

## Program Guidelines

The Virginia Small Business Financing Authority's (VSBFA) Fee Based Microloan Program is designed to assist Virginia's existing small businesses. Short-term loans are provided to help assist with business expansion, job creation and job retention in Virginia.

### Program Terms

#### Loan Amounts and Terms:

- Loan Amount: \$5,000 up to \$50,000.
- 20% Fee, based on Loan Amount.
- Term: 5 years (Unsecured); 7 years (Secured)
- Monthly payments must be made by automatic withdrawal from the Borrower's checking account

#### Personal Guarantees:

The program requires all individuals and business entities owning 20% or more of the applicant business (including a spouse owning 5% or more when the combined ownership of both spouses is 20% or more) to provide a personal guaranty of the loan.

### Eligible

#### Eligible Borrowers:

- Currently operating a business within the state of Virginia
- In good standing with the State Corporation Commission;

#### Businesses must also meet at least one of the following criteria to be an eligible borrower:

- Have \$10 million or less in annual revenue over each of the last three years; or
- Have a net worth of \$2 million or less; or
- Have fewer than 250 employees.

#### Eligible Loan Purposes:

- Financing accounts receivable & inventory, contract financing, permanent working capital, leasehold improvements
- The purchase and installation of furniture, fixtures, equipment, or technology infrastructure

### Ineligible

**Ineligible Loan Purposes:** • Restructure existing debt • Finance construction • Finance non-owner-occupied real estate investment

## Application Help

<b>Business Legal Type</b>	Provide the legal business structure of the business as registered with the State Corporation Commission (SCC). State Corporation Commission can be found at <a href="http://scc.virginia.gov">scc.virginia.gov</a> .
<b>Annual Revenue</b>	Supply the last full year's revenue figure.
<b>NAICS</b>	The applicant's North American Industry Classification System code can be determined at <a href="https://www.census.gov/naics/">https://www.census.gov/naics/</a>
<b>Business Owners</b>	List all owners, officers, directors, and general partners of business and stockholders or limited partners owning 20% or more of business. Include any spouses owning 5% or more when the combined ownership of both spouses is 20% or more.
<b>Loan Purpose and Collateral</b>	Describe specifically how the loan funds will be used. The uses must meet program guidelines above. Collateral can be a lien on business or personal assets.
<b>Employment Data</b>	If loan will create or save full-time jobs enter data based on your best evaluation. This is not a requirement of the program. (This should not include 1099 Contract Employees, Seasonal Employees or Part-Time Employees.)
<b>Government Monitoring Data</b>	This data is used to determine the usage of VSBFA programs within the small business community. You are not required to provide this information, but are encouraged to do so. VSBFA does not discriminate on the basis of this information and this information will have no bearing on VSBFA's credit decision for this application

### Where and How to Submit an Application

It is recommended to speak with a Regional Lending Manager (RLM) prior to applying to ensure that all documentation can be submit securely.

<b>Email:</b>	Please reach out to your RLM for a secured email or request a RLM reach out to you via <a href="mailto:VSBFA@sbsd.virginia.gov">VSBFA@sbsd.virginia.gov</a>
<b>USPS Mail:</b>	VSBFA P.O. Box 446, Richmond, VA 23218-0446
<b>Express Mail or Hand Delivery:</b>	VSBFA 101 North 14th Street, 11th Floor Richmond, VA 23219

### Application Process

Completed applications will be reviewed and the Applicant will be contacted if additional information is required. Applicants will be notified of VSBFA's credit decision, and if approved, the Applicant will be informed of the next steps in the process.

### Required Documents

- |  |   |
|--|---|
| • Loan Application                                       | • Current personal financial statements   |
| • Copy of valid driver's license or state identification | • One of the following certificates from the State Corporation Commission (SCC)         |
| • Most recent balance sheet and income statement         | ○ Certificate of Good Standing                      ○ Certificate of Fictitious Name or |
| • Past two years business and personal tax returns       | ○ Certificate of Fact                                      ○ Equivalent from the SCC    |

### Freedom of Information Act

Unless prohibited by law and to the extent required under the Freedom of Information Act (FOIA), contents of the application and other information submitted by the Applicant may be released in response to a FOIA request. Applicant should be aware that EDA may make certain application and other submitted information publicly available. Accordingly, as set forth in 15 CFR § 4.9, Applicant should identify any "business information" it believes to be protected from disclosure pursuant to 5 U.S.C. § 552(b) (4).

**Borrower Information**

Legal Business Name			EIN	
Contact Name			Phone	
Physical Address			Email	
Mailing Address			Business Website	
City	State	Zip Code	County	
Form of Business Organization Choose an item.		2017 NAICS Code	Date Business Opened	
Business Annual Revenue	Business Net Income	Tell us about your business		

**Business Owners**

Name	SSN	Address	Title	% Ownership

**Loan Request**

Loan Amount Request	Collateral
Loan Purpose	
<input type="checkbox"/> Yes <input type="checkbox"/> No   Are you a current or past VSBFA Customer? <input type="checkbox"/> Yes <input type="checkbox"/> No   If yes, do you have an outstanding loan? If yes, please provide approximate loan balance:	
How did you learn about VSBFA or this program? <input type="checkbox"/> SBSD Website <input type="checkbox"/> Bank Referral <input type="checkbox"/> Economic Development Staff <input type="checkbox"/> VSBFA Marketing Event <input type="checkbox"/> Other:	

**Existing Business Debts**

Creditor	Original Amount	Current Balance	Loan Date	Maturity Date	Payment	Payment Amount	Current	Collateral
					Choose one.		Choose one.	
					Choose one.		Choose one.	
					Choose one.		Choose one.	

\*\*\*Please provide full debt schedule with application.

**Guarantor(s)**

Guarantor Name		SSN/EIN		Phone Number	
Address		State	Zip	Email	
Guarantor Name		SSN/EIN		Phone Number	
Address		State	Zip	Email	

**Employment Data**

Current Full-Time Employees Located in Virginia	#	Current Full-Time Employees Located Outside of Virginia	#
Current Full-Time Employees Retained (financing result)	#	Expected Full-Time Jobs Created (financing result)	#
Average Hourly Wage	\$	Summary on how loan proceeds will save or create new jobs?	

**Certification as Small Business**

<input type="checkbox"/> Yes <input type="checkbox"/> No	Does the business have 250 or less employees?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Does the business have less than \$10,000,000 in annual gross revenues over each of the last three fiscal years?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Does the business have less than \$2,000,000 in net worth?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Is the business currently operating in Virginia?

**Background Data: Answer the following questions and provide comments on questions answered "yes"**

<input type="checkbox"/> Yes <input type="checkbox"/> No	Have any owners, officers, directors, guarantors, general partners, stockholders or limited partners owning 20% or more of the business ever been convicted of any criminal offense, other than minor motor vehicle violations?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Has the business or any owners, officers, directors, guarantors, general partners, stockholders or limited partners owning 20% or more of the business file or been adjudicated as bankrupt?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Is the business or any owners, officers, directors, guarantors, general partners, stockholders or limited partners owning 20% or more of the business involved in any pending lawsuits?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Does the business or any guarantors owe past due federal, state, or local taxes of any nature?
<input type="checkbox"/> Yes <input type="checkbox"/> No	Is the Applicant, if a sole proprietorship, and all guarantors U.S. citizens or legal permanent residents?
Comments:	

**Government Monitoring Data**

<input type="checkbox"/> I do not wish to provide this information.			
The following information is requested regarding the principal business owner.			
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Prefer not to respond	1. Is the applicant a minority-owned or controlled business?		
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Prefer not to respond	2. Is the applicant a women-owned or controlled business?		
<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Prefer not to respond	3. Is the applicant a veteran-owned or controlled business?		
<b>4. Ethnicity of Principal Owner</b>			
<input type="checkbox"/> Hispanic or Latino	<input type="checkbox"/> Not Hispanic or Latino	<input type="checkbox"/> Prefer not to respond	
<b>5. Race of Principal Owner: (select all that apply)</b>			
<input type="checkbox"/> American Indian or Alaska Native	<input type="checkbox"/> Black or African American	<input type="checkbox"/> White	
<input type="checkbox"/> Asian	<input type="checkbox"/> Native Hawaiian or Other Pacific Islander	<input type="checkbox"/> Prefer not to respond	
<b>6. Sex of Principal Owner:</b>			
<input type="checkbox"/> Female	<input type="checkbox"/> Male	<input type="checkbox"/> Prefer not to respond	
<b>7. Gender of Principal Owner: (How do you define yourself)</b>			
<input type="checkbox"/> Female	<input type="checkbox"/> Nonbinary	<input type="checkbox"/> Prefer not to respond	
<input type="checkbox"/> Male	<input type="checkbox"/> Prefer to self-describe:		

**Authorization and Certification:**

Applicants and Guarantors authorize the VSBFA to investigate all credit history, obtain credit reports, bank references, and any other information required to process this application and as it deems necessary. The undersigned hereby certifies that all information provided in support of this application is true to his/her best knowledge, and is submitted for the purpose of obtaining financial assistance from the VSBFA. VSBFA is a political subdivision of the Commonwealth of Virginia and all information submitted with this application may be subject to a Freedom of Information Act request.

IN WITNESS WHEREOF, the undersigned, being duly authorized to do so, has signed this application.

Name of Applicant	Date:
By:	Title
Guarantor	Date
Guarantor	Date