

# In3 Capital – Project Capital from Inception to Completion

See also In3 CAP funding non-technical [pre-qualification](#)

This protocol shows how project Developers and Sponsors can rapidly finance mid-market projects at favorable [terms](#) with a [financial guarantee as security](#). Some activities will naturally happen in parallel, but steps are grouped into three distinct stages based on target milestones.

The first stage/gate is **project package pre-approval**, starting with evidence of a suitable financial guarantee – mainly a Standby Letter of Credit (SbLC)\* from a commercial bank – then due diligence that, if all goes well, leads to binding offer, resulting in financial closing within 30 days.

## Inception to Due Diligence – up to 15 days



### Apply & Qualify

1. Guarantor or Developer asks issuing bank to send a “specimen” of the Instrument verbiage, using the appropriate [In3 template](#) as a guide (all templates available [here](#)).
2. Guarantee instrument verbiage is agreed between issuing bank and funding bank.  
Note: Signed instrument hardcopy is not sent until after all agreements are entered (step 12).
3. Developer delivers [qualifying package](#) of at least the first 4 of 6 “essentials” via email to confirm acceptability, with project description, budget, [uses of funds, and draw schedule](#).
4. Guarantor uses In3’s templates for a bank’s RWA Letter ([more](#)) and Authorization to Verify (ATV) letter, to be sent via Email. This verifies that the issuing bank will follow through with the guarantee using approved verbiage as the final step (12) before closing.
5. Pre-Qualify: Developer sends or arranges with guarantor’s bank to send signed RWA and/or ATV letter along with project summary and detailed financial projections in Excel plus support information. Can register the project at [bit.ly/in3-Project-Registration](http://bit.ly/in3-Project-Registration)

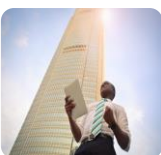
## Due Diligence to Offer – 15-30 days



### Accept Offer

6. Package received with Client Information Sheet (CIS). Proceed with due diligence.
7. Establish Special Purpose Vehicle (SPV) or details of existing SPV.
8. Funding underwriter agrees to finance per capital stack negotiated with client.
9. Accept Offer: Capital partners and client legal counsel collaborate to prepare Investment Agreement. A binding termsheet would also be available at this stage.

## Guarantee Instrument Delivery to Capital Draws



### Fund & Launch

10. Execution and notarization of various agreements (Loan Agreement, Share Purchase Agreement) or binding termsheet subject to Condition Precedents (CPs).
11. For SbLC or BG, issuer sends SWIFT MT799/199 pre-advice or email to funding bank:
  - a) Issuing bank proceeds to send agreed-upon SbLC/BG via SWIFT MT760 or MT542 to funding bank, or instead of a bank-issued financial instrument, transfer cash deposit\*\*.
  - b) 100% of SPV shares are held in escrow for benefit of capital provider until reaching Commercial Operation Date (COD), then shares are allocated to proportionate owners.
  - c) EPC/GC contract signed, if any, following Capital Partners approval (a formality).
12. Issuer sends hard copy of instrument to receiving bank via courier. This marks closing.
13. Fund & Launch: First capital draw within 30-45 days of receipt and confirmation of SbLC/BG or SG or AvPN hard copy, pursuant to agreed-upon monthly draw schedule.
14. Draws continue per schedule. Project completion, commissioning to begin operations. Except for SGs or cash\*\*, security allowed to expire on its maturity date following COD.

\* A Standby Letter of Credit (SbLC) is effectively the same as a Bank Guarantees (BG) in the US. May also be called a Payment Guarantee or Performance Guarantee so long as the verbiage mirrors the provisions of an SbLC. *Sovereign* Guarantee (SG) procedures are largely the same ([more](#)).

\*\* A [cash deposit](#) is also acceptable in lieu of a guarantee, which bypasses most of this protocol, but otherwise works quite similarly to a guarantee as security. Cash is more valuable than an SBLC, and a cash deposit would be returned in lump sum upon the final drawdown of funds.