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SBA EXPRESS, EXPORT EXPRESS, SMALL LOAN ADVANTAGE, PLP-CAPLINES, AND PILOT LOAN PROGRAMS (PATRIOT EXPRESS AND DEALER FLOOR PLAN) BORROWER INFORMATION FORM

To be completed by the following:

(With the exception of guarantors, all parties listed below are considered "Associates" of the small business applicant.)

- 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;
- For a corporation, all owners of 20% or more of the corporation and each officer and director;
- For limited liability companies (LLCs), all members owning 20% or more of the company, each officer, director, and managing member;
- Any person hired by the business to manage day-to-day operations; and
- Any other person who is guaranteeing the loan, if that guaranty is required by SBA.

For clarification regarding any of the questions, you should contact the SBA Participating Lender that will be processing the loan request.

NAME OF BUSINESS APPLYING FOR LOAN (" APPLICANT"): _____

YOUR NAME: _____ TITLE: _____

SOCIAL SECURITY NUMBER: _____ DATE OF BIRTH: _____

PLACE OF BIRTH (City & State or Foreign Country): _____

ALL QUESTIONS MUST BE ANSWERED AND ARE SUBJECT TO VERIFICATION BY SBA

(1) Are you presently under indictment, on parole or probation? ..... Yes ☐ ... No ☐

(2) Have you ever been charged with or arrested for any criminal offense other than a minor vehicle violation (including offenses which have been dismissed, discharged, or nolle prosequi) ? ..... Yes ☐ ... No ☐

(3) Have you ever been convicted, placed on pretrial diversion, or placed on any form of probation including adjudication withheld pending probation for any criminal offense other than a minor vehicle violation? ..... Yes ☐ ... No ☐

(4) Has an application for the loan you are applying for now ever been submitted to SBA, or to a Certified Development Company or lender in connection with any SBA program? ..... Yes ☐ ..... No ☐

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

(6) If you are at least a 50% or more owner of applicant business, are you more than 60 days 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? ..... Yes ☐ ... No ☐

If "YES" to Question 1, the loan request is ineligible for SBA assistance. If "YES" to Questions 2 or 3, the lender will be required to process a background check and character determination in accordance with the procedures described in SOP 50 10 5. If the charge resulting in a "YES" was a single misdemeanor that was subsequently dropped without prosecution, you must provide documentation from the appropriate court or prosecutor's office along with the completed Form 1919. If "YES" to Questions 4, 5 or 6, <u>this application may not be submitted under this expedited procedure, except that an application that was declined under SLA due to the applicant's credit score may be submitted under SBA Express procedures.</u> Note: This does not mean that your loan will be denied, only that your lender will need to use different SBA procedures to process the loan.

(7) Are you a U.S. Citizen? ..... Yes ☐ .... No ☐
If "No," are you a Lawful Permanent resident alien? ..... Yes ☐ .... No ☐
Provide Alien Registration Number _____

(8) Are any of your business' products or services exported or do you plan to begin exporting as a

result of this loan? .....Yes ☐... No ☐

If “”Yes,” provide the estimated total export sales this loan will support: $_____

(9) Is your business a franchise?.....Yes ☐... No ☐

(10) Does the Applicant business have any Affiliates? .....Yes ☐... No ☐

Affiliation exists when one individual or entity controls or has the power to control another or a third party or parties controls or has the power to control both. SBA considers factors such as ownership, management, previous relationships with or ties to another entity, and contractual relationships when determining whether affiliation exists. The complete definition of affiliation is found at 13 CFR 121.103. (See also, 13 CFR 121.107 and 121.301.) An “Affiliate” includes, for example: (1) a parent company; (2) subsidiaries and other companies that are owned or controlled by the Applicant; (3) companies in which an officer, director, general partner, managing member or party owning 20% or more is also an officer, director, general partner, managing member or 20% or greater owner of the Applicant; (4) companies or individuals with unexercised options to own 50% or more of the Applicant’s stock; and (5) companies that have entered into agreements to merge with the Applicant.

If answered “yes,” attach a listing of all Affiliates to this form.

(11) Have you, the Applicant, its Affiliates, or any business owned or controlled by you or any Associate ever obtained a direct or guaranteed loan from SBA or any other Federal agency or ever guaranteed such a loan? (This includes student loans and disaster loans.) ..... Yes ☐...No ☐

(a) If you answered “Yes” to Question 11, is any of the financing currently delinquent? Yes ☐ No ☐

(b) If you answered “Yes” to Question 11, did any of this financing ever default and cause a loss to the Government? .... Yes ☐...No ☐

(12) What is the existing number of employees currently employed by the business? _____

(13) No. of jobs to be created as a result of the loan? _____ No. of jobs that will be retained as a result of the loan that would have been lost otherwise?_____

(14) Did you or the Applicant pay, or will you or the Applicant pay, anyone to assist in (a) preparing the loan application or any related materials and/or (b) referring the loan to the lender (i.e., did you or the Applicant use a packager, broker, accountant, lawyer, etc.)?.....Yes ☐... No ☐

If answer is “Yes,” a Form 159 will need to be completed by the Applicant and the lender.

(15) Will more than $10,000 of the loan proceeds be used for construction? .....Yes ☐... No ☐

If answer is “Yes,” a Form 601 will need to be completed.

(16) Are any of the Applicant’s revenues derived from gambling or from the sale of products or services, or the presentation of any depiction, displays or live performances, of a prurient sexual nature ?.....Yes ☐... No ☐

(17) Is the loan request for a **Patriot Express** loan? Yes ☐ No ☐

If yes, check one of the following categories that applies to you (mandatory for eligibility purposes) and provide documentation to the lender from either the Departments of Defense or Veteran Affairs that verifies this status:

- ☐ Veteran other than service-disabled (dishonorably discharged not eligible)
- ☐ Service-disabled Veteran
- ☐ Active Duty military participating in the Transition Assistance Program
- ☐ Reservist or National Guard member
- ☐ Current spouse of any of the four groups listed above; or current spouse of any Active Duty military
- ☐ Widowed spouse of a service member or veteran who died of a service-connected disability
- ☐ None of the above - Indicate the name of the person(s) upon whom eligibility is based:_____

The Small Business Administration is committed to ensuring that all SBA programs are made available to business owners of all races. Furthermore, SBA has specified certain groups to target assistance (such as exporters or veterans). Please provide the information requested below. **Your response to Questions 18 and 19 are voluntary and will not affect the credit decision**. It does help SBA determine how well certain groups are being served. Thank you for your cooperation.

(18) Are you:

Race: American Indian or Alaska Native ☐ Asian ☐ Black or African-American ☐ Native Hawaiian or Pacific Islander ☐ White ☐ (One or more boxes for race may be selected.)

Ethnicity: Hispanic or Latino ☐ Not Hispanic or Latino ☐

(19) For non-Patriot Express loan requests:

Are you a veteran of the United States Armed Forces? ..... Yes ☐...No ☐
If yes, are you a service-disabled veteran .... Yes ☐...No ☐

SBA may not provide financial assistance to an applicant where there is any appearance of a conflict of interest with an SBA or other governmental employee. <u>If any of the questions below are answered "False", this application may not be submitted under this expedited procedure.</u> Note: This does not mean that your loan will be denied, only that your lender will need to use different SBA procedures to process the loan.

(20) No SBA employee, or the household member (see definition at * below) of an SBA employee, is a sole proprietor, partner, officer, director, or stockholder with a 10 percent or more interest, of the Applicant. [13 CFR 105.204] True____ False____

(21) No former SBA employee, who has been separated from SBA for less than one year prior to the request for financial assistance, is an employee, owner, partner, attorney, agent, owner of stock, officer, director, creditor or debtor of the Applicant. [13 CFR 105.203] True____ False____

(22) No member of Congress, or an appointed official or employee of the legislative or judicial branch of the Federal Government, is a sole proprietor, general partner, officer, director, or stockholder with a 10 percent or more interest, or household member of such individual, of the Applicant. [13 CFR 105.301(c)] True____ False____

(23) No Government employee having a grade of at least GS-13 or higher is a sole proprietor, general partner, officer, director, or stockholder with a 10 percent or more interest, or a household member of such individual, of the Applicant. [13 CFR 105.301(a)] True____ False_____

(24) No member or employee of a Small Business Advisory Council or a SCORE volunteer is a sole proprietor, general partner, officer, director, or stockholder with a 10 percent or more interest, or a household member of such individual, of the Applicant. [13 CFR 105.302(a)] True____ False_____

* A "**household member**" of an SBA employee includes: a) the spouse of the SBA employee; b) the minor children of said individual; and c) the blood relatives of the employee, and the blood relatives of the employee's spouse who reside in the same place of abode as the employee.[13 CFR 105.201(d)]

Please read the following restrictions regarding use of federal financial assistance programs. If you understand them fully and agree to them, sign your name at the end of this document.

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

Privacy Act (5 U.S.C. 552a)
Any person can request to see or get copies of any personal information that SBA has in his or her file when that file is retrieved by individual identifiers such as name or social security numbers. Requests for information about another party may be denied unless SBA has the written permission of the individual to release the information to the requestor or unless the information is subject to disclosure under the Freedom of Information Act.

Under the provisions of the Privacy Act, you are not required to provide your social security number. Failure to provide your social security number may not affect any right, benefit or privilege to which you are entitled. Disclosures of name and other personal identifiers are, however, required for a benefit, as SBA requires an individual seeking assistance from SBA to provide it with sufficient information for it to make a character determination. In determining whether an individual is of good character, SBA considers the person's integrity, candor, and disposition toward criminal actions. Additionally, SBA is specifically authorized to verify your criminal history, or lack thereof, pursuant to section 7(a)(1)(B), 15 USC Section 636(a)(1)(B) of the Small Business Act (the Act). Further, for all forms of assistance, SBA is authorized to make all investigations necessary to ensure that a person has not engaged in acts that violate or will violate the Act or the Small Business Investment Act, 15 USC Sections 634(b)(11) and 687(b)(a), respectively. For these purposes, you are asked to voluntarily provide your social security number to assist SBA in making a character determination and to distinguish you from other individuals with the same or similar name or other personal identifier.

The Privacy Act authorizes SBA to make certain "routine uses" of information protected by that Act. One such routine use is the disclosure of information maintained in SBA's investigative files system of records when this information indicates a violation or potential violation of law, whether civil, criminal, or administrative in nature. Specifically, SBA may refer the information 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. Another routine use is disclosure to other Federal agencies conducting background checks; only to the extent the information is relevant to the requesting agencies' function. See, 74 F.R. 14890 (2009), and as amended from time to time for additional background and other routine uses.

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. 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. 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 a application for a loan, or concerning an approved loan or loan guarantee, as necessary to process, service or foreclose on a loan guaranty or collect on a defaulted loan guaranty.

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.

Flood Disaster Protection Act (42 U.S.C. 4011) -- Regulations have been issued by the Federal Insurance Administration (FIA) and by SBA implementing this Act and its amendments. These regulations prohibit SBA from making certain loans in an FIA designated floodplain unless Federal Flood insurance is purchased as a condition of the loan. Failure to maintain the required

level of flood insurance makes the applicant ineligible for any financial assistance from SBA, including disaster assistance.

Executive Orders -- 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 statement is to notify all SBA loan applicants that such actions are hazardous to both life and property and should be avoided. The additional cost of flood preventive construction must be considered in addition to the possible loss of all assets and investments due to a future flood.

Occupational Safety and Health Act (15 U.S.C. 651 et seq.) -- This legislation authorizes the Occupational Safety and Health Administration in the Department of Labor to require businesses to modify facilities and procedures to protect employees or pay penalty fees. Businesses can be forced to cease operations or be prevented from starting operations in a new facility. Therefore, SBA may require additional information from an applicant to determine whether the business will be in compliance with OSHA regulations and allowed to operate its facility after the loan is approved and disbursed. Signing this form as an applicant is certification that the OSHA requirements that apply to the applicant business have been determined and that the applicant, to the best of its knowledge, is in compliance. Furthermore, applicant certifies that it 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) -- 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 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.

Executive Order 11738 -- Environmental Protection (38 F.R. 251621) -- The Executive Order charges SBA with administering its loan programs in a manner that will result in effective enforcement of the Clean Air Act, the Federal Water Pollution Act and other environment protection legislation.

Debt Collection Act of 1982, Deficit Reduction Act of 1984 (31 U.S.C. 3701 et seq. and other titles) -- These laws require SBA to collect aggressively any loan payments which become delinquent. SBA must obtain your taxpayer identification number when you apply for a loan. If you receive a loan, and do not make payments as they come due, SBA may take one or more of the following actions: (1) report the status of your loan(s) to credit bureaus, (2) hire a collection agency to collect your loan, (3) offset your income tax refund or other amounts due to you from the Federal Government, (4) suspend or debar you or your company from doing business with the Federal Government, (5) refer your loan to the Department of Justice or other attorneys for litigation, or (6) foreclose on collateral or take other action permitted in the loan instruments.

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

Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821 et seq.)
Borrowers using SBA funds for the construction or rehabilitation of a residential structure are prohibited from using lead-based paint (as defined in SBA regulations) on all interior surfaces, whether accessible or not, and exterior surfaces, such as stairs, decks, porches, railings, windows and doors, which are readily accessible to children under 7 years of age. A "residential structure" is any home, apartment, hotel, motel, orphanage, boarding school, dormitory, day care center, extended care facility, college or other school housing, hospital, group practice or community facility and all other residential or institutional structures where persons reside.

Executive Order 12549, Debarment and Suspension (13 C.F.R. 145)

1. The prospective lower tier participant certifies, by submission of this loan application, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participants shall attach an explanation to the loan application.

By Signing Below, You Make the Following Representations, Authorizations and Certifications

REPRESENTATIONS AND AUTHORIZATIONS: I represent that I have read the items above and I understand them. I represent that I will comply, whenever applicable, with the hazard insurance, lead-based paint, civil rights or other limitations in this notice. I further represent that all SBA loan proceeds will be used only for business related purposes as specified in the loan application and, to the extent feasible, to purchase only American-made equipment and products. I authorize the SBA Office of Inspector General 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.

CERTIFICATION AS TO ACCURACY: I certify that the information provided in this application and the information that I have provided in all supporting documents and forms is true and accurate. I realize that the penalty for knowingly making a false statement to obtain a guaranteed loan from SBA is that I may be fined up to $250,000 and/or be put in jail for up to 5 years under 18 USC § 1001 and if false statements are submitted to a Federally insured institution, I may be fined up to $1,000,000 and/or be put in jail for up to 30 years under 18 USC § 1014.

_____ _____

Signature Date

_____

Print Name

NOTE: According to the Paperwork Reduction Act, you are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated burden for completing this form, including time for reviewing instructions, gathering data needed, and completing and reviewing the form is 10 minutes per response. Comments or questions on the burden estimates should be sent to U.S. Small Business Administration, Chief, AIB, 409 3rd St., SW, Washington DC 20416. **PLEASE DO NOT SEND FORMS TO THIS ADDRESS.**