

Bristol County Economic Development Consultants Small Business Administration (SBA) Microloan Program Application

BACKGROUND: Bristol County Economic Development Consultants (BCEDC) established this assistance program with funds provided by the Small Business Administration (SBA) made available under the American Recovery and Reinvestment Act of 2009 ("the Recovery Act") (Publ. L. No. 111-5) and is intended to assist start-up businesses and relocation or expansion of existing businesses. Businesses must have fewer than 500 employees and less than \$3.5 million in revenues. Under the Microloan program, BCEDC provides loans up to \$50,000, which can be used for working capital, equipment, machinery, furnishings and fixed assets.

INTEREST RATE: Determined by the BCEDC Loan Committee with a minimum of 6%.

FEES: BCEDC charges a \$20 Credit Check Fee for any Owner with more than 20% ownership
BCEDC charges a \$250 application fee upon application submittal (non-refundable)
BCEDC charges a 2% origination fee at closing for all loans (non-refundable)
Legal fees are 1% of the loan plus recording fees

ELIGIBLE BUSINESSES: Business **MUST** be located within Fall River.

- Manufacturing
- Retail
- Wholesale
- Service
- Non Profit Child Care Centers
- Other Commercial/Industrial

LOAN COLLATERAL: All appropriate business assets and personal assets as BCEDC deems necessary to sufficiently secure the loan. All loans will be personally guaranteed by all principals with 20% or more ownership.

MANAGEMENT CAPACITY: The business must demonstrate management capacity and/or willingness to accept close consultation and assistance throughout the life of the loan.

FINANCING GAP: The small business must demonstrate the lack of adequate capital or loan funds to fully finance the business' needs.

JOB REQUIREMENTS: BCEDC requires that a business must demonstrate that it can create a minimum of one job or will retain a minimum of one job for each \$35,000 of Jobs investment in the first two years of the loan. For example, if BCEDC is contributing \$70,000, BCEDC requires that at least 2 new jobs be created or evidence that 2 jobs have been retained as a result of these funds. BCEDC also requires that at least 51% of those jobs are made available to or retained by low and/or moderate income individuals.

GEOGRAPHIC COVERAGE: Small businesses located within the City of Fall River.

PROCESS:

BCEDC has a Loan Review Committee which typically meets during the first week of the month to review and process loan applications. Normally it takes approximately 30 days or less once a complete loan application is submitted to obtain a loan determination. Following a favorable loan determination the Loan Review Committee's decision will be presented to the full BCEDC Board of Directors for ratification at their monthly meeting, which is held the second week of the month. If the loan is approved by the Board of Directors the loan client will receive a series of documents for review and execution including a commitment letter and memorandum of agreement. Once these documents are executed and returned to BCEDC, BCEDC will contact legal counsel to schedule a closing. Closings can typically be scheduled within a week from the date the abovementioned documents are returned; however, it is subject to legal counsel's availability. The following is a list of information normally required to review a loan application:

- Credit Authorization Form;
- History and description of business;
- Statement detailing exact use of loan proceeds;
- Statement detailing anticipated benefits from proposed financing;
- Balance sheet, profit and loss statement and/or tax returns for previous three years;
- Current balance sheet and current operating statement (not over 60 days old);
- Pro forma balance sheet and projected operating statement for three years minimum (five years preferred), including basis used for sales/income projections;
- Monthly cash flow for first 11 months of operation or three months beyond "break-even" point;
- Names of affiliate and/or subsidiary firm;
- Resumes of principal;
- Listing of all existing business loans/debt including original date and amount, balance owed, interest rate, monthly payment, maturity, security and loan status (current/delinquent);
- Copy of franchise agreement (if applicable);
- Current personal financial statement for each proprietor, partner and officer as well as each stockholder with 20% or more business ownership;
- Resolution from corporation's Board of Directors authorizing the small business concern to borrow (if applicable);
- Number of current employees, by job category, including hourly wage/salary;
- Number of positions to be created, by job category, including hourly wage/salary;
- Description of collateral proposed to secure loan; and
- A Certificate of Good Standing for a Corporation filed with the Secretary of State or Doing Business As (d/b/a) Certificate filed with the City Clerk's Office.

All of the information submitted for our review must be signed and dated. Please contact the Bristol County Economic Development Consultants (BCEDC) with any questions or comments at 508.324.2620.

* Disclaimer: This loan program and any specific loans are contingent upon the availability of funds. If at any time this funding source is depleted, this loan program and any commitments to fund specific loans may become null and void.

Bristol County Economic Development Consultants

LOAN APPLICATION INSTRUCTIONS:

- Complete and sign, all forms in this loan application
- Include a comprehensive business plan
- Include the past three years financial state / tax returns (Schedule C)
- Include your own personal tax return for past three years
- Evidence that all City, State and Federal Taxes are current
- Copies of all licenses and permits necessary to operate
- Evidence of bank or other financing (copy of commitment letter)
- Copy of letter of bank denial
- Certificate of Corporate Existence (provided by the Secretary of State, MA)
- Certificate of Good Standing (provided by the Secretary of State, MA)
- Articles of Organization / Incorporation (Certified by Secretary of State, MA)
- Partnership Agreement / Documentation
- Evidence of Sole Proprietorship / Ownership (attach Scheduled C)
- Appraisals (or other acceptable proof of collateral value)
- Return all of the above information as soon as possible, please call immediately with questions.

FOR MORE INFORMATION CONTACT

Bristol County Economic Development Consultants
139 South Main Street, Suite 400
Fall River, MA 02721-5354
Tel: 508.324.2620
Fax: 508.677.2840

BCEDC STAFF

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CREDIT AUTHORIZATION FORM
(TO BE COMPLETED BY ALL OWNERS OR PARTNERS WITH 20% OR MORE OWNERSHIP)

NAME:

ADDRESS:

DATE OF BIRTH:

SOCIAL SECURITY #:

NAME:

ADDRESS:

DATE OF BIRTH:

SOCIAL SECURITY #:

I (We) authorize the Bristol County Economic Development Consultants or an agent thereof, to obtain any and all credit information required to process a loan under the Revolving Loan Fund.

Name

Date

Name

Date

Name

Date

ASSURANCES

The applicant gives assurance of compliance with the Title VI of the Civil rights Act of 1964, as amended. The Act prohibits discrimination on grounds of race, sex, color, religion, marital status, handicap, age or national origin.

The applicant further gives assurances that:

The applicant will comply with Federal and State air and water regulations and obtain all necessary permits and certifications for all environmental requirements.

The applicant warrants that all Federal, State and Municipal tax liabilities are current, and that no assets of the borrower are encumbered due to non-payment of taxes.

The funding of this Project will not result in the relocating of jobs from one labor area to another.

Flood Hazard Insurance will be obtained when needed.

The applicant will insure accessibility to the handicapped for construction projects to which the public will have access.

The applicant is a citizen or legal resident of the United States.

The applicant will wherever possible give consideration for employment to the long-term underemployed and unemployed residing in this area.

I have read and given these assurances and affix my signature on this
_____ day of _____, 20 _____.

Signed: _____

Title: _____

SBA LOAN APPLICATION

Bristol County Economic Development Consultants (BCEDC)

\$250.00 Application fee

Please Print

Date _____

The undersigned hereby submit(s) application for a loan in the amount of

_____ Dollars \$(_____)

For the purpose of _____

BUSINESS RECORD

- Corporation
- Partnership
- Proprietorship

Name of Business _____

Kind of Business _____ Telephone No. _____

Address _____
(Street) (City or Town) (State) (Zip)

E-Mail/Web Site _____

Year Business Established _____ Annual Rent \$ _____ Lease Expires _____

Business Checking Account _____
(Name of Bank)

PRINCIPALS

Name _____ Date of Birth _____

Residence _____ S.S. No. _____

Residence Telephone No. _____ Number of years at present residence _____

Number of Dependents _____

Previous Residence _____

Checking a/c (bank) _____ Title of account _____

Balance \$ _____

Savings or Cooperative a/c (bank) _____ a/c no. _____

Balance \$ _____

Real Estate Owned _____ Date Purchased _____

Mortgage held by _____

Cost \$ _____ Valuation \$ _____ Original Mortgage \$ _____ Present Balance \$ _____

Monthly Payments \$ _____ Rental Income \$ _____

Life Insurance: Face Amount Carried \$ _____ Cash Value \$ _____

Subject to Loan of \$ _____

Other Assets: Securities, Market Value \$ _____ Auto (Make & Years) _____

The Lender is hereby authorized to make any investigation, permitted by law, of my credit history.

Signed: _____ Date: _____

Please do not leave any questions unanswered.

JOBS FOR FALL RIVER, INC.
 139 South Main Street, Suite 400
 Fall River, MA 02721

CONFIDENTIAL

PERSONAL FINANCIAL STATEMENT

Name _____ Date _____

Address _____

For the purpose of procuring and maintaining credit from time to time in any form whatsoever with the above named Lender, for claims and demands against the under signed submits the following as being a true and accurate statement of the undersigned's financial condition on the preceding date, and agree that if any change occurs that materially reduces the means or ability of the undersigned to pay all claims or demands against the undersigned, the undersigned will immediately and without delay notify the said Lender, and unless the Lender is so notified it may continue to rely upon the statement herein given as a true and accurate statement of the financial condition of the undersigned as of the close of business.

ASSETS				LIABILITIES			
Cash on hand and in Banks				Notes payable to Banks - Secured			
U.S. Government Securities - see schedules				Notes payable to Banks - Unsecured			
Listed Securities - see schedules				Notes payable to relatives			
Unlisted Securities - see schedules				Notes payable to others			
Accounts and Notes Receivable Due from relatives and friends				Accounts and bills due			
Accounts and Notes Receivable Due from others - good				Unpaid income tax			
Accounts and Notes Receivable Doubtful				Other unpaid taxes and interest			
Real Estate owned - see schedule				Real Estate Mortgages Payable - see schedule			
Real Estate Mortgages Receivable				Chattel Mortgages and other Liens payable			
Automobiles and other Personal Property				Other debts - itemize			
Cash Value - Life Insurance							
Other Assets - itemize							
				TOTAL LIABILITIES			
				NET WORTH			
TOTAL ASSETS				TOTAL LIABILITIES & NET WORTH			

NOTICE: Do not include any income from Alimony, Child Support or Separate Maintenance Payments, unless you desire the Lender to rely upon such income.

SOURCES OF INCOME		PERSONAL LIABILITIES	
Salary	\$	Date of Birth	S.S. Number
Bonus and Commission	\$		
Dividends	\$	Business or Occupation	
Real Estate Income	\$	Partner or Officer in any other venture	
If Alimony, Child Support or Separate Maintenance Payments is included as Income, please advise how received			
<input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Agreement		Number of Dependents	

Other Income - Itemize (Do not include any income from Alimony, Child Support or Separate Maintenance Payments, \$ Unless you desire the Lender to rely upon such income.

TOTAL

Is any of the Income in the above section likely to be reduced before the credit requested would be paid off? No Yes If Yes, Explain:

(COMPLETE SCHEDULES ON NEXT PAGE)

CONTINGENT LIABILITIES		GENERAL INFORMATION	
As endorser, co-maker or guarantor	\$	Are my assets pledged? - see schedule	
On leases or contracts	\$	Are you a defendant in any suits or legal actions?	
Legal Claims	\$		
Provision for Federal Income Taxes	\$	Personal Bank Accounts carried at	
State Income Taxes	\$		
Other special debt	\$	Are you now or have been involved in bankruptcy proceedings within the past 14 years? Explain:	

SCHEDULE OF U. S. GOVERNMENTS, STOCKS AND BONDS OWNED			
No. of shares or Face value (Bonds)	Description	In name of	Market value

SCHEDULE OF REAL ESTATE MORTGAGES RECEIVABLE				
Description of Property covered	Date of Acquisition	In name of	Amount	Maturity

SCHEDULE OF REAL ESTATE OWNED						
Description of property and improvements	Date Acquired	Title in name of	Cost	Market Value	Mortgage	
					Amount	Maturity

SCHEDULE OF LIFE INSURANCE CARRIED, INCL. N.S.L.I. AND GROUP INSURANCE				
Amount	Name of Company	Name of Beneficiary	Cash Surrender Value	Loans

SCHEDULE OF ASSETS PLEDGED		
Description	Value	To Whom Pledged

(COMPLETE SCHEDULES ON NEXT PAGE)

GIVE NAMES OF BANKS OR FINANCE COMPANIES WHERE CREDIT HAS BEEN OBTAINED			
Name	Date		Basis

I hereby certify that the facts set forth in this Personal Financial Statement are true and complete to the best of my knowledge. The Lender is hereby authorized to make any investigation, permitted by law, of my credit history.

Signed under the penalties of perjury this _____ day of _____, 20_____

Signature

RESOLUTION OF BOARD OF DIRECTORS

1. RESOLVED, that the Officers of the Corporation named below, or any one of them, or their, or any one of their duly elected or appointed successors in office, be and they are hereby authorized and empowered in the name and on behalf of this Corporation and under its corporate seal to execute and deliver to JOBS FOR FALL RIVER, INC. d/b/a Bristol County Economic Development Consultants, One Government Center, Fall River, MA in the form required by JOBS FOR FALL RIVER, INC., the following documents: (a) loan application, the total thereof not to exceed the amount of \$ _____, maturing on such date or dates and bearing interest at such rate or rates as may be prescribed by JOBS FOR FALL RIVER, INC.; (b) applications for any renewals or extensions of all or any part of such loan or loans and of any other loans, heretofore or hereafter made by JOBS FOR FALL RIVER, INC. to this Corporation; (c) the promissory note or notes of this corporation evidencing such loan or loans or any renewals or extensions thereof; and (d) any other instruments or agreements of this Corporation which may be required by JOBS FOR FALL RIVER, INC. in connection with such loans, renewals, and/or extensions; and that said officers in their discretion may accept any such loan or loans in installments and give one or more notes of this Corporation therefore, and may receive and endorse in the name of this Corporation any checks or drafts representing such loan or loans or any such installments;

2. FURTHER RESOLVED, that the aforesaid officers or any one of them or their duly elected or appointed successors in office, be and they are hereby authorized and empowered to do any acts, including but not limited to, the mortgage, pledge, or hypothecation from time to time with JOBS FOR FALL RIVER, INC. of any or all assets of this Corporation to secure such loan or loans, renewals and extensions, and to execute in the name and on behalf of this Corporation and under its corporate seal or otherwise, any instruments or agreements deemed necessary or proper by JOBS FOR FALL RIVER, INC., in respect of the collateral securing any indebtedness of this Corporation;

3. FURTHER RESOLVED, that any indebtedness heretofore contracted and any contracts or agreements heretofore made with JOBS FOR FALL RIVER, INC. on behalf of this Corporation, and all acts of officers or agents of this Corporation with said indebtedness or said contracts or agreements, are hereby ratified and confirmed;

4. FURTHER RESOLVED, that the officers referred to in the foregoing resolutions are as follows:

_____	_____	_____
(Printed Name)	(Title)	(Signature)
_____	_____	_____
(Printed Name)	(Title)	(Signature)
_____	_____	_____
(Printed Name)	(Title)	(Signature)

5. FURTHER RESOLVED, that JOBS FOR FALL RIVER, INC. is authorized to rely upon the aforesaid resolutions until receipt of written notice of any change.

SIGNED this _____ day of _____, 20 _____, by _____, its _____ duly authorized.

Name/Title

I. FINANCIAL INFORMATION

Existing Businesses: Minimum 3 Years of Financial Statements are Required

New Businesses: Comprehensive Business Plan with 3 Years of projected Financial Statements.

Credit Relationships:

<u>Name of Creditor</u>	<u>Purpose of loan</u>	<u>Amount</u>	<u>Bal</u>	<u>Terms</u>	<u>Maturity Date</u>
		\$	\$		
		\$	\$		
		\$	\$		

II. NARRATIVE INFORMATION

Please include as much narrative information as possible on your specific business, and the industry as a whole. Include the business history, where the business is at now and where you plan on taking the business in the future. Be very specific about your product and or services and who you sell to. Include all facets of the operation as well as key-personnel, competition, management, market information.

III. MONTHLY SCHEDULE ALL OBLIGATIONS

<u>Creditor</u>	<u>Purpose</u>	<u>Amount</u>	<u>Bal.</u>	<u>Mo. Terms</u>	<u>Rate</u>	<u>Maturity Date</u>

IV. TRADE REFERENCES

Name _____
Address _____
Contact Name _____ Telephone _____
Name _____
Address _____
Contact Name _____ Telephone _____
Name _____
Address _____
Contact Name _____ Telephone _____

V. MISCELLANEOUS INFORMATION

Are Tax Liabilities Current? [] YES [] NO. If NO, please provide details under Sec. VI.

Is the business an endorser, guarantor, or co-maker for an obligation not listed in the financial statements? [] YES [] NO. If YES, please list the contingent liability in Sec. VI?

Has the business or a principal owner ever declared bankruptcy? [] YES [] NO. If YES, please provide details under Sec. VI.

Is the business or part in any lawsuits? [] YES [] NO. If YES, please provide details in Sec. VI.

Are any of the business's assets encumbered by lines or attachments of any type? [] YES [] NO. If YES, please provide the following information:

What _____ By Whom _____ Amount _____

What _____ By Whom _____ Amount _____

What _____ By Whom _____ Amount _____

Does the business have a pension fund? [] YES [] NO

Does the business have a profit sharing plan? [] YES [] NO

VI. ADDITIONAL INFORMATION

VII. CERTIFICATION

The undersigned certified that, to the best of his or her knowledge and belief, all information in this loan application and in the accompanying statements and documents is true, complete, and correct. The undersigned agrees to notify Bristol County Economic Development Consultants immediately of any material changes in this information. It is further agreed that whether or not the loan herein applied for is approved, the undersigned will pay or reimburse BCEDC for the costs, if any, of surveys, title or mortgage examinations, appraisals, etc., performed by BCEDC personnel with the consent of the applicant the undersigned authorizes BCEDC to contact any bank and trade creditors it deems necessary without further notice.

Business Name (print) _____ Date _____

Authorized Signature _____

Title _____

Business Information Statement

Name of Business _____

If you have a business plan completed, use this application as a checklist and complete those portions not included in your plan. If you do not have a business plan, please complete this statement and return it to the Bristol County Economic Development Consultants. Add additional pages as necessary.

BACKGROUND INFORMATION

Please provide a brief history of your business, and describe your products and/or services:

MARKET INFORMATION

Please describe your marketing and distribution program, and provide your selling terms. List your primary customers and their annual sales.

NUMBER OF JOBS TO BE CREATED/RETAINED IN PROJECT

Full Time Created _____ Part Time Created _____

Full Time Retained _____ Part Time Retained _____

Use of Loan Proceeds

Land Acquisition	\$ _____
Land Improvement	_____
Purchase and/or Remodel Existing Building	_____
New Construction	_____
Purchase and/or Repair of Machinery/Equipment	_____
Purchase of Furniture or Fixtures	_____
Working Capital	_____
Other	_____
Total Loan Requested	\$ _____

Summary of Collateral Coverage

Explain Collateral to be used _____

Value offered to Bristol County Economic Development Consultants

Market value of assets as collateral for loan	\$ _____
Less: Prior Liens	_____
Equals: Value of Assets Available to BCEDC	_____

Bristol County Economic Development Consultants

Less: Amount of Loan	\$ _____
Equals: Collateral in Excess of Loan Amount	_____

Asset Coverage Ratio

Assets Available to BCEDC	\$ _____
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PRO FORMA INCOME STATEMENTS

THREE YEAR SUMMARY

	YEAR 1	YEAR 2	YEAR 3
SALES	_____	_____	_____
Less: Cost of Goods Sold	_____	_____	_____
GROSS PROFIT	_____	_____	_____
OPERATING EXPENSES:	_____	_____	_____
Outside Labor	_____	_____	_____
Operating Supplies	_____	_____	_____
Salaries & Wages	_____	_____	_____
Repairs & Maintenance	_____	_____	_____
Advertising	_____	_____	_____
Car & Delivery	_____	_____	_____
Bad Debts	_____	_____	_____
Gen. Off. Admin & Legal	_____	_____	_____
Rent	_____	_____	_____
Utilities	_____	_____	_____
Taxes & Licenses	_____	_____	_____
Interest_____	_____	_____	_____
Insurance	_____	_____	_____
Depreciation	_____	_____	_____
Miscellaneous	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL OPERATING EXP.	_____	_____	_____
PROFIT (LOSS) PRE-TAX	_____	_____	_____
TAXES	_____	_____	_____
NET PROFIT (LOSS)	_____	_____	_____

LANDLORD'S CONSENT AND WAIVER OF LIEN

Premises:

Tenant:

In consideration of Jobs for Fall River, Inc., extended financial accommodations to _____ for which Tenants have executed personal Guarantees, the undersigned, being the owner and landlord of the above described premises, hereby agrees to waive any claim against, lien upon or security interest in the equipment described in the Security Agreement, dated _____, attached or to be attached to the aforesaid premises and in which Jobs for Fall River, Inc., its successors and/or assigns may have a security interest, but also to waive any claim against or lien upon equipment which may hereafter be described in a Security Agreement attached to or hereafter to be attached to the aforesaid premises until such time as all moneys due on such Security Agreement shall have been paid in full.

The Landlord further agrees to interpose no objections to the entry by Jobs for Fall River, Inc., its successors and/or assigns, upon said premises for the purpose of removing said equipment in the event of default by the tenant under the provisions of said Security Agreement.

Signed and sealed on behalf of the successors and assigns of the undersigned this _____ day of _____ 20.

COMMONWEALTH OF MASSACHUSETTS

BRISTOL, SS.

FALL RIVER _____, 20

On _____, 20 _____ before me, the undersigned Notary Public, personally appeared _____, proved to me through satisfactory evidence of identification, which was a current Driver's License, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose.

Notary Public
My commission expires: _____