



Loan Application

SBA 7(a) LOAN PROGRAM



7(a) Loan Application Contents

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OUR MISSION IS TO FOSTER THE ECONOMIC GROWTH OF
DIVERSE SMALL BUSINESSES

7(a) Loan Application Document Checklist

Business Related Documents	Description
<input type="checkbox"/> BUSINESS INTERIM FINANCIAL STATEMENTS	For all existing businesses involved with this application, dated within 120 days.
<input type="checkbox"/> PROJECTIONS	If the business has less than two years of business tax returns available, please provide projections for the next two years, with the first year on a month-by-month basis.
<input type="checkbox"/> BUSINESS TAX RETURNS	Full copies of the last three tax returns for all existing businesses involved with this application including Profit and Loss and Balance Sheets.
<input type="checkbox"/> AFFILIATE BUSINESS TAX RETURNS AND FINANCIAL STATEMENTS	Copies of the last three tax returns plus an interim financial statement dated with 120 days for all affiliated businesses (if applicable).
<input type="checkbox"/> BUSINESS HISTORY	Information on the history of the business and key principals/managers. Please provide a business plan if your business is less than two years old.
<input type="checkbox"/> ORGANIZATIONAL DOCUMENTS	Copies for any businesses involved with this application. Includes bylaws, articles of incorporation, operating agreements, partnership agreements, etc.
<input type="checkbox"/> LEASE DOCUMENTS	Copy of the executed or draft lease for all locations occupied by or planned to be occupied by the borrowing business and operating company. If the loan includes commercial real estate construction, purchase or refinance, please include leases with any existing or proposed third party tenants in the building.
<input type="checkbox"/> PREVIOUS SBA FINANCING DOCUMENTS	Including copies of loan documents, deeds of trust, notes, etc. (if applicable).
<input type="checkbox"/> DEBT SCHEDULES	Include Debt Schedules on every business borrower, guarantor and/or affiliate.
<input type="checkbox"/> AGING ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE REPORT	Aging at the same date as the business interim financial statement.

Business Related Documents (Circumstantial)	Description
<input type="checkbox"/> TO REFINANCE ELIGIBLE DEBT	Copies of all existing Promissory Note(s), Credit Card Statements and/or Lease Agreements proposed for refinance. If the debt is held with the Lender, please also provide a transcript of payment history for the prior 36 months.
<input type="checkbox"/> IF YOUR BUSINESS IS A FRANCHISE	Copy of Franchise Disclosure Document "FDD," and a copy of the fully executed franchise agreement (if an existing business) or a copy of the draft franchise agreement (if a start-up business)

Project Related Documents	Description
<input type="checkbox"/> COST DOCUMENTS	Copies of all project cost documents, including real estate contracts, renovation quotes, construction bids, equipment quotes, and furniture/fixture quotes.
<input type="checkbox"/> ENVIRONMENTAL REPORTS	Copies of existing environmental reports or appraisals on the property, if applicable.
<input type="checkbox"/> LENDER PROJECT MEMO	Displays proof of lender approval.

7(a) Loan Application Document Checklist Continued

Borrower Related Documents	Description
<input type="checkbox"/> PERSONAL TAX RETURNS	Full copies of the last three personal tax returns for every individual owning 20% or more of any of the businesses involved with this application.
<input type="checkbox"/> DRIVER'S LICENSE	Copies of driver's license or other acceptable government-issued form of identification for every individual owning 20% or more of any of the businesses involved with this application.
<input type="checkbox"/> RESUME	Please include up-to-date resume including education and work experience.
<input type="checkbox"/> LEGAL PERMANENT RESIDENTS	Provide a legible copy of documentation (front and back) evidencing resident status.

In-Application Documents	Description	Page
<input type="checkbox"/> FINANCIAL PROJECT INFORMATION	Debt Schedules and Projected Profit and Loss numbers for the next two years. You may attach your own projections separately.	13
<input type="checkbox"/> 7(a) BORROWER APPLICATION (SBA FORM 1919)	Please have each individual 20% or greater owner or partner, officer, director, managing member, key employee or trustor complete a form in full.	15
<input type="checkbox"/> PERSONAL FINANCIAL STATEMENT (SBA FORM 413)	Every individual owning 20% or more of any of the entities involved with this application must provide a personal financial statement dated within 90 days. Spouses completing a joint personal financial statement must BOTH sign the form or alternatively submit separate statements.	26
<input type="checkbox"/> TAX TRANSCRIPT VERIFICATION	For every existing business involved with this application. This IRS form, required by law, verifies that individual business tax returns on file with the IRS match copies of the tax returns provided with this application.	

B:Side Capital Disclosure Statement

A summary of the Small Business Administration 7(a) Loan Program

The SBA 7(a) Loan Program

The U.S. Small Business Administration (SBA) 7(a) Loan Program is the SBA's primary program established to help small businesses obtain financing otherwise unavailable to them through conventional lending channels. The SBA itself does not make loans but rather guarantees a portion of the loans made and administered by commercial lending institutions.

SBA 7(a) loans can be used to finance a variety of general business needs, including working capital, business acquisitions, machinery and equipment, furniture and fixtures, land and building (including purchase, renovation and new construction), leasehold improvements, and debt refinancing. Loan maturity is up to 10 years for most uses with a maximum of up to 25 years for long term equipment and commercial real estate.

Most commercial banks participate in the program as do many non-bank lenders like credit unions. Participating lenders agree to structure loans according to SBA's requirements then apply to receive a guarantee from SBA on a portion of this loan. The SBA does not fully guarantee 7(a) loans, the lender and SBA share the risk that a borrower may not be able to repay the loan in full. The SBA guarantee is against payment default; it does not cover imprudent decisions by the lender or misrepresentations by the borrower.

1. ROLE OF B:Side Capital

B:Side Capital is NOT a bank and therefore is unable to make SBA 7(a) loans. B:Side Capital is a private, not-for-profit, certified development company with a mission to foster the economic growth of diverse small businesses.

B:Side Capital provides a variety of services to private sector lenders who need assistance with the processing, closing and servicing of SBA 7(a) loans. In order to facilitate SBA 7(a) loans, B:Side Capital will have access to personal information provided to the lender as it relates to the loan being requested and is committed to protecting, collecting and disclosing this information only as allowed by law.

B:Side Capital cannot be held responsible for any and all loss or injury, including reasonable attorney fees, resulting or arising from failure by the applicant to receive such loan, and/or any loss or liability to applicants or the business of applicants.

2. HOW THE SBA 7(a) PROGRAM WORKS

Since a key concept of the SBA 7(a) loan program is that the loan comes from a private sector lender and not the Government, a small business applies directly to a bank or credit union for 7(a) financing.

The lender reviews the application and decides if it merits a loan on its own or if it requires additional support in the form of an

SBA guarantee. The SBA guarantee assures the lender that if the borrower does not repay the loan, the government will reimburse the lender for a portion of its loss. However, the small business borrowing the money remains obligated for the full amount due.

If a lender is not willing to provide the loan, even with an SBA guarantee, the SBA cannot force the lender to provide a loan. Applicants should know and meet an individual lender's criteria and requirements as well as those of the SBA. To be considered for an SBA-backed loan, a small business applicant must be both eligible and creditworthy.

3. GENERAL ELIGIBILITY

Applicants must meet certain eligibility requirements. These requirements are designed to be as broad as possible so that the program can accommodate a diverse variety of small business financing needs.

To be eligible for consideration under the SBA 7(a) program, a business must:

- Operate as a for-profit entity
- Do business (or propose to) in the United States
- Meet SBA Size Standards
- Be an eligible type of business (while the vast majority of businesses are eligible, some are not, detailed below)
- Plan to use proceeds for an approved purpose (SBA 7(a) loan proceeds may be used to establish a new business or to assist in the operation, acquisition or expansion of an existing business.)
- Be unable to secure funds from other sources (the SBA does not extend financial assistance to businesses when the business has the ability to obtain some or all of the requested loan funds from alternative, non-Federal sources without causing undue hardship.)
- Have the ability to repay the loan on time, from the projected operating cash flow of the business
- Evidence management expertise and commitment necessary for success
- Provide a feasible business plan

4. ELIGIBLE BUSINESSES

In addition to the above general requirements, an applicant businesses must:

- Have reasonable owner equity to invest
- Use alternative financial resources, including personal assets, before seeking financial assistance

Special considerations apply to some types of businesses and individuals, as follows:

- Franchises are eligible except in situations where a franchisor

retains too much control. The franchisee must have the right to profit from efforts commensurate with ownership. A Franchise Addendum is no longer required.

- Recreational facilities and clubs are eligible providing (a) the facilities are open to the general public and (b) in membership-only situations, membership is not selectively denied to any particular group of individuals and the number of memberships is not restricted as a whole or by establishing maximum limits for particular groups.
- Farms and agricultural businesses are eligible however these applicants should first explore Farm Service Agency (FSA) programs before seeking SBA assistance.
- Medical facilities (hospitals, clinics, emergency outpatient facilities, and medical and dental labs) are eligible. Convalescent and nursing homes are eligible, provided they are licensed by the appropriate agency and services rendered go beyond those of providing room and board.
- An Eligible Passive Company (EPC) is a small entity that does not engage in regular and continuous business activity. An EPC must use loan proceeds to acquire or lease, and/or improve or renovate real or personal property that it leases to one or more Operating Companies for conducting the Operating Company's business.
- Loans involving a change in ownership are eligible providing the business benefits from the change. In most cases this benefit should be promoting the sound development of the business or preserving its existence.
- Businesses owned by Legal permanent residents are eligible under certain circumstances
- Applications will not be accepted from firms where a principal (any one of those required to submit a Borrower Information Form 1919) is currently incarcerated.

5. INELIGIBLE BUSINESSES

Ineligible businesses include those engaged in illegal activities, gambling, speculation, multi-sales distribution, loan packaging, investment or lending. Contact us for any business eligibility determinations.

6. ELIGIBLE USES OF PROCEEDS

SBA 7(a) loan proceeds may be used to establish a new business or to assist in the operation, acquisition or expansion of an existing business. Eligible uses of proceeds include (this is a non-exclusive list):

- Purchase of land & buildings, new construction, the expansion or conversion of existing facilities
- Purchase of equipment, machinery, furniture, fixtures, supplies, or materials
- Long-term working capital, including the payment of accounts payable and/or for the purchase of inventory
- Refinancing existing business indebtedness that is not already structured with reasonable terms and conditions
- Short-term working capital needs including seasonal financing, contract performance, construction financing, export production, and for financing against existing

inventory and receivable under special conditions

- Purchasing an existing business

7. INELIGIBLE USES OF PROCEEDS

SBA 7(a) loans may not be used for the following purposes:

- To refinance existing debt where the lender is in a position to sustain a loss and SBA would take over that loss through refinancing
- To permit the reimbursement of funds owed to any owner, including equity or capital injection for the business's continuance until the loan supported by SBA is disbursed
- To repay delinquent state or federal withholding taxes or other funds that should be held in trust or escrow
- For any non-sound business purpose

8. SBA 7(a) TERMS AND CONDITIONS

The specific terms of SBA loans are negotiated between an applicant and the participating financial institution, subject to the requirements of the SBA. In general, the following provisions apply to all SBA 7(a) loans.

Loan Amounts: SBA 7(a) loans have a maximum loan amount of \$5 million. SBA's maximum exposure is \$3.75 million on a regular 7(a) loan or \$4.5 million on an international trade 7(a) loan made to an exporter. SBA Express loans have a maximum loan amount of \$500,000.

Maturity Terms: SBA loan programs are generally intended to encourage long-term small business financing. Loan maturities are based on an ability to repay, the purpose of the proceeds, and the useful life of the assets financed. However, maximum loan maturities have been established: 25 years is the maximum for real estate and long term equipment. Terms for a working capital, equipment, furniture, fixtures or inventory loans should be appropriate for the borrower's ability to repay, up to 10 years.

The maximum maturity of loans used to finance fixed assets other than real estate will be limited to the economic life of those assets, which in no instance may exceed 25 years. The 25-year maximum will generally apply to the acquisition of land and buildings or the refinancing of debt incurred in their acquisition. Where business premises are to be constructed or significantly renovated, the 25-year maximum would be in addition to the time needed to complete construction (significant renovation means construction of at least one-third of the current value of the property.)

When loan proceeds will be used for a combination of purposes, the maximum maturity can be a blended maturity based on the use of proceeds OR up to the maximum for the asset class comprising 51% or more of the use of proceeds.

Interest Rates: Interest rates are negotiated between the borrower and the lender but are subject to SBA maximums.

SBA allows Fixed and Variable rate loans: May be tied to the Wall Street Journal Prime rate, or the SBA optional peg rate. The optional peg rate is a weighted average of rates the federal

government pays for loans with maturities similar to the average SBA loan. It is calculated quarterly and published in the Federal Register. The lender and the borrower negotiate the amount of the spread, which will be added to the base rate. An adjustment period is selected which will identify the frequency at which the note rate will change.

Loan Size:

- \$50,000 or less: Prime or SBA Peg Rate + 6.5%
- \$50,001 - \$250,000: Prime or SBA Peg Rate + 6.0%
- \$250,001 - \$350,000: Prime or SBA Peg Rate + 4.5%
- \$350,001 and greater: Prime or SBA Peg Rate + 3.0%

Percentage of Guarantee: SBA can guarantee up to 85% on loans equal to or less than \$150,000 and up to 75% on loans greater than \$150,000. (A special International Trade loan program can provide a maximum guarantee of up to 90% to small businesses involved in exporting.) On an SBA Express loan, the SBA guarantees 50%.

Fees: To offset the costs of its loan programs to the taxpayer, the SBA charges lenders an annual service fee for each loan approved and disbursed. The amount of the fees is based on the guaranteed portion of the loan. The lender's annual service fee to SBA is based on the outstanding balance of the guaranteed portion of the loan. It is included in the interest rate the lender charges and cannot be separately passed on to the borrower. Legislation provides for this fee to remain in effect for the term of the loan. This fee is paid to the SBA directly by the lender from loan payments received. The following guarantee fee structure applies (subject to change each FY):

For loans with a maturity that exceeds 12 months, the Upfront Fees are:

- For loans of \$1,000,000 or less: 0.00%.
- For loans of \$1,000,001 to \$2,000,000: 1.45% of the guaranteed portion of the loan up to and including \$1,000,000, plus 1.70% of the guaranteed portion of the loan over \$1,000,000.
- For loans \$2,000,001 and greater: 3.50% of the guaranteed portion of the loan up to and including \$1,000,000, plus 3.75% of the guaranteed portion of the loan over \$1,000,000.

For 7(a) loans with a maturity of 12 months or less (Short-term loans):

- For loans of \$1,000,000 or less: 0.00%.
- For loans \$1,000,001 and greater: 0.25% of the guaranteed portion.

SBA Annual Service Fee (SBA On-Going Guaranty Fee):

- For loans of \$1,000,000 and less: 0.00%.
- For loans of \$1,000,001 to \$5,000,000: 0.55% of the guaranteed portion of the outstanding balance of the loan.

The guaranty fee on Export Working Capital Program loans differ from what is shown above, ranging from 0.00% to 0.80% dependent on the loan amount and maturity. On SBA Express loans made to veteran-owned small businesses, the upfront

guaranty fee will be zero.

Prohibited Fees: Origination fees, commitment fees, points, brokerage fees, bonus points, and other fees that could be charged to the SBA loan applicant are prohibited. (The only time a commitment fee may be charged is for a loan made under the Export Working Capital Loan Program.)

A Lender may charge an applicant reasonable fees (consistent with those fees the Lender charges on its similarly-sized, non-SBA guaranteed commercial loans) for packaging and other service. The Lender must itemize for the Applicant in writing any fees charged in association with the 7(a) loan.

The Applicant is responsible for deciding whether fees are reasonable. SBA may review these fees at any time to determine strictly that service and packaging fees are consistent with those fees the Lender charges on its similarly-sized, non-SBA guaranteed commercial loans. Lender must refund any such service and packaging fee SBA determines is or was inconsistent with those fees the Lender charges on its similarly-sized, non-SBA guaranteed commercial loans.

“Packaging services” include assisting the Applicant with completing one or more applications, preparing a business plan, cash flow projections, and other documents related to the application. “Service fees” include controllable noninterest expense and corporate allocation expense assigned to each loan unit for underwriting, closing, monitoring credit, and regulatory compliance related to the Applicant loan. Note: The Applicant may not be charged for the same service by two different entities.

SBA permits the Lender to charge the Applicant a flat fee of \$2,500 per loan. The Lender must disclose any amounts charged to the Applicant by the Lender in E-Tran.

For fee amounts in excess of \$2,500, the Lender must complete an SBA Form 159

For fees charged on an hourly rate, the fees must be reasonable and customary for the services actually performed and consistent with fees charged on an hourly rate for the Lender's similarly-sized non-SBA guaranteed commercial loans.

For fees charged based on a percentage of the loan amount, the fee may not exceed what the Lender charges on a percentage basis for the Lender's similarly-sized non-SBA guaranteed commercial loans or the following, whichever is less:

- i) 5% on loans \$150,000 or less;
- ii) 3% for loans in excess of \$150,000;
- iii) the maximum fee that may be charged to an Applicant on a percentage basis is \$30,000.

Prepayment Penalties: Only apply when a loan has a maturity of 15 years or more and the borrower is voluntarily prepaying more than 25% of the outstanding balance within the first 3 years of the date of the first disbursement (not approval) of the loan proceeds. In this case, the prepayment fee is:

- During the first year after disbursement, 5% of the amount of the prepayment

- During the second year after disbursement, 3% of the amount of the prepayment
- During the third year after disbursement, 1% of the amount of the prepayment

9. LEASING EXCESS SPACE POLICY

If an expansion project involves the acquisition of an existing building, a small business applicant(s) must occupy at least 51% of the total building space. SBA 7(a) loan program proceeds may not be utilized to tenant finish any portion of the building not being immediately occupied by that small business.

On an expansion project involving new construction, the small business applicant(s) must initially occupy 60% of the total building space, intend to occupy additional space within three years, and expect to occupy at least 80% of the total building space within ten years. No more than 20% of the total building space may be permanently leased out. As for an existing building project, 7(a) loan proceeds may not be utilized to tenant-finish any portion of the building not being initially occupied by the small business applicant(s).

10. “DO-IT-YOURSELF” CONSTRUCTION

Situations where the borrower is also the project contractor have generally proved to be an unsatisfactory arrangement on SBA loans. However, “do-it-yourself” construction and/or the installation of machinery and equipment, or situations where the borrower acts as its own contractor, may be permitted as long as it is possible to justify and document the following:

- The borrower/contractor is experienced in the type of construction and has all appropriate licenses
- The cost is the same as, or less than, what an unaffiliated contractor would charge as evidenced by two (2) independent bids on the work
- The borrower/contractor will NOT earn a profit on the construction

11. SIZE ELIGIBILITY REQUIREMENTS

A small business applicant, together with its affiliates (an affiliation occurs when one concern controls or has the power to control the other), generally may not have a tangible net worth in excess of \$20 million, and may not have an average net income after taxes in excess of \$6.5 million (two year average). Some exceptions are allowed to this general rule.

12. PERSONAL/CORPORATE GUARANTEES

Personal guarantees are required from EVERY person or entity owning 20% or more of a business for an SBA 7(a) loan. A personal guarantor is required on EVERY SBA 7(a) loan, even if no one owns more than 20%. When deemed necessary for credit or other reasons, SBA or the Lender may require other appropriate individuals to provide a full or limited guarantee of the loan without regard to the percentage of their ownership interests, if any.

13. LIFE INSURANCE

The lender must follow their internal policy for similarly sized non-SBA guaranteed commercial loans.

14. PRIOR BANKRUPTCIES

Full disclosure of prior bankruptcies is required.

15. LEGAL PERMANENT RESIDENTS

SBA 7(a) loans are available to businesses owned by persons who are not citizens of the United States. However, the processing procedures, terms and conditions may vary, depending upon residency status. Because fraudulent immigration documents are a serious problem, the status of each Legal Permanent Resident must be verified as part of the loan application process. Accordingly, applicants seeking SBA 7(a) financing who are not citizens of the United States must provide:

- (a) a legible copy of DOCUMENTATION (front and back) evidencing resident status, and
- (b) a PERMISSION LETTER, signed and dated, which includes the statement “I authorize the US Citizen and Immigration Service to release information regarding my immigration status to [insert lender name here] because I am applying for a U.S. Small Business Administration loan.”

16. CHILD SUPPORT COMPLIANCE

No principal who owns at least 50% of the ownership or voting interest in a company applying for financing under the SBA 7(a) program, may be delinquent more than 60 days under the terms of any (1) administrative order, (2) court order, or (3) repayment agreement that requires payment of child support. A certification of compliance will be required before any funds will be disbursed under the SBA 7(a) loan program.

17. EQUAL CREDIT OPPORTUNITY

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), handicap, because all or part of the applicant’s income derives from any public assistance program, or, because the applicant has in good faith exercised any right under the Consumer Credit Protection Act.

18. IDENTIFICATION PROCEDURES

To help fight the funding of terrorism and money laundering activities, federal law requires 7(a) lenders to obtain, verify, and record information that identifies each person who applies for a loan. This means that they will ask for a name, address, date of birth, and other information, including copies of a driver’s license or other identifying document.

19. CREDITWORTHINESS

For loan requests of \$500,000 or less, the small business applicant will initially apply through the 7(a) Small Loan program. This requires a pre-screen through SBA's E-Tran system through the input of basic borrower and owner information. If the application receives an acceptable score, the application can proceed. If the application does not receive an acceptable score, the lender can submit it as a standard 7(a) loan or process through the SBA Express program. In these scenarios, the application should include strong justification on why the application should be considered despite the unacceptable score. The credit score is a proprietary formula developed by Dun & Bradstreet for SBA and is calculated based on a combination of consumer credit bureau data, borrower financials and application data.

For loans over \$500,000, the Lender's credit analysis must include:

- Brief description and history of the business
- Management analysis
- A financial analysis of repayment ability based on historic financial statements and/or tax returns and detailed projections, including the supporting assumptions
- Spread and analysis of pro-forma balance sheet
- Ratio calculations for current ratio, debt/net worth, debt service coverage and any others significant to the business such as turnover ratios
- Analysis of sufficient working capital to support projected sales growth in next 12 months
- Debt service coverage ratio of 1:15:1 or greater on a historic and/or projected basis and 1:1 on a global basis
- Global cash flow analysis including impact of affiliates and strength of personal guarantors
- Collateral adequacy
- Lender must determine if the equity position, any required equity injection and pro-forma debt-to-worth are acceptable based on the factors related to the type of business, experience of management and the level of competition in the area. SBA does require a minimum 10% equity contribution based on total project costs on loans to fund start-up business and on loans to fund a business acquisition resulting in a complete change of ownership or partner buy-out.
- Explanation and justification for the refinance of any debts
- Analysis of credit and rationale for recommending approval, AND
- Discussion and analysis of competition, seller financing, standby-by agreements, 90+ delinquencies, trade disputes and/or Federal/State/local citations as applicable

As applicable, the lender should also provide a discussion/analysis of the business valuation used to support the business acquisition purchase price; a discussion of any liens/judgments/bankruptcy filings; and a discussion of other relevant information such as

franchise success rate.

20. CREDIT ALERT VERIFICATION REPORTING SYSTEM (CAIVRS)

Lender must inform the small business applicant that if the small business defaults on the SBA-guaranteed loan and SBA suffers a loss, the names of the small business and the guarantors of the SBA-guaranteed loan will be referred for listing in the CAIVRS database, which may affect their eligibility for further financial assistance.

21. SYSTEM FOR AWARDS MANAGEMENT'S (SAM) EXCLUDED PARTIES LIST SYSTEM

Lender is required to consult the System for Awards Management's (SAM) Excluded Parties List System for each loan applicant and all associates including but not limited to the passive real estate entity, the operating company, each 20% or greater owner of either and each key employee. If any are listed as suspended, debarred, revoked or otherwise excluded by SBA or another Federal agency, the small business will be ineligible for SBA financing.

Business Information

Operating Company Information

Operating Company Name
Eligible Passive Company Name(s)

How many people do you currently employ?		
How many people do you anticipate employing in two years?		
May B:Side Capital reference your business as a "Success Story"?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you have any previous government related financing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are you current and/or in good standing on this financing?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Do you export (more than 10% of gross revenues)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

It is important for us to have an understanding of the economic development and community impact this loan will make on your community. Our organization tracks the above metrics to ensure we are fostering growth of a variety of small businesses and their owners.

Business Debt Schedule

Lender Name	Original Amount	Original Date	Current Balance	Interest Rate	Maturity Date	Monthly Payment	Collateral Securing Debt
	\$		\$			\$	
	\$		\$			\$	
	\$		\$			\$	

Please list all current notes, lines of credit and mortgages due. Do not include trade accounts payable only fixed obligations of the business.

Current or Previous SBA or Government Debt (Federal, State, or Local)

Agency	Loan #	Original Borrower	Loan Amount	Application Date	Loan Status	Current Balance	Any Govt. Loss?
			\$			\$	
			\$			\$	
			\$			\$	

Signature: _____ Date: _____

Business Information Continued

Aging of Accounts Receivable and Accounts Payable

Aging	Accounts Receivable	Accounts Payable
Under 30 Days	\$	\$
30 to 59 days	\$	\$
60 to 89 days	\$	\$
90 to 119 days	\$	\$
120 days & more	\$	\$
Uncollectable	\$	\$
TOTALS =	\$	\$

Please provide this information if not included separately. Totals provided must match the totals on your latest balance sheet.

Projected Profit and Loss Statement (Next Two Full Years)

Year Ending		
Net Sales	\$	\$
Cost of Goods Sold	\$	\$
GROSS PROFIT =	\$	\$
Officer Compensation	\$	\$
Other Wages	\$	\$
Rent	\$	\$
Depreciation/Amortization	\$	\$
Interest Expense	\$	\$
Other General/Administrative Expenses	\$	\$
TOTAL EXPENSES =	\$	\$
Other Income	\$	\$
Other Expenses	\$	\$
Income (Loss)	\$	\$
Income Tax	\$	\$
Net Income (Loss)	\$	\$

Please provide all the this information if not included separately.

Signature: _____ Date: _____

Borrower Information

Owner/Guarantor Information

Name	
Cell Phone	Email Address

Education (College or Technical Training)

Name/Location	Dates Attended	Degree

Work Experience (beginning with current employment)

Name/Location	City/State	Title	Dates Employed

Government Employment

Are you currently employed by the U.S. government?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Agency Name		
Position		

Government Debt

Do you have any previous government related financing	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are you current and/or in good standing on this financing	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Project Information

Project Address			
Project City	State	Zip	County
Is this address different from the address on the Business Information page?		Yes	No

Project Cost Detail

\$ Amount

Purchase Land Only	
Purchase Land and Improvements	
Purchase Improvements Only	
Construct a Building	
Add an Addition to an Existing Building	
Make Renovations to an Existing Building	
Pay Off Interim Construction Loan	
Pay Off Lender's Interim Loan	
Leasehold Improvements	
Purchase Furniture, Fixtures or Equipment (FFE)	
Purchase Inventory	
Pay Trade or Accounts Payable	
Pay Notes Payable- not same Institution Debt	
Pay Notes Payable- same Institution Debt	
Purchase Business	
Refinance SBA Loan- not same Institution Debt	
Refinance SBA Loan- same Institution Debt	
Working Capital	
SBA Guaranty Fee	
Closing Costs	
Other:	
Other:	
TOTAL PROJECT COST	

Project Structure

\$ Amount

% Percentage

Equity (personal cash)		
Equity (business cash)		
Equity (real estate)		
TOTAL EQUITY =		
SBA 7(a) Loan Amount		
Gifted Funds		
Other Financing:		
Other Financing		
Other Financing		
TOTAL PROJECT COST =		

Borrower Signature _____

Date _____

Profit and Loss Projections

Company Name: _____

MONTH	1	2	3	4	5	6	7	8	9	10	11	12	Total Year 1	Total Year 2
Sales: Cash														
Credit														
Total Sales														
Cost of Goods Sold														
Gross Profit														
Officer Salary(ies)														
Wages														
Rent- Property														
Rent- Equipment														
Auto/Truck Expenses														
Office Supplies														
Advertising														
Telephone & Utilities														
Bad Debts														
Taxes & Licenses														
Repairs & Maintenance														
Accounting & Legal														
Depreciation														
Interest														
Insurance (all)														
Office Expenses														
Royalties														
Miscellaneous														
Other														
Total Expenses														
Net Profit														

Please attach assumptions to this projection worksheet.

If applicable, please indicate seasonality during the year.

Signature _____

Date _____



SBA 7(a) Borrower Information Form

For use with all SBA 7(a) Loan Programs

OMB Control No.: 3245-0417

Expiration Date: 11/30/2026

Applicant Business Legal Name (OC EPC):			
Operating Business Legal Name (OC):			
DBA or Tradename (if applicable)			
Business TIN (EIN, SSN)			
Primary Industry / NAICS Code (6 digit):		Business Phone:	
Unique Entity ID used in SAM.gov, if any		Year began operations:	
Entity Type Check One:	Sole proprietor Partnership C-Corp S-Corp LLC Other	Special Ownership Type (Select all that apply):	Employee Stock Ownership Plan (ESOP) 401(k) or ROBS 401(k) Trust Cooperative Native-American Tribal-Owned Business Other
Business Address (Street, City, State, Zip Code) <i>Do not use P.O. Box address</i>		Project Address, if different than Business Address (Street, City, State, Zip Code) <i>Do not use P.O. Box address</i>	
Primary Contact Name			
Primary Contact Email Address			
# of existing employees (including owners, all part-time, full-time and all employees of domestic and foreign Affiliates – do not convert to FTE)			
# of FTE jobs saved/retained because of the loan (including owners)			
# of new FTE jobs created because of the loan (including owners)			
Purpose of the loan (i.e., Purchase Real Estate; Construction; Equipment; Inventory; Eligible Debt Refinancing; Working Capital; etc.)			
<input type="checkbox"/> Acquisition/installation of equipment	\$_____.	<input type="checkbox"/> Purchase/Construction of Commercial Real Estate	\$_____.
<input type="checkbox"/> Working Capital	\$_____.	<input type="checkbox"/> Acquisition of inventory	\$_____.
<input type="checkbox"/> Business acquisition (Change of Ownership)	\$_____.	<input type="checkbox"/> Debt refinancing	\$_____.
<input type="checkbox"/> Other:	\$_____.	<input type="checkbox"/> Other:	\$_____.

Applicant Ownership (Mandatory) and Demographic Information – Identify all entities that own at least 20% of the Applicant, including the natural persons who own those entities, and at least 51% of the Beneficial Owners (as defined in SOP 50 10) of the Applicant. Attach a separate sheet if necessary.

Owner’s Legal Name (First name Last name)	Title	Ownership %	TIN (SSN/EIN)	Home Address (Street, City, State, Zip Code - No P.O. Box)



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Applicant Owner’s Demographic Information (Optional) - Veteran/gender/race/ethnicity data is collected for program reporting purposes only. Disclosure is voluntary and will have no bearing on the loan application decision. A separate demographic information section should be completed for each individual who holds or controls 20 percent or more of the beneficial ownership in the Applicant small business.

Owner’s Legal Name (First name Last name)	
Owner’s Position	
Veteran Status	Non-Veteran; Veteran; Service-Disabled Veteran; Spouse of Veteran; Not Disclosed
Gender	Male; Female; Not Disclosed
Race (more than 1 may be selected)	American Indian or Alaska Native; Asian; Black or African American; Native Hawaiian or Pacific Islander; White; Not Disclosed
Ethnicity	Hispanic or Latino; Not Hispanic or Latino; Not Disclosed

If any questions are answered “Yes” please provide details to the Lender in a separate attachment

Question	Yes	No
1. Is the Applicant or if the Applicant is structured as an Eligible Passive Company (EPC) and Operating Company (OC), both the EPC and OC, or any Associate of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in a transaction by any Federal department or agency, or presently involved in any bankruptcy?		
2. Is the Applicant, any Associate of the Applicant, or any business owned by them or any Affiliates (per 13 CFR 121.301(f)), currently delinquent or have ever defaulted on a direct or guaranteed loan from SBA, or another Federal agency loan program (including, but not limited to USDA, B&I, FSA, FHA, EDA), or been a guarantor on such a loan?		
3. Is the Applicant or any owner of the Applicant an owner of any other business? <i>If yes, list all such businesses (including their TINs), percentage of ownership, and describe the relationship on a separate sheet identified as addendum A.</i>		
4. Is the Applicant or any Associate of the Applicant presently incarcerated, on probation, on parole, or presently subject to an indictment for a felony or any crime involving or relating to financial misconduct or a false statement? <i>(if “Yes” the Applicant is not eligible for SBA financial assistance.)</i>		
<i>Initial here to confirm your response to question 4 (originally initialed, or an acceptable electronic signature, and not typed.)</i>		
5. Are any of the Applicant's products and/or services exported (directly or indirectly), or is there a plan to begin exporting (directly or indirectly) as a result of this loan, or is this an Export Working Capital Program (EWCP)* loan? <i>If “Yes,” answer questions 5.a) and b) below, if “No” move to question 6</i>		
5.a) Provide the estimated total export sales this loan will support.		\$
<i>* (For EWCP loans, in a separate attachment, provide details of the underlying transaction(s) for which the loan is needed, countries where the buyers are located and a description of products and/or services to be exported.)</i>		
5.b) List of principal countries of Export (list at least 1):		
6. Has the Applicant paid or committed to pay a fee to the Lender or a third party to assist in the preparation of the loan application or application materials, or has the Applicant paid or committed to pay a referral agent or broker a fee? <i>If “Yes” provide details to your Lender (the name of the third party and the amount of the fee). The Applicant is not required to obtain or pay for unwanted services.</i>		
7. Are any of the Applicant’s revenues derived from gambling, loan packaging, lending activities, lobbying activities, or from the sale of products or services, or the presentation of any depiction, displays or live performances, of a prurient sexual nature? <i>If “Yes,” provide details under a separate attachment.</i>		
8. Is any sole proprietor, partner, officer, director, stockholder with a 10 percent or more interest in the Applicant an SBA employee or a Household Member of an SBA employee? (13 CFR 105.204) . “Household Member” means spouse and minor children of an employee, all blood relations of the employee and any spouse who resides in the same place of abode with the employee (13 CFR §105.201(d))		
9. Is any employee, owner, partner, attorney, agent, owner of stock, officer, director, creditor or debtor of the Applicant a former SBA employee who has been separated from SBA for less than one year prior to the request for financial assistance? (13 CFR 105.203)		
10. Is any sole proprietor, general partner, officer, director, or stockholder with a 10 percent or more interest in the Applicant, or a household member of such individual, a member of Congress, or an appointed official or employee of the legislative or judicial branch of the Federal Government? (13 CFR 105.301(c))		
11. Is any sole proprietor, general partner, officer, director, or stockholder with a 10 percent or more interest in the Applicant, or a household member of such individual, a Federal Government employee or Member of the Military having a grade of at least GS-13 or higher (or Military equivalent)? (13 CFR 105.301(a))		



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Question	Yes	No
12. Is any sole proprietor, general partner, officer, director, or stockholder with a 10 percent or more interest in the Applicant, or a household member of such individual, a member or employee of a Small Business Advisory Council or a SCORE volunteer? (13 CFR 105.302(a))		
13. Is the Applicant, any owner of the Applicant, or any business owned by them (Affiliates), presently involved in any legal action (including divorce)? <i>If yes, provide details.</i>		

By Signing Below, You Make the Following Representations, Authorizations, and Certifications:

APPLICANT CERTIFICATION

By signing this application, the Applicant certifies that it complies with all Loan Program Requirements as defined in 13 CFR § [120.10](#), including but not limited to requirements in 13 CFR §§ [120.100](#), [120.110](#), [121.301](#), and 31 CFR § [285.13](#). The Applicant further certifies that the Applicant business is at least 51 percent owned and controlled by persons who are citizens of the U.S. or are Lawful Permanent Residents and that all SBA loan proceeds will be used in accordance with Loan Program Requirements. SBA or the Lender may request additional information to determine that an Applicant fulfills any eligibility requirement. **By signing the application, the Applicant has certified that it fulfills all eligibility requirements.**

The authorized representative of the Applicant and the Operating Company certifies to the following:

- I have read the statements included in this form, including the Statements Required by Law and Executive Order, and I understand them.
- I certify that the information provided in this application and the information provided in all supporting documents and forms is true and accurate in all material respects. The Applicant understands that knowingly making a false statement to obtain a guaranteed loan from SBA is punishable under the law, including 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, 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.
- I will comply, whenever applicable, with the hazard insurance, lead-based paint, civil rights or other limitations set forth in SBA Loan Program Requirements.
- No holder of 50 percent or more of the ownership of the Applicant or OC is delinquent more than 60 days under the terms of any administrative order; court order; or repayment agreement requiring payment of child support.
- Applicant and OC are current on all Federal, state, and local taxes, including but not limited to income taxes, payroll taxes, real estate taxes and sales taxes of the business, and will pay all Federal, state, and local taxes when they come due.
- All 7(a) loan proceeds will be used only for the Applicant business as approved by the Lender and/or SBA.
- I understand, acknowledge, agree, and consent that the Lender can share any tax information that I have provided and/or that the Lender has obtained from the Internal Revenue Service with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of compliance with SBA Loan Program Requirements and all SBA reviews.
- I acknowledge that the Lender will confirm the eligible loan amount using required documents submitted.
- The Applicant, together with all affiliates, is small under the applicable small business size standard (13 CFR 121.201 and Section 3(a)(5) of the Small Business Act [15 U.S.C. 631 et seq]). SBA or the Lender may request additional information concerning the Applicant's size based on information supplied in the application or any other source.
- The Build America, Buy America Act (BABAA) requires that no federal financial assistance for "infrastructure" projects is provided "unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." Section 70914 of Public Law No. 117-58, §§ 70901-52. The undersigned certifies that if any SBA loan proceeds are used directly or indirectly for an infrastructure project, the iron, steel, manufactured products, and construction materials used in the construction of the infrastructure project are in full compliance with the BABAA requirements including: 1. All iron and steel used in the project are produced in the United States; 2. All manufactured products purchased with SBA financial assistance must be produced in the United States; and 3. All construction materials used in the construction are manufactured in the United States. And the Borrower will obtain from the Contractors, or Subcontractors, certifications, or affirmations as to their compliance with BABAA requirements in the project. SBA encourages the purchase, to the extent feasible, of American-made equipment and supplies.
- The Applicant is not engaged and will not engage in any activity that is illegal under federal, state, or local law or that can reasonably be determined to support or facilitate any activity that is illegal under federal, state, or local law.
- During the life of the loan, the real estate pledged as collateral for the loan or where the Borrower or OC conducts its business operations will not be leased to or occupied by any business that Borrower or OC knows is engaged in any activity that is illegal under Federal, state or local law or any activity that can reasonably be determined to support, promote, or facilitate any activity that is illegal under Federal, state or local law.
- If applicable, the Applicant(s), the ESOP (or equivalent trust), and/or the 401(k) plan are in compliance with all applicable IRS, Treasury, and Department of Labor requirements and will comply with all relevant operating and reporting requirements.
- If the 7(a) loan request is for a Standard 7(a) loan (loan greater than \$500,000), and if the loan will finance a change of ownership between existing owners (complete partner buyout), and if the 7(a) loan proceeds will finance more than 90% of the purchase price of the partner buyout, the remaining owner(s) must certify that they have been actively participating in the business operation and held the same or an increasing ownership interest in the business for at least the past 24 months. For any real estate to be purchased by loan proceeds and pledged as collateral for the loan or where the Applicant or OC is conducting business operations, the Applicant or OC are currently and will remain in compliance with all local, state, and Federal environmental laws and regulations and will continue to comply with these laws and regulations. Furthermore, they are unaware of any other actual or potential environmental hazards related to the collateral or business premises. They agree to fully indemnify Lender and SBA against all liabilities or losses arising from the contamination of the property before or during the term of the loan.
- The Applicant and/or OC will reimburse Lender for out-of-pocket expenses incurred in the making and administration of the loan.



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- The Applicant and/or OC will maintain proper books and records, allow Lender and SBA access to these records, and furnish financial statements or reports annually or whenever requested by Lender.
- The Applicant and/or OC will post SBA Form 722, Equal Opportunity Poster, where it is clearly visible to employees, applicants for employment and the general public.
- For debt refinance, the debt being refinanced with the loan proceeds was used exclusively for the Applicant’s business, including any credit card, HELOC, and/or debt on the Applicant’s balance sheet; and
- The Applicant and OC will not, without Lender’s prior written consent:
 - Make any distribution of company assets that will adversely affect the financial condition of the Borrower and/or OC.
 - Change the ownership structure or interests in the business during the term of the loan; and
 - Sell, lease, pledge, encumber (except by purchase money liens on property acquired after the date of the Note), or otherwise dispose of any of the Borrower’s property or assets, except in the ordinary course of business.

Signature of Authorized Representative of Applicant

Date

Print Name

Title



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Purpose of this form:

The purpose of this form is to collect information about the Small Business Applicant (“Applicant”) and its owners, the loan request, existing indebtedness, information about current or previous government financing, and certain other topics. The information also facilitates background checks as authorized by section 7(a)(1)(B) of the Small Business Act, 15 U.S.C. 636(a)(1)(B). Submission of the requested information is required for SBA or the Lender to determine eligibility for financial assistance. Failure to submit the information would affect that determination.

Instructions for completing this form:

A separate SBA Form 1919 for each co-Applicant(e.g., EPC and OC) must be completed and signed by the authorized representative of the Applicant and **submitted to your SBA Participating Lender**. The amounts of the “Purpose of the loan” sections across all SBA Forms 1919 should equal the total amount of the loan request. Submission of the requested information is required to make a determination regarding eligibility for financial assistance.

For purposes of reporting NAICS Code, Applicants must match the business activity code provided on their IRS income tax filings, if applicable.

All parties listed below are considered Owners of the Applicant:

- For a sole proprietorship, the sole proprietor;
- For a partnership, all general partners, and all limited partners owning 20% or more of the equity of the firm;
- For a corporation, all owners of 20% or more of the corporation;
- For limited liability companies, all members owning 20% or more of the company; and
- Any Trustor (if the Applicant is owned by a trust).

For purposes of reporting (optional) demographic information:

Purpose. Veteran/gender/race/ethnicity data is collected for program reporting purposes only.

Description. This form requests information about each of the Applicant’s owners. Add additional sheets if necessary.

1. **Owner’s Legal Name.** Insert the full name of the owner.
2. **Owner’s Position.** Identify the owner’s position; for example, sole proprietor; general partner; owner; officer; director; or member.

Statements Required by Law and Executive Order

This application and any assistance provided pursuant to this application is subject to the following laws, regulations, and Executive Orders:

Paperwork Reduction Act – You are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated time for completing this application, including gathering data needed, is 31 minutes. Comments about this time or the information requested should be sent to: Small Business Administration, Director, Records Management Division, 409 3rd St., SW, Washington DC 20416, and/or SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Washington DC 20503. **PLEASE DO NOT SEND FORMS TO THESE ADDRESSES.**

Federal Funding Accountability and Transparency Act of 2006, as amended (31 U.S.C. 6101 Note) - SBA routinely publishes information related to this loan application (e.g., name and address of Borrower, amount of loan) on USAspending.gov, as required by the Federal Funding Accountability and Transparency Act of 2006, as amended.

Privacy Act (5 U.S.C. 552a); Collection of Social Security Number (31 U.S.C. 7701)

Authorities and Purpose for Collecting Information: SBA is collecting the information on this form, including social security numbers (SSNs) and other personal information, to make a character and credit eligibility decision in connection with you or your company’s application for SBA assistance. SBA may also use SSNs and other taxpayer identification numbers(TINs) for the purpose of collecting and reporting on any delinquent fees or other amounts owed SBA. Under the provisions of 31 U.S.C. 7701, the Administrator shall require a person applying for a loan under the program to provide that person’s TIN; therefore, the Applicant business and any guarantor of the loan must provide their SSNs or other TINs in order to do business with SBA and not providing your SSN or TIN will impact the loan decision.

SBA also determines eligibility of the Applicant business in accordance with regulations under 13 CFR 120.110(n). SBA is specifically authorized to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B), of the Small Business Act, 15 USC Section 636(a)(1)(B). In addition, for all forms of assistance, SBA is authorized to make all investigations necessary to ensure that a person has not engaged in acts that violate or will violate the Small Business Act, 15 U.S.C. 634(b)(11). SBA also uses the SSN to distinguish the Applicant and its owners of the Applicant from other individuals with the same or similar name or other personal identifiers. This use is permitted under Executive Order 9397.

Routine Uses: Some of the information collected may be checked against criminal history indices of the Federal Bureau of Investigation. When the information collected indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature, SBA may refer it to the appropriate agency, whether Federal, State, local, or foreign, charged with responsibility for or otherwise involved in investigation, prosecution, enforcement or prevention of such violations. See SBA’s Privacy Act System of Records, at 74 Fed. Reg. 14890 (2009) and 82 Fed. Reg. 23026 (2021) (as amended from time to time) for other published routine uses for the collected information.



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Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401 et seq.) – As required by the Right of Financial Privacy Act of 1978, SBA provides this notice of SBA's right to access 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 guarantee. 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 loan or loan guaranty agreement. 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 access. The law also provides that SBA's access rights continue for the term of any approved loan or loan guaranty 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 concerning an approved loan or loan guarantee, as necessary to process, service or foreclose on a loan or loan guarantee or to collect on a defaulted loan or loan guarantee. No other transfer of your financial records to another Government authority will be permitted by SBA except as required or permitted by law.

Disclosure of Information – Requests for information about another party may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act. The Privacy Act authorizes SBA to make certain “routine uses” of information protected by that Act. One such routine use is the disclosure of information maintained in SBA’s system of records when this information indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature. Specifically, SBA may refer the information to the appropriate agency, whether Federal, State, local or foreign, charged with responsibility for, or otherwise involved in investigation, prosecution, enforcement or prevention of such violations. Another routine use is disclosure to other Federal agencies conducting background checks but only to the extent the information is relevant to the requesting agencies’ function. See, 74 F.R. 14890 (2009), and as amended from time to time for additional background and other routine uses.

Debt Collection Act of 1982 and Debt Collection Improvement Act of 1996 (5 U.S.C. § 5514 note and 31 U.S.C. § 3701 et seq.) – These laws require SBA to aggressively collect any loan or other payments which become delinquent. SBA must obtain your taxpayer identification number when you apply for a loan. If you receive a loan, and do not make payments as they come due, SBA may take one or more of the following actions:

- Report the status of your loan(s) or other debt owed to SBA to credit bureaus
- Hire a collection agency to collect your loan or other delinquent debt
- Offset your income tax refund or other amounts due to you from the Federal Government
- Suspend or debar you or your company from doing business with the Federal Government
- Refer your loan or other delinquent debt to the Department of Justice or other attorneys for litigation
- Foreclose on collateral or take other action permitted in the loan instruments
- If you default on an SBA loan and fail to fully reimburse SBA for any resulting loss, refer you to the computer database of delinquent Federal debtors maintained by the Department of Housing and Urban Development, or other Federal agency, which may disqualify you from receiving financial assistance from other Federal agencies. In addition, unless SBA is reimbursed in full for the loss, you will not be eligible for additional SBA financial assistance.

Freedom of Information Act (5 U.S.C. 552) -- This law provides, with some exceptions, that SBA must supply information reflected in agency files and records to a person requesting it. Information about approved loans that is generally 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, the amount of the loan, and the type of loan. 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 SBA’s Freedom of Information/Privacy Acts Office and be identified as a Freedom of Information request.

Flood Disaster Protection Act (42 U.S.C. 4011) -- Regulations have been issued by the Federal Insurance Administration (FIA) and by SBA implementing this Act and its amendments. These regulations prohibit SBA from making certain loans in an FIA designated floodplain unless Federal Flood insurance is purchased as a condition of the loan. Failure to maintain the required level of flood insurance makes the Applicant ineligible for any financial assistance from SBA, including disaster assistance.

Executive Orders -- Floodplain Management and Wetland Protection (42 F.R. 26951 and 42 F.R. 26961) -- SBA discourages settlement in or development of a floodplain or a wetland. This statement is to notify all SBA loan Applicants that such actions are hazardous to both life and property and should be avoided. The additional cost of flood preventive construction must be considered in addition to the possible loss of all assets and investments due to a future flood.

Executive Order 11738 -- Environmental Protection (38 F.R. 25161) – The Executive Order charges the SBA with administering its loan programs in a manner that will result in effective enforcement of the Clean Air Act, the Federal Water Pollution Act and other environmental protection legislation. SBA must, therefore, impose conditions on some loans. By acknowledging receipt of this form and presenting the application, all Applicant small businesses borrowing \$100,000 or more in direct funds stipulate to the following:

- That any facility used, or to be used, by the subject firm is not cited on the EPA list of Violating Facilities.
- That subject firm will comply with all the requirements of Section 114 of the Clean Air Act (42 U.S.C. 7414) and Section 308 of the Water Act (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in Section 114 and Section 308 of the respective Acts, and all regulations and guidelines issued thereunder.
- That subject firm will notify SBA of the receipt of any communication from the Director of the Environmental Protection Agency indicating that a facility utilized, or to be utilized, by subject firm is under consideration to be listed on the EPA List of Violating Facilities.



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Occupational Safety and Health Act (15 U.S.C. 651 et seq.) – The Occupational Safety and Health Administration (OSHA) can require businesses to modify facilities and procedures to protect employees. Businesses that do not comply may be fined and required to abate the hazards in their workplaces. They may also be ordered to cease operations posing an imminent danger of death or serious injury until employees can be protected. Signing this form is certification that the Applicant, to the best of its knowledge, is in compliance with the applicable OSHA requirements, and will remain in compliance during the life of the loan.

Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4821 et seq.) – Borrowers using SBA funds for the construction or rehabilitation of a residential structure are prohibited from using lead-based paint (as defined in Federal regulations) on all interior surfaces, whether accessible or not, and exterior surfaces, such as stairs, decks, porches, railings, windows and doors, which are readily accessible to children under 7 years of age. A "residential structure" is any home, apartment, hotel, motel, orphanage, boarding school, dormitory, day care center, extended care facility, college or other school housing, hospital, group practice or community facility and all other residential or institutional structures where persons reside.

Civil Rights (13 C.F.R. 112, 113, 117) – All businesses receiving SBA financial assistance must agree not to discriminate in any business practice, including employment practices and services to the public on the basis of categories cited in 13 C.F.R., Parts 112, 113, and 117 of SBA Regulations. This includes making their goods and services available to handicapped clients or customers. All Borrowers must display the "Equal Employment Opportunity Poster" prescribed by SBA.

Equal Credit Opportunity Act (15 U.S.C. 1691 et sec.) – The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit Applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided that the Applicant has the capacity to enter into a binding contract); because all or part of the Applicant's income derives from any public assistance program, or because the Applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

Executive Order 12549 as amended by E.O. 12689, Debarment and Suspension (2 C.F.R. 180, adopted by reference in 2 C.F.R. Part 2700 (SBA Debarment Regulations)) – By submission of this loan application, you certify and acknowledge that neither you nor any Associates: (a) are presently debarred, suspended, declared ineligible from participating in, or voluntarily excluded from participation in a transaction by any Federal department or agency; (b) are formally proposed for debarment, with a final determination still pending; (c) are presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses listed in the SBA Debarment Regulations; (d) have been convicted, or had a civil judgment rendered against you within the preceding three years for any of the offenses listed in the SBA Debarment Regulations, including 2 C.F.R. §180.800(a); or (e) have had one or more public transactions (Federal, State, or local) terminated within the preceding three years for cause or default; or (f) are delinquent on any amounts due and owing to the U.S. Government or its agencies or instrumentalities as of the date of execution of this certification. You further certify that you have not and will not knowingly enter into any agreement in connection with the goods and/or services purchased with the proceeds of this loan with any individual or entity that has been debarred, suspended, declared ineligible from participating in, or voluntarily excluded from participation in a Transaction. All capitalized terms have the meanings set forth in 2 C.F.R. Part 180.

If you are unable to certify and acknowledge (a) through (d), you must obtain and attach a written statement of exception from SBA permitting participation in this loan. You further certify that you have not and will not knowingly enter into any agreement in connection with the goods and/or services purchased with the proceeds of this loan with any individual or entity that has been debarred, suspended, declared ineligible from participating in, or voluntarily excluded from participation in a Transaction. All capitalized terms have the meanings set forth in 2 C.F.R. Part 180.

The Build America, Buy America Act (BABAA) (41 U.S.C. §8301) –The Build America, Buy America Act (BABAA) requires that no federal financial assistance for "infrastructure" projects is provided "unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." Section 70914 of Public Law No. 117-58, §§ 70901-52. By submission of this loan application, you certify and acknowledge that if any SBA loan proceeds are used directly or indirectly for an infrastructure project, the iron, steel, manufactured products, and construction materials used in the construction of the infrastructure project are in full compliance with the BABAA requirements including: 1. All iron and steel used in the project are produced in the United States; 2. All manufactured products purchased with SBA financial assistance must be produced in the United States; and 3. All construction materials used in the construction are manufactured in the United States. Additionally, the Borrower will obtain from all Contractors, or Subcontractors, certifications or affirmations of their compliance with BABAA requirements for the project.



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..... _____ (Describe in Section 2)
IRA or Other Retirement Account..... _____ (Describe in Section 5)	Installment Account (Auto)..... _____ Mo. Payments _____
Accounts & Notes Receivable..... _____ (Describe in Section 5)	Installment Account (Other)..... _____ Mo. Payments _____
Life Insurance – Cash Surrender Value Only..... _____ (Describe in Section 8)	Loan(s) Against Life Insurance..... _____
Stocks and Bonds..... _____ (Describe in Section 3)	Mortgages on Real Estate..... _____ (Describe in Section 4)
Real Estate..... _____ (Describe in Section 4)	Unpaid Taxes..... _____ (Describe in Section 6)
Automobiles..... _____ (Describe in Section 5, and include Year/Make/Model)	Other Liabilities..... _____ (Describe in Section 7)
Other Personal Property..... _____ (Describe in Section 5)	Total Liabilities..... _____
Other Assets..... _____ (Describe in Section 5)	Net Worth..... _____
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.