send correspondence to the Department of War, Washington Headquarters Service, at whs.mc-alex.esd.mbx.dd-dod-informationcollections@mail.mil.]**

Office of Strategic Capital Contact Information

*For general inquiries regarding the NOFO, please contact: OSDRE-NationalSecurityFundFinanceSubmissions@groups.mail.mil.*

DoW is an equal opportunity provider, employer, and lender.

## ATTACHMENT I

## SUMMARY OF TERMS AND CONDITIONS
## NSFF PROGRAM CREDIT FACILITY – STANDARD DEBENTURE

*This summary of terms and conditions (this "**Term Sheet**") describes a credit facility (the "**Proposed Financing**") that may be extended by the Office of Strategic Capital, Department of War to one or more qualifying investment funds that are determined "eligible" investment funds under the Office of Strategic Capital National Security Fund Finance Program (the "**NSFF Program**"). This Term Sheet does not purport to summarize all terms of the definitive documentation with respect to the Proposed Financing. It remains subject to satisfactory due diligence and internal approvals. The closing of the transaction contemplated in this Term Sheet shall be conditioned upon, among other things, (i) the continuing authorization or reauthorization of relevant authorities by the United States Congress, (ii) the availability of appropriations, (iii) concurrence of the Office of Management and Budget and (iv) the satisfactory completion of the U.S. Government's Foreign Ownership, Control, and Influence review and confirmation that there are no negative findings. The contents of this Term Sheet are confidential and may not be released or disclosed to any person without the consent of the non-disclosing party, except as required by law or other governing authorities of the Office of Strategic Capital, Department of War. No fundraising materials referencing the Proposed Financing, the Office of Strategic Capital, the Department of War or any other U.S. Government agency or office may be released or disclosed without prior review and approval of such references by the Office of Strategic Capital, Department of War, and all public relations materials & other disclosures referencing the Proposed Financing, the Office of Strategic Capital, the Department of War or any other U.S. Government agency or office must be coordinated beforehand with the Office of Strategic Capital, Department of War. Certain capitalized terms used in this Term Sheet and not otherwise defined in the body of this Term Sheet are defined in **Schedule I** hereto.*

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| **Borrower:** | A limited partnership or limited liability company formed under the laws of one of the States, the District of Columbia, or a territory of the United States ("**Borrower**"). |
| **Credit Parties:** | The "**Credit Parties**" shall include:<br>(i) the Borrower;<br>(ii) all related fund vehicles such as parent funds, feeder funds, blocker funds, parallel funds or alternative investment vehicles (collectively, the "**Fund Vehicles**");<br>(iii) all general partners (and, with respect to limited liability companies, similar governing bodies) of |

the foregoing (collectively, the "**General Partners**"); and

(iv) all entities through which Borrower makes investments, which shall be special purpose vehicles that satisfy customary bankruptcy remote and non-consolidation criteria (collectively, the "**SPVs**").

All investments of the Credit Parties (collectively, all such investments are the "**Portfolio Investments**") must be made through one or more SPVs, which (for the avoidance of doubt) will be Credit Parties.

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| **Administrative Agent:** | The Office of Strategic Capital, Department of War ("**OSC**"), or such other person appointed by the OSC will act as administrative agent ("**Administrative Agent**"). Fees and expenses of the Administrative Agent will be the obligation of the Credit Parties. |
| **Lender / Disbursement Agent / Collection Agent:** | Federal Financing Bank, United States Department of the Treasury ("**FFB**") will be the lender and serve as disbursement agent and collection agent. |
| **Calculation Agent:** | A calculation agent acceptable to OSC and appointed by or on behalf of OSC (the "**Calculation Agent**") who will, on a quarterly basis, review the issuance requests, borrowing base certificates and compliance certificates and perform forensics on calculations, including review of financial statements, capital call and distribution notices, management fee calculations, eligible asset values, borrowing base and borrowing base deficiency calculations, maximum line tests, bank statements and other inputs to the calculation of financial, collateral or maximum cap tests or other determinations.<br><br>The Federal Financing Bank (FFB) will serve as the initial Calculation Agent for the Note.<br><br>The Calculation Agent shall deliver its report to OSC within 45 days following each quarter during the term of the Credit Facility (or at such other times as requested by OSC in its reasonable discretion). Fees and expenses of the Calculation Agent will be the obligation of the Credit Parties. |

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| **Third Party Valuation Agent:** | A nationally recognized valuation agent acceptable to OSC and appointed by or on behalf of OSC (the "**Valuation Agent**") which shall perform valuation of all investments including, in particular, Defaulted Eligible Assets (as defined in **Schedule I**).<br><br>The Valuation Agent shall deliver its report to OSC within 30 days following each quarter during the term of the Credit Facility (or at such other times as indicated herein or as requested by OSC in its reasonable discretion). Fees and expenses of the Valuation Agent will be the obligation of the Credit Parties. |
| **Credit Facility:** | A multi draw term loan facility provided for the purpose of providing credit to the Borrower and its related Credit Parties to make investments in gaps, shortages, and vulnerabilities in the supply of critical minerals and materials, as that term is used in 10 U.S.C. § 149(h)(2)(HH), and associated technologies, supply chains, and production processes, vital to U.S. national security (hereinafter, "Critical Minerals and Materials Supply Chains").<br><br>Amounts drawn under the Credit Facility and repaid cannot be redrawn. |
| **Maximum Facility Amount:** | The lesser of (a) [125%] of the Total Fund Equity Capitalization at such time of determination and (b) [$500 million - $1.0 billion].<br><br>"**Total Fund Equity Capitalization**" means, as of any time of determination, the <u>lesser</u> of (x) the aggregate amount of eligible uncalled and called capital commitments of the Borrower and Fund Vehicles (without duplication of commitments between or among the Borrower and Fund Vehicles) as of the final fund close (or, if earlier, 12 months from the initiation of fund raising) and (y) aggregate amount of eligible uncalled and called capital commitments of the Borrower and Fund Vehicles (without duplication of commitments between or among the Borrower and Fund Vehicles) as of such date of determination. It will be a condition to effectiveness of the Credit Facility that the fund has raised at least [35%] of its target fund commitment amount (the "**Minimum First Close Amount**") and that |

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| | its target fund commitment amount equals or exceeds [$500 million].<br><br>The aggregate outstanding principal amount of the Credit Facility (the "**Outstanding Facility Amount**") may not exceed the Maximum Facility Amount. If at any time the Outstanding Facility Amount exceeds the Maximum Facility Amount, the Credit Parties shall promptly take such actions satisfactory to OSC to reduce such excess to zero. |
| **Closing Date:** | The date all conditions set forth in **Schedule II** attached hereto are satisfied. |
| **Draw Period:** | Commences on the Closing Date and terminates on the earlier of (x) the end of the "investment period" set forth in the Governing Documents (as defined in **Schedule I**) of the Borrower and (y) the fifth anniversary of the Closing Date, in each case, subject to extension at the sole discretion of the Administrative Agent. |
| **Maturity Date / Principal Repayments:** | Each loan made under the Credit Facility will have a maturity of the earlier of (x) 10 years from the date it was drawn and (y) the life of the fund. The Borrower shall obtain all approvals needed, and the Governing Documents shall reflect that the life of the fund shall be extended until all loans (and other obligations under the Credit Facility) are repaid in full.<br><br>With respect to each loan, principal will be due and payable in full on the maturity of such loan and on the date of any acceleration thereof.<br><br>Principal may be repaid voluntarily without premium or penalty, subject to customary prepayment conditions. |
| **Interest Rate / Default Interest / Interest Payments:** | A per annum rate set by FFB based on the 10-year Treasury Fixed Rate (as of the applicable draw date) using the Treasury yield curve and the day count method (actual/365).<br><br>During an Event of Default, the interest rate will increase by 200 basis points per annum.<br><br>With respect to each loan, interest will be payable in cash on a quarterly basis, and upon repayment of any |

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| | principal, including at maturity and on the date of any acceleration thereof. |
| **Fees:** | Draw Fee: [150-200] basis points on all amounts drawn under the Credit Facility payable on the date of each applicable draw.<br><br>Loan Administration and Servicing Fee: The fee will be due and payable on September 15 of each year (and on the date of any repayment) on all amounts drawn under the Credit Facility determined on a daily basis over each period of determination. This fee will be determined using a weighted average rate based on the loans comprising the Borrowing Base (as defined below) during such period of determination. All First Lien Loans (as defined in **Schedule I**) in the Borrowing Base will be assigned a rate of [100] basis points and all Second Lien Loans (as defined in **Schedule I**) in the Borrowing Base will be assigned a rate of [375] basis points.<br><br>Initial Due Diligence and Underwriting Fee: A fee of 100 basis points will be payable at close on the amount set forth in clause (b) of the Maximum Facility Amount description. |
| **Use of Proceeds:** | Draws under Credit Facility may only be used for the origination of Eligible Assets (as defined below) in compliance with the Investment Restrictions (as defined in **Schedule I**).<br><br>Draws may **not** be used for any other purpose, including distributions or other payments to partners, including general partners, of the Credit Parties (collectively, the "**Partners**"). |
| **Conditions to Close:** | Usual and customary for a facility of this type, including the terms and conditions set forth in **Schedule II** hereto. |
| **Conditions to Draws:** | The ability to draw amounts under the Credit Facility will be subject to:<br><br>(i) the Borrower and associated Fund Vehicles having called (without duplication) 2% of the then aggregate capital commitments from Partners as of such draw date; |

(ii) the determination of eligibility under the NSFF Program has not been revoked for the Credit Parties;

(iii) before and after giving effect to making of the proposed investment and any related draw:

1. the Outstanding Facility Amount will not exceed the Maximum Facility Amount;

2. no Borrowing Base Deficiency (as described below) shall exist; and

3. the Borrower shall be in compliance with the Investment Restrictions (as defined in **Schedule I)** with respect to (x) the proposed investment and (y) all Portfolio Investments.

(iv) receipt by OSC of a draw request prior to making an investment which is accompanied by the following:

1. a detailed description of each proposed investment, including the applicable type of Eligible Asset[2] and a description of how it satisfies the Investment Restrictions and National Security Requirements;

2. a detailed calculation of the Borrowing Base, after giving effect to each proposed investment and any related draw and calculated in reasonable detail;

3. evidence that any required equity for the investment has been funded;

4. certification that items described in <u>clause (iii)(1)</u> through <u>(3)</u> above are complete and correct, and sufficiently detailed evidence to support such certification;

[2] NTD: Write up should include description of the security and lien (first or second)

5. an investment committee memo created by or on behalf of the Credit Parties to evaluate each proposed investment; and

6. such other usual and customary conditions for a facility of this type.

(v) OSC's satisfaction in its sole discretion that the proposed investment meets the National Security Requirements (as defined in **Schedule I**)[3] (for the avoidance of doubt, definitive documentation for the Credit Facility will clarify that such satisfaction does not constitute advice with respect to such investment); and

(vi) such other usual and customary conditions for a facility of this type, including the absence of default and event of default and accuracy of representations and warranties.

Draw requests will be subject to Disbursement Agent processing and settlement procedures.

**Borrowing Base Deficiency:**

A default shall exist at any time the Outstanding Facility Amount is greater than the Borrowing Base (a "**Borrowing Base Default**").

"**Borrowing Base**" will be calculated as of any date of determination, based on the sum of (i) with respect to each First Lien Loan that is an Eligible Asset, [62]% of the Principal Balance of such Eligible Asset, (ii) with respect to each Second Lien Loan that is an Eligible Asset, [40]% of the of the Principal Balance of such Eligible Asset; provided that if any such Eligible Asset is a Defaulted Eligible Asset (as defined in **Schedule I**), then the Principal Balance used to calculate Borrowing Base will be reduced by (A) the lower of (x) [●]% for First Lien Loans that are Defaulted Eligible Assets and

[3] Note to Applicant: As a baseline, OSC has proposed that applicant provide OSC with satisfaction on a deal-by-deal basis that the investment meets the National Security Requirements. However, OSC is open to considering other structures to ensure that investments are aligned with Section 3-A, "Purpose of the NSFF Program", as written above. To that end, OSC is open to proposals where instead of providing OSC with deal-by-deal satisfaction that an investment meets the National Security Requirements, Applicants provide a proposed structure to ensure that investments meet the National Security Requirements.

(y) the appraised value of such Defaulted Eligible Asset as determined by the Valuation Agent and approved by OSC and (B) the lower of (x) [●]% for Second Lien Loans that are Defaulted Assets and (y) the appraised value of such Defaulted Eligible Asset as determined by the Valuation Agent and approved by OSC.[4]

The Borrowing Base is configured to give credit to First Lien Loans and Second Lien Loans made by the Credit Parties that are not funded by this Credit Facility if such investments satisfy the definition of Eligible Asset, are Collateral and are otherwise approved by OSC to be included in the Borrowing Base.

Borrower may cure a Borrowing Base Deficiency within the following time periods:

[5](i) if the ratio (the "**Deficiency Ratio**") of (A) the difference of (x) the Outstanding Facility Amount minus (y) the Borrowing Base to (B) the Borrowing Base is less than [●]%, within [●] days;

(ii) if the Deficiency Ratio is greater than or equal to [●]% and less than or equal to [●]%, within [●] days; and

(iii) if the Deficiency Ratio is greater than [●]%, immediately.

Any failure to cure any such default will result in an event of default

Borrowing Base will be calculated at least monthly in connection with reporting by the Borrower, at least quarterly by the Valuation Agent, on each date of a proposed drawing, on each date of an investment, on each date an Eligible Asset becomes a Defaulted Eligible Asset, on each date a distribution is to be made and each other date required by the Lender. Final determination of

[4] NTD: No more than 50% of the Fund may be invested in second lien loans, unless waived by OSC.

[5] Note to Applicant: Applicant should fill in bracketed items with their proposal.

the Borrowing Base will be in the sole discretion of OSC, absent manifest error.

**Investment Restrictions:**

Credit Parties shall comply at all times with the Investment Restrictions with respect to any one or more Portfolio Investments and promptly cure any breach of the Investment Restrictions.

**Waterfall / Distributions Management Fees / Incentive or other Performance Fees:**

All proceeds of the Portfolio Investments will be applied in accordance with a customary waterfall on a quarterly basis. Any distributions to managers, Partners or other affiliates will be limited to excess proceeds from interest and fees of the Portfolio Investments (after application under the waterfall, including for fees, expenses and interest payments and any Borrowing Base shortfalls) and subject to (x) an Outstanding Facility Amount to Borrowing Base test of not greater than [0.60] to 1.0 after giving effect to any such distribution (the "**Distribution Test**"), (y) the condition that the aggregate principal balance of all Defaulted Eligible Assets shall not exceed [5.0]% of the aggregate principal balance of all Portfolio Investments and (z) the absence of any default or event of default both before and after giving effect thereto on a pro forma basis. In no event shall any carry incentive or other performance fees be paid while any amounts remain outstanding under the Credit Facility. In no event shall management fees exceed in the aggregate 2% of Total Fund Equity Capitalization. Principal proceeds will first be applied to make up for shortfalls with respect to payment of expenses, interest, fees or other amounts owing under the facility, to the extent not satisfied from interest and fee proceeds, and then, to the extent no default or event of default then exists or would result therefrom on a pro forma basis, will be available for reinvestment in additional Portfolio Investments meeting the eligibility requirements set forth herein during the applicable reinvestment period, and after such reinvestment period will be applied to repay the Credit Facility.

**Collateral:**

A first-priority lien upon the assets described below ("**Collateral**"):

The "**Capital Commitment Collateral**" shall include:

(i) all capital commitments, capital contributions, capital calls, and all other proceeds and rights to payment from the Partners, whether as a result of capital calls, or otherwise;

(ii) the right to make capital calls and request capital contributions, issue capital call notices and enforce capital calls and all other rights and remedies under the applicable Governing Documents;

(iii) the right to receive capital contributions; and

(iv) all deposit/securities accounts into which capital contributions (and other proceeds of Capital Commitment Collateral) are, have been or may be made (the "**Capital Commitment Collateral Accounts**").

The "**Portfolio Investment Collateral**" shall include:

(i) all assets of the Credit Parties (other than the General Partner), including all investments;

(ii) to the extent not set forth above, all equity and other ownership interests in the Credit Parties, other than the General Partner;

(iii) all carry owing the General Partner; and

(iv) to the extent not set forth above, all proceeds of the foregoing and all deposit/securities accounts into which such proceeds are deposited (the "**Portfolio Investment Collateral Accounts**" and, together with the Capital Commitment Collateral Accounts, the "**Collateral Accounts**").

Each Credit Party shall require that all capital contributions and other proceeds of Capital Commitment Collateral be funded into a Capital Commitment Collateral Account and that all proceeds of Portfolio Investment Collateral be funded into a Portfolio Investment Collateral Account, that all such accounts be subject to a control agreement in favor of the Administrative Agent, and no withdrawals may be made by any Credit Party after the occurrence and during the continuation of any default or event of default (both before and after giving pro forma affect to the use of proceeds of such withdrawal). Customary cash-control terms (including timing, required agreements, permitted accounts, and set-off waivers) will apply.

For the avoidance of doubt,

- The Fund Vehicles (excluding the Borrower) will hold no assets other than Capital Commitment Collateral and equity interests in other Credit Parties.
- The Borrower will hold no assets other than Capital Commitment Collateral and 100% equity interests of the SPVs.
- The SPVs shall hold all Portfolio Investments (as defined in **Schedule I**).
- The Partners included in the Capital Commitment Collateral and Total Fund Equity Capitalization calculation shall have capital commitments enforceable without consent, anti-assignment, or sovereign-immunity restrictions and without right of setoff.
- The Administrative Agent shall have customary post-default control and realization rights with respect to the Capital Commitment Collateral and Portfolio Investment Collateral, including the Collateral Accounts, the SPV equity included in Portfolio Investment Collateral, the Portfolio Investments and the other assets of each SPV.

**Credit Maintenance Requirements for Capital Commitment Collateral:**

A Partner (and its capital commitment) will be excluded from any calculation of financial, collateral or Maximum Facility Amount test or other determinations upon occurrence of any of the following events:

(i) such Partner repudiates or is in breach of any material provision of the Governing Documents after notice is given by the Credit Parties and subject to customary cure periods, or informs any Credit Party of its intent to withdraw from a Fund

Vehicle or of a prospective inability to fund capital contributions;

(ii) such Partner fails to pay any capital contribution when initially due pursuant to the applicable capital call, and such failure continues uncured for ten (10) business days after the original contribution date; and

(iii) other exclusion events customary for transactions of this type.

In addition, the Governing Documents will require each Partner to give prompt notice of any of the following events and a Partner (and its capital commitments) will be excluded from any calculation of financial, collateral or Maximum Facility Amount test or other determinations upon receipt by any Credit Party of notice of any of the following events:

(i) such Partner applies for or is subject to a bankruptcy or insolvency action, has a receiver appointed for it or its assets, or is subject to litigation, penalty, or judgment in excess of 15% of its net worth;

(ii) such Partner's net worth materially declines or such Partner otherwise suffers a material adverse change;

(iii) the applicable Fund Vehicle cancels, reduces, excuses, terminates or abates the unfunded commitment of such Partner, without the prior consent of OSC; or

(iv) other exclusion events that are customary for transactions of this type.

**Reporting:** Within time periods to be agreed, the Credit Parties shall submit to OSC the following:

(i) annual audited financial statements and company prepared quarterly financial statements;

(ii) calculations of the Borrowing Base in connection with borrowings and other collateral related events, calculation of the Distribution Test in connection with any proposed distribution and in any case on a monthly basis or more frequent during an event of default;

(iii) Form 1030 Risk Assessment Supplemental Information Spreadsheet each quarter;

(iv) Form 1031 with respect to each Portfolio Investment in the prior quarter;

(v) Form 1032 supplemental Critical Technologies questionnaire to accompany each Form 1031;

(vi) copies of all reports or information given to (x) any Partner or their representatives or (y) any lender providing indebtedness, if applicable;

(vii) monthly bank statements;

(viii) reports relating to the value of the Portfolio Investments from the Valuation Agent and the Borrower;

(ix) litigation/proceedings reports (if a party to a litigation or proceeding);

(x) notice of any criminal charges with respect to Credit Parties, Portfolio Companies and material management or equity holders;

(xi) to the extent received by any Credit Party, the complete financial reporting package with respect to each underlying obligor and with respect to each Portfolio Investment for such underlying obligor (including financial statements, notices from the underlying obligor, MD&A, budgets, executed covenant compliance certificates and related covenant calculations with respect to such underlying obligor and with respect to each Portfolio Investment for such underlying obligor; provided, that, upon demand by the OSC, the Credit Parties will provide such other information reasonably available to them as the OSC may reasonably request with respect to any underlying loan obligor;

(xii) copies of any material amendment, restatement, supplement, waiver or other modification to the underlying loan documents of any Portfolio Investment (along with any internal documents prepared by the Credit Parties and provided to their applicable credit committee in connection with such amendment, restatement, supplement, waiver and other modification);

(xiii) a loan data file (containing such information agreed upon by the Credit Parties and the OSC, including, without limitation, a listing of all underlying loan collateral, collections (broken down by principal, interest and other sources and including detail of payments of principal and interest made by each underlying loan obligor), charge-offs, delinquency and updated remaining balance information);

(xiv) prompt notice of any national-security or foreign-investment review filings, inquiries or obligations, and any loss or suspension of required security clearances or material government contracts; and

(xv) other customary deliverables for a facility of this type.

**Specified Covenants:** The Credit Parties shall comply with the Specified Covenants set forth in **Schedule IV** at all times.

**Other Covenants:** Usual and customary for transactions of this type, subject to customary qualifiers, thresholds and carve-outs including, without limitation: (i) notices of default and material events; (ii) compliance with laws and Governing Documents; (iii) taxes; (iv) insurance; (v) existence; (vi) liens; (vii) indebtedness (other than Permitted Indebtedness (as defined in **Schedule I**) to the extent permitted by the Governing Documents); (viii) visitation, inspection and audit rights (including with respect to books and records); (ix) use of name, consent for OSC to publish fund name on OSC website and in press release; (x) prohibition on stating that OSC has approved the ownership interests issued or investments made; (xi) limitation on amendments to Governing Documents; (xii) restrictions on reinvestment of investment proceeds, other than to the extent permitted under the Governing Documents (other than during the existence of any default, including a Borrowing Base Default); (xiii) limitations on distributions and other payments (as described above); (xiv) limitations on sale or disposition of Portfolio Investments and material modifications to Portfolio Investments; and (xv) other standard and customary covenants.

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| **Representations & Warranties:** | Usual and customary for a facility of this type (subject to customary qualifiers, thresholds and carve-outs including, without limitation: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and completeness of specified financial statements and no event or circumstance, either individually or in the aggregate, that has had or would reasonably be expected to have a Material Adverse Effect (to be defined in the definitive documentation); (vi) no material litigation; (vii) no occurrence and continuance of a default; (viii) ownership of property; (ix) insurance matters customary in transactions of this type; (x) tax matters; (xi) ERISA compliance; (xii) identification of subsidiaries, equity interests and the Credit Parties; (xiii) use of proceeds and not engaging in business of purchasing/carrying margin stock; (xiv) status under Investment Company Act; (xv) accuracy of disclosure, including accuracy in all respects of the Beneficial Ownership Certification; and (xvi) compliance with laws. |
| **Events of Default:** | Usual and customary in transactions of this type (in each case, subject to exceptions, materiality, thresholds, and notice and grace periods usual and customary in transactions of this type), including, without limitation, the following: (a) nonpayment of principal, interest, fees or other amounts; (b) failure to perform or observe covenants set forth in the definitive documentation within a specified period of time, where customary and appropriate, after such failure; (c) any representation or warranty proving to have been incorrect in any material respect when made or confirmed; (d) cross-default to other indebtedness in an amount to be agreed; (e) bankruptcy and insolvency defaults (with grace period for involuntary proceedings); (f) inability to pay |

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| | debts; (g) monetary judgment defaults of an amount to be agreed, individually or in the aggregate, and material nonmonetary judgment defaults; (h) customary ERISA defaults; (i) actual or asserted in writing invalidity or impairment of any definitive documentation; (j) change of control (to be defined in the definitive documentation); (k) the Credit Parties attempt to assign rights, obligations or duties under the underlying investment documents without prior written consent of the OSC; (l) failure to maintain Collateral Accounts; (m) the applicable Credit Parties ceasing to have a valid ownership interest in all of the Collateral; (n) Material Adverse Change; (o) breach of Investment Restrictions or failure to cure a Borrowing Base Default, in each case as described above; and (p) suspension/debarment of any Credit Party. |
| **Reputational Matters/Non-Disparagement** | Each Credit Party, its Principals, and its executive officers (the "**Restricted Parties**") shall not, and shall cause their respective affiliates not to, make, publish, or communicate any public statement or communication that disparages, denigrates, or impugns the reputation of OSC, the FFB, the Department of War, or the U.S. Government. "**Disparage**" includes, without limitation, comments or statements to the press, to any individual or entity with whom a Restricted Party has a business relationship, or to any online forum, that would adversely affect in any manner the conduct of the business of OSC or its affiliates (including any matters relating to the financing relationship between the parties). An event of default shall occur if any Credit Party, Principal, or Partner is formally charged with or convicted of a felony, or becomes the subject of a public scandal (including fraud or acts of moral turpitude) that, in OSC's reasonable judgment, brings the NSFF Program or the U.S. Government into public disrepute. |
| **Remedies:** | Usual and customary for a facility of this type (including the applicable terms specified herein). |
| **Advisor Payment Agreement:** | Whether or not the proposed transaction closes, Borrower shall reimburse OSC and FFB (and other lenders and agents under the Credit Facility) for all reasonable and documented (a) third-party fees and expenses incurred by OSC or FFB (and other lenders and agents under the Credit Facility) and other agencies of the U.S. Department of War or the U.S. Treasury (or any other |

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| | applicable U.S. governmental agency) in connection with the consultants and advisors engaged by Borrower, Administrative Agent or Lender to conduct legal, tax, corporate, technical, environmental and other due diligence, and (b) legal fees incurred by OSC and FFB (and other lenders and agents under the Credit Facility) in connection with the proposed transaction. The definitive documentation will contain customary fee and expense reimbursement and indemnity provisions. |
| **Confidentiality** | The parties agree to keep confidential the existence of this term sheet and the terms herein, except to those who have executed non-disclosure agreements satisfactory to OSC or as required under law or other governing authorities or as approved by OSC. The definitive documentation will include confidentiality provisions satisfactory to OSC, including with respect to press releases and other communications. |
| **Governing Law:** | The Federal Law of the United States. To the extent that Federal Law does not specify the appropriate rule of decision for a particular matter at issue the laws of the State of New York (without giving effect to its conflict of laws principles) shall govern. |

## SCHEDULE I

### Definitions

**"Defaulted Eligible Asset"** means any Eligible Asset as to which any one or more of the following events has occurred:

(i) a default by the issuer or obligor of such Eligible Asset in the payment of principal or interest (subject to applicable grace periods);

(ii) with respect to such Eligible Asset (other than a DIP Loan), the bankruptcy or other insolvency event of the related issuer or obligor;

(iii) any other "material" event of default with respect to such Eligible Asset;

(iv) the agent or requisite number of lenders under the loan constituting such Eligible Asset shall have elected to accelerate such loan or commence to enforce any rights or remedies;

(v) the Credit Parties and/or their applicable portfolio servicer have reasonably determined in accordance with their policies and procedures that such Eligible Asset shall be placed on "non-accrual" status or "not collectible" status; or

(vi) a Material Modification, other than a Permitted Material Modification, has occurred with respect to such Eligible Asset without the prior written consent of the Administrative Agent.

**"DIP Loan"** means a loan made to a debtor-in-possession pursuant to Section 364 of Title 11 of the United States Code entitled "Bankruptcy".

"**Eligible Assets**" shall consist of any of the below loans that satisfy the Eligibility Criteria (as set forth in **Schedule III** hereto):

(i) "**First Lien Loan**" means (x) all or a portion of a first lien cash pay senior secured loan which is not subordinated (payment or lien) to any other debt (other than lien subordination with respect to customary revolvers or working capital facilities and last-out payment priority with respect to first lien unitranche facilities) and (y) all right, title and interest in all loan documents with respect thereto.

(ii) "**Second Lien Loan**" means (x) all or a portion of a cash pay senior secured loan which is only lien (and not payment) subordinated to first lien debt, and (y) all right, title and interest in all loan documents with respect thereto.

"**Governing Documents**" means all governing documents (including all subscription agreements, side letters and similar agreements) and management agreements of the Borrower and each other Credit Party; provided that, such Governing Documents shall be acceptable to the Administrative Agent, acting reasonably.

"**Investment Restrictions**" means the parameters set forth below, all of which must be satisfied:

(i) Critical Minerals and Materials Supply Chains: 100% of advances under the Credit Facility must be invested in Eligible Assets with Eligible Portfolio Companies for Critical Minerals and Materials Supply Chains important to U.S. national security, as determined in the discretion of OSC. "**Eligible Portfolio Company**" means any entity that is an issuer of (or is otherwise a counterparty to) any Eligible Asset. "**Invested Capital**" means the aggregate amount of total capital contributions from Partners plus amounts drawn under the Credit Facility plus net positive returns from the Portfolio Investments that are used to finance Portfolio Investments.

(ii) Non-Solely Defense Applications: 100% of advances under the Credit Facility must be invested in Eligible Assets with Eligible Portfolio Companies for a technology that does not solely have defense applications.

(iii) Non-Federal Funding Requirement: 100% of advances under the Credit Facility must be invested in Eligible Assets with Eligible Portfolio Companies in an industrial or commercial sector that has, in the opinion of the Administrative Agent, not been solely or predominantly capitalized by the federal government.

(iv) Concentration Limit: No investment in a Portfolio Company Group may account for more than [8.5% - 10.0%] of Total Capitalization. "**Portfolio Company Group**" means, collectively, an entity that issues (or is otherwise a counterparty to) any Portfolio Investment and, with respect to any debt Portfolio Investment, such entities direct parent, subsidiaries and each obligor of such Portfolio Investment.

(v) Equity Investments: No amount of Total Capitalization may be invested in equity investments, provided that equity interests may be received and retained in connection with a work-out or restructuring of an Eligible Asset.

(vi) Restricted Entities: Credit Parties shall not make or hold any investments in any Portfolio Company that is a Restricted Entity (as defined in **Schedule IV**) or that has Affiliates that are Restricted Entities. This is both an Investment Restriction and part of a separate negative covenant set forth in **Schedule IV**.

To the extent permitted by law, the Investment Restrictions in clauses (i)-(v) may be waived by OSC in its sole discretion upon receipt by OSC of a waiver request from Borrower setting forth the justification of such waiver in form and detail satisfactory to OSC.

The process of determining compliance with the Critical Minerals and Materials Supply Chains requirement in clause (i) will include:

(i) submission to OSC of a Form 1032 Critical Technologies questionnaire with respect to each proposed investment that sets forth certain information about the investment and related Portfolio Company; and

(ii) a determination by OSC based upon review of the Form 1032 questionnaire submitted by the Credit Parties, whether such investment and related Portfolio Company satisfy such Critical Minerals and Materials Supply Chains requirement. In the event that the Critical Minerals and Materials Supply Chains requirement is not satisfied, such investment will not be deemed to be included in the 100% threshold. In the event that no notice is received within 90 days after submission, such investment may be deemed to be included in the 100% threshold.

"**Material Modification**" means, with respect to any Portfolio Investment's underlying loan documents, any amendment, waiver, consent or modification of such documents with respect thereto executed or effected after the date on which the Portfolio Investment is originated by the applicable SPV, that:

(i) waives, extends or postpones any date fixed for any scheduled payment of principal, interest, fees, or other amounts on the Portfolio Investment (including any scheduled or required excess cash flow sweeps);

(ii) (x) reduces or waives one or more interest payments (other than pursuant to the declination or reduction of default interest), (y) permits any interest due with respect to such Portfolio Investment in cash to be deferred or capitalized and added to the principal amount of such Portfolio Investment (other than any deferral or capitalization already permitted by the terms of its underlying instruments as of the date such Portfolio Investment was originated by the applicable SPV), or (z) reduces (other than a repayment therefor pursuant to its terms) or forgives any principal amount of such Portfolio Investment;

(iii) substitutes or releases a portion of the underlying assets securing such Portfolio Investment (other than as permitted by the Portfolio Investment underlying loan documents as of the date such Portfolio Investment was originated by the applicable SPV), and such substitution or release (x) is not accompanied by a proportional paydown of the underlying indebtedness under such Portfolio Investment, or (y) materially and adversely affects the value of such Portfolio Investment (as determined by the OSC);

(iv) except for permitted liens, contractually or structurally subordinates such Portfolio Investment by operation of a priority of payments, turnover provisions or the transfers of assets in order to limit recourse to the related underlying obligor or releases any guarantor or co-underlying obligor from its obligations with respect thereto (other than as permitted by the underlying loan documents as of the date such Portfolio Investment was originated by the applicable SPV);

(v) replaces a Portfolio Investment as a restructured obligation in exchange for the original Portfolio Investment;

(vi) amends, waives, forbears, supplements or otherwise modifies (x) the meaning of "Leverage Ratio", "EBITDA" or "Permitted Liens" or any respective comparable terms in the underlying loan documents for such Portfolio Investment, if such term is used therein, or (y) any term, provision or threshold of such underlying loan documents referenced in or utilized in the calculation of any financial covenant or, in each case, any respective comparable terms for such Portfolio Investment;

(vii) modifies the interest rate on the underlying loan documents (other than a modification of an interest rate arising (x) by operation of a default or penalty interest clause or (y) pursuant to a contractual pricing grid set forth in the related underlying loan documents);

(viii) modifies the financial information in respect of reporting frequency, scope or otherwise being provided with respect to the underlying loan obligor or reduction in the frequency or total number of any appraisals required thereunder, unless approved by the OSC;

(ix) modifies or waives any term or provision of the underlying loan documents that determines whether an event of default has occurred with respect to the collateral thereunder; or

(x) results in a material adverse effect on the Value of the Portfolio Investment as determined by the OSC.

**"National Security Requirements"** means each of, together: (i) that the investment addresses gaps, shortages, and vulnerabilities in Critical Minerals and Materials Supply Chains that are important to U.S. national security; (ii) that the investment advances U.S. access to Critical Minerals and Materials Supply Chains, for example, through provisions allowing the Department of War to direct or allocate production output, whether during a time of conflict or otherwise, or provisions that would reshore production capabilities within the United States; and (iii) that the investment mitigates potential threats to national security to the greatest extent possible, including, for example, through provisions regarding board and executive team composition, headquarters location and domiciliation, restricted entity covenants, and foreign ownership restrictions.

"**Permitted Indebtedness**" means: (i) indebtedness arising under the Credit Facility and (ii) debt consented to by OSC in its sole discretion (excluding subscription facilities).

"**Permitted Material Modification**" means any Material Modification approved by the OSC in its sole and absolute discretion.

"**Portfolio Company**" means each entity that issues (or is otherwise a counterparty to) any Portfolio Investment.

"**Portfolio Investments**" mean all investments of the Borrower and Fund Vehicles which must be made through one or more SPVs.

"**Principals**" means an officer, director, owner, partner, or another person relating to the General Partner with management or supervisory responsibilities of the investment activity and/or operations of the General Partner. Principals will be identified by name in definitive documentation.

“**Principal Balance**” means, with respect to any loan or loans, the outstanding principal balance of such loan or loans as of the date of determination, excluding PIK interest and other accrued and unpaid interest; provided that if an Eligible Asset is purchased or advanced at a discount to par, Principal Balance shall equal the amount described above multiplied by the percentage obtained by dividing the purchase price (or advance amount) of such Eligible Asset by the par value of such Eligible Asset; provided further that, with respect to any Portfolio Investment, the Principal Balance of such Portfolio Investment may be increased or decreased based on the value thereof determined by the Valuation Agent, which valuation will take into account, among other things, current and projected leverage, liquidity and other financial metrics relating to the related Portfolio Company and other customary credit metrics and material adverse events.

“**Total Capitalization**” means, as of any date of determination, the sum of Total Fund Equity Capitalization, as of such date plus amounts available under, and drawn under, the Credit Facility as of such date.

## SCHEDULE II

## CLOSING CONDITIONS

The initial closing of the Credit Facility on the Closing Date shall be subject to the satisfaction of the following conditions:

1. Issuance of the "**Green Light Commitment Letter**" (indicating that the Borrower and other Credit Parties have met both the business and legal sufficiency standards of the NSFF Program as determined by OSC in its sole discretion and setting forth the Maximum Facility Amount and the date of satisfaction of the conditions set forth therein and in the Term Sheet).

   As described in the Green Light Commitment Letter, the issuance of a NSFF Program eligibility determination will be subject to, among other things, receipt by the OSC of evidence of the first close by the Borrower and associated Fund Vehicles equal to or in excess of the "Minimum First Close Amount" (as defined in the Term Sheet) in the form of signed subscription agreements accompanied by a certificate from the Borrower that there have been no material changes since the date of the issuance of the Green Light Commitment Letter.

2. Any management company of a Credit Party (a "**Management Company**") must be a "Registered Investment Adviser" under the Investment Advisers Act of 1940 or equivalent regulated fund as determined and consented to by OSC in its sole discretion.

3. The Borrower and each Fund Vehicle must be a limited partnership (or with respect to any blocker, a limited liability company) in good standing. Borrower must be organized under the laws of a State in the United States.

4. Review and satisfaction of all Governing Documents and all other diligence.

5. Such other conditions that are customary for a transaction of this type or that the Administrative Agent otherwise requires.

   The maintenance or other existence of items 1-3 above shall be ongoing covenants of the Borrower. The failure of any one of such items to be maintained or satisfied during the term of this facility, as the case may be, shall result in an event of default.

## SCHEDULE III

The Eligibility Criteria will include the following and will be determined by OSC:

1. the applicable SPV must be a lender under the relevant document with rights and obligations commensurate with its loans and not a participant under a participation agreement;

2. the obligation of the Portfolio Company to pay principal and interest is not contingent on any material non-credit related risk (such as the occurrence of a catastrophe);

3. the related Portfolio Company is not insolvent or in bankruptcy, in reorganization or receivership and is not a Restricted Entity;

4. the investment is not subject to any lien, claim or encumbrance, other liens created under the Credit Facility documents and liens securing Permitted Indebtedness;

5. the investment is not a "broadly syndicated loan" or a secondary loan purchase, unless OSC provides a waiver allowing this;

6. the investment is denominated and payable in U.S. Dollars and governed by documents that are governed by the laws of the United States or a state or territory thereof;

7. [as part of your investment in the Portfolio Company, OSC must receive a right of first offer, on customary terms, exercisable by OSC or its designee, to purchase the Portfolio Company's output/services/capacity at market prices for at least 10 years, unless this requirement is waived by OSC];

8. [(i) if the Credit Parties have Affiliates that are funds or vehicles that invest in assets that satisfy the Eligibility Criteria and Investment Restrictions, then such other funds shall hold at least a pro rata dollar portion of any such asset that is proposed to be an Eligible Asset and (ii) no adverse selection procedures shall be utilized by the Credit Parties in selection of such investment for inclusion in the Collateral];

9. [if any Affiliate of a Credit Party that manages a fund or vehicle with leverage from the NSFF fund acquires or commits to acquire an investment in Critical Minerals and Materials Supply Chains, such Credit Party shall cause such investment to be offered to the NSFF fund for pro rata participation therein, on the same terms and conditions prior to or concurrently with such acquisition, unless waived by OSC];

10. [not more than 50% of the principal balance of the loans from the NSFF fund can be 2nd lien, unless waived by OSC];

11. the investment will not cause any Credit Party or any pool of assets of any Credit Party to be required to be registered as an investment company under the Investment Company Act;

12. the related Portfolio Company is not involved in any business or other activities (and the proceeds of the investment will not be used for purposes that are) contrary to the public interest, including but not limited to activities which are in violation of law, or inconsistent with free competitive enterprise;

13. there exist no prohibitions (under law, license, agreement or otherwise) to assignment or other transfer of the equity, debt or other assets being purchased or otherwise invested in by the Credit Parties or to OSC or any other lender or agent thereof or any successor or assignee of the foregoing having a security interest in such investment and enforcing such security interests;

14. all consents, licenses, approvals or authorizations of, or registrations or declarations with, any governmental authority or any other Person required to be obtained, effected or given in connection with the origination of the investment to have been duly obtained, effected or given and are in full force and effect;

15. the relevant SPV has legal and beneficial title to, and is the sole owner of, the investment;

16. the relevant SPV has granted to the Administrative Agent or its agent a valid and perfected first priority security interest in the investment (subject to permitted liens); and

17. such other customary eligibility criteria for a facility of this type.

## SCHEDULE IV

## SPECIFIED COVENANTS

1. **<u>Restriction on Restricted Entity</u>**:

No Credit Party or other Partner (or affiliate thereof) shall (a) directly or indirectly be a Restricted Entity or be owned or controlled by any Restricted Entity, (b) transfer any property (including funds) to any Restricted Entity, (c) make any investment in, or hold any investment in, a Restricted Entity or (d) otherwise do business with any Restricted Entity.

Each Credit Party (and each subsidiary thereof) shall include in its contracts and other agreements to transfer property (including funds) an agreement by recipients not to re-transfer, directly or indirectly, such property to any Restricted Entity. Each Loan Party (and each subsidiary thereof) shall adopt and implement all reasonably prudent processes and procedures in order to prohibit transferring any property (including funds) to, or otherwise doing business with, any Restricted Entity.

"**Restricted Entity**" means any Person that is, or is owned or controlled, directly or indirectly, by:

(i) a Person then appearing upon the "Denied Persons List," the "Entity List," or the "Unverified List," as maintained by the U.S. Department of Commerce;

(ii) a Person on the U.S. Office of Foreign Assets Control "Specially Designated Nationals and Blocked Persons List," the "Sectoral Sanctions Identifications List," the "Non-SDN Chinese Military-Industrial Complex Companies List," the "Foreign Sanctions Evaders List," or any similar list maintained by a Governmental Authority of the United States, including Persons resident in embargoed countries, territories, or regions;

(iii) a "foreign entity of concern" as defined by 15 U.S.C. § 4651(8) or 42 U.S.C. § 18741(a)(5) or a "foreign adversary" as defined by 15 C.F.R. § 791.4;

(iv) the government, including any political subdivision, agency, or instrumentality thereof, or any national, of

(a) any country, territory, or region against which the United States maintains comprehensive economic sanctions or embargos;

(b) The People's Republic of China; or

(c) a country determined to be of risk in accordance with U.S. Department of Energy Order DOE O 486.1A(5)(d) (https://www.energy.gov/science/countries-risk);

(v) a Person that a Loan Party knows or reasonably suspects is acting as or purporting to act, directly or indirectly, on behalf of a Person (wherever organized, in the case of an entity) owned or controlled by, any of the Persons listed in sub-clauses (i)-(iv) above; or

(vi) a Person with whom dealings are expressly prohibited on account of any economic sanctions laws, regulations, or directives of the United States, if the investment in such Person would knowingly cause any Loan Party to be in violation of such laws, regulations, or directives.

With respect to any Person that is a company with a class of securities registered under the Exchange Act (or subject to a comparable non-U.S. reporting regime), for purposes of this definition of Restricted Entity, ownership does not include passive non-controlling beneficial ownership of less than 10% by any single person or any "group" (as defined in Section 13(d)(3) of the Exchange Act and Rule 13d-5 thereunder).

Furthermore, if any Partner receives a risk assessment of "Purple" (meaning that the only acceptable mitigation is divestment of such interest by such limited partner) at any time during the term of the Credit Facility, then Borrowers must take immediate action to mitigate such risk in a manner acceptable to OSC in OSC's sole discretion.

2. **<u>Covenants to Reduce Unacceptable Foreign Influence and Control</u>**: Each Credit Party and each Principal hereby commit to use commercially reasonable efforts to invest, consistent with their fiduciary duties and investment approach, in components, capabilities and technologies that will enhance United States national and economic security in accordance with the Investment Restrictions and to take reasonable steps to reduce unacceptable influence and control by our nation's adversaries which includes, among others, the following commitments:

(i) To use commercially reasonable efforts to work with each Portfolio Company and each Credit Party to promote such Portfolio Company's taking affirmative steps to protect against cyber-attacks, including threats like ransomware and other nation-state sponsored attacks;

(ii) To use commercially reasonable efforts to work with each Portfolio Company and each Credit Party to promote its building and/or utilizing safe software and hardware and its taking affirmative steps to identify and mitigate risk;

(iii) To use commercially reasonable efforts to work with each Portfolio Company and each Credit Party to promote its taking affirmative steps to identify and mitigate risks in its supply chains;

(iv) To use commercially reasonable efforts to require in each Credit Party's investment documentation with each Portfolio Company that such Portfolio Company follow U.S. sanctions and relevant regulatory requirements, including not selling or sharing sensitive technology with any Adverse Entity;

(v) To use commercially reasonable efforts to conduct reasonable and appropriate due diligence on each prospective co-investor and to seek to avoid making co-investments with investors subject to the direction and/or control of any Restricted Entity and/or take steps to mitigate any risk associated with these types of co-investments;

(vi) To use commercially reasonable efforts and to the extent reasonably within each Credit Party's control or purview, as the case may be, to conduct reasonable and appropriate due diligence on each person who, as a consequence of a Credit Party's divestment or planned divestment from any Portfolio Company investment, obtains or may obtain access to a sensitive technology, and to use commercially reasonable efforts to the extent reasonably within the Credit Parties' control or purview, as the case may be, to take steps that are consistent with their fiduciary duties and investment approach, to prevent any person who is or who may be a Restricted Entity from obtaining access to such technology; and

(vii) To provide reasonable cooperation with agencies of the U.S. Government relative to the identification and investigation of attempts, by any Restricted Entity, to obtain access to sensitive technology(ies), and the prosecution of any person who has engaged in, aided, or abetted such attempts.

3. **Covenants Regarding Portfolio Company Actions Regarding Unacceptable Foreign Influence and Control**: As evidence of the commitments of the Credit Parties, the Credit Parties will use commercially reasonable efforts to promote best practices by the Portfolio Companies to protect such Portfolio Company's competitive advantage which includes the protection of intellectual property, trade secrets, and proprietary information and the prevention of the release, manipulation and exploitation of such intellectual property, trade secrets and proprietary information from Adversary Entities. This covenant shall be deemed met where such commitments to best practices are reflected in relevant definitive agreement provisions, through ongoing board oversight, through the implementation of comprehensive relevant policies and procedures at the Portfolio Company or as otherwise demonstrated to OSC, as determined by OSC in its sole discretion.

4. **Covenant Regarding Annual Threat Awareness and Mitigation Training**: As evidence of the commitments of the Credit Parties set forth herein, Credit Parties will agree that the Principals (as defined in **Schedule I**) of the Credit Parties and all employees of the Management Company will attend a virtual Threat Awareness and Mitigation Training within twelve (12) months of Closing Date and annually thereafter during the term of Credit Facility and that Credit Parties shall encourage the employees of each Portfolio Company to attend the Threat Awareness and Mitigation Training on an annual basis.

5. **Covenant Regarding Acceptance of Subscription to Borrower and Fund Vehicles**: Each Credit Party agrees and acknowledges that prior to consummating any transaction or accepting any subscription that would result in any additional capital commitment to the Borrower or any Fund Vehicle, as the case may be, made by a new or an existing Partner, such Borrower, Fund Vehicle or General Partner must:

(i) Submit to OSC an updated Form 1030 Risk Assessment Supplemental Information that sets forth and identifies the transferee or additional entities or persons, as the case may be; and

(ii) Receive notice from OSC that upon review of the Form 1030 Risk Assessment Supplemental Information submitted by the Credit Parties, there is no unacceptable risk of influence and control from a Restricted Entity. In the event that no notice is received within 45 days after submission, Credit Parties may proceed with the proposed change.

For purposes of clarification, any Credit Party's receipt of written acknowledgment from OSC does not constitute OSC's approval of any Partner. The risk assessments performed by OSC with respect to the risk of influence and/or control by or from a Restricted Entity are ongoing and will continue for so long as the Borrower is in the NSFF Program.

6. **Covenant Regarding Partner Ownership Transfers**: Each Credit Party agrees and acknowledges that prior to any transaction that would result in one or more Partners of the Borrower or Fund Vehicle no longer owning the ownership interests in the Borrower or Fund Vehicle, as the case may be, as were reported to OSC as of the Closing Date or upon any subsequent fund closing, the Credit Parties must:

(i) Submit to OSC an updated Form 1030 Risk Assessment Supplemental Information that sets forth and identifies the transferee or additional entities or persons, as the case may be; and

(ii) Receive notice from OSC that upon review of the Form 1030 Risk Assessment Supplemental Information submitted by the Credit Parties, there is no unacceptable risk of influence and control from a Restricted Entity. In the event that no notice is received within 45 days after submission, Credit Parties may proceed with proposed change.

For purposes of clarification, the Credit Parties' receipt of written acknowledgment from OSC does not constitute OSC's approval of any Partner. The risk assessments performed by OSC with respect to the risk of influence and control by or from a Restricted Entity are ongoing and will continue for so long as the Borrower is in the NSFF Program.

Any changes in Partners will also be subject to customary conditions, limitations and qualifications for transactions of this type.

7. **Covenant Regarding Changes to Principals, Economics of General Partner and Ownership of General Partner**: Each Credit Party agrees and acknowledges that any transaction which would result in either (i) one or more persons or entities no longer owning the ownership interests in any General Partner as were owned on the Closing Date, (ii) any additional person(s) or entity(ies) not previously reported to OSC taking ownership in any General Partner or becoming a Principal of a Credit Party, (iii) any change in any of the designated officers, managing members, board members or other governing persons of a General Partner, as the case may be, (iv) any change to the obligations to make capital contributions to any General Partner or receive carried interest distributions of any General

Partner than as reported to OSC at the Closing Date, or (v) any change in the voting or governance structure of any General Partner, the Credit Parties must do the following:

(i) Submit to OSC an updated Form 1030 Risk Assessment Supplemental Information that sets forth and identifies the transferee or additional entities or persons, as the case may be; and

(ii) Receive notice from OSC that upon review of the Form 1030 Risk Assessment Supplemental Information submitted by the Credit Parties, there is no unacceptable risk of influence and control from a Restricted Entity. In the event that no notice is received within 45 days after submission, Credit Parties may proceed with proposed change.

For purposes of clarification, the Credit Parties' receipt of written acknowledgment from OSC does not constitute OSC's approval of any entity or person related to the General Partner. The risk assessments performed by OSC with respect to the risk of influence and control by or from a Restricted Entity are ongoing and will continue for so long as the Borrower is in the NSFF Program.

8. **Covenant Regarding Changes to Ownership, Governance or Economics of Management Company**: Each Credit Party agrees and acknowledges that any transaction which would result in either (i) one or more persons or entities no longer owning the ownership interests in any Management Company as were owned on the Closing Date, (ii) any additional person(s) or entity(ies) not previously reported to OSC taking ownership in any Management Company, or (iii) any change to the governance structure or voting rights relating to the Management Company, the Credit Parties must do the following:

(i) Submit to OSC an updated Risk Assessment Supplemental Information that sets forth and identifies the transferee or additional entities, as the case may be; and

(ii) Receive notice from OSC that upon review of the Form 1030 Risk Assessment Supplemental Information submitted by the Credit Parties, there is no unacceptable risk of influence and control from a Restricted Entity. In the event that no notice is received within 45 days after submission, Credit Parties may proceed with proposed change.

For purposes of clarification, the Credit Parties' receipt of written acknowledgment from OSC does not constitute OSC's approval of any entity or person related to any Management Company. The risk assessments performed by OSC with respect to the risk of influence and control by or from a Restricted Entity are ongoing and will continue for so long as the Borrower is in the NSFF Program.

9. **Covenant Relating to Portfolio Company Financing / Investment Documents**: Definitive documents evidencing Portfolio Investments must include that the Portfolio Company consents to OSC's examiners having access to books and records for purposes of an examination under the NSFF Program.

10. **Anti-Lobbying Certification**: Each Credit Party and each Principal will agree, acknowledge and certify at close, and at any time of any addition of a Credit Party or

Principal, such additional Credit Party or Principal will agree, acknowledge and certify, the following:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of [the undersigned], to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal loan, the making of any Federal guarantee, and the extension, continuation, renewal, amendment, or modification of any Federal contract, loan, guarantee, or agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal loan, Federal guarantee or agreement, [the undersigned] shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) [The undersigned] shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under loans, guarantees and agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of a fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code.

Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

## ATTACHMENT II

### Cover Sheet

**Firm: General Information**

Firm Name or Business Unit that is Raising Capital (the "Firm"):

Address:
Phone Number:

Regulatory Body(s) that Supervises Firm:

Regulatory Body(s) Registration Number(s):

Firm Contact:

**Fund: General Information**

Investment Advisor Entity (the "Manager"):

General Partner Legal Name (the "GP"):

Fund Legal Name (the "Fund"):

Regulatory Body(s) that Supervises the Manager:

Regulatory Body(s) Registration Number(s):

| | |
|---|---|
| Fund Size | Targeted Amount:<br>Minimum:<br>Maximum/Cap:<br>First Close Amount:<br>Amount Raised to Date:<br>Total Closings to Date: |
| Fund Term | First Close Date:<br>Targeted Final Close Date:<br>Investment Period:<br>Follow-On Period:<br>Remainder of Term:<br>Extension Period: |
| Management Fees | Investment Period:<br>Follow-on Period:<br>Extension Period: |

**Certifications and Additional Information**

Applicant certifies it is:

- Capable of maintaining a loan to value (“LTV”) ratio of [91]% or less, in accordance with Schedule I. [Y/N]

- Capable of maintaining a borrowing base in accordance with Schedule I. [Y/N]

Describe how the Fund will interact with other investors, including equity and debt investors.

a) Will the Fund be providing debt financing (a) to portfolio companies of Private Equity firms and Venture Capital firms; (b) to management / entrepreneur owned businesses; or (c) to Public Companies?

b) What will the Fund’s investment represent as a percentage of total capitalization of the portfolio company?

c) Describe the use of leverage at the portfolio company level and state the targeted leverage levels (%) of a typical investment.

d) How will the Fund’s investments sit in seniority relative to other debt investors?

e) What will be the Fund’s investment criteria with respect to minimum and maximum: Revenue, EBITDA, Free Cash Flow, Total Enterprise Value / LTM EBITDA multiple, Total Gross Debt / LTM EBITDA, Total Net Debt / LTM EBITDA, Total Gross Debt / LTM EBITDA – CapEx, Total Net Debt / LTM EBITDA – CapEx, Interest Coverage Ratio?

**[Attachment III]**

| Role | Questions | Responses |
| --- | --- | --- |
| Chief Executive Officer (CEO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Investment Officer (CIO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Financial Officer (CFO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Compliance Officer (CCO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Operating Officer (COO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |

| Role | Questions | Responses |
|---|---|---|
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Administrative Officer (CAO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Legal Officer (CLO) or General Counsel | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Risk Officer (CRO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief Technology Officer (CTO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Chief People Officer (CPO) | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |

| Role | Questions | Responses |
|---|---|---|
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |
| Other C-Suite? | Name | |
| | Tenure at Firm | |
| | Credentials | |
| | Roles/responsibilities | |
| | Reporting Lines | |
| | Does the individual occupy another function within the Firm? | If Yes, provide context on (1) the function, (2) time spent on the function, and (3) how conflicts of interest are addressed |