



Minnesota Business Finance Corporation

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# Loan Application

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616 Roosevelt Road-Suite 200  
St. Cloud, MN 56301  
320-258-5000 • 800-593-0123  
Fax: 320-255-1815

Web Address: [www.mbfc.org](http://www.mbfc.org)

# Minnesota Business Finance Corporation

## CHECKLIST regarding attachments to Application:

### **Financial Information**

- \_\_\_\_\_ Three years of historical fiscal year end financial statements for business
- \_\_\_\_\_ Three years of tax returns for business.
- \_\_\_\_\_ Interim financial statement for business (current within 120 days).
- \_\_\_\_\_ Aging of A/R and A/P of the same date as interim financial statement.
- \_\_\_\_\_ If there are affiliates, please provide two years of tax returns or historical fiscal year end financial statements and current business debt schedule.
- \_\_\_\_\_ Two years of projections for business, complete with Assumptions if project is a start-up, existing cash flow doesn't support proposed debt or is a business purchase. (Projections should include a Pro Forma Balance Sheet and Income Statement. For a new business, a monthly cash flow analysis is also needed for the first 12 months of operation or for three months beyond the breakeven point.)
- \_\_\_\_\_ Schedule of Business Debts as of date of interim financial statement (see attached Schedule of Business Debts Form)
- \_\_\_\_\_ Schedule of Previous and Other Proposed Government Financing (if previous SBA borrowings, please provide a copy of the Loan Authorization.)
- \_\_\_\_\_ Personal Financial Statement current within 90 days (for each person with 20% or more ownership interest in Small Business or Borrower; either on SBA Form 413 or attached to signed SBA Form 413.)
- \_\_\_\_\_ Personal tax returns for last fiscal year

### **Business Information**

- \_\_\_\_\_ Business Plan (strongly encouraged; format provided as attached)
- \_\_\_\_\_ Resumes of principals involved in day-to-day management (see Personal Resume form)
- \_\_\_\_\_ If a franchise, include a copy of the Franchise Agreement and the Franchisor's Disclosure Statement that is required by the Federal Trade Commission
- \_\_\_\_\_ A copy of key cost documents such as real estate purchase agreements, contractor cost estimates, vendor quotes for machinery and equipment, etc.
- \_\_\_\_\_ If project costs includes construction or renovation costs, the NEHRP provisions will need to be addressed with signed contractor certification, or removing the provisions from the authorization if renovations are temporary.
- \_\_\_\_\_ Appraisal as required by SBA Standard Operating Procedures (Please provide whatever property valuations and appraisals are available.)
  - ◆ Appraisals are required at the time of application for projects involving the use of existing property as a source of the equity injection.
  - ◆ Otherwise, SBA approval is made contingent on the assumed appraised value.
  - ◆ New construction special purpose project required the as completed appraisal to include any FF&E being financed.
- \_\_\_\_\_ Environmental Questionnaire
  - ◆ Based on results, further investigation including a RSRA or Phase I may be required
  - ◆ People-occupied facilities built prior to 1978, require lead-based paint testing
  - ◆ Gas stations and drycleaners, have further environmental requirement
- \_\_\_\_\_ Copy of existing or proposed lease agreement, if applicable

## Business Organizational Documents

- \_\_\_\_\_ If SBC is a Corporation, please provide a copy of the Articles of Incorporation and Bylaws; Certificate of Incorporation
- \_\_\_\_\_ If SBC is a Partnership, please provide a copy of the Partnership Agreement.
- \_\_\_\_\_ If SBC is an LLC, please provide a copy of the Articles of Organization and Operating Agreement, and Certificate of Organization
- \_\_\_\_\_ If SBC is a Proprietorship or operates under a name other than SBC's Legal Name, an Assumed Name Certificate are needed.
- \_\_\_\_\_ Ownership Affidavit Completed in MBFC Application
- \_\_\_\_\_ If project property state differs from state of registration, the company must be registered as a foreign entity in the state doing business.

## SBA Forms

- \_\_\_\_\_ Section 1: Business Information (SBA Form 1244)
- \_\_\_\_\_ Section 2: Information of Associates (SBA Form 1244) completed by all associates of the business; including all key employees, day-to-day managers, officers and directors; regardless of ownership; and for all stockholders with 20% or more ownership.
- \_\_\_\_\_ If a positive response to questions 3 or 4 on Section 2, Associate must complete SBA Written Addendum to detail offense and provide documentation. Original signature required.
- \_\_\_\_\_ Section 3: Statements Required by Laws and Executive Orders (SBA Form 1244) with original signature
- \_\_\_\_\_ Request for Tax Transcripts (Form 8821 for small business concern)
- \_\_\_\_\_ Taxpayer Consent to use of IRS Tax Transcripts
- \_\_\_\_\_ If a Loan Packager was hired and compensated for completion of this Application, an SBA Form 159 Compensation Agreement must be completed by the Borrower and the Loan Packager (submit at closing)
- \_\_\_\_\_ Authorization to Release Information
- \_\_\_\_\_ Non-affiliation Certification for entities with minor ownership or non-control.
- \_\_\_\_\_ Exhibit Forms (**Signature Required on Exhibit 9 and 10**)
- \_\_\_\_\_ CIP Form
- \_\_\_\_\_ Driver License Copy
- \_\_\_\_\_ Job Creation/Retention completed in MBFC Application

## Information provided by Lender

- \_\_\_\_\_ Commitment Letter or Letter of Proposed Terms stating the terms and conditions of its participation and the reason why it will not finance the entire project.
- \_\_\_\_\_ Lender's Credit Presentation
- \_\_\_\_\_ Credit Reports

Date: \_\_\_\_\_

Completed by: \_\_\_\_\_



## Minnesota Business Finance Corporation

### Third Party Lender - SBA 504 Debt Refinancing Checklist:

- \_\_\_\_\_ Debt was incurred not less than 6 months prior to the day of the 504 application for the benefit of the small business concern has been collateralized by Eligible Fixed Assets.
- \_\_\_\_\_ Existing federal debts including 7(a) and 504 loans are eligible to be refinanced. For 7(a) loans, the existing lender must provide documentation that they are unwilling or unable to modify the current payment schedule. In the case of Same Institution Debt, if the Third Party Lender is the 7(a) lender, the loan will be eligible for 504 refinancing only if the lender is unable to modify the terms of the existing loan because a secondary market investor will not agree to modified terms. If including a 504 in the refinance, the entire TPL loan and SBA 504 loan must be included in the project.
- \_\_\_\_\_ The refinancing of federally-guaranteed loans will provide substantial benefit to the borrower. The new loan amount will be at least 10% less than the new payment. The refinancing will provide better terms, or rate of interest than the existing debt. If a balloon balance comes due within 5 years or less of the SBA application, the presence of the balloon payment automatically meets the "substantial benefit test".
- \_\_\_\_\_ Small business concern must have been in business for two years prior to the submission of the application. A partial ownership change may be considered a new business if it results in new or unproven management and increased debt.
- \_\_\_\_\_ Provide copies of note, recorded mortgage, security agreement, UCC's, settlement statements, and any other collateral documentation securing the existing debt. If loan was refinanced, obtain copies of original loan documents (note, mortgage, security agreement, UCC's, settlement statement, etc).
- \_\_\_\_\_ If there are multiple refinances throughout the history of the loan, then provide copies of these loan documents (note, mortgage, security agreement, UCC's, settlement statement, etc.) Note: SBA will expect the lender, if it is the original lending institution, to produce the necessary documentation.
- \_\_\_\_\_ Documentation to prove substantially all (85% or more) of the proceeds of the original loan being refinanced must have been used for 504 eligible purposes; real estate purchase/improvement or long term equipment. The remaining amount (15% or less) was incurred for the benefit of the small business.
- \_\_\_\_\_ The small business must currently occupy at least 51% of the property.
- \_\_\_\_\_ 12 month payment transcript. Transcript should include bank name, borrower name, date payment is due, date payment is posted, amount of payment, original balance, remaining balance, late fees, etc. For same institution debt - transcript must be provided for the entire loan history.
- \_\_\_\_\_ Current payoff statement on loan(s) being refinanced.
- \_\_\_\_\_ Appraisal is not required at the time of application. Appraisal must be dated within one year of application. LTV max is 90% on non cash out refinance projects. (SBA must be listed as intended users.)
- \_\_\_\_\_ Special Purpose Project: At least 15% equity from borrower (As of 8/3/2020, reduced requirement to 10% until end of economic recession).
- \_\_\_\_\_ Bank commitment letter stating reason will not make the loan without SBA participation. Additionally, the Bank certifies it has no knowledge of default by the borrower on their existing financing nor knowledge or information that would indicate the likelihood of a default (MBFC will provide SBA form).
- \_\_\_\_\_ Bank must be in a 1<sup>st</sup> lien position and SBA in a 2<sup>nd</sup> lien position.

\_\_\_\_\_ The TPL loan needs to be at least as much as the 504 loan. SBA loan cannot be more than 40% of the project/Appraised Value.

\_\_\_\_\_ For CASH OUT REFINANCE: If borrower is utilizing equity to finance "Business Operating Expenses" (BOE):

\_\_\_\_\_ Max LTV is 85%. Business Operating Expenses portion cannot exceed 20% of appraised value.

\_\_\_\_\_ Verify BOE are due for payment within 18 months of the application date.

\_\_\_\_\_ Provide documentation of BOE such as invoices, bills, payroll receipts, cancelled checks, etc.

**Borrower Certification  
for SBA 504 Debt Refinancing Programs**

To: Minnesota Business Finance Corporation  
616 Roosevelt Road #200  
St. Cloud, MN 56301

and

United States Small Business Administration  
Sacramento Loan Processing Center  
6501 Sylvan Road, Suite 111, Citrus Heights, CA 95610-5017

The Borrower certifies the following statements are true:

☐ 85% or more of the proceeds of the existing debt to be refinanced was used to acquire an eligible fixed asset, and the remaining amount (15% or less) of the proceeds was incurred for the benefit of the small business seeking the refinancing.

OR

☐ If the eligible fixed asset was originally financed through a commercial loan (the "original loan") that was subsequently refinanced one or more times:

- a. 85% or more of the proceeds of the original loan was used to acquire an eligible fixed assets, and the remaining amount (15% or less) of the proceeds was incurred for the benefit of the small business seeking the refinancing, and
- b. the existing debt to be refinanced is the most recent refinancing of the original loan.

*For SBA 504 Debt Refinancing Without Expansion only:*

Furthermore, if business line of credit and/or business credit card debt are included in Eligible Business Expenses, Borrower certifies that such business line of credit and/or business credit card debt was incurred exclusively for Eligible Business Expenses, including operating expenses of the business including but not limited to salaries, rent, utilities, inventory, and other expenses of the business that are not capital expenditures.

Borrower

\_\_\_\_\_  
Entity Name

By: \_\_\_\_\_  
Name, Title

Date: \_\_\_\_\_



## Minnesota Business Finance Corporation

### Expansion + Refinance Checklist

Definition of Expansion – any project that involves the acquisition, construction or improvement of land, building, or equipment for use by the small business.

- \_\_\_\_\_ Amount eligible for refinancing must be no more than 100% of the cost of expansion.
- \_\_\_\_\_ Debt was used to finance SBA-eligible assets (as described above), and is collateralized by fixed assets.
- \_\_\_\_\_ Debt was incurred for the benefit of the small business.
- \_\_\_\_\_ Existing 7(a) and 504 loans are eligible to be refinanced. For 7(a) loans, the existing lender must provide documentation that they are unwilling or unable to modify the current payment schedule. In the case of Same Institution Debt, if the Third Party Lender is the 7(a) lender, the loan will be eligible for 504 refinancing only if the lender is unable to modify the terms of the existing loan because a secondary market investor will not agree to modified terms. If including a 504 in the refinance, the entire TPL loan and SBA 504 loan must be included in the project.
- \_\_\_\_\_ The refinancing will provide substantial benefit to the borrower. The new loan amount will be at least 10% less than the new payment. The refinancing will provide better terms, or rate of interest than the existing debt.
- \_\_\_\_\_ The borrower has been current on all payments for not less than 1 year preceding the date of the refinancing. Provide copy of payment transcript from the bank with no 30+ day late payments.
- \_\_\_\_\_ 504 proceeds are not used to refinance debt owed to an associate of the loan applicant, an SBIC, any creditor in a position to sustain a loss causing a shift to SBA of all or part of a potential loss from the existing debt.
- \_\_\_\_\_ Provide copies of note, recorded mortgage, security agreement, UCC financing statements, settlement statements, and any other collateral documentation securing the existing debt. If debt has been refinanced, provide copies of original loan documents, at least 85% or more of the original loan being refinanced must have been used for 504 eligible purposes.
- \_\_\_\_\_ Current pay-off statement on loan(s) being refinanced.
- \_\_\_\_\_ Appraisal within 12 months of application documenting market value of assets securing debt to be refinanced. MBFC and SBA listed as intended users of report.
- \_\_\_\_\_ MBFC will provide SBA form of commitment letter with language specific to permanent debt refinance.

**MINNESOTA BUSINESS FINANCE CORPORATION**  
**LOAN APPLICATION**

**SMALL BUSINESS CONCERN (SBC):**

Company Name \_\_\_\_\_

Address \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_

Fax (\_\_\_\_) \_\_\_\_\_

Email Address \_\_\_\_\_

Contact Person \_\_\_\_\_

Type of Entity    ☐ Proprietorship    ☐ Partnership    ☐ Corporation    ☐ LLC

Tax ID # \_\_\_\_\_ Date Established \_\_\_\_\_

Ownership Name \_\_\_\_\_ Title \_\_\_\_\_ Ownership \_\_\_\_\_ %

Name \_\_\_\_\_ Title \_\_\_\_\_ Ownership \_\_\_\_\_ %

Name \_\_\_\_\_ Title \_\_\_\_\_ Ownership \_\_\_\_\_ %

Have there been any ownership changes in the past 6 months? ☐ Yes    ☐ No

**BORROWER:** (if other than Small Business Concern)

☐ Not Applicable

(Eligible Passive Company)

Borrower Name \_\_\_\_\_

Type of Entity    ☐ Individual/Joint    ☐ Partnership    ☐ Corporation    ☐ LLC

SSN or Tax ID # \_\_\_\_\_

Ownership Name \_\_\_\_\_ Title \_\_\_\_\_ Ownership \_\_\_\_\_ %

Name \_\_\_\_\_ Title \_\_\_\_\_ Ownership \_\_\_\_\_ %

Name \_\_\_\_\_ Title \_\_\_\_\_ Ownership \_\_\_\_\_ %

Have there been any ownership changes in the past 6 months? ☐ Yes    ☐ No

Who will own the real estate? \_\_\_\_\_

Who will own the equipment? \_\_\_\_\_

**LENDER:**

Lender \_\_\_\_\_

Address \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_

Fax (\_\_\_\_) \_\_\_\_\_

Email Address \_\_\_\_\_

Contact Person \_\_\_\_\_



## ABOUT YOUR PROJECT

Purpose of project: \_\_\_\_\_

### PROJECT USES OF FUNDS

Land ( <i>and purchase of existing Building, if applicable</i> )	\$ _____
Building ( <i>new construction, Remodeling, L/H improvement, etc.</i> )	\$ _____
Machinery & Equipment ( <i>purchase, installation, etc.</i> )	\$ _____
Debt to be Refinanced	\$ _____
Professional Fees ( <i>appraiser, architect, legal, etc.</i> )	\$ _____
Contingencies	\$ _____
Total Project Uses	\$ _____

### PROJECT SOURCES OF FUNDS

Lender	1 <sup>st</sup> Mortgage	\$ _____	_____ %
SBA	2 <sup>nd</sup> Mortgage	\$ _____	_____ %
Equity Injection by owner		\$ _____	_____ %
Other		\$ _____	_____ %
Other		\$ _____	_____ %
Total Project Sources		\$ _____	100 %

### SOURCE OF EQUITY INJECTION

Cash	\$ _____	Land and/or Building Equity	\$ _____
Other	_____		\$ _____

## ABOUT YOUR BUSINESS

### Affiliate Businesses, if applicable

Name \_\_\_\_\_ Owner \_\_\_\_\_ Ownership \_\_\_\_\_ %  
(Applicant Co. or Individual)

Name \_\_\_\_\_ Owner \_\_\_\_\_ Ownership \_\_\_\_\_ %  
(Applicant Co. or Individual)

### Any Previous Government Borrowings by Small Business Concern or Affiliates

☐ Yes ☐ No If Yes, please describe \_\_\_\_\_

Nature of your business \_\_\_\_\_

Products or Services \_\_\_\_\_

Geographic Market Area \_\_\_\_\_

Key Customers \_\_\_\_\_

Major Competitors \_\_\_\_\_

Existing Location(s) \_\_\_\_\_

County(ies) \_\_\_\_\_

Sq. ft. \_\_\_\_\_ Do you Rent or Own? (Circle One)

What are your plans for existing location(s)? \_\_\_\_\_

Street Address of  
New Project \_\_\_\_\_

County \_\_\_\_\_

Sq. ft. of new building \_\_\_\_\_

Sq. ft. company will occupy \_\_\_\_\_

# of Employees

Current \_\_\_\_\_ (in FTE's)

Estimated # of new (FTE) employees within 2 years as a result of this project \_\_\_\_\_  
(FTE = full-time equivalent)

1. Have you or any officer of your company ever been involved in bankruptcy or insolvency proceedings? \_\_\_\_\_

2. Are you or your business involved in any pending or prior lawsuits? \_\_\_\_\_

3. Are you current on all federal state and local taxes; including income, payroll, real estate and sales tax? \_\_\_\_\_

4. Is ANY owner delinquent on any federal debt or had prior loss to the government? \_\_\_\_\_

5. Does the State require your business to carry workers compensation, professional liability/malpractice or liquor liability insurance? \_\_\_\_\_

6. Is the subject property listed on the National Register of Historic Places or have any historical significance? \_\_\_\_\_

7. Do any owners have close relatives with identical or substantially identical business or economic interest within the same geographical area? A close relative is defined as a spouse, parent, child, or sibling; or a spouse of any such person. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Do any owners have any officer positions, board positions, or management control in any other business interest not related to this application? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name of Borrower \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

## Authorization to Release Information

I/We hereby authorize the release to Minnesota Business Finance Corporation of any information they may require at any time for any purpose related to my/our credit transaction with them.

I/We further authorize Minnesota Business Finance Corporation to release such information to any entity they deem necessary for any purpose related to my/our credit transaction with them.

I/We hereby certify that the enclosed information, including any attachments or exhibits provided herewithin or at a later date, is valid and correct to the best of my/our knowledge.

I/We were informed that the SBA does not require applicant to employ an agent or representative (including MBFC) to assist with the loan application, packaging or referring.

Name of Small  
Business Concern \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

Name of Borrower \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Title \_\_\_\_\_

## NON-AFFILIATION CERTIFICATION

**\*Complete if Applicable**

As part of my SBA loan application, I certify that I do not have majority ownership in the following entity:

Company Name	Ownership Percentage	Description
	____% K-1 is attached	
	____% K-1 is attached	
	____% K-1 is attached	
	____% K-1 is attached	
	____% K-1 is attached	
	____% K-1 is attached	

Further, I have no day-to-day management control, officer positions, or the ability to prevent a quorum with my voting shares.

Signed:

\_\_\_\_\_ Date: \_\_\_\_\_



**U.S. Small Business Administration**  
**Application for Section 504 Loans**  
OMB Control No.: 3245-0071 (Expiration Date 12/31/2021)

**Purpose of This Form**

This form and exhibits are to be completed by the Small Business Applicant (“Applicant”) and the Certified Development Company (CDC). The information is used to review the Applicant’s eligibility for a loan, indebtedness, creditworthiness, and certain other disclosures. The Applicant submits the requested information to the CDC, which will then upload the information to the SBA’s E-Tran system. This form must be completed and uploaded by both PCLP and non-PCLP CDCs.

**Structure and Instructions for this Form**

This form is divided into four sections:

**Section One** (Pages 2-3) is completed by the Applicant. This section requests information about the Applicant and its ownership structure. If there are Co-Applicants (e.g., “Eligible Passive Company (EPC)” and “Operating Company (OC)”), both entities must submit the information requested on page 2 and enter ownership information in the relevant table on page 3. The CDC may provide guidance to the Applicant in filling out this section; however, the Applicant is responsible for, and certifies to, the accuracy of the information.

**Section Two** (Pages 4-5) is completed by the Associates of the Applicant, including:

- 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; or any partner that is involved in management of the Applicant;
- For a corporation, all owners of 20% or more of the corporation, and each officer and director;
- For limited liability companies, all members owning 20% or more of the company, each officer, director, and managing member;
- Any person or entity hired by the business to manage day-to-day operations (“key employee”); and
- Any Trustor (if the Applicant is owned by a trust).

All parties listed above are considered “Associates” of the Small Business Applicant (as defined in 13 C.F.R. § 120.10). If more than one person is required to complete this section, each person must separately complete and sign Section Two.

**Section Three** (Pages 6–11) contains the Statements Required by Law and Executive Order. These statements must be reviewed and signed by the Applicant representative and the Associates who completed section two.

**Section Four** (Pages 12–20) is completed by the CDC. This section contains fields for information regarding the CDC, the Third Party Lender and Interim Lender, the 504 Project, the Applicant, and potential conflicts of interest; identifies the exhibits required for a complete Application; and includes the CDC Agreements and Certifications that an authorized CDC official must sign on behalf of the CDC.



# Application for Section 504 Loans

## Section One: Business Information

Applicant Name (Eligible Passive Company, if applicable)			
Legal Name		Business Address	
DBA or Tradename	Legal Structure	Tax ID	DUNS Number
Contact Name	Email Address	Phone Number	Business Web Address
Operating Company (if Applicant is an EPC)			
Legal Name		Business Address	
DBA or Tradename	Legal Structure	Tax ID	DUNS Number
Contact Name	Email Address	Phone Number	Business Web Address

Project Address (if different than OC Address)	Type of Business (Summary Description)

# of existing employees employed by business (including owners who work for this business)	# of jobs to be created in the next two years as a result of the loan	# of jobs to be retained in the next two years as a result of the loan (including owners who work for this business)
Loan Amount Requested	Purpose of the loan	
\$		

- Does the Small Business Applicant have any Affiliates? ☐ Yes ☐ No  
If "Yes," please attach a listing as a part of Exhibit 10
- Have the Small Business Applicant or any Affiliates ever obtained or applied for a direct or guaranteed loan from SBA, or from any other Federal, State or local government loan program or been a guarantor on such a loan? If yes, provide relevant information in Exhibit 9 ☐ Yes ☐ No
- Has an application for this Project previously been submitted to the SBA by any CDC or Lender in connection with any SBA program? ☐ Yes ☐ No  
If yes, provide CDC/Lender Name and Loan Program: \_\_\_\_\_
- Has the Applicant business ever declared bankruptcy? ☐ Yes ☐ No  
If yes, explain and provide relevant documents in Exhibit 27
- Is the Applicant business involved in any pending lawsuits? ☐ Yes ☐ No  
If yes, explain and provide relevant documents in Exhibit 27
- Is the Applicant business owned by one of the following? ☐ 401(k) ☐ ESOP ☐ Trust ☐ Cooperative  
If the Applicant is owned by an ESOP (Employee Stock Ownership Plan) or 401(k) plan (including a Rollover as Business Start-Up (ROBS) plan), Applicant must provide evidence to the CDC that the Applicant, ESOP, and/or the 401(k) plan are in compliance with all applicable Government Agencies (e.g., IRS, Treasury, and Department of Labor) requirements and that it will comply with all relevant operating and reporting requirements.



## Application for Section 504 Loans

### Section One: Business Information

#### Business Ownership (Attach additional pages if needed)

This section requires the Small Business Applicant to disclose 100% of its ownership as well as its Key Employees that do not have an ownership stake. A Key Employee is any person (as defined in 13 C.F.R. 120.10) hired by the business to manage day-to-day operations.

If some or all of the Applicant is owned by one or more entities: For each entity, list the organization name, organization type, tax identification number, and ownership percentage, and include any individuals who own each entity (100% ownership must be disclosed). Attach additional pages as necessary.

Please be advised that the Applicant must be owned and controlled by U.S. citizens or individuals with Lawful Permanent Resident status as verified through the United States Citizenship and Immigration Services by SBA.

#### Eligible Passive Company (EPC) Ownership (if applicable)

Owner/Entity Name	Title/Organization Type	SSN/TIN	Ownership %

#### Operating Company (OC) Ownership

Owner/Entity Name	Title/Organization Type	SSN/TIN	Ownership %



## Application for Section 504 Loans

### Section Two: Information Required to be Submitted by each Associate of the Applicant

Each Associate of the Applicant must separately complete and sign this Section. If the Applicant is operating under an EPC/OC structure, each of the EPC's and OC's Associates must complete and sign this section.

Name (Last, First, Middle)		Former Names and Dates Used	
U.S. Citizen?	USCIS Registration # (if Legal Permanent Resident)	If a non-US citizen or LPR, provide Country of Citizenship	
Yes <input type="checkbox"/> No <input type="checkbox"/>			
Place of Birth (City and State or Foreign Country)		SSN or IRS TIN	Date of Birth
Phone Number (Home or Cell)		Home Address (Street, City, State, Zip code)	

**Answer the following Yes/No Questions and Initial to the Right of Each Answer**

**Initial**

1. Do you have an ownership interest in any other entity that has existing SBA loans? ☐ Yes ☐ No \_\_\_\_\_

If yes, provide loan numbers and current status: \_\_\_\_\_

2. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? ☐ Yes ☐ No \_\_\_\_\_

**If yes, the Applicant is not eligible for SBA assistance**

3. Have you been arrested in the last 6 months for any criminal offense? ☐ Yes ☐ No \_\_\_\_\_

If yes, please provide relevant documents as a part of Exhibit 28

4. For any criminal offense – other than a minor vehicle violation – have you ever: ☐ Yes ☐ No \_\_\_\_\_

1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)? (If “Yes,” furnish the dates, locations, fines, sentences, level of charge (whether misdemeanor or felony), dates of parole/probation, unpaid fines or penalties, name(s) under which charged, and any other pertinent information as part of Exhibit 28)

5. Are you presently suspended, debarred, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal Department or agency? ☐ Yes ☐ No \_\_\_\_\_

**If yes, the Applicant is not eligible for SBA assistance**



## Application for Section 504 Loans

### Section Two: Information Required to be Submitted by each Associate of the Applicant

6. If you are a 50% or more owner of the Applicant, are you more than 60 days ☐ Yes ☐ No \_\_\_\_\_ delinquent on any obligation to pay child support arising under an administrative order, court order, repayment agreement between the holder and a custodial parent, or repayment agreement between the holder and a state agency providing child support enforcement services? **If yes, the Applicant is not eligible for SBA assistance**
7. Have you ever declared bankruptcy? ☐ Yes ☐ No \_\_\_\_\_  
If yes, please provide relevant documents as a part of Exhibit 27
8. Are you currently the subject of any pending lawsuits (including divorce)? ☐ Yes ☐ No \_\_\_\_\_  
If yes, please provide relevant documents as a part of Exhibit 27
9. Has the Applicant or any affiliated company of the Applicant as well as any ☐ Yes ☐ No \_\_\_\_\_ Associate of the Applicant received any previous government financing?  
If yes, please provide relevant documents as a part of Exhibit 9

### Veteran/Gender/Race/Ethnicity Information

This data is collected for program reporting purposes only. Disclosure is voluntary and has no bearing on the credit decision.

Categories	Category Codes	Response
Veteran	1=Non-Veteran; 2=Veteran; 3=Service-Disabled Veteran; 4=Spouse of Veteran; X=Not Disclosed	
Gender	M=Male; F=Female; X=Not Disclosed	
Race	1=American Indian or Alaska Native; 2=Asian; 3=Black or African American; 4=Native Hawaiian or Pacific Islander; 5=White; X=Not Disclosed	
Ethnicity	H=Hispanic or Latino; N=Not Hispanic or Latino; X=Not Disclosed	

**Criminal Penalties for False Statements** – The undersigned certifies that all information provided in this Section Two is true and complete to the best of his or her knowledge. The undersigned acknowledges that whoever makes any false statement or report, or willfully overvalues any land property or security for the purpose of influencing in any way the action of the SBA under the Small Business Investment Act, as amended, may be fined up to \$250,000 and/or be put in jail for up to 5 years under 18 U.S.C. § 1001; may be fined not more than \$5,000 and/or put in jail for not more than 2 years under 15 U.S.C. § 645; and if false statements are submitted to a Federally insured institution, may be punished by a fine of not more than \$1,000,000 or by imprisonment for up to 30 years, or both, pursuant to 18 U.S.C. § 1014. The undersigned further acknowledges that, in connection with a 504 loan, submission of any false statement to the CDC or SBA or submission of any record to the CDC or SBA omitting material information can result in civil money penalties and additional monetary liability up to three times the amount of damages which the Government sustains because of the false statement under the False Claims Act, 31 U.S.C. § 3729.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signer's Relationship with Applicant Business: \_\_\_\_\_



## Application for Section 504 Loans

Section Three: Statements Required by Law and Executive Order and Certifications  
(Signed by the Applicant and Associates)

### PLEASE READ, DETACH, AND RETAIN FOR YOUR RECORDS 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:

**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) 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 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.

Under the provisions of 31 U.S.C. § 7701, the applicant business and any guarantor of the loan are required to provide their social security numbers, or other taxpayer identification numbers, in order to do business with SBA. Failure to provide this information would affect your ability to obtain a 504 loan. For other individuals signing this application, 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, in evaluating whether the applicant satisfies the criteria for a 504 loan under section 501 et seq. of the Small Business Investment Act, 15 U.S.C. § 695 et seq., SBA considers whether the applicant and each of its Associates possess good character. In making this determination, SBA considers the person's integrity, candor, and criminal history if any. SBA is authorized, through section 308(f) of the Small Business Investment Act, to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B) of the Small Business Act, 15 U.S.C. § 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 Investment Act, see 15 U.S.C. § 687b(a). In conducting the criminal background check, SBA also uses your social security number to distinguish you from other individuals with the same or similar name or other personal identifier. 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) (as amended from time to time) for other published routine uses for the collected information.



## Application for Section 504 Loans

### Section Three: Statements Required by Law and Executive Order and Certifications

(Signed by the Applicant and Associates)

**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.

**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 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.

**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.

**Flood Disaster Protection Act (42 U.S.C. § 4012a )** – Under this Act, and its implementing regulations, SBA is prohibited from providing financial assistance in a 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 11988 and 11990 -- 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



## Application for Section 504 Loans

### Section Three: Statements Required by Law and Executive Order and Certifications

(Signed by the Applicant and Associates)

statement is to notify all applicants for SBA assistance 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.

**Occupational Safety and Health Act (29 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.

**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 et seq.)** – 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 C.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, the Associates of all 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.

**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.



## Application for Section 504 Loans

### Section Three: Statements Required by Law and Executive Order and Certifications

(Signed by the Applicant and Associates)

**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.

#### Acknowledgment

By my signature below, I acknowledge receipt of the Statements Required by Laws and Executive Orders, that I have read them and that I have a copy for my files. My signature represents my agreement to comply with the requirements SBA makes in connection with the approval of my loan request and to comply, whenever applicable, with the limitations and requirements contained in these Statements and to comply, whenever applicable, with the hazard insurance, lead-based paint, civil rights or other limitations and requirements in the Statements Required by Law and Executive Order.

#### Representations, Certifications, or Authorizations by Applicant and Its Associates

By my signature below, I represent, certify, or authorize the following:

- All SBA loan proceeds will be used only for business related purposes as specified in the loan application.
- To the extent feasible, I will purchase only American-made equipment and products.
- None of the Applicant's direct, indirect, or future revenues, or revenues of any affiliated business(es) are derived from activities that are illegal under federal, state or local law, including activities that support the end-use of marijuana products, including leasing of collateral property to a third party that derives revenue from illegal activities.
- I authorize the SBA to request criminal record information about me from criminal justice agencies for the purpose of determining my eligibility for programs authorized by the Small Business Act, as amended, and Small Business Investment Act, as amended.
- I agree that if the SBA approves this application, I will not for at least two years hire an employee or consult anyone who was employed by the SBA during the one-year period prior to the disbursement of the debenture.
- I certify I have not paid anyone connected with the Federal Government for help getting this financial assistance.



## Application for Section 504 Loans

### Section Three: Statements Required by Law and Executive Order and Certifications

(Signed by the Applicant and Associates)

- I agree to report to the SBA Office of Inspector General, 409 Third Street S.W., Washington, D.C. 20416, any Federal Government employee who offers assistance in return for any type of compensation to help get this application approved.
  - I understand that I need not pay anybody to deal with SBA.
  - I also understand that a Certified Development Company may charge the Applicant a percentage of the loan proceeds as set forth in SBA regulations as a fee for preparing and processing the loan applications.
  - I agree to pay for or reimburse the CDC or the SBA for the cost of any surveys, title or mortgage examinations, appraisals, etc., performed by non-SBA personnel provided that I have given my consent.
- I understand that regulations issued by the SBA prohibit the making of loans to relocate any operations of a small business that will cause a net reduction of one-third or more in the workforce of the Applicant company or a substantial increase in unemployment in any area of the country.

In the event that proceeds from this loan are used to relocate an EPC/OC (including any affiliate, subsidiary or other business entity under direct, indirect or common control), the undersigned certifies that such relocation will not significantly increase unemployment in the area of the original location.
- If my business exceeds the small business size standard by more than 25%, I agree to use SBA's financial assistance within a labor surplus area.
- No overlapping relationship exists between the Applicant, including its Associates, and the CDC, including its Associates, or any other lender providing financing for the project, that could create an appearance of a conflict of interest as defined in 13 C.F.R. §120.140 or violate 13 C.F.R. § 120.851. No such relationships existed within six months of this application or will be permitted to exist while assistance is outstanding.
- I authorize disclosure of all information submitted in connection with this application to the financial institution agreeing to participate with SBA's guaranteed debenture.
- I waive all claims against SBA and its consultants for any management and technical assistance that may be provided.
- In consideration for assistance from the Small Business Administration, I hereby agree that I will comply with all Federal laws and regulations to the extent that they are applicable to such assistance, including conditions set forth in this application.
- I, my spouse, or any member of my household, or anyone who owns, manages, or directs the business or their spouses or members of their households do not work for the SBA, an SBA small business advisory council, or SCORE, any Federal agency, or the participating lender. If someone does, the name and address of such person and where employed is provided on an attached page.

**Certification as to Application Accuracy - Criminal Penalties for False Statements** – The undersigned certifies that all information provided to the CDC, and that all information in, and submitted with this application in Section One and Section Two, including all exhibits, is true and complete to the best of his or her knowledge. The undersigned acknowledges that the application and exhibits are submitted to the CDC and to SBA so that the CDC and SBA can decide whether to approve this application. Any future submissions of information to the CDC must be accompanied by a certification as to the accuracy of that information.

The undersigned acknowledges that whoever makes any false statement or report, or willfully overvalues any land property or security for the purpose of influencing in any way the action of the SBA under the Small Business Investment Act, as amended, may be fined up to \$250,000 and/or be put in jail for up to 5 years under 18 U.S.C. §1001, may be fined not more than \$5,000 and/or put in jail for not more than 2 years under 15 U.S.C. § 645, and if false statements are submitted to a Federally insured institution, may be punished by a fine of not more than \$1,000,000 or by imprisonment for up to 30 years, or both, pursuant to 18 U.S.C. § 1014.



## Application for Section 504 Loans

### Section Three: Statements Required by Law and Executive Order and Certifications (Signed by the Applicant and Associates)

The undersigned further acknowledges that, in connection with a 504 loan, submission of any false statement to the CDC or SBA or submission of any record to the CDC or SBA omitting material information can result in civil money penalties and additional monetary liability up to three times the amount of damages which the Government sustains because of the false statement under the False Claims Act, 31 U.S.C. § 3729.

The Applicant's authorized representative must sign below. If the project involves an EPC/OC structure, an authorized representative for each co-borrower must sign. Attach additional signature pages if needed.

Legal Name of Applicant Business: \_\_\_\_\_ EPC or OC: \_\_\_\_\_

DBA/Trade Name (if applicable): \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name of Authorized Representative: \_\_\_\_\_ Title: \_\_\_\_\_

Attested By: \_\_\_\_\_ (seal, if required)

Legal Name of Business: \_\_\_\_\_ EPC or OC: \_\_\_\_\_

DBA/Trade Name (if applicable): \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name of Authorized Representative: \_\_\_\_\_ Title: \_\_\_\_\_

Attested By: \_\_\_\_\_ (seal, if required)

Each Associate of the Applicant must sign below. Each individual should only sign once. Attach additional signature pages if needed.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_





## Business Debt Schedule

Indebtedness: Furnish the following information on all installment debts, contracts, notes and mortgages payable. Do not include accounts payable or accrued liabilities.

Date: \_\_\_\_\_

Creditor Name/address	Original amount	Original date	Present Balance	Interest rate	Maturity date	Monthly payment	Security	Current or delinquent
Total present balance				Total Monthly Payment				

\* Should be the same date as Current Financial Statement

\*\* Total must agree with balance shown on current financial statement



Minnesota Business Finance Corporation

## ESTIMATED PROJECTION AND FORECAST FOR TWO YEARS EARNINGS

(Attach Narrative Explaining Basis for the Figures You are Showing Such as Your Market, Sales, Expenses, and Profit.)

	Year_____	% of Sales	Year_____	% of Sales
<b>Gross Receipts:</b>	_____	_____	_____	_____
<b>Cost of Goods Sold:</b>	_____	_____	_____	_____
Opening Inventory	_____	_____	_____	_____
Purchases	_____	_____	_____	_____
Freight on Purchases	_____	_____	_____	_____
Direct Labor	_____	_____	_____	_____
Less Ending Inventory	_____	_____	_____	_____
<b>Total Cost of Goods Sold:</b>	_____	_____	_____	_____
<b>Gross Profit</b>	_____	_____	_____	_____
<b>Expenses:</b>				
Officers' Salaries (if corporation)	_____	_____	_____	_____
Employees' Wages	_____	_____	_____	_____
Accounting & Legal Fees	_____	_____	_____	_____
Advertising	_____	_____	_____	_____
Rent	_____	_____	_____	_____
Depreciation	_____	_____	_____	_____
Supplies	_____	_____	_____	_____
Electricity	_____	_____	_____	_____
Telephone	_____	_____	_____	_____
Interest	_____	_____	_____	_____
Repairs	_____	_____	_____	_____
Taxes	_____	_____	_____	_____
Insurance	_____	_____	_____	_____
Bad Debts	_____	_____	_____	_____
*Miscellaneous (Postage, etc)	_____	_____	_____	_____
<b>Total Expenses</b>	_____	_____	_____	_____
Net Profit:	_____	_____	_____	_____
Less Federal Income Taxes	_____	_____	_____	_____
Less State Income Taxes	_____	_____	_____	_____
Net Profit After Taxes	_____	_____	_____	_____
Less Withdrawals	_____	_____	_____	_____
Proprietorship/Partnership	_____	_____	_____	_____
Net Profit Remaining for Loan Payment	_____	_____	_____	_____

\*If sum is large, please itemize.

\_\_\_\_\_  
Signature of Borrower

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



## 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).
<b>Return completed form to:</b> <b>For 7(a) loans:</b> the Lender processing the application for SBA guaranty <b>For 504 loans:</b> the Certified Development Company (CDC) processing the application for SBA guaranty <b>For Surety Bonds:</b> the Surety Company or Agent processing the application for surety bond guarantee

<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.
<b>Return completed form to:</b> Disaster Processing and Disbursement Center at 14925 Kingsport Road, Fort Worth, TX 76155-2243 or FAX to 1-202-481-1505 or <a href="mailto:disasterloans@sba.gov">disasterloans@sba.gov</a>

<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 <a href="http://beta.certify.sba.gov">beta.certify.sba.gov</a>

<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.
<b>Note:</b> 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 <a href="http://certify.sba.gov">certify.sba.gov</a> . For additional information go to: <a href="http://www.sba.gov/8abd">http://www.sba.gov/8abd</a>

<b>Name</b>	<b>Business Phone</b> (xxx-xxx-xxxx)
<b>Home Address</b>	<b>Home Phone</b> (xxx-xxx-xxxx)
<b>City, State, &amp; Zip Code</b>	
<b>Business Name of Applicant/Borrower</b>	
<b>Business Address</b> (if different than home address)	
<b>Business Type:</b> <input type="checkbox"/> Corporation <input type="checkbox"/> S-Corp. <input type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietor (does not apply to ODA applicant)	
<b>This information is current as of [month/day/year]</b> (within 90 days of submission for 7(a)/504/SBG/ODA/WOSB or within 30 days of submission for 8(a) BD)	
<b>WOSB applicant only, Married</b> <input type="checkbox"/> Yes <input type="checkbox"/> No	

ASSETS (Omit Cents)	LIABILITIES (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.....
<b>Total</b> _____	<b>Total</b> _____ 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 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. \_\_\_\_\_

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**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.





## **SAMPLE OUTLINE: COMPREHENSIVE BUSINESS PLAN**

- I. TABLE OF CONTENTS** (Show the page number for each subject at right side of sheet)
- II. INTRODUCTION** Why business is being formed; growth potential; anticipated profit and return on investment; industry trends; pitfalls; research done; other?
- III. BUSINESS DESCRIPTION**
  - A. Name, location & reason for selecting each
  - B. Business hours to be maintained; zoning' licensing; parking facilities
  - C. Products and/or services
    - 1. Describe product line; features' uniqueness or superiority, benefits
    - 2. Price and quality comparisons
    - 3. Materials; suppliers; production methods, alternative options
    - 4. Proprietary position (patents, copyrights, legal considerations)
  - D. The Competition
    - 1. Name and address of major competitors
    - 2. Minor competitors or indirect competition to be considered
    - 3. Competitors' strengths, weaknesses, pricing & marketing methods
    - 4. Reasons customers are expected to do business with us  
(Better prices or quality? Better selections? More reliable? Faster?)
  - E. The Market
    - 1. Identify target markets (age, sex, location, income, ethnic background)
    - 2. Determine market opportunities; size of market, expected share
    - 3. Customer needs and wants. (How are these ascertained?)
    - 4. Marketing and sales strategies to be used.
    - 5. Pricing, promotion and distribution plans (sales channels, credit? FOB?)
    - 6. Business image desired; method of attaining high visibility
- IV. THE MANAGEMENT: BUSINESS ORGANIZATION**
  - A. Form of business organization; reasons for selection
  - B. The officers: Their experience and salaries (resume of key personnel)
  - C. The employees: Their job descriptions, hourly wage, work schedules
  - D. Employee policies: Benefits, promotional opportunities, training plan
  - E. The management and operations plan
    - 1. Long and short term goals
    - 2. Timetable and deadlines for accomplishing goals
    - 3. Anticipated expansion and growth; capital improvements
    - 4. Control methods to be used; lead times necessary
- V. FINANCIAL DATE**
  - A. Capital investment; equity; fixed assets/indebtedness; repayment schedule
  - B. Records to be maintained; financial statements to be made (how often?)
  - C. Accounting and inventory control systems to be used (accountant's name)
  - D. Cash flow and income projections for several years (list assumptions only)
  - E. Future financial needs; capital expenditures; budgets; contingencies
  - F. Breakeven sales point
  - G. Key business ratios to be used
  - H. Insurance coverage; Sales & Use Tax procedures; Unemployment Tax... other tax?
  - I. Personal and bank references
  - J. Current balance sheet
- VI. APPENDICES**
  - Attach back-up data, statistics, trade journal articles, etc.



**Personal Resume Form**  
TO BE COMPLETED BY EACH PRINCIPAL INVOLVED IN THE LOAN

Name \_\_\_\_\_  
FIRST MIDDLE MAIDEN LAST

Date of birth \_\_\_\_\_ Place of birth \_\_\_\_\_ Race \_\_\_\_\_ Social Security No \_\_\_\_\_

U.S. Citizen – If not, please provide alien registration number \_\_\_\_\_

Email \_\_\_\_\_

Home address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

From \_\_\_\_\_ To \_\_\_\_\_ Home phone \_\_\_\_\_ Business phone \_\_\_\_\_

Immediate past address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

From \_\_\_\_\_ To \_\_\_\_\_

Are you employed by the U.S. Government? \_\_\_\_\_

If so, give the name of the agency and position \_\_\_\_\_

**Military Service Background**

Branch \_\_\_\_\_ From \_\_\_\_\_ To \_\_\_\_\_

Rank at discharge \_\_\_\_\_ Honorable? \_\_\_\_\_

Job Description \_\_\_\_\_

**Work Experience**

List chronologically, beginning with present employment

Name of company \_\_\_\_\_ % of business owned \_\_\_\_\_

Full address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

From \_\_\_\_\_ To \_\_\_\_\_ Title \_\_\_\_\_ Duties \_\_\_\_\_

Name of company \_\_\_\_\_ % of business owned \_\_\_\_\_

Full address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

From \_\_\_\_\_ To \_\_\_\_\_ Title \_\_\_\_\_ Duties \_\_\_\_\_



Name of company \_\_\_\_\_ % of business owned \_\_\_\_\_

Full address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

From \_\_\_\_\_ To \_\_\_\_\_ Title \_\_\_\_\_ Duties \_\_\_\_\_

\_\_\_\_\_

**Education (College or Technical Training)**

Name and Location	Dates Attended	Major	Degree or Certificate
-------------------	----------------	-------	-----------------------

1. \_\_\_\_\_

Comments: \_\_\_\_\_

2. \_\_\_\_\_

Comments: \_\_\_\_\_

3. \_\_\_\_\_

Comments: \_\_\_\_\_

4. \_\_\_\_\_

Comments: \_\_\_\_\_

## SBA Written Addendum: Statement of Personal History Addendum

Lender Name: Minnesota Business Finance Corporation Phone: 320-258-5000  
 Address: 616 Roosevelt Rd, Suite 200  
 City, State, Zip St. Cloud, MN 56301

Principal Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip \_\_\_\_\_

List Charge(s)

**1) Charge:** \_\_\_\_\_ ☐ Felony      ☐ Misdemeanor

Month/Day/Year of Arrest (if actual day unknown, then Month/Year): \_\_\_\_\_

City, County, State of Arrest: \_\_\_\_\_

### Disposition of Charge (List Specific Details)

Sentence: \_\_\_\_\_

Fine: \_\_\_\_\_

Other: \_\_\_\_\_

Date Disposition Completed: \_\_\_\_\_

Explanation: \_\_\_\_\_

[illegible]

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Written Statement Requirements

1. **Written Statement: (Defined)** is a brief understanding disclosing the facts surrounding the incident(s) which is needed. An explanation regarding the circumstances surrounding the incident(s) is required to be disclosed.
2. The applicant is **required** to disclose the below listed items in a written statement relating to his/her offense(s)
  - a. **Exact date of each offense/ At lease the month and year of the offense~ at minimum** (Just Writing: 30 yrs ago, 2007, In 20007, Summer of 2007, Approx2007 or I don't know is UNACCEPTABLE)
  - b. **Location of each offense:** city, state, and county
  - c. **Name of each offense:** (i.e. Gambling, Robbery, Assault etc.)
  - d. **Level of the original arresting charge (and) the original name of the charge received at the time of the arrest** (i.e. FELONY/MISDEMEANOR)
  - e. **Court Decision for each offense:** guilty/ not guilty- *the guilty plea is the result of the final court decision which must be disclosed in addition to the level of the original arresting charge*)
  - f. **Sentencing for each offense:** probation, conditions
  - g. **Consequences of each charge:** jail time / Fine
  - h. **Disposition of the charge(s)** including but not limited to: fines, class or work shop, jail time served, terms of probation, any court conditions
3. All written statements, explanations, affidavits, addendums, affirmative responses, positive responses, and any other documents disclosing any information regarding the applicant's offense(s) **require both the applicant's current signature and date prior to submission**
4. Please have the applicant provide a new written statement disclosing all of the required information above that is in his/her own words with his/her signature and date

**Please see SOP 5010 5 (F) pages 258--263 for further guidance**

## **TAXPAYER CERTIFICATION AND CONSENT TO USE OF IRS TAX TRANSCRIPTS**

The undersigned taxpayer is providing an IRS Form 4506-C, Request for Transcript of Tax Return, and/or IRS Form 8821, Tax Information Authorization, to Minnesota Business Finance Corporation (CDC) for CDC to obtain taxpayer's tax return transcripts from the Internal Revenue Service (IRS). The undersigned taxpayer consents to CDC, the U.S. Small Business Administration (SBA), and other parties participating in taxpayer's SBA 504 Loan Project ("Project Participants") obtaining, using and sharing tax return information for the purpose of compliance with 504 Loan Program Requirements, including (1) processing the Loan application; (2) verifying that taxpayer filed tax returns; (3) verifying taxpayer's tax return information against income tax returns, financial statements and other financial information provided in the 504 Loan application; (4) confirming taxpayer's income; (5) assessing the taxpayer's or Loan applicant's creditworthiness; (6) closing and servicing the 504 Loan; (7) for SBA lender oversight activities, debenture and/or loan purchase reviews, Complete File Reviews and other SBA reviews; and/or (8) as otherwise permitted by applicable laws, including Federal and state privacy and data security laws.

For purposes of this document, (a) CDC includes CDC's directors, officers, employees, contractors, interns, agents, and legal counsel, and any of the aforesaid parties' affiliates, successors and assigns; (b) SBA includes SBA employees, contractors, interns, agents, and volunteers, and any Federal, State or local agency, division or organization which investigates, prosecutes, or enforces violations of statutes, rules, regulations, or orders, when SBA determines that disclosure will promote integrity of the 504 Loan Program or protect the public interest, and any of aforesaid parties' affiliates, successors and assigns; and (c) Project Participants includes any actual or potential participating Interim or Third Party Lenders or lenders of subordinate financing or the Borrower Contribution in connection with the 504 Loan Project, any other party who acquires any beneficial or other interest in, or is a guarantor or other obligor for, the 504 Loan, the Interim Loan, the Third Party Loan, any subordinate financing or any Borrower Contribution loan, or any refinancing of or substitution of those loans, any mortgage broker or insurer, any servicers or service providers for these parties, and any of aforementioned parties' directors, officers, managers, owners, employees, contractors, interns, agents and legal counsel and any of the aforesaid parties' affiliates, successors and assigns.

The undersigned taxpayer hereby certifies that the tax information provided to CDC is identical to the tax information that taxpayer has submitted to the IRS. If there are any significant differences between the tax data that CDC obtains from the IRS and the financial data or tax returns submitted with the Loan application, the undersigned taxpayer agrees to resolve such differences to the satisfaction of CDC and SBA's Loan Processing Center. Any failure to resolve such differences may result in cancellation of the Loan and CDC notifying SBA's Office of Financial Assistance and Office of Inspector General.

This document may be signed manually or digitally with a digital or electronic signature. CDC shall be entitled, in its sole discretion, to image or make copies of this document, and may destroy or archive the paper original. The undersigned taxpayer (a) waives any right to insist or require that CDC or SBA produce the paper original; (b) agrees that such images shall be accorded the same force and effect as the paper original; (c) agrees that CDC and SBA are entitled to use such images in lieu of the destroyed or archived original for any purpose, including as admissible evidence in any proceedings, and (d) agrees that any executed facsimile (faxed), scanned, or other imaged copy of this document shall be deemed to be of the same force and effect as the original manually or digitally signed document.

The undersigned taxpayer certifies that all tax information provided to CDC, including without limitation, all information regarding the undersigned taxpayer's financial condition, is true and complete to the best of its knowledge and that the undersigned taxpayer has not withheld any material information. The undersigned taxpayer acknowledges that for the purpose of this transaction, CDC is acting on behalf of SBA, except that SBA accepts no liability or responsibility for any wrongful act or omission by CDC. The undersigned taxpayer further acknowledges that any false statements to CDC can be considered a false statement to the federal government under 18 U.S.C. § 1001, and may subject the undersigned taxpayer to criminal penalties and that CDC and SBA are relying upon the information submitted by the undersigned taxpayer.

Taxpayer Name shown on tax return: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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

Title (if applicable): \_\_\_\_\_



### ***Environmental Questionnaire***

CDC (Lender) Name: Minnesota Business Finance Corporation (MBFC)

Applicant Name \_\_\_\_\_

OC Name(s) (If applicant is an EPC) \_\_\_\_\_

SBA 504 Loan Number (If assigned) \_\_\_\_\_

SBA 504 Loan Name (If assigned) \_\_\_\_\_

### **PART I - COLLATERAL PROPERTY**

Address: \_\_\_\_\_

Current Owner: \_\_\_\_\_

Current Operator of site (if different from current Owner): \_\_\_\_\_

#### **1. Past and Present Uses of Collateral Property:**

##### **a. Past use(s):**

- (1) Did the past use(s) of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

##### **b. Present use:**

- (1) Does the present use of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

#### **2. Hazardous Substances at Collateral Property:**

##### **a. If the property is being used for the storage, generation, treatment, emission or disposal of hazardous substances, then list what hazardous substance(s) *(otherwise, mark N/A)*:**

- (1) If yes, are all permits current for the storage, generation, treatment, emission or disposal of hazardous substances at the property? *(if permits are not current, please explain)*

##### **b. List any other hazardous substances identified, either in the past or present, as being at, on, in, into, under, above, from or about the property *(if none, mark N/A)*:**

***Environmental Questionnaire***

3. Evidence of Contamination at Collateral Property: Is there any evidence of contamination at the property? *(If yes, please explain)*
4. Potential Sources of Contamination at Collateral Property: Are there potential sources of contamination<sup>1</sup> at the property? *(If yes, please explain)*
5. Past Evidence of Contamination at Collateral Property: Does the borrower, seller or CDC know of any past evidence of contamination or sources of contamination at the property? *(If yes, please explain)*
6. Lawsuits or Administrative Proceedings for Release of Hazardous Substances at Collateral Property: Does the borrower, seller or CDC know of any past, threatened or pending lawsuits or administrative proceedings concerning a release or threatened release of hazardous substances at the property? *(If yes, please explain)*
7. Regulatory Actions by Governmental Entity Involving Collateral Property: Are there, or have there been, any regulatory actions by any governmental entity for environmental conditions at the property? *(If yes, please explain)*
8. Previous Environmental Risk Studies of Collateral Property: Are there any previously performed environmental risk studies pertaining to the property? *(If yes –please attach copies)*

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<sup>1</sup> Sources of contamination may include, but are not limited to, the following: (1) damaged or discarded automotive or industrial batteries; (2) pesticides, paints or other chemicals stored in individual containers greater than 5 gallons in volume or 50 gallons in the aggregate; (3) chemicals in industrial drums or sacks; (4) pits, ponds or lagoons used for waste disposal or storage; (5) fill dirt from a contaminated or unknown source; (6) underground or aboveground storage tanks; (7) vent pipes, fill pipes or access ways indicating a fill pipe protruding from the ground; (8) flooring drains or walls within a facility that are stained by substances other than water and/or are emitting noxious odors; (9) clarifiers, pits or sumps; (10) dry wells.





### ***Environmental Questionnaire***

9. Lead-Based Paint, Asbestos or PCBs at Collateral Property: Is lead-based paint, asbestos or polychlorinated biphenyls (PCBs) present at the property? *(If yes, please explain)*

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**Owner's remarks:**

The undersigned owner(s) and/or operator(s) acknowledge(s) and agree(s) that intentionally falsifying or concealing any material fact with regard to the subject matter of this Environmental Questionnaire may, in addition to other penalties, result in prosecution under applicable law including 18 U.S.C. section 1001.

**Owner's signature:**

**Date:**

---

**Operator of site's remarks:**

**Operator of site's signature:**

**Date:**

---

**MBFC's (Lender) remarks:**

**I affirm that I have made at least one site visit to the property.**

**MBFC's (Lender) signature:**

**Date:**

---

***Environmental Questionnaire***

**PART II – ADJOINING PROPERTY(IES)**

*The following must be completed for each adjoining property the border of which is shared in part or in whole with the Collateral Property, or that would be shared in part or in whole with the Collateral Property but for a street, road, or other public thoroughfare separating the properties. If needed, make additional copies of pages 4-5 for each adjoining property.*

Address: \_\_\_\_\_

Location in relation to Collateral Property: \_\_\_\_\_

Current Owner: \_\_\_\_\_

Current Operator of site (if different from current Owner): \_\_\_\_\_

**1. Past and Present Uses of Adjoining Property:**

**a. Past use(s):**

(1) Did the past use(s) of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

**b. Present use:**

(1) Does the present use of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

**2. Hazardous Substances at Adjoining Property:**

**a.** If the property is being used for the storage, generation, treatment, emission or disposal of hazardous substances, then list what hazardous substance(s) *(otherwise, mark N/A)*:

(2) If yes, are all permits current for the storage, generation, treatment, emission or disposal of hazardous substances at the property? *(if permits are not current, please explain)*

**b.** List any other hazardous substances identified, either in the past or present, as being at, on, in, into, under, above, from or about the property *(if none, mark N/A)*:

***Environmental Questionnaire***

3. Evidence of Contamination at Adjoining Property: Is there any evidence of contamination at the property? *(If yes, please explain)*
4. Potential Sources of Contamination at Adjoining Property: Are there potential sources of contamination<sup>1</sup> at the property? *(If yes, please explain)*
5. Past Evidence of Contamination at Adjoining Property: Does the borrower, seller or CDC know of any past evidence of contamination or sources of contamination at the property? *(If yes, please explain)*
6. Lawsuits or Administrative Proceedings for Release of Hazardous Substances at Adjoining Property: Does the borrower, seller or CDC know of any past, threatened or pending lawsuits or administrative proceedings concerning a release or threatened release of hazardous substances at the property? *(If yes, please explain)*
7. Regulatory Actions by Governmental Entity Involving Adjoining Property: Are there, or have there been, any regulatory actions by any governmental entity for environmental conditions at the property? *(If yes, please explain)*

---

<sup>1</sup> Sources of contamination may include, but are not limited to, the following: (1) damaged or discarded automotive or industrial batteries; (2) pesticides, paints or other chemicals stored in individual containers greater than 5 gallons in volume or 50 gallons in the aggregate; (3) chemicals in industrial drums or sacks; (4) pits, ponds or lagoons used for waste disposal or storage; (5) fill dirt from a contaminated or unknown source; (6) underground or aboveground storage tanks; (7) vent pipes, fill pipes or access ways indicating a fill pipe protruding from the ground; (8) flooring drains or walls within a facility that are stained by substances other than water and/or are emitting noxious odors; (9) clarifiers, pits or sumps; (10) dry wells.

***Environmental Questionnaire***

**PART II – ADJOINING PROPERTY(IES)**

*The following must be completed for each adjoining property the border of which is shared in part or in whole with the Collateral Property, or that would be shared in part or in whole with the Collateral Property but for a street, road, or other public thoroughfare separating the properties. If needed, make additional copies of pages 4-5 for each adjoining property.*

Address: \_\_\_\_\_

Location in relation to Collateral Property: \_\_\_\_\_

Current Owner: \_\_\_\_\_

Current Operator of site (if different from current Owner): \_\_\_\_\_

**1. Past and Present Uses of Adjoining Property:**

**a. Past use(s):**

(1) Did the past use(s) of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

**b. Present use:**

(1) Does the present use of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

**2. Hazardous Substances at Adjoining Property:**

**a. If the property is being used for the storage, generation, treatment, emission or disposal of hazardous substances, then list what hazardous substance(s) *(otherwise, mark N/A)*:**

(3) If yes, are all permits current for the storage, generation, treatment, emission or disposal of hazardous substances at the property? *(if permits are not current, please explain)*

**b. List any other hazardous substances identified, either in the past or present, as being at, on, in, into, under, above, from or about the property *(if none, mark N/A)*:**

***Environmental Questionnaire***

3. Evidence of Contamination at Adjoining Property: Is there any evidence of contamination at the property? *(If yes, please explain)*
4. Potential Sources of Contamination at Adjoining Property: Are there potential sources of contamination<sup>1</sup> at the property? *(If yes, please explain)*
5. Past Evidence of Contamination at Adjoining Property: Does the borrower, seller or CDC know of any past evidence of contamination or sources of contamination at the property? *(If yes, please explain)*
6. Lawsuits or Administrative Proceedings for Release of Hazardous Substances at Adjoining Property: Does the borrower, seller or CDC know of any past, threatened or pending lawsuits or administrative proceedings concerning a release or threatened release of hazardous substances at the property? *(If yes, please explain)*
7. Regulatory Actions by Governmental Entity Involving Adjoining Property: Are there, or have there been, any regulatory actions by any governmental entity for environmental conditions at the property? *(If yes, please explain)*

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<sup>1</sup> Sources of contamination may include, but are not limited to, the following: (1) damaged or discarded automotive or industrial batteries; (2) pesticides, paints or other chemicals stored in individual containers greater than 5 gallons in volume or 50 gallons in the aggregate; (3) chemicals in industrial drums or sacks; (4) pits, ponds or lagoons used for waste disposal or storage; (5) fill dirt from a contaminated or unknown source; (6) underground or aboveground storage tanks; (7) vent pipes, fill pipes or access ways indicating a fill pipe protruding from the ground; (8) flooring drains or walls within a facility that are stained by substances other than water and/or are emitting noxious odors; (9) clarifiers, pits or sumps; (10) dry wells.

***Environmental Questionnaire***

**PART II – ADJOINING PROPERTY(IES)**

*The following must be completed for each adjoining property the border of which is shared in part or in whole with the Collateral Property, or that would be shared in part or in whole with the Collateral Property but for a street, road, or other public thoroughfare separating the properties. If needed, make additional copies of pages 4-5 for each adjoining property.*

Address: \_\_\_\_\_

Location in relation to Collateral Property: \_\_\_\_\_

Current Owner: \_\_\_\_\_

Current Operator of site (if different from current Owner): \_\_\_\_\_

**1. Past and Present Uses of Adjoining Property:**

**a. Past use(s):**

(1) Did the past use(s) of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

**b. Present use:**

(1) Does the present use of the property involve an environmentally sensitive industry? *(If yes, then list NAICS code(s) from SOP 50-10(5) Appendix 4)*

**2. Hazardous Substances at Adjoining Property:**

**a. If the property is being used for the storage, generation, treatment, emission or disposal of hazardous substances, then list what hazardous substance(s) *(otherwise, mark N/A)*:**

(4) If yes, are all permits current for the storage, generation, treatment, emission or disposal of hazardous substances at the property? *(if permits are not current, please explain)*

**b. List any other hazardous substances identified, either in the past or present, as being at, on, in, into, under, above, from or about the property *(if none, mark N/A)*:**

***Environmental Questionnaire***

3. Evidence of Contamination at Adjoining Property: Is there any evidence of contamination at the property? *(If yes, please explain)*
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# Minnesota Business Finance Corporation

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## Notice

### **IMPORTANT INFORMATION ABOUT IDENTIFICATION PROCEDURES FOR PROCESSING A 504 LOAN**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires Certified Development Companies to obtain, verify, and record information that identifies each person who applies for a 504 loan.

What this means for you:

When you apply for a 504 loan, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

# Minnesota Business Finance Corporation

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I have read and have received a copy of the notice regarding the Identification Procedures for processing a 504 loan.

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(Name – Please print)

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(Date)

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(Signature)