

ARC LOAN REQUEST

(COVER PAGE)

SAMPLE

NAME OF LENDER: _____

DATE SUBMITTED: _____

DUNS NUMBER: # _____

BUSINESS NAME: _____

CONTACT PERSON: _____

PHONE NUMBER: _____

CELL NUMBER: _____

EMAIL ADDRESS: _____

MAILING ADDRESS: _____

SBA LOAN PROPOSAL

Applicant: _____

Date Prepared: _____

Loan Product: SBA ARC Loan Program
Loan Requested: \$ _____
Terms: As per SBA guidelines
Use Of Loan Proceeds: Payment of Business Debt

Brief Business History:

(Briefly describe how your business including how you started, operations, products, or services, was performing prior to the economic recession and the financial impact of the recession to date. Discuss steps you have taken to mitigate the impact to keep your business open. Indicate the number of employees you have let go and how many will return if the loan is approved.)

Basic SBA Eligibility:

We believe we meet the specific ARC Loan Program eligibility requirements as set forth by the SBA and the proposed ARC loan will benefit our business:

- We are showing **Immediate Financial Hardship** as defined by SBA.
- We believe we meet SBA's requirements for a loan including meeting their size requirements, type of business activity and do not have credit elsewhere.
- We are not a start-up business and have been in business for at least two (2) years.
- We are not applying for any expansion loan, or seeking any money to pay the owners or any affiliates.
- We have provided financial statements demonstrating our business was profitable or had positive cash flow in one of the past two years.
- We have provided a detailed Cash Flow Budget for the next two years that clearly projects sufficient cash flow to meet current and future loan payments over a two-year period from loan approval
- None of our obligations are considered "severely delinquent or whose past performance or future cash flow indicates that the business is not viable."
- Our business is NOT a Casinos, Casino Hotels, or offer Gambling, Golf Course, Country Club, Zoo, Botanical Garden, Fitness and Recreational Sports Center guidance, or has a swimming or wave pool.

Viability of the Business before the Recession:

As shown in the attached financial statements, we consider our business as "viable" prior to the onset of the recession. A review and comparison of 2006 and 2007 financial data indicates:

(Discuss how your business was doing prior to the recession. Here are some suggestions: Sales and profits on an upward trend; Key business ratios for this business compare favorably to RMA standards; The applicant was generating sufficient cash flows to meet fixed term debt and other obligations including owner compensation; Business balance sheet has a positive net worth and working capital position; and Cash liquidity was acceptable for business operations)

Steps Taken By The Owners to Mitigate the Impact of the Recession:

We have attempted mitigate the impact of the recession by doing the following business steps including cutting our personal draw or compensation from the company:

(Describe what you have done to mitigate or offset the impact of the recession in brief bullet points. Here are some samples or suggestions: Cut discretionary business spending, laid off two employees, completed a workout with a large supplier for \$35,000 in overdue accounts payable, cut personal living expenses, cut their personal draw by nearly 50 percent, invested most of their savings, taken their business and personal credit cards to their lending limits, and tapped into their 401K retirement accounts.)

Use of Loan Proceeds:

We plan to use the loan proceeds to pay the following creditors. Payments to these creditors (up to six months) will give us some breathing room and improve business cash until we feel our local economy will return to pre-recession levels. We assume the loan will be approved _____ (enter month) and followed by six month disbursement period then by a 12 month no-payment period followed by a five-year monthly repayment period.

We feel this additional cash flow boost will allow our business to carry on until the end of the recession – estimated at 2011. The loan will be used to repay the following business debt. None of the payments exceeds the six-month requirement required in the ARC Loan Program:

Name of Creditor	Balance Due	Monthly Payment or Reduction	Amount Past Due	Total to be paid

TOTAL LOAN AMOUNT

\$

Ability to Repay the Debt from Business Cash Flows:

Our business has the ability to repay the loan from cash flows as detailed in the attached 24-month Cash Flow Budget. This budget was prepared with no-cost assistance of our small business counselor, and accounting professional. The document was double-checked and prepared under Generally Accepted Accounting Principals.

Financial Information Attached

We have attached the following information you will need to review our request. If we are missing something, please contact us right away and we will get it to you by the following day:

- Copies of our Business Profit & Loss Statement for 2006, 2007, 2008 and Year-To-Date 2009
- Copies of our Business Balance Sheet for the same periods.
- Copies of our business tax returns for 2006, 2007 and 2008. *(If 2008 is on extension, so indicate)*
- Copies of our personal tax returns (1040) for 2007 and 2008. *(If 2008 is on extension, so indicate)*
- A Personal Financial Statement from all owners dated within 30 days of submission
- 24-Month Cash Flow Budget
- Schedule of Liabilities
- SBA Form 912 *(If you answered yes to question #1 on the Arc loan application add this form)*
- SBA Form 2315 ARC LOAN APPLICATION

SAMPLE