



U.S. Small Business Administration  
**APPLICATION FOR BUSINESS LOAN**

OMB Approval No: 3245-0016  
 Expiration Date: 11/30/04

Individual		Full Address		
Name of Applicant Business				Tax I.D. No. or SSN
Full Street Address of Business				Tel. No. (inc. A/C)
City	County	State	Zip	Number of Employees (Including subsidiaries and affiliates)
Type of Business			Date Business Established	
Bank of Business Account and Address				At Time of Application _____ If Loan is Approved _____ Subsidiaries or Affiliates _____ (Separate for above)

Use of Proceeds: (Enter Gross Dollar Amounts Rounded to the Nearest Hundreds)	Loan Requested		Loan Request
Land Acquisition		Payoff SBA Loan	
New Construction/ Expansion Repair		Payoff Bank Loan (Non SBA Associated)	
Acquisition and/or Repair of Machinery and Equipment		Other Debt Payment (Non SBA Associated)	
Inventory Purchase		All Other	
Working Capital (including Accounts Payable)		Total Loan Requested	
Acquisition of Existing Business		Term of Loan - (Requested Mat.)	_____ Yrs.

**PREVIOUS SBA OR OTHER FEDERAL GOVERNMENT DEBT:** If you or any principals or affiliates have 1) ever requested Government Financing or 2) are delinquent on the repayment of any Federal Debt complete the following:

Name of Agency	Original Amount of Loan	Date of Request	Approved or Declined	Balance	Current or Past Due
	\$			\$	
	\$			\$	

**ASSISTANCE** List the name(s) and occupation of anyone who assisted in the preparation of this form, other than applicant.

Name and Occupation	Address	Total Fees Paid	Fees Due
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Note: The estimated burden completing this form is 12.0 hours per response. You will not be required to respond to any collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to U.S. Small Business Administration, Chief, AIB, 409 3rd St., S.W., Washington, D.C. 20416 and Desk Office for Small Business Administration, Office of Management and Budget, New Executive Office Building, room 10202 Washington, D.C. 20503. OMB Approval (3245-0016). **PLEASE DO NOT SEND FORMS TO OMB. SUBMIT COMPLETED APPLICATION TO LENDER OF CHOICE**

**ALL EXHIBITS MUST BE SIGNED AND DATED BY PERSON SIGNING THIS FORM**

**BUSINESS INDEBTEDNESS:** Furnish the following information on all installment debts, contracts, notes, and mortgages payable. Indicate by an asterisk (\*) items to be paid by loan proceeds and reason for paying them (present balance should agree with the latest balance sheet submitted).

To Whom Payable	Original Amount	Original Date	Present Balance	Rate of Interest	Maturity Date	Monthly Payment	Security	Current or Past Due
Acct. #	\$		\$			\$		
Acct. #	\$		\$			\$		
Acct. #	\$		\$			\$		
Acct. #	\$		\$			\$		
Acct. #	\$		\$			\$		

**MANAGEMENT** (Proprietor, partners, officers, directors, all holders of outstanding stock – 100% of ownership must be shown). Use separate sheet if necessary.

Name and Social Security Number and Position Title	Complete Address	% Owned	*Military Service From	To	*Sex
<b>Race*:</b> American Indian/Alaska Native <input type="checkbox"/> Black/African-Amer. <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian/Pacific Islander <input type="checkbox"/> White <input type="checkbox"/> <b>Ethnicity*</b> Hisp./Latino <input type="checkbox"/> Not Hisp./Latino <input type="checkbox"/>					
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\*This data is collected for statistical purpose only. It has no bearing on the credit decision to approve or decline this application. One or more boxes may be selected.

**THE FOLLOWING EXHIBITS MUST BE COMPLETED WHERE APPLICABLE. ALL QUESTIONS ANSWERED ARE MADE A PART OF THE APPLICATION.**

For Guarantee Loans please provide an original and one copy (Photocopy is Acceptable) of the Application Form, and all Exhibits to the participating lender. For Direct Loans submit one original copy of the application and Exhibits to SBA.

1. Submit SBA Form 912 (Statement of Personal History) for each type of individual that the Form 912 requires.

2. If your collateral consists of (A) Land and Building, (B) Machinery and Equipment, (C) Furniture and Fixtures, (D) Accounts *Receivable*, (E) Inventory, (F) Other, please provide an itemized list (labeled Exhibit A) that contains serial and identification numbers for all articles that had an Original value of greater than \$500. Include a legal description of Real Estate Offered as collateral.

3. Furnish a signed current personal balance sheet (SBA Form 413 may be used for this purpose) for each stockholder (with 20% or greater ownership), partner, officer, and owner. Include the assets and liabilities of the spouse and any close relatives living in the household. Also, include your Social Security Number. The date should be the same as the most recent business financial statement. Label it Exhibit B.

4. Include the financial statements listed below: a,b,c for the last three years; also a,b,c, and d as of the same date, - current within 90 days of filing the application; and statement e, if applicable. Label it Exhibit C (Contact SBA for referral if assistance with preparation is wanted.) **All** information must be signed and dated.

- a. Balance Sheet
  - b. Profit and Loss Statement (if not available, explain why and substitute Federal income tax forms)
  - c. Reconciliation of Net Worth
  - d. Aging of Accounts Receivable and Payable (summary not e. detailed)
- Projection of earnings for at least one year where financial statements for the last three years are unavailable or when SBA requests them.

5. Provide a brief history of your company and a paragraph describing the expected benefits it will receive from the loan. Label it Exhibit D.

6. Provide a brief description similar to a resume of the education, technical and business background for all the people listed under Management. Label it Exhibit E.



# APPLICANT'S CERTIFICATION

By my signature, I certify that I have read and received a copy of the "STATEMENTS REQUIRED BY LAW AND EXECUTIVE ORDER" which was attached to this application. My signature represents my agreement to comply with the approval of my loan request and to comply, whenever applicable, with the hazard insurance, lead-based paint, civil rights or other limitations in this notice.

Each proprietor, each General Partner, each Limited Partner or Stockholder owning 20% or more, each Guarantor and the spouse of each of these must sign. Each person should sign only once.

Business Name: \_\_\_\_\_

By: \_\_\_\_\_  
Signature and Title

\_\_\_\_\_  
Date

### Guarantors:

\_\_\_\_\_  
Signature and Title

\_\_\_\_\_  
Date

# PLEASE READ DETACH AND RETAIN FOR YOUR RECORDS

## STATEMENTS REQUIRED BY LAW AND EXECUTIVE ORDER

Federal executive agencies, including the Small Business Administration (SBA), are required to withhold or limit financial assistance, to impose special conditions on approved loans, to provide special notices to applicants or borrowers and to require special reports and data from borrowers in order to comply with legislation passed by the Congress and Executive Orders issued by the President and by the provisions of various inter-agency agreements. SBA has issued regulations and procedures that implement these laws and executive orders, and they are contained in Parts 112, 113, 116, and 117, Title 13, Code of Federal Regulations Chapter 1, or Standard Operating Procedures.

### **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 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. 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.

### **Privacy Act (5 U.S.C. 552a)**

Any person can request to see or get copies of any personal information that SBA has in his or her file, when that file is retrievable by individual identifiers, such as name or social security numbers. 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.

Under the provisions of the Privacy Act, you are not required to provide your social security number. Failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. Disclosures of name and other personal identifiers are, however, required for a benefit, as SBA requires an individual seeking assistance from SBA to provide it with sufficient information for it to make a character determination. In determining whether an individual is of good character, SBA considers the person's integrity, candor, and disposition toward criminal actions. In making loans pursuant to section 7(a)(6) the Small Business Act (the Act), 15 USC §636 (a)(6), SBA is required to have reasonable assurance that the loan is of sound value and will be repaid or that it is in the best interest of the Government to grant the assistance requested. Additionally, SBA is specifically authorized to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B), 15 USC §636(a)(1)(B). Further, 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 Act or the Small Business Investment Act, 15 USC §§634(b)(11) and 687b(a). For these purposes, you are asked to voluntarily provide your social security number to assist SBA is making a character determination and to distinguish you from other individuals with the same or similar name or other personal identifier.

When this information 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 56 Fed. Reg. 8020 (1991) for other published routine uses.

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

This is notice to you as required by the Right of 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 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 accesses. 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.

### **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 future financial assistance from SBA under any program, including disaster assistance.

**Executive Orders -- Floodplain Management and Wetland Protection (42 F.R. 26951 and 42 F.R. 26961)**

The SBA discourages any 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 in future floods.

**Occupational Safety and Health Act (15 U.S.C. 651 et seq.)**

This legislation authorizes the Occupational Safety and Health Administration in the Department of Labor to require businesses to modify facilities and procedures to protect employees or pay penalty fees. In some instances the business can be forced to cease operations or be prevented from starting operations in a new facility. Therefore, in some instances SBA may require additional information from an applicant to determine whether the business will be in compliance with OSHA regulations and allowed to operate its facility after the loan is approved and disbursed. Signing this form as borrower is a certification that the OSA requirements that apply to the borrower's business have been determined and the borrower to the best of its knowledge is in compliance.

**Civil Rights Legislation**

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 business borrowers will be required to display the "Equal Employment Opportunity Poster" prescribed by SBA.

**Equal Credit Opportunity Act (15 U.S.C. 1691)**

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 11738 -- Environmental Protection (38 F.R. 25161)**

The Executive Order charges 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, the principals of all small businesses borrowing \$100,000 or more in direct funds stipulate to the following:

1. That any facility used, or to be used, by the subject firm is not cited on the EPA list of Violating Facilities.
2. 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.
3. 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.

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

These laws require SBA to aggressively collect any loan 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) to credit bureaus
- Hire a collection agency to collect your loan
- 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 to the Department of Justice or other attorneys for litigation
- Foreclose on collateral or take other action permitted in the loan instruments.

**Immigration Reform and Control Act of 1986** (Pub. L. 99-603)

If you are an alien who was in this country illegally since before January 1, 1982, you may have been granted lawful temporary resident status by the United States Immigration and Naturalization Service pursuant to the Immigration Reform and Control Act of 1986 (Pub. L. 99-603). For five years from the date you are granted such status, you are not eligible for financial assistance from the SBA in the form of a loan or guaranty under section 7(a) of the Small Business Act unless you are disabled or a Cuban or Haitian entrant. When you sign this document, you are making the certification that the Immigration Reform and Control Act of 1986 does not apply to you, or if it does apply, more than five years have elapsed since you have been granted lawful temporary resident status pursuant to such 1986 legislation.

**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 SBA 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.