Frequently Asked Questions (continued)

Why did you select to focus on businesses within the food industry?
Food-related businesses were chosen for the pilot program focus due to the diversity, size and number of small businesses within the category. ICIC research shows that when cities have “clusters” of related industries, their economies are associated with greater growth in business numbers, job creation, wages and innovation. The food-related businesses in Greater Boston are poised for growth and already represent a significant share of employment than exists in other cities.

Where will the program meet?
For the education component of the program, initial in-person class sessions will meet at Babson College’s Downtown Boston campus near South Station. Free parking will be provided. Online sessions can be accessed remotely and there will also be scheduled site visits across metro Boston to meet and network with peers in the food industry.

What are the expectations for Cultivate Small Business participants?
It is critical that applicants carefully consider the time commitment required before accepting admission into Cultivate Small Business. All admitted applicants that choose to participate in the program are expected to attend all program sessions, including in-person and online meetings, and finish the entire program. Every consideration will be made to set a program schedule that meets the needs of a small business owner’s schedule. Much of the value of the program will come from peer to peer learning, so an engaged and inclusive participant is critical to the collective success of the program.

What is the application process and when will selection decisions be made?
Small businesses can apply for a place in Cultivate Small Business beginning in June 2017. Applicants will need to provide basic background information, such as name, address and business details. Applications will be reviewed on a rolling basis. Applicants selected to become finalists will be required to submit additional information, including verification information, and will participate in interviews. The Cultivate Small Business team will communicate all admission decisions in September 2017. An online application will go live in summer 2017, but interested applicants can send an email to entrepreneurs@santander.us to begin the process beginning May 17, 2017.

Does acceptance into the program guarantee business financing opportunities from Santander Bank?
Acceptance into the program provides no guarantee of financing opportunities from Santander Bank. Cultivate Small Business is a philanthropic program that has been designed to build the management capacity of early stage small businesses through education, mentoring/networking, and small capital grants. All program participants will have the opportunity to receive small capital grants either during the program or following program completion. That funding will not come directly from Santander, but through program partner CommonWealth Kitchen, a non-profit organization.

What do you mean by small capital grants?
During and following successful completion of the program, all participants will be eligible to apply for grant funding provided through CommonWealth Kitchen. This funding will not need to be paid back like a loan, however applicants will need to submit a funding request using principles learned from the program and articulating how the funding will be utilized to improve business performance.

Beyond the initial program cohort, will there be future opportunities to apply/participate in Cultivate Small Business?
Yes. Santander plans to expand the program following an evaluation of the inaugural cohort. Future announcements will be forthcoming in 2018. Alumni resources and programming are under consideration.

Who may I contact with additional questions?
Please send an email to entrepreneurs@santander.us.
Cultivate Small Business is designed to help early-stage entrepreneurs in low-income neighborhoods build and sustain their businesses, with a focus on women, minority and immigrant owned businesses in food-related industries. The program will provide industry specific education, networks and mentoring as well as small capital grants for business owners. Santander Bank has three strategic partners in this initiative: CommonWealth Kitchen, Babson College and the Initiative for a Competitive Inner City (ICIC). The fully-funded program begins in October 2017 with an inaugural group of up to 30 entrepreneurs working in food-related businesses, which include processing, technology, manufacturing and food service companies.

Applicant Criteria
Cultivate Small Business aims to empower women, immigrant and minority entrepreneurs in food-related industries and to give them the building blocks to be successful business owners. Program participants need to meet the following criteria:

- Participants must reside in or represent a business located in a low- to moderate-income urban area in Greater Boston (including Suffolk, Norfolk, Middlesex, Plymouth and Essex Counties).
- Businesses should have earned between $25,000 and $1,000,000 in revenue in the most recent full calendar year.
- Businesses must have been in operation for at least one year as of June 1, 2017.
- Businesses should have between 1 and 10 full-time-equivalent employees.
- Businesses should be in food-related industries, including processing, technology, manufacturing and food services.

Background
Sanctander believes entrepreneurial success requires a variety of personal and business skills, from sound business fundamentals, such as finance and accounting, to strong networks and access to capital. According to research from the U.S. Small Business Administration, women, immigrant and minority-owned businesses not only lack access to traditional sources of capital, but they also do not have the same opportunities to tap into important networks that provide critical value to early stage businesses. Cultivate Small Business will address some of these gaps with an integrated model that provides early stage businesses with resources, networks and industry specific education opportunities in a participatory and user friendly format.

Food-related businesses were chosen for the pilot program focus due to the diversity, size and number of small businesses within the category. ICIC research shows that when cities have “clusters” of related industries, their economies are associated with greater growth in business numbers, job creation, wages and innovation. The food-related businesses in Greater Boston are poised for growth and already represent a significant share of employment than exists in other cities. By connecting early stage entrepreneurs in the same related business sector, this initiative will address the education and mentoring needs of program participants with a customized model over the program’s nine-month period from October 2017 through June 2018.

Summary Program Timeline*

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Event Description</th>
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<tbody>
<tr>
<td>June - July 2017</td>
<td>Applications Accepted</td>
</tr>
<tr>
<td>September 2017</td>
<td>Applicant Interviews &amp; Participant Selection</td>
</tr>
<tr>
<td>October 2017 - June 2018</td>
<td>Program Duration*</td>
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*Detailed program schedule to be provided in July.

Frequently Asked Questions
Who is eligible to apply to Cultivate Small Business?
This program is committed to equity and inclusion. Women, immigrant, and minority business owners and other applicants from diverse backgrounds and cultures are strongly encouraged to apply. Participants must reside in or represent a business in a low- to moderate-income urban neighborhood in Greater Boston (including Suffolk, Norfolk, Middlesex, Plymouth and Essex Counties). Applicants must work in a business within the food industry, which includes food processing, technology, manufacturing and food service. Businesses must have earned at least $25,000 and a maximum of $1 million in revenue in the most recent full calendar year. The applicant’s business needs to have been in operation for at least one year as of June 1, 2017 and should have between 1 and 10 full-time employees. The inaugural program group is expected to include up to 30 entrepreneurs.

What does low- to moderate-income (LMI) mean?
LMI is defined by the Federal Financial Institutions Examination Council (FFIEC) as follows:
- If the Median Family Income of a census tract is less than 50 percent of the Median Family Income for the MSA, then the Income Level is Low.
- If the Median Family Income of a census tract is greater than or equal to 50 percent and less than 80 percent of the Median Family Income for the MSA, then the Income Level is Moderate.

How can I tell if my residence or my business is in an LMI area?
The application evaluation team will determine whether or not you meet this criteria via the initial application, though you can also check www.ffiec.gov.

When and with what frequency will the program run?
The full program schedule will be announced in summer 2017. The inaugural program will begin in October 2017 and will run through June 2018. Sessions will include a mixture of in-class and online settings. Participants will be connected to mentors who will meet with them throughout the program. There will also be opportunities to meet with fellow Boston-area food industry business owners.