

**NOTE: PLEASE READ, DETACH AND KEEP FOR YOUR RECORDS**

**STATEMENTS REQUIRED BY LAWS AND EXECUTIVE ORDERS**

To comply with legislation passed by the Congress and Executive Orders issued by the President, Federal executive agencies, including the Small Business Administration (SBA), must notify you of certain information. You can find the regulations and policies implementing these laws and Executive Orders in Title 13, Code of Federal Regulations (CFR), Chapter 1, or our Standard Operating Procedures (SOPs). In order to provide the required notices, the following is a brief summary of the various laws and Executive Orders that affect SBA's Disaster Loan Programs.

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

This law provides, with some exceptions, that we must make records or portions of records contained in our files available to persons requesting them. This generally includes aggregate statistical information on our disaster loan programs and other information such as names of borrowers (and their officers, directors, stockholders or partners), loan amounts at maturity, the collateral pledged, and the general purpose of loans. We do not routinely make available to third parties your proprietary data without first doing pre-notification to the borrower, required by Executive Order 12600, or information that would cause competitive harm or constitute a clearly unwarranted invasion of personal privacy.

Send a request under this Act to the SBA office maintaining the records requested and identify it as a Freedom of Information Act (FOIA) request. The request must describe the specific records you want. For information about the FOIA, contact the Chief, FOI/PA Office, 409 3<sup>rd</sup> Street, SW, Suite 5900, Washington, DC 20416, or by e-mail at [foia@sba.gov](mailto:foia@sba.gov).

**Privacy Act (5 U.S.C. § 552a)**

You can request to see or get copies of any personal information that we have in your file, when that file is retrieved by individual identifiers, such as name or social security numbers. Requests for information about another party may be denied unless we have 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 Agreements and Certifications section of this form contains written permission for us to disclose the information resulting from this collection with state, local or private disaster relief services.

Under the provisions of the Privacy Act, you are not required to provide social security numbers; nor can you be denied a loan or other form of assistance solely because you did not provide a social security number. Disclosures of name and other personal identifiers are also voluntary. However, we require an individual seeking assistance to provide sufficient information for us to make a character determination. As a result, if you do not provide your social security number and other personal identifiers, we may not have sufficient information upon which to reach a favorable determination. Having this information makes it easier for us to more accurately identify to whom adverse credit or other information applies and to keep accurate loan records.

Note: Any person concerned with the collection, use and disclosure of information, under the Privacy Act may contact the Chief, FOI/PA Office, 409 3<sup>rd</sup> Street, SW, Suite 5900, Washington, DC 20416 or by e-mail at [foia@sba.gov](mailto:foia@sba.gov) for information about the Agency's procedures relating to the Privacy Act and the Freedom of Information Act.

**Right to Financial Privacy Act of 1978 (12 U.S.C. § 3401 et seq.)**

This notifies you, as required by the Right to Financial Privacy Act of 1978 (Act), of our right to access financial records held by financial institutions that were or are doing business with you or your business. This includes financial institutions participating in loans or loan guarantees.

The law provides that we may access your financial records when considering or administering Government loan or loan guaranty assistance to you. We must give a financial institution a certificate of our compliance with the Act when it first requests access to your financial records. No other certification is required for later access. Our access rights continue for the term of any approved loan or loan guaranty. We do not have to give you any additional notice of our access rights during the term of the loan or loan guaranty.

We may transfer to another Government authority any financial records included in a loan application or about an approved loan or loan guaranty as necessary to process, service, liquidate, or foreclose a loan or loan guaranty. We will not permit any transfer of your financial records to another Government authority except as required or permitted by law.

### **Debt Collection Act of 1982 and Deficit Reduction Act of 1984 (31 U.S.C. § 3701 et seq. and other titles)**

These laws require us to aggressively collect any delinquent loan payments. You must give your taxpayer identification number to us when you apply for a loan. If you receive a loan and do not make payments when they become due, we may take one or more of the following actions (This list may not be exhaustive):

- \*Report the delinquency to credit reporting bureaus.
- \*Offset your income tax refunds or other amounts due to you from the Federal Government.
  
- \*Refer the account to a private collection agency or other agency operating a debt collection center.
  
- \*Suspend or debar you from doing business with the Federal Government.
- \*Refer your loan to the Department of Justice.
- \*Foreclose on collateral or take other actions permitted in the loan instruments.
- \*Garnish wages
- \*Sell the debt.
- \*Litigate or foreclose.

### **Paperwork Reduction Act (44 U.S.C. Chapter 35)**

We are collecting the information on this form in order to make pre-disaster mitigation loans available to qualified small businesses. The form is designed to collect the information necessary for us to make eligibility and credit decisions in order to fund or deny loan requests. We will also use the information collected on this form to produce summary reports for program and management analysis, as required by law.

PLEASE NOTE: The estimated burden for completing this form is 2 hours. Your responses to the requested information are required in order to obtain a benefit under SBA's Pre-Disaster Mitigation Loan Program. However, you are not required to respond to any collection of information unless it displays a currently valid OMB approval number. If you have questions or comments concerning any aspects of this information collection, please contact the U.S. Small Business Administration Information Branch, 409 3<sup>rd</sup> St., S.W., Washington, DC 20416 and Desk Officer for SBA, Office of Management and Budget, Office of Information and Regulatory Affairs, 725 17<sup>th</sup> St., NW, Washington, DC 20503. (3245-0326) **PLEASE DO NOT SEND FORMS TO OMB.**

### **Policy Concerning Representatives and Their Fees**

When you apply for an SBA loan, you may use an attorney, accountant, engineer, appraiser or other representative to help prepare and present the application to SBA. You are not required to have representation. If an application is approved, you may need an attorney to help prepare closing documents.

There are no "authorized representatives" of SBA, other than our regular salaried employees. Payment of a fee or gratuity to our employees is illegal and will subject those involved to prosecution.

SBA Regulations prohibit representatives from proposing or charging any fee for services performed in connection with your loan unless we consider the services necessary and the amount reasonable. The Regulations also prohibit charging you any commitment, bonus, broker, commission, referral or similar fee. We will not approve the payment of any bonus, brokerage fee or commission. Also, we will not approve placement or finder's fees for using or trying to use influence in the SBA loan application process.

Fees to representatives must be reasonable for services provided in connection with the application or the closing and based upon the time and effort required, the qualifications of the representative, and the nature and extent of work performed. Representatives must execute a compensation agreement.

In the appropriate section of the application, you must state the names of everyone employed by you or on your behalf. You must also notify the SBA disaster office in writing of the names and fees of any representative you employ after you file your application.

If you have any questions concerning payment of fees or reasonableness of fees, contact the Field Office where you filed or will file your application.

### **Occupational Safety and Health Act (29 U.S.C. § 651 et seq.)**

This legislation authorizes the Occupational Safety and Health Administration (OSHA) in the Department of Labor to require businesses to modify facilities and procedures to protect employees when appropriate. If your business does not do so, you may be penalized, forced to close or prevented from starting operations in a new facility. Because of this, we may require information from you to determine whether your business complies with OSHA regulations and may continue operating after the loan is approved or disbursed. You must certify to us that OSHA requirements applying to your business have been determined and that you are, to the best of your knowledge, in compliance.



# U.S. Small Business Administration PRE-DISASTER MITIGATION SMALL BUSINESS LOAN APPLICATION

OMB No. 3245-0326

Filing Deadline

July 16, 2003

Declaration Number

Pre-Disaster Mitigation Loans are available only in communities participating in the Federal Emergency Management Agency's Pre-Disaster Mitigation Program. These loans may be used only for mitigation measures against the type of disaster identified as high risk by your participating Pre-Disaster Mitigation community.

## FILING REQUIREMENTS (please submit)

1. Copies of the applicant's 3 most recent Federal Income Tax Returns, including all schedules. If this is a new business that has not filed 3 Federal Tax Returns, submit the ones you have filed. Also, complete and sign the attached Tax Information Authorization (IRS Form 8821). Sole proprietors need only submit the IRS Form 8821. We will contact you if we need any additional information (i.e., forecasts, etc.).
2. A current (dated within 90 days of application) business balance sheet (you may use the attached Personal Financial Statement (SBA Form 413) if you are a sole proprietorship, a current profit and loss statement, and a current schedule of liabilities. (We attached a sample schedule of liabilities for your convenience.)
3. For each: 1) proprietor; or 2) limited partner who owns 20% or more interest and each general partner; or 3) each stockholder or entity owning 20% or more of voting stock, a current (dated within 90 days of application) personal financial statement (you may use SBA Form 413 for this purpose). Entities (except sole proprietorships) must also submit a complete copy, including all schedules, of the entity's most recent Federal Income Tax Return.
4. A complete copy, including all schedules, of the latest Federal Income Tax Return for each affiliate. Affiliates include, but are not limited to, business parents, subsidiaries or other businesses with common ownership or management. An authorized individual must complete and sign the attached IRS Form 8821 for each affiliate.
5. A letter from your local or State coordinator indicating that the proposed mitigation measure (in general terms) will be undertaken in the participating community and is within the goals and priorities of the participating pre-disaster mitigation community.
6. A cost estimate (contractor's bid) of the proposed mitigation measure and an outline of how the proposed mitigation measure will protect your real property or leasehold improvements from future disasters in your participating pre-disaster mitigation community.

**IF SBA APPROVES YOUR LOAN, WE MAY REQUIRE ADDITIONAL INFORMATION BEFORE LOAN CLOSING. WE WILL ADVISE YOU, IN WRITING, OF WHAT DOCUMENTS WE WILL NEED.**

7. APPLICANT'S LEGAL NAME	8. TELEPHONE NUMBER (including area code)
9. TRADE NAME (if different from legal name)	10. FEDERAL E.I.N. (if applicable)

<b>11. MAILING ADDRESS</b>				
Number, street, and/or P.O. Box No.	City	County	State	Zip

<b>12. MITIGATION PROJECT PROPERTY ADDRESS(ES) (If you need more space, attach additional sheets.)</b>				
Number, street, or rural route	City	County	State	Zip

13. MITIGATION PROJECT PROPERTY IS: <input type="checkbox"/> Owned <input type="checkbox"/> Leased	14. TYPE OF BUSINESS

15. AMOUNT OF LOAN REQUEST	16. UNDER CURRENT MGMT. SINCE:

17. DATE BUSINESS ESTABLISHED AT MITIGATION PROJECT PROPERTY LOCATION	18. NUMBER OF EMPLOYEES

**19. MANAGEMENT (if you need more space, attach additional sheets.)** Complete for each: 1) proprietor; or 2) limited partner who owns 20% or more interest and general partner, or 3) stockholder owning 20% or more voting stock.

Name	Title/Office	% Owned
Social Security Number*	(Area Code) Telephone Number	Date of Birth*
		Place of Birth*
Name	Title/Office	% Owned
Social Security Number*	(Area Code) Telephone Number	Date of Birth*
		Place of Birth*

**\*For information about these questions, see the attached Statements Required by Laws and Executive Orders.**

20. For each individual listed in Item 19, please respond to the following questions, providing dates and details.  
(If you need more space, attach additional sheets.)

- a. Has never been involved in bankruptcy or insolvency proceedings, except as stated: \_\_\_\_\_.
- b. Has no outstanding judgments, tax liens, or pending lawsuits against them, except as stated: \_\_\_\_\_.
- c. Has not been convicted of a criminal offense committed during and in connection with a riot or civil disorder, nor is such person or the applicant engaged in the production or distribution of any product or service that has been determined to be obscene by a court of competent jurisdiction, except as stated: \_\_\_\_\_.
- d. Has never had any Federal loans or Federally guaranteed loans, except as stated: \_\_\_\_\_.
- e. Is not delinquent on any Federal taxes, direct or guaranteed loans (SBA, FHA, VA, student, etc.), contracts, grants, or child support payments, except as stated: \_\_\_\_\_.

21. No owner, owner's spouse or household member works for SBA, except: \_\_\_\_\_

22. Are any of the individuals listed in Item 19: (a) presently under indictment, on parole or probation, or have they been; (b) charged with or arrested for any criminal offense (including offenses which have been dismissed, discharged, or not prosecuted) other than a minor motor vehicle violation; or (c) convicted, placed on pretrial diversion, or placed on any form of probation including adjudication withheld pending probation for any criminal offense other than a minor motor vehicle violation?

YES       NO

23. If you are a sole proprietor, are you a U.S. citizen?       YES       NO

24. ORGANIZATION TYPE       Sole Proprietorship       Partnership       Limited Partnership       Corporation       Other: \_\_\_\_\_

25. If anyone completes this application for you, whether you pay a fee for this service or not, that person must sign in the space below:

Name and address of representative (please print and sign)	Fee charged or agreed upon
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## AGREEMENTS AND CERTIFICATIONS

On behalf of the undersigned individually (each person listed in Item 19) and for the applicant business:

I authorize my insurance company, bank, financial institution, or other creditors to release to SBA all records and information necessary to process this application.

You have my permission to release information in connection with this application to Federal, State, local, or private organizations that provide relief for disaster related purposes.

I will not exclude from participating in, or deny the benefits of, or otherwise subject to discrimination under any program or activity for which applicant receives Federal financial assistance from SBA, any person on grounds of age, color, handicap, marital status, national origin, race, religion or sex.

I will report to the SBA Office of the Inspector General, Washington, D.C. 20416, any Federal employee who offers, in return for compensation of any kind, to help get this loan approved. I have not paid anyone connected with the Federal government for help in getting this loan.

All information in this application is true and complete to the best of my knowledge. All financial statements submitted with the application fully and accurately present the financial position of the business. I have not omitted any disclosures in these financial statements. This certification also applies to any financial statements submitted after this date. I understand that false statements may result in the forfeiture of benefits and possible prosecution by the U.S. Attorney General (reference 18 U.S.C. 1001 and/or 15 U.S.C. 645).

Signature	Title	Date
Signature	Printed Name	Date