

**UNDERWRITING POLICY
EARLY COUNTY ECONOMIC DEVELOPMENT
REVOLVING LOAN FUND**

GOAL

The goal of this program is the creation and/or retention of jobs, primarily for low and moderate income persons in Early County by providing financial assistance to existing businesses and/or "start-up" ventures where the county's involvement is necessary for the project's viability.

OBJECTIVE

To provide loan funds to local small businesses from public resources. The provision of loan funds must result in the creation or retention of the maximum number of jobs for low and moderate income persons for the least amount of public expenditure possible. Each funded activity must benefit a minimum of 51 percent low and moderate income persons.

SCOPE

This program is designed to assist small service, commercial, and industrial businesses in Early County by providing "gap financing." This financial assistance must result in the meeting of the overall program objectives, the creation or retention of permanent jobs for low and moderate income persons.

1. Provision of assistance to public or private nonprofit entities in order to fund any activities which will result in the direct creation of employment for low and moderate income persons. Such assistance, however, may not be in the form of outright grants, although it may consist of loans, interest subsidies, guarantees, and can finance such activities as: (a) acquisition of real property; (b) acquisition, construction, reconstruction, rehabilitation, or installation of (except for buildings for the general conduct of government) infrastructure, site improvements, utilities, and commercial or industrial buildings or structures and oilier commercial or industrial real property improvements.
2. Provision of assistance to private, for-profit entities, when the assistance is necessary or appropriate to carry out an economic development project. Such assistance, however, may not be in the form of outright grants, although it may consist of loans, interest subsidies, guarantees, or technical assistance. In addition, financial assistance to private, for-profit entities must be contingent upon firm commitments of financial participation from other sources such as private financial institutions, or the private entities themselves; and must create or retain permanent jobs.

INELIGIBLE BORROWERS

Passive income companies, lending and investment institutions, and unrelated media such as newspapers and magazines, speculative ventures, and charitable organizations.

DEFINITIONS

- (A) Fixed Asset - Permanent business properties such as land, buildings, machinery, and equipment.
- (B) Gap Financing - The portion of funds supplied by Early County through the Revolving Loan Fund that allows a business to remain in operation, expand operations, or "start- up" that would not take place without this financial assistance.
- (C) Job - Full-time employment for a period not less than 365 days.
- (D) Job Retained - A job that would be lost if the financial assistance from the Early County Economic Development Revolving Loan Fund was not provided. The business applying for the funds must prove to the satisfaction of the Early County Board of Commissioners that these funds are necessary.
- (E) Loan Review Committee - The Development Authority of Early County or a designated subcommittee thereof.
- (F) Low and Moderate Income - Income levels as published by HUD for the Section 8 Assistance Program. The levels are usually calculated as 80 percent of a County's median income adjusted for family size. The most recent data for such determinations may be obtained from DCA at (470) 802-4707. (Applications should note that jobs paying minimum wage do not necessarily qualify as low/moderate income jobs.) Individual family income levels at the time of application for employment determine qualification.
- (G) Market Analysis- Objective process whereby the need, market potential, and expected return on investment are determined for a particular product and/or service.
- (H) New Job Created- A job that was not in existence and represents a new budgeted position that will be filled within six months. This job must be tangible, and the applicant must commit that this job will be filled after the loan from the County.
- (I) Pro Forma - Estimation of anticipated expenditures, revenues, and cash flow for a given period of time.
- (J) Start-Up - The creation of a new business that was not previously in existence.
- (K) Working Capital - Funds available and necessary for normal business operations.
- (L) Appropriate- HUD regulations require all governing agencies which utilize Title I economic development funds to perform a financial analysis on the applicant to ensure the amount of assistance is not excessive, the business needs the loan to carry out the proposed project, and also has the financial capability to repay the loan. The Early County Economic Development "Revolving Loan Fund" is limited to businesses located within Early County or businesses that propose to "start-up" businesses within Early County as a result of this program. Highest consideration will be given to those businesses who demonstrate that they will create and/or

retain the highest number of jobs for low/moderate income persons for the least amount of public expenditure.

ELIGIBILITY

In order to qualify for this program, a business must have a net worth of less than \$6 million and a net profit after taxes of less than \$2 million annually. No loans will be considered if the proposed jobs retained or created are less than the ratio of one job per \$50,000 of loan funds. At least 51 percent of the jobs created or retained must be for low and moderate income persons.

APPLICANT REQUIREMENTS

1. Applications will be provided by Early County or its designee to all small businesses interested in this program.
2. A “profit and loss” statement will be required for the past three years. A current statement will be required also.
3. Personal financial statements will be required if the personal investment exceeds 40 percent of the County's loan amount.
4. A cash flow pro forma will be required to indicate future needs of the business. (Should be for at least three years.)
5. A market analysis should be made for each small business making an application to the “Revolving Loan Fund”. The market analysis should include:
 - a. Business or Product definition such as the mix of goods, merchandise, and/or services to be produced or sold.
 - b. Market description including primary and secondary trade arms, potential customer categories, major competitors, and marketing strategies.
 - c. Develop a “Needs Assessment ” through the use of statistical data and an evaluation of such things as market trends, unmet customer demands, customer surveys, and data supporting this need and potential for success.
 - d. Projection of return on investment based on the information gathered and analyzed for the particular product and/or service.
 - e. Applicants must fully address the purpose of the loan, and the time schedule or implementation if funded.
 - f. The purpose of this program is the creation/retention of jobs for low/moderate income persons. Therefore, each applicant must commit to the number of low and moderate jobs

that will be created/retained through this financial assistance.

- g. Applicants must describe and document ownership of collateral and its certified market value to be used for the loan.
- h. Applicants must provide a list of credit references and how they can be contacted.
- i. Applicants must commit to begin utilizing funds awarded under this program within sixty days of award.
- j. The Underwriting Policy will be provided by the County or its designee to all businesses requesting a copy. A list of all persons receiving a copy will be maintained in the County RLF file in order of date of receipt. This process results in a "first come, first served" method of service. When a minimum of \$25,000 in cash is on hand, the prospective applicant at the top of the list of Underwriting Policy recipients will be notified by the RLF Loan Review Committee by Certified Mail, Return Receipt Requested, that they have two (2) years from the date of receipt of the Certified Mail in which to submit an application to the RLF administrator. The applicant will have thirty (30) calendar days from the date of any written request to the applicant by the County or its designee to submit additional information needed to complete the application process. Applicants failing to respond to the notice or request for additional information may, at the discretion of the RLF Loan Review Committee, be removed or placed at the bottom of the list.

Depending on the type of activity to be undertaken with the loan funds, various federal, state, and local laws may apply. Applicants will be made aware of these during the application process. The Early County Board of Commissioners reserve the right to request and require further information that they deem necessary in order to make a decision as to whether or not to approve an application under this program. It should be noted that if new construction is a part of the overall project, special conditions may apply. Site improvements may also necessitate special considerations.

TERMS AND CONDITIONS

All applicants for the Economic Development "Revolving Loan Fund" from Early County are required to obtain 50 percent of the funds for the project from a private lending institution (A "lending institution" is any person, firm, or corporation that will lend the necessary funds for private investment required for this program.) As part of the application process, each applicant is required to provide a letter of commitment from the lending institution acknowledging their agreement to finance 50 percent of the asset or working capital. This letter must include the following terms: interest rate, terms of loan, collateral, and any other requirement as stated as part of the loan. The letter must be signed by the President of the lending institution or a person who is authorized to make such a commitment for that lending institution. All applicants must prove to the satisfaction of the Loan Review Committee that they have the ability to cover all debt services.

Fixed Asset Loans will be made at an interest rate of not lower than 3 percent or higher than 8 percent. The life of the loan is not to exceed the life of the asset. Applicants for Fixed Asset Loans are also eligible for one year deferral on the principal, followed by a five to ten year payback of the loan. The length of the loan and interest rate will be determined based upon a recommendation from the Development Authority of Early County functioning as Loan Review Committee and Servicing Agent for administration of the Revolving Loan Fund.

Applicants that cannot meet the 50 percent financing requirements from the private sector may participate in the "Revolving Loan Fund" program provided they inject equity equivalent to 25 percent of the funds requested from this program. The remaining 75 percent may be loaned from the "Revolving Loan Fund" with a maximum seven year term. An applicant eligible for an Equity Injection Loan may also be eligible for a one year deferral on payment of the principal, paying the amortized principal and interest over the remaining six years

All loans will be screened by the Development Authority of Early County with a recommendation forwarded to the Early County Board of Commissioners for final review and decision. Early County will not discriminate due to race, creed, color, age, sex, or national origin in approving loan applications under this program.

RECAPTURED FUNDS

All funds "recaptured" by Early County from this program shall be held in a separate account and used only for future economic development loan purposes. An accounting of the Economic Development Revolving Loan Fund shall be included in the County's annual audit.

COMPLIANCE REQUIREMENTS

It is the responsibility of the local government and RLF to ensure the proposed program, activities, and goals are in compliance with all applicable Federal and State laws, regulations and executive orders. The major applicable laws, regulations and executive orders include but are not limited to those on the following list.

General:

1. The Housing and Community Development Act of 1974, as amended and as implemented by the most current HUD regulations (24 CFR, Part 570).
2. Title 50, Chapter 18, Article 4, Official Georgia Code, Georgia Open Records Act.
3. Program Regulations Georgia CDBG Program - Small Cities - Non-Entitlement Program, published by the Georgia Department of Community Affairs.

Financial Management:

4. 24 CFR Part 85.
5. Federal OMB Circular A-128.
6. Federal OMB Circular A-87.

Civil Rights:

7. Title VI -Civil Rights Act of 1964.
8. Section 109 - Title 1 - Housing and Community Act of 1974.
9. Title VIII of the Civil Rights Act, 1968, as amended.
10. Section 504 of the Rehabilitation Act of 1973 and implementation regulations (24 CFR Part 8).
11. Executive Order 11246 - Equal Employment Opportunity, as amended by Executive Order 11375, Parts II and III.
12. Executive Order 11063 - Equal Employment Opportunity, as amended by Executive Order 12259.
13. Section 3 of the Housing and Development Act of 1968, as amended Section 118 of Title I, Community Development and Housing Act, 1974.
14. Georgia Department of Community Affairs Civil Rights Compliance Certification.
15. Age Discrimination Act of 1975.
16. Executive Order 12431: National Priority to Develop Minority and Women Owned Businesses.

Labor Standards:

17. The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) is supplemented by Department of Labor Regulations.
18. The Davis-Bacon Act (40 U.S.C. 276(a) to (a-7), as supplemented by Department of Labor

19. The Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented by Department of Labor regulations.

Acquisition/Relocation:

20. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.(46 U.S.C. 4601) and regulations at 49 CFR. Part 24.

21. The Georgia Relocation Assistance and Land Acquisition Policy Act of 1973.

22. The Georgia Urban Redevelopment Law (OCGA, Section 36-61-1. ct. seq.).

Housing:

23. The Truth in Lending Act (Regulation Z).

24. Title I Consumer Protection Act (P. L. 90321).

25. Lead Based Paint Poisoning Prevention Act (42 CFR, Parts 35 & 570) and HUD implementing regulations.

26. Construction Industry Licensing Board Act (O.C.G.A. Section 43- 14- I, ct. .;cq.).

27. Georgia Industrial Building Act of 1982, as amended (O.C.G.A. Title 8, Chapter 2, Article 2, Part 1 "Industrialized Buildings"; Part 2 "Manufactured Housing (Mobile Homes).

28. Georgia State Energy Code.

Environmental:

29. The National Environmental Policy Act (NEPS) of 1969 implemented by Executive Order 11514 of March 5, 1970, as amended by Executive Order 11991 of May 24, 1977 and the Council on Environmental Quality's (CEQ) NEPA Regulations, 40 CFR, Parts 1500-1508.

30. Environmental Review Procedures for the CDBG Program, HUD, (24 CFR, Part 58).
31. The National Historic Preservation Act of 1966 as amended; particularly Section 106 and the Regulations of the Advisory Council on Historic Preservation (16 U.S.C. 470 f.)
32. Executive Order 11593, Protection and Enhancement of the Cultural Environment (36 FR 8921 et. seq.) May 13, 1971; particularly Section 2(c).
33. The Reservoir Salvage Act of 1960; particularly Section 3, as amended by the Archeological and Historic Preservation Act of 1974.
34. Flood Disaster Protection Act of 1973 as amended, particularly Sections 102(a) , and 202(a).
35. Executive Order 11988, Floodplain Management, May 24, 1977 (42 FR 56951 et. seq.) particularly Section 2(a)
36. Executive Order 11990. Protection of Wetlands, May 24, 1977 (42 FR 56961 et. seq.)
37. Georgia Air Quality Act of 1978 (O.C.G.A. Section 12-9-1 et. seq.) to regulate air pollution and protect air quality.
38. Shore Assistance Act of 1977 (O.C.G.A. Section 12-5-230, et. seq.)
39. Georgia Hazardous Waste Management Act (O.C.G.A, 12-8-60, et. seq.).
40. Georgia Health Code (O.C.G.A. 31-3-1. et. seq.).
41. The Coastal Zone Management Act of 1972 as amended; particularly Section 307(c) and (d).
42. The Safe Drinking Water Act of 1974 as amended; particularly Section 1424(e).
43. The Endangered Species Act of 1973 as amended; particularly Section 7.
44. The Archeological and Historic Preservation Act of 1974 (P.L. 93-234).

**EARLY COUNTY REVOLVING LOAN FUND (RLF)
APPLICATION**

APPLICANT: _____

BUSINESS NAME: _____

BUSINESS ADDRESS:

BUSINESS MAILING ADDRESS:

TELEPHONE: _____

LOAN AMOUNT REQUESTED: _____

NUMBER OF NEW JOBS CREATED: _____ NUMBER OF JOBS RETAINED: _____

TYPE OF OWNERSHIP: _____

PRINCIPLES *(Please describe their involvement and responsibilities):*

1. **BUSINESS**

a.) A brief history of your business to present:

b.) Describe use of loan proceeds:

2. **FINANCIAL INFORMATION** (*Attach separately*)

- a.) Current Financial Statement. (*Balance Sheet, Profit and Loss*)
- b.) Financial Statement for previous three (3) years.
- c.) Personal Financial Statement
- d.) Cash Flow Pro Forma (*3 years minimum*)

3. **MARKET ANALYSIS:**

(May be in narrative form and attached separately, but should include the following information, at a minimum.)

a.) Describe your business, service, and/or product:

b.) Describe and define your market area (*Present and potential*):

c.) Based on the questions listed as (a) and (b), submit documentation to support your business's expansion and the need for this loan:

d.) Projection of return investment: _____

4. **DESCRIPTION OF LOAN REQUEST:**

a.) Purpose of this loan:

b.) Schedule for implementation if funded:

c.) Projected Results:

5. **EMPLOYMENT CREATION AND/OR RETENTION:**

(Attach "Letter of Commitment" separately)

a.) Present number of full-time employees: _____
b.) Number of permanent jobs to be created and/or retained as a result of this loan:

c.) Describe jobs created/retained:

d.) Number of jobs created/retained per City loan dollar requested:

6. **PRIVATE INVESTMENT:**
(Attach "Letter of Commitment" separately)

a.) Dollar amount of private investment: _____

Source: _____

b.) Describe financial arrangements for project, whether they be equity, long term, mortgage, bonds, other public funds, etc., clearly defined and committed:

c.) Describe and document ownership of collateral and certified market value:

7. **CREDIT REFERENCES:** *(Please list how each reference can be contacted.)*

Reference 1

Name: _____

Address/Telephone: _____

Reference 2

Name: _____

Address/Telephone: _____

Reference 3

Name: _____

Address/Telephone: _____

**ECONOMIC DEVELOPMENT AND REVOLVING LOAN FUND
SUPPLEMENTAL INFORMATION AND DOCUMENTATION
(To be completed by RLF)**

Applicant: _____

RLF Amount Requested: _____

Total Project Cost: _____

1. JOB CREATION/RETENTION

- Total number of existing jobs: _____
- Total number of jobs to be created: _____
- Total number of jobs to be retained: _____
- Number of jobs created for low and moderate income persons: _____
- Percent of total: _____%
- Number of jobs retained for low and moderate income persons: _____
- Percent of total: _____%
- RLF dollars per job created: \$ _____
- RLF dollars per job retained: \$ _____

(Describe the methodology to be utilized for ensuring the number of jobs listed above for low and moderate income persons: (provide documentation where applicable). Applicants should note that jobs paying minimum wage do not necessarily qualify as low and moderate income jobs. Individual family income levels adjusted for family size at the time of application for employment determine qualification.)

* Permanent full-time positions of at least one year's duration (except in certain cases of agricultural businesses whose operations are necessarily seasonal, the RLF will consider as permanent any full-time job of at least twelve (12) consecutive weeks' duration, and will count it as the equivalent of one-fourth (1/4) of a permanent job. For example, if an agricultural business proposed to employ 100 persons, each for twelve (12) full-time consecutive weeks, the number of jobs created would be counted as 25. Likewise, were 100 persons to be employed, each for 24 full-time consecutive weeks, the number of jobs created would be counted as fifty (50).

** For retained jobs, the application should contain summary information on the number and percent of the retained jobs which are held by low and moderate income individuals. This would normally require that workers be surveyed prior to the application being submitted.

*** Must meet the 51% threshold for low/mod persons (i.e., at least 51% of the jobs created or retained must be for low/mod. income persons).

2. **UNEMPLOYMENT DATA:***

- Number of persons in the workforce unemployed: _____
- Percent of persons in workforce unemployed: _____%
- Source of data: _____ (provide documentation)
- Analyze and describe the impact on unemployment, both in actual numbers and percentages, of the proposed project:

**This data should be for the applicant's jurisdiction. If not, please note and explain.*

3. **PRIVATE INVESTMENT:**

- Dollar amount of private investment: \$ _____
- Source(s): _____
- Private investment as percent of total project: _____%
- Private to RLF funds leverage ratio: _____
- Private to RLF/other public funds leverage ratio: _____

**Private investment must be documented by letters of commitment.*

4. **OTHER PUBLIC INVESTMENT:***

- Amount: \$ _____
- Source(s): _____
- Other public investment as percent of total project: _____%

**Other public investment must be documented by grant awards, grant commitments or letters of commitment.*

5. **ESTIMATED TAX REVENUE:**

- Total estimated taxes to be generated (*for one year*): _____
- State taxes: \$ _____
- Local taxes: \$ _____
- Federal taxes: \$ _____
- Taxes generated per RLF dollar requested: \$ _____
- Describe the methodology for calculating the estimated tax from each source:

6. **RECAPTURE PROVISIONS:**

Describe the rate, terms, period and other applicable elements of the RLF loan's repayment (be specific and detailed); also describe what entity will be responsible for servicing the RLF loan:

Any direct assistance to private for profit entities must be "recaptured."

7. **COMMITMENT LETTERS:**

All applications must be accompanied by letters of commitment from participating financing entities, other participating agencies and the private sector partner (*developer industry, company, business, corporation, etc.*)

ECONOMIC DEVELOPMENT PROGRAM
SAMPLE COMMITMENT LETTER

(To be completed on the letterhead of the lending institution and addressed to the developer industry, company, business, corporation, etc.)

Date: _____

Dear _____:

Please be advised that we have reviewed your financial statements and project proposal regarding financing for _____ *(Describe proposed project, specify construction, expansion, etc.)* in _____ *(location)*

It is our understanding that _____ *(applicant)* has applied for \$ _____ *(amount)* in Early County. The Revolving Loan Fund to

_____ *(describe use of funds).*

Based on the financial and project feasibility information provided, we feel the RLF funds for

_____ *(describe project)* would make this a viable project and hereby commit to provide

_____ *(describe amount and type of financing)* for

_____ *(describe purpose of financing).*

This commitment has been approved by our _____ *(loan committee, board, etc.)* and is subject to the following terms and conditions:

_____ *(specify terms and conditions - receipt of the grant award can be a condition)*

Sincerely,

(signature of official or officer authorized to make commitment)

ECONOMIC DEVELOPMENT PROGRAM
SAMPLE COMMITMENT LETTER
COMMITMENT TO CREATE/RETAIN JOBS
(To be completed on company letterhead and addressed to locality)

Date: _____

Dear _____:

Contingent only upon the receipt of financing under the County of Early Revolving Loan Fund program as provided for in the application of _____ *(developer, industry, company, business, corporation, etc.)* the

_____ *(industry)*
hereby commits to

_____ *(describe proposed project, specify construction, expansions, etc.)* at a total cost of approximately \$ _____ *(amount)*. The \$ _____ *(amount)* of RLF Funds will be used to

_____ *(describe use of funds)* as provided for in the application.

_____ *(developer, industry, company, business, corporation, etc.)* further commits to create and/or retain (specify) _____ *(number)* full-time permanent jobs, _____ *(number)* of which will be for low and moderate income persons. We will initiate project activities on or about _____ *(date)* and complete the same on or about _____ *(date)*.

We will provide the applicant with a construction schedule upon initiation of project activities and documentation of hiring, including evidence of low and moderate income hiring, within ninety (90) days of project completion.

_____ *(developer, industry, company, business, corporation, etc.)* also hereby commits to repay the \$ _____ *(amount)* in RLF funds as provided for in the application.

Sincerely,

*(signature of official or officer
authorized to make commitment)*



PERSONAL FINANCIAL STATEMENT

U.S. SMALL BUSINESS ADMINISTRATION

The purpose of this form is to collect information about the Business Applicant and its owners' financial condition. SBA uses the information required by this Form 413 as one of a number of data sources in analyzing the repayment ability and creditworthiness of an applicant for an SBA loan or, with respect to a surety bond, to assist in recovery in the event that the contractor defaults on the contract. SBA also uses the information to assess whether an individual meets the economic disadvantage threshold for the Women-Owned Small Business (WOSB) Program and the 8(a) Business Development (BD) Program. Submission of this information is required as part of your application for assistance. Failure to provide the information would impact the agency's decision on your application.

To complete this form

- 1) Check all that apply.
- 2) Complete the form in its entirety (attached a separate sheet, if necessary)
- 3) Review the applicable certifications and sign (spousal signature, if required)

<input type="checkbox"/> 7(a) loan / 504 loan / Surety Bonds Complete this form for: (1) each proprietor; (2) general partner; (3) managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant; and (5) any person providing a guaranty on the loan (including the assets and liabilities of the owner's spouse and any minor children). Return completed form to: For 7(a) loans: the Lender processing the application for SBA guaranty For 504 loans: the Certified Development Company (CDC) processing the application for SBA guaranty For Surety Bonds: the Surety Company or Agent processing the application for surety bond guarantee
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<input type="checkbox"/> Disaster Business Loan Application (Excluding Sole Proprietorships) Complete this form for: (1) each applicant; (2) each general partner; (3) each managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant business; and (5) any person providing an unlimited guaranty on the loan. Return completed form to: Disaster Processing and Disbursement Center at 14925 Kingsport Road, Fort Worth, TX 76155-2243 or FAX to 1-202-481-1505 or disasterloans@sba.gov
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<input type="checkbox"/> Women Owned Small Business (WOSB) Federal Contracting Program This form must be completed by each individual claiming economic disadvantage in connection with the SBA's Women-Owned Small Business (WOSB) Federal Contracting Program. A separate form must be completed by the individual's spouse, unless the individual and the spouse are legally separated. Use attachments if necessary. Each attachment must be identified as a part of this statement and signed. In addition, each individual claiming economic disadvantage must update the form as changes arise, but at least annually, to ensure the information is current, accurate and complete. SBA's regulations state that to be considered economically disadvantaged for purposes of the WOSB Program, a woman must have an adjusted gross income averaged over the three prior fiscal years of \$350,000 or less; less than \$6 million in the fair market value of all her assets (to include her primary residence and value of the business concern); and less than \$750,000 in personal net worth (excluding equity interest in her personal residence and ownership interest in the business, and funds invested in a retirement account that are unavailable until retirement age). 13 C.F.R. §127.203. The information contained in this form must be submitted and certified through beta.certify.sba.gov

<input type="checkbox"/> 8(a) Business Development Program 8(a) applicants must show that 51% of the firm is owned by one or more individuals determined by the SBA to be socially and economically disadvantaged. The information contained in this form must be submitted by each socially and economically disadvantaged individual using their one time 8(a) eligibility to qualify this firm for 8(a) certification. If married, the spouse must complete a separate SBA Form 413, except when the individual and the spouse are legally separated. If separated, provide copy of separation document. SBA's regulations state that to be considered economically disadvantaged for purposes of the 8(a) Business Development Program, an individual must have an adjusted gross income averaged over the three prior fiscal years of \$350,000 or less; less than \$6 million in the fair market value of all assets (to include primary residence and value of the business concern); and less than \$750,000 in personal net worth (excluding equity interest in the personal residence and ownership interest in the business, and funds invested in a retirement account that are unavailable until retirement age). 13 C.F.R. §124.104. Note: Please complete this form with Personal Information not Business Information and divide all jointly owned assets and liabilities, as appropriate with spouse or others. The information contained in this form must be submitted and certified through certify.sba.gov . For additional information go to: http://www.sba.gov/8abd

Name	Business Phone (xxx-xxx-xxxx)
Home Address	Home Phone (xxx-xxx-xxxx)
City, State, & Zip Code	
Business Name of Applicant/Borrower	
Business Address (if different than home address)	
Business Type: ___ Corporation ___ S-Corp. ___ LLC ___ Partnership ___ Sole Proprietor (does not apply to ODA applicant)	

This information is current as of [month/day/year]
 (within 90 days of submission for 7(a)/504/SBG/ODA/WOSB or within 30 days of submission for 8(a) BD)

WOSB applicant only, Married ___ Yes ___ No

ASSETS	LIABILITIES
(Omit Cents)	(Omit Cents)
Cash on Hand & in banks..... _____	Accounts Payable..... _____
Savings Accounts..... _____	Notes Payable to Banks and Others..... _____
IRA or Other Retirement Account..... _____	(Describe in Section 2)
(Describe in Section 5)	Installment Account (Auto)..... _____
Accounts & Notes Receivable..... _____	Mo. Payments _____
(Describe in Section 5)	Installment Account (Other)..... _____
Life Insurance – Cash Surrender Value Only..... _____	Mo. Payments _____
(Describe in Section 8)	Loan(s) Against Life Insurance..... _____
Stocks and Bonds..... _____	Mortgages on Real Estate..... _____
(Describe in Section 3)	(Describe in Section 4)
Real Estate..... _____	Unpaid Taxes..... _____
(Describe in Section 4)	(Describe in Section 6)
Automobiles..... _____	Other Liabilities..... _____
(Describe in Section 5, and include Year/Make/Model)	(Describe in Section 7)
Other Personal Property..... _____	Total Liabilities..... _____
(Describe in Section 5)	Net Worth..... _____
Other Assets..... _____	
(Describe in Section 5)	
Total _____	Total _____
	Must equal total in assets column.

Section 1. Source of Income.	Contingent Liabilities
Salary..... _____	As Endorser or Co-Maker..... _____
Net Investment Income..... _____	Legal Claims & Judgments..... _____
Real Estate Income..... _____	Provision for Federal Income Tax..... _____
Other Income (Describe below)..... _____	Other Special Debt..... _____

Description of Other Income in Section 1 (Alimony or child support payments should not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income)

Section 2. Notes Payable to Banks and Others. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Names and Addresses of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

Section 3. Stocks and Bonds. (Use attachments if necessary. Each attachment must be identified as part of this statement and signed.)

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

Section 4. Real Estate Owned. (List each parcel separately. Use attachment if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Real Estate (e.g. Primary Residence, Other Residence, Rental Property, Land, etc.)			
Address			
Date Purchased			
Original Cost			
Present Market Value			
Name & Address of Mortgage Holder			
Mortgage Account Number			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

Section 5. Other Personal Property and Other Assets. (Describe, and, if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment and, if delinquent, describe delinquency.)

Section 6. Unpaid Taxes. (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

Section 7. Other Liabilities. (Describe in detail.)

Section 8. Life Insurance Held. (Give face amount and cash surrender value of policies – name of insurance company and Beneficiaries.)

I authorize the SBA/Lender/Surety Company to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness.

CERTIFICATION: (to be completed by each person submitting the information requested on this form and the spouse of any 20% or more owner when spousal assets are included)

By signing this form, I certify under penalty of criminal prosecution that all information on this form and any additional supporting information submitted with this form is true and complete to the best of my knowledge. I understand that SBA or its participating Lenders or Certified Development Companies or Surety Companies will rely on this information when making decisions regarding an application for a loan, surety bond, or participation in the WOSB or 8(a) BD program. I further certify that I have read the attached statements required by law and executive order.-

Signature _____

Date _____

Print Name _____

Social Security No. _____

Signature _____

Date _____

Print Name _____

Social Security No. _____

NOTICE TO 7(a) LOAN, 504 LOAN AND SURETY BOND APPLICANTS: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:

Knowingly making a false statement on this form is a violation of Federal law and could result in criminal prosecution, significant civil penalties, and a denial of your loan or surety bond application. A false statement is punishable under 18 U.S.C. §§ 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. § 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally-insured institution, a false statement is punishable under 18 U.S.C. § 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000. Additionally, false statements can lead to treble damages and civil penalties under the False Claims Act, 31 U.S.C. § 3729, and other administrative remedies including suspension and debarment.

NOTICE TO DISASTER BUSINESS LOAN APPLICANTS: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:

Whoever wrongfully misapplies the proceeds of an SBA disaster loan shall be civilly liable to the Administrator in an amount equal to one-and-one half times the original principal amount of the loan under 15 U.S.C. § 636(b). In addition, any false statement or misrepresentation to SBA may result in criminal, civil or administrative sanctions including, but not limited to: 1) fines and imprisonment, or both, under 15 U.S.C. § 645, 18 U.S.C. § 1001, 18 U.S.C. § 1014, 18 U.S.C. § 1040, 18 U.S.C. § 3571, and any other applicable laws; 2) treble damages and civil penalties under the False Claims Act, 31 U.S.C. § 3729; 3) double damages and civil penalties under the Program Fraud Civil Remedies Act, 31 U.S.C. § 3802; and 4) suspension and/or debarment from all Federal procurement and non-procurement transactions. Statutory fines may increase if amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015.

NOTICE TO APPLICANTS OR PARTICIPANTS IN THE WOSB FEDERAL CONTRACTING PROGRAM: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:

Any person who misrepresents a business concern's status as a WOSB or EDWOSB, or makes any other false statement in order to influence the WOSB Program eligibility determination or other review process in any way (e.g., protest), shall be: (1) subject to fines and imprisonment of up to 5 years, or both, as stated in Title 18 U.S.C. § 1001; (2) subject to fines of up to \$500,000 or imprisonment of up to 10 years, or both, as stated in Title 15 U.S.C. § 645; (3) subject to civil and administrative remedies, including suspension and debarment; and (4) ineligible for participation in programs conducted under the authority of the Small Business Act.

NOTICE TO APPLICANTS OR PARTICIPANTS IN THE 8(a) BUSINESS DEVELOPMENT PROGRAM: CRIMINAL PENALTIES AND ADMINISTRATIVE REMEDIES FOR FALSE STATEMENTS:

Any person who misrepresents a business concern's status as an 8(a) BD Program participant or SDB concern, or makes any other false statement in order to influence the 8(a) certification or other review process in any way (e.g., annual review, eligibility review), shall be: (1) subject to fines and imprisonment of up to 5 years, or both, as stated in Title 18 U.S.C. § 1001; (2) subject to fines of up to \$500,000 or imprisonment of up to 10 years, or both, as stated in Title 15 U.S.C. § 645; (3) subject to treble damages and civil penalties under the False Claims Act, 31 U.S.C. § 3729; (4) subject to administrative remedies, including suspension and debarment; and (5) ineligible for participation in programs conducted under the authority of the Small Business Act.

PLEASE NOTE: According to the Paperwork Reduction Act, you are not required to respond to this request for information unless it displays a valid OMB Control Number. The estimated average burden hours for the completion of this form is 1.5 hour per response. If you have questions or comments concerning this estimate or any other aspect of this information collection, please contact: Director, Records Management Division, Small Business Administration, 409 Third Street SW, Washington, D.C. 20416, and SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C. 20503. PLEASE DO NOT SEND COMPLETED FORMS TO OMB.

PLEASE READ, DETACH, AND RETAIN FOR YOUR RECORDS

Privacy Act (5 U.S.C. 552a) and Debt Collection Improvement Act (31 U.S.C. 7701)

Authorities and Purpose for Collecting Information: SBA is collecting the information on this form, including social security numbers and other personal information, to make a character and credit or other eligibility decision in connection with you or your company's application for SBA assistance. SBA may also use social security numbers for the purpose of collecting and reporting on any delinquent fees or other amounts owed SBA, where applicable.

For purposes of SBA's financial assistance programs, 31 U.S.C. 7701 requires loan applicants and guarantors, or any indemnitor of a surety bond to provide their social security numbers, or other taxpayer identification numbers. Failure to provide this information would affect your ability to obtain an SBA loan or bond. For other individuals signing this form, the submission of the social security number is voluntary and failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. However, your social security number or other taxpayer identification number helps SBA to distinguish you from other individuals with the same or similar name or other personal identifier. This use is permitted under Executive Order 9397. Personal information collected is protected to the extent permitted by law, including the Freedom Information Act, 5 U.S.C. 552, and the Privacy Act 5 U.S.C. 552. Such information is maintained pursuant to SBA's Privacy Act System of Records at <https://www.sba.gov/sites/default/files/2020-01/sba-sorns.pdf>.

Right to Financial Privacy Act of 1978 (12 U.S.C. 3401) -- This is notice to you as required by the Right to Financial Privacy Act of 1978, of SBA's access rights to financial records held by financial institutions that are or have been doing business with you or your business, including any financial institutions participating in a loan or loan guaranty. The law provides that SBA shall have a right of access to your financial records in connection with its consideration or administration of assistance to you in the form of a Government guaranteed loan or guaranteed bond. SBA is required to provide a certificate of its compliance with the Act to a financial institution in connection with its first request for access to your financial records, after which no further certification is required for subsequent accesses. The law also provides that SBA's access rights continue for the term of any approved loan guaranty agreement or any approved bond agreement. No further notice to you of SBA's access rights is required during the term of any such agreement. The law also authorizes SBA to transfer to another Government authority any financial records included in an application for a loan or bond guarantee, or concerning an approved loan or loan guarantee or bond guarantee, as necessary to process, service or foreclose on a loan guaranty or collect on a defaulted loan guaranty, or to process or service the bond guarantee. No other transfer of your financial records to another Government authority will be permitted by SBA except as required or permitted by law.

Freedom of Information Act (5 U.S.C. 552)

This law provides, with some exceptions, that SBA must supply information contained in agency files and records to a person requesting it. Information about approved loans that will be automatically released includes, among other things, statistics on our loan programs (individual borrowers are not identified in the statistics), and other information such as the names of the borrowers (and their officers, directors, stockholders or partners), the collateral pledged to secure the loan, the amount of the loan, its purpose in general terms, and the maturity. With respect to SBA's bond guarantee program, SBA will release, among other things, statistics on the Surety Bond Guarantee (SBG) programs and other information such as the names of small businesses (and their officers, directors, stockholders or partners) and the amount of the bond guarantees. Proprietary data on a borrower would not routinely be made available to third parties. All requests under this Act are to be addressed to the nearest SBA office and be identified as a Freedom of Information request.