



# MERIDIAN MANAGEMENT GROUP, INC.

**Presentation on MSBDFa and  
MCBIF**

# WHO WE ARE

1. **Meridian Management Group, Inc. (“MMG”)** is a private fund development and management firm, formed in 1995, with particular expertise investing in small, minority and women-owned business markets.
2. **We are a management team with:**
  - a) **More than 200 years combined expertise in the market**
  - b) **Proven track record of success**
  - c) **Commitment to underserved markets**
3. **Mission** - To **create wealth** via the efficient deployment of capital to under-served markets.

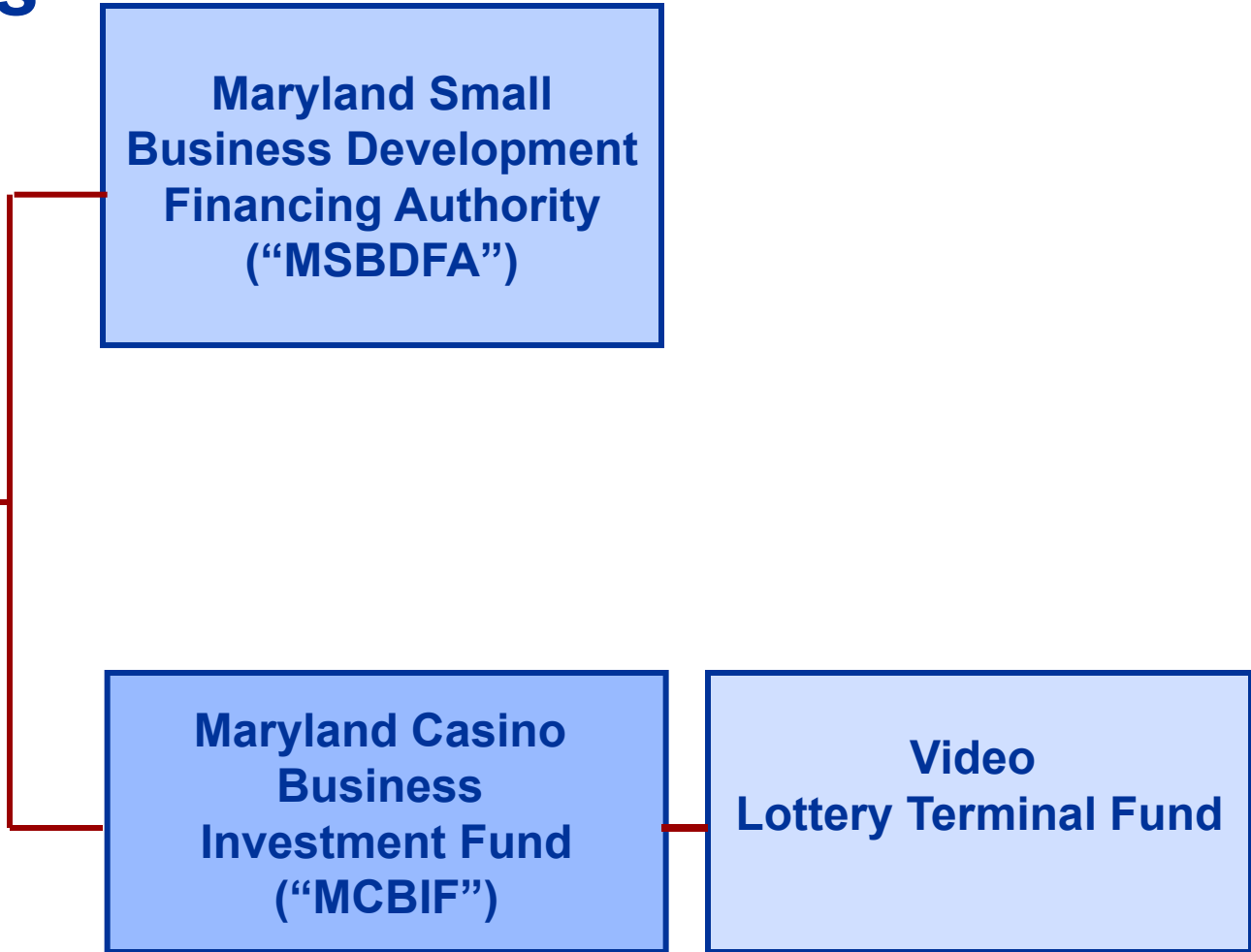
# Current Funds under management

**MERIDIAN  
MANAGEMENT  
GROUP, INC.  
FUND MANAGER**

**Maryland Small  
Business Development  
Financing Authority  
("MSBDFA")**

**Maryland Casino  
Business  
Investment Fund  
("MCBIF")**

**Video  
Lottery Terminal Fund**



# MSBDFFA & MCBIF

**Over the past 10 years, MSBDFFA & MCBIF have invested/loaned approximately \$83 million to 372 small businesses. Minority owned businesses represented 76% and women owned businesses represented 33% of the funding.**

# MSBDFFA Programs

- 1. CONTRACT FINANCING (1978)** - Provides direct loans for financing government and public utility contracts – up to \$2,000,000.
  - Maximum Term of Loan: Term of Contract(s)
  - Interest Rates: Currently 5% to 7%
  - Application Fees: \$250
  - Other Requirements: Assignment of Contract Proceeds
  
- 2. LONG TERM GUARANTY (1983)** - Provides loan guarantees to traditional financial institutions for business expansion – up to \$2,000,000.
  - Maximum Guaranty Amount: up to 80% of the Loan or \$2,000,000 exposure
  - Maximum Term of Loans: 10 years
  - Max Lender Interest Rate: Prime + 2%
  - Application Fees: N/A for MSBDFFA
  - Guaranty Fees: .75% - 1.5% of the Loan Amount



# MSBDFFA Programs

## 3. **SURETY BOND PROGRAM (1985)** - Provides direct bid, payment and performance bonds for government, and public utility contracts – up to \$2,500,000.

- Maximum Term of Bonds: Term of Contract
- Premium Rate: Generally 2% - 3% of Bond Amount  
\$100 to \$200 for Bid Bonds.
- Application Fees: \$250
- Other Requirements: Assignment of Contract Proceeds

## 4. **EQUITY PARTICIPATION INVESTMENT PROGRAM (1986)** - Debt and Equity – up to \$2,000,000.

- Maximum Term of Loan: 7 Years, but can be amortized up to 20 years
- Interest Rates on Loans: Range from 3% to market rates
- Rate of Return-Equity: Typically, 15% - 22% Annualized Return
- Application Fees: \$250
- Other Requirements: Typically, 10% Equity Injection by Owner(s)

# GENERAL QUALIFICATIONS

- Company's principal place of business must be in Maryland
- Company must be unable to obtain financing or bonding on reasonable terms from traditional lenders or commercial sureties
- Principals and managers must have adequate experience in the industry in which the financing is being sought
- Company must show ability to repay the loan – or claims paid under a bond
- Transaction must create economic impact for the state in terms of jobs and tax revenue

# SECURITY

- Lien on Business Assets (Accounts Receivable, Inventory, etc.)
- Personal Guarantee of principals
- Deed of Trust on real estate (Business and Personal)
- Lien on other personal marketable securities
- Corporate Guarantee of other businesses owned by principals
- Life Insurance on key principals and officers



# MCBIF

- **In 2008, the General Assembly required that 1.5% of all video lottery terminal (“VLT”) proceeds generated by gaming venues are to be used to fund small, minority and women-owned businesses.**
- **In 2013, MMG executed a contract with the State of Maryland to manage the VLT Fund, named the Maryland Casino Business Investment Fund (MCBIF). There are now 9 VLT Fund Managers.**
- **Deposits to the VLT Fund Pool to date have exceeded \$100 million. Since 2013, MMG has been awarded \$18.7 million.**

# HOW TO APPLY

MSBDFA: [www.mmgcapitalgroup.com](http://www.mmgcapitalgroup.com)

MCBIF: [www.mcbif.com](http://www.mcbif.com)

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