



U.S. Small Business Administration
Application for Small Business Loan
(Short Form)

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

(May be used for Participation Loans of \$50,000 and under)

Applicant				Address	
Name of Business				Tax I.D. No.	
Street Address				Tel. No. (Include A/C)	
City	County	State	Zip	No. of Employees (including subsidiaries and affiliates)	
Type of Business			Date Business Established	At Time of Application	
Bank of Business Account and Address				If Loan is Approved	
				Subsidiaries or Affiliates (Separate from Above)	
Amount Requested		Show how the proceeds are to be used (round to the nearest hundreds)			
Term Requested					
Yrs.					

The following schedules must be completed and submitted as a part of the loan application. (Applicant's name and address need only be provided once.) **ALL SCHEDULES MUST BE SIGNED AND DATED BY THE PERSON SIGNING THIS FORM:**

- Include financial statements of the applicants listed below:
ALL FINANCIAL STATEMENTS MUST BE SIGNED AND DATED.
 - For an existing business, submit year-end financial statements, including a balance sheet, income statement and reconciliation of net worth for up to the last three full fiscal years. (Federal tax returns may be substituted for income statements.) Also submit a balance sheet and income statement for the current period (within 90 days of the filing of the application) with a summarization of the aging of accounts receivable and payable. A projection of income and expenses for one year after the proposed loan is helpful and may be requested by SBA.
 - For a new business, prepare a balance sheet reflecting the assets, liabilities and net worth of the business assuming the loan is approved and disbursed. In addition, provide a projection of income and expenses for one year after the loan is disbursed.
- List all assets to be pledged as collateral.
 - For machinery and/or equipment, provide an itemized list that contains identification numbers for all appropriate items.
 - For real estate include a legal description of the property.

Collateral lists additionally should contain the year acquired, original cost, present market value, current balance owed, and name of lienholders. Mark this Schedule A. (SBA Form 4, Schedule A, or a computer-generated facsimile, may be used for this purpose.)
- The following SBA forms must be submitted by each owner (20% or more ownership), partner, or officer:
 - A current personal financial statement (SBA Form 413 may be used for this purpose),
 - SBA Form 912, Personal History Statement. (This also may be required of hired managers who have authority to commit the business)
- Please provide the following information (in the order shown below) for all members of management including owners, partners, officers and directors:
Name, Social Security Number, Position held, Home Address, Percentage of Ownership (Total 100%), * Date of Entry/Discharge from Military Service, * Race (American Indian or Alaska Native, Asian, Black or African American, Native Hawaiian or Other Pacific Islander, White-Indicate one or more), * Ethnicity (Hispanic or Latino or Not Hispanic or Latino), * Sex (*This data is collected for statistical purposes and has no bearing on the credit decision.)

In addition, provide a brief description of the educational, technical and business background for all people listed under management. Mark this Schedule B.
- Please supply the following information (in the order shown below) on all the applicant's short-term and long-term debt. Indicate by an asterisk (*) items to be paid by loan proceeds and give reasons for payments.
Orig. Date, Orig. Amt., Lender, Present Bal., Rate of Int., Maturity Date, Monthly Pmt., Collateral, and Current or Past Due (Principal balance shown should agree with the amounts on the latest balance sheet submitted.) Mark this Schedule C.
- Please submit a signed and dated SBA Form 1624 regarding certification of debarment and suspension.

Note: The estimated burden completing this form is 0.7 hours per response. You will not be required to respond to collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to the 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.

COMPLETE THE FOLLOWING INFORMATION ONLY IF IT APPLIES

7. If you have any co-signers and/or guarantors for this loan, please submit their names, tax identification/social security numbers, addresses and personal or business financial statements, as appropriate. Mark this Schedule D.
8. If you are buying machinery and/or equipment with the loan, you must include a list of the equipment and cost (as quoted by the supplier) and the supplier's name, address and telephone number. Mark this Schedule E.
9. If you, your business, or any of the officers of your business are, or have been, involved in pending lawsuits, bankruptcy or insolvency proceedings, provide the details. Mark this Schedule F.
10. If you, your spouse, any member of your household, anyone who owns, manages or directs your business, their spouses, or members of their households work for the Small Business Administration, Small Business Advisory Council, SCORE, ACE, any Federal agency, or the participating lender, please provide the name and address of the person and the office where the person is employed. Mark this Schedule G.
11. If the applicant, its owners, or majority stockholders own or have a controlling interest in other businesses, please provide their names and the relationship with your company along with the most recent year-end financial statements for each affiliate. Mark this Schedule H.
12. If the applicant buys from, sells to, or uses the services of any concern in which someone in your company has a significant financial interest, please provide details. Mark this Schedule I.
13. If the applicant or any principals or affiliates have ever requested previous SBA or other Government financing, please supply the following information: Identify the applicant, name the Government agency, date of request, whether approved or declined, original amount of the loan, present balance, monthly payments, whether current or past due, and purpose of the loan. Mark it Schedule J.
14. If anyone assisted in the preparation of this application other than the applicant, please list the name(s), occupation(s), their address(es), and total fees. Mark this Schedule K.

FRANCHISE LOANS ONLY

15. If the applicant is a franchise, include a copy of the Franchise documents available from the Franchiser(by law). Mark this Schedule L.

FOR CONSTRUCTION AND/OR RENOVATIONS OVER \$10,000

16. Include, as a separate schedule, the estimated cost of the project and a statement about the source of any additional funds, other than the loan requested, for this purpose. Mark this Schedule M.
17. Provide copies of preliminary construction plans and specifications. Include them as Schedule N. Final plans will be required prior to disbursement.

EXPORT LOANS ONLY

18. If loan proceeds will be used for exporting, check here _____

SUBMIT COMPLETED APPLICATION TO LENDER OF CHOICE

TO BE COMPLETED BY ALL APPLICANTS AGREEMENTS AND

CERTIFICATIONS

Agreement of Non-employment of SBA Personnel: I agree that, if SBA approves this loan application, I will not hire anyone that was employed by SBA during the one-year period prior to the application for the loan as an employee or consultant for at least two years.

Certifications: I certify:

- (a) I have not paid anyone connected with the Federal government for help in getting this loan. I also agree to report any Federal government employee who offers to help get this loan approved in return for any type of compensation to the SBA Office of Inspector General, Washington, D.C. 20416.
- (b) All information in this application and the schedules is true and complete to the best of **my knowledge and is submitted to SBA** so that SBA can decide whether to participate with a lending institution in a loan to me. I agree to pay for or reimburse SBA for the cost of any surveys, title or mortgage examinations, appraisals, etc., performed by non-SBA personnel provided I have given my consent.
- (c) I understand that I need not pay anybody to deal with SBA. I have read and understand Form 159, which explains SBA policy on representatives and their fees.
- (d) As consideration for any management, technical, and Business Development Assistance that may be provided, I waive all claims against SBA and its consultants.
- (e) I have read and received a copy of the "STATEMENTS REQUIRED BY LAWS AND EXECUTIVE ORDER" which was attached to this application.

If you knowingly make a false statement or overvalue a security to obtain a guaranteed loan from SBA, you can be fined up to \$10,000 and/or imprisoned for not more than five years under 18 U.S.C.1001; if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than twenty years and/or a fine of not more than \$1,000,000. I authorize the SBA's Office of

If Applicant is a proprietor or general partner, sign below:

By: _____ Dated: _____

If Applicant is a corporation, sign below:

_____ Dated: _____
Corporate Name and Seal

By: _____ Dated: _____
Signature of President

Attested by: _____ Dated: _____
Signature of Corporate Official

The Proprietor, each General Partner (or Limited Partner owning 20% or more), each Guarantor, each Corporate officer, each Director, each Stockholder owning 20% or more, and, where appropriate, the spouses of each of these must sign. The person signing on behalf of the business must also sign individually.

_____ Dated: _____
Signature

_____ Dated: _____
Signature

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.