

NWEC

NORTHWESTERN ELECTRIC COOPERATIVE

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REVOLVING LOAN FUND GUIDELINES

REVOLVING LOAN FUND (RLF) PROGRAM OBJECTIVES

The sole purpose of the RLF is to provide economic development funds to help develop rural communities.

RLF POLICY STATEMENTS

Northwestern Electric Cooperative, Inc. (NVEC) will accept and consider applications for loans from the RLF for projects that will significantly benefit rural areas, without restriction to the NVEC's service area or any other area.

NVEC will not condition the approval of a loan from the RLF with the requirement that the prospective recipient take electrical service from NVEC or any other associated electrical utility.

The Board of Directors of NVEC is the sole authority for approval or denial of loans from the RLF and is responsible for all decisions and actions of the RLF. The RLF will be operated and maintained solely by NVEC.

It is the intent of NVEC that funds from the RLF program serve as seed money to generate economic development. NVEC will work with local lenders and others to maximize the leverage of the RLF dollars so that the result is the maximum possible economic development. It is further intended that NVEC use the RLF program to supplement, but not compete with, capital that may already exist within the communities.

TYPES OF PROJECTS ELIGIBLE FOR RLF FUNDING: Projects must create or retain employment or provide needed community facilities and services such as:

- Industrial/Commercial Development
- Small Business Expansion or Startup
- Business Incubators
- Community Infrastructure
- Community Facilities
- Medical Facilities
- Training/Educational Facilities
- Tourism

INELIGIBLE PROJECTS/ACTIVITIES FOR RLF FUNDING:

- Refinancing of existing debt, or payment to business owners or partners;
- Projects without any supplemental financing;
- Activities determined to be for investment purposes;
- General improvement loans related to normal replacement needs of a business and unrelated to business expansion/job creation;
- Agriculture production costs (i.e., cultivation, production, harvesting);
- Vehicles used for general purposes or that may be considered for personal use;
- Projects that are primarily working capital with limited security;
- Construction projects of an individual residential nature;
- Illegal activities and legalized activities (e.g. gambling casinos) that in the opinion of the Board of Directors adversely affect RLF interests;
- Projects in which any director, officer, general manager, or supervisory employee of NVEC, or close relative thereof, has a financial interest; projects in which any subsidiary or affiliated organization of NVEC has a financial interest; or projects which, based on the judgment of the Board, would create a conflict of interest, potential for conflict of interest, or any appearance of a conflict of interest.

ELIGIBLE APPLICANTS:

Business Ventures, including:

Corporations, Partnerships, Sole Proprietorships, Cooperatives

Governmental Units, including:

Local Townships, Municipals or Boroughs, County Government, Regional Authorities

Nonprofit Entities, including:

Community Projects

Tribal Authorities

LENDING PARAMETERS

EQUITY REQUIREMENTS: It is expected that the borrower or principal of the business will be at risk for a reasonable amount of equity. Twenty percent for real estate loans and 40% for equipment loans is preferred.

LOAN AMOUNTS: Loans of a minimum of \$10,000 to the amount of funds available of the RLF account will be considered.

COLLATERAL AND LIEN POSITION: Collateral security of at least 100% of the loan is required. A first lien position on fixed assets is also required.

TERMS AND CONDITIONS

AMOUNT:

The RLF will not lend more than 80% of the total amount that is needed for a project. The maximum of a single loan may not exceed the funds available of the RLF account. The minimum RLF loan amount is \$10,000.

INTEREST RATES:

The maximum interest rate for loans made from the RLF is the prime rate as published in the Wall Street Journal on the date of loan closing. A system that considers owner's equity and risk factors is used to determine the interest rate on each loan. The minimum interest rate will be one percent.

SERVICE FEE:

A servicing fee will be applicable for all loans. The fee will be one percent (1%) of the original loan balance due on the first day of the loan due date and will be used to cover NWECC's administration costs in connection with operation of the RLF. (At NWECC's discretion, the servicing fee may be retained by NWECC to cover its expenses, or deposited in the RLF account to enhance the fund. Administrative costs cannot be paid from interest earnings of the RLF.)

LEGAL FEES:

The loan recipient will reimburse NWECC for all loan closing and legal fees incurred by the NWECC in connection with the loan. Legal fees will be limited, however, to no more than \$2,500.

TERMS:

Loan terms should be as short as possible to maximize the rate of turnover of the fund and thus maximize the economic benefit to be gained. The maximum term is ten years. Loan payment deferrals will not be granted. The following maturities will be used as general guideline:

Building	10 years
Real Estate	10 years
New Equipment	5 – 7 years or depreciable life
Used Equipment	2 – 5 years
Working Capital	1 – 3 years

The loan committee will provide a recommendation on the term options and loan repayment schedules (quarterly or monthly) on a project-by-project basis.

SECURITY:

NWEC will work with the potential borrower to obtain security that is adequate for the term of the loan. The nature of the collateral pledged shall be determined by the loan committee on a project-by-project basis. Generally, security will consist of a first lien position on real estate property. If the same collateral is used in joint financing, the RLF will require a parity position with other lenders. Other types of security may include:

- Letters of credit from acceptable financial institutions;
- Machinery and equipment which have a developed market;
- Accounts receivable and inventory for short-term loans; and
- Securities issued by the Federal government or its agencies.

The loan recipient will be required to maintain fire insurance, and flood insurance if necessary, on secured assets. In some cases, credit life or key man insurance will be required with the RLF as loss payee.

Personal guarantees from partners or majority stockholders will be required for all corporate or partnership borrowings where the equity requirement is not met by cash.

APPLICATION PROCESS:

All applicants for RLF funding will be required to complete an application form, providing verifiable data which demonstrated that their proposed projects are economically feasible, sustainable, and will provide benefits to rural areas, either through job creation or infrastructure improvements.

FEES FOR APPLICATION: There is a \$250 application fee.

APPLICATION SELECTION PROCESS:

The Loan Review Committee consists of four members selected by the Northwestern Board of Directors. The committee meets monthly to consider applications for funding. Funding requests must be accompanied by a "Funding Loan Application." Final loan approval authority is with the Board of Directors.

CLOSING AND DISBURSEMENT PROCESS:

NWEC must receive the loan agreement, promissory note, personal guarantee, collateral/lien/UCC financing statement filing requirements within 10 days of the agreement date. The borrower must provide bank account information for the wire transfer of RLF funds to purchase collateral.

LOAN MONITORING:

Loan monitoring will require regular reporting by the loan recipient. This includes, at the discretion of NWEC the following:

- Annual income statements and balance sheets as prepared by a certified

- public accountant.
- Periodic management information reports on a semi-annual basis beginning six months after the advance of RLF funds and continuing semi-annually thereafter for a period of 3 years or until completion of the project, whichever is the later period. (Management reports will include information on the number of jobs created or retained, accomplishments of the objectives established for the project and a description of any problem, delays or adverse conditions which will materially affect the attainment of planned project objectives and action taken or contemplated to resolve the situation). NWECC reserves the right to require these reports on a more frequent basis. Please see attached check list of the semi-annual audit.

TELEPHONE CONTACT AND SITE VISITS:

At a minimum, semi-annually, a representative of the RLF committee will initiate a phone call to the loan recipient to review performance and issues. On-site visits will be conducted annually to verify and evaluate the use of the RLF funds.

An annual review and report of the outstanding loans of the RLF, including job creation totals and community benefits, will be compiled by the loan committee for presentation to the entire Board of Directors.

FILE RETENTION:

All RLF files will be retained for a period of not less than 2 full years after the loan has been paid in full. After 2 years, the files will be destroyed by shredding or incineration. Files will be secured in a locked, safe place and access will be limited to the RLF committee with RLF responsibilities only. Other security measures will be initiated as needed to protect confidentiality of loan documents.

FOR MORE INFORMATION, CONTACT: Northwestern Electric Cooperative, Inc., P.O. Box 2707, 2925 Williams Ave., Woodward, OK 73802; 580-256-7425.

Kenny Knowles, Board President

Tyson Littau, CEO/General Manager

Date

PROCEDURES FOR PROCESSING LOAN APPLICATIONS

1. Prospective loan applicants are given a Funding Loan Application and Pre-Application, which includes a Northwestern RLF Guidelines sheet. These documents contain all of the necessary forms and eligibility guidelines. Questions should be directed to NWECC at the number shown on the front of the package.
2. Since the complete application requires a considerable amount of work, prospective applicants are encouraged to submit a brief pre-application describing the proposed project. Northwestern can respond quickly to such a request and indicate whether the project is likely to meet the basic tests of eligibility. Northwestern does not want applicants to spend unnecessary time and money preparing an application for projects, which are clearly ineligible. All pre-applications will receive a letter response within two weeks of receipt.
3. Applications must be submitted to Northwestern Electric Cooperative, Inc., P.O. Box 2707, 2925 Williams Ave., Woodward, OK 73802, with a \$100 application fee. Northwestern will undertake an initial review for eligibility and feasibility. See page 20 for a sample of the checklists and analysis that are used in making a credit decision on an application. The initial judgment is made by staff members who will submit a report and recommendation on to the Northwestern Loan Review Committee. The complete package and credit recommendation will then be submitted to the Board of Directors for final approval. Northwestern will be solely responsible for its decisions and procedures. Northwestern retains the ultimate decision-making authority and responsibility for the REA grant funds.
4. Northwestern will prepare all standard loan closing documents and filings at a nominal loan origination charge of one percent (1.0%) of the loan amount or \$1,000, whichever is less. The borrower will also be responsible for all filing fees and out-of-pocket expenses related directly to the loan closing.

Draft agreements will be sent to the borrower for review. Once the agreements are acceptable to all parties, Northwestern will begin preparations for closing. Legal documents, which are unique to a certain project, will be prepared by a firm agreed upon by both parties. The borrower will be responsible for these legal costs. Northwestern will include in the legal documents the requirement that each project provide sufficient financial, accounting and budget information and other records deemed necessary to facilitate audits in accordance with 7 CFR Part 3015 and 3016 for non-profit entities, and RUS Rural Economic Development Loan Reviews for projects in a for-profit status.

PRE-APPLICATION MATERIALS

1. Project Description
2. Project Impact
3. Business Feasibility
 - a) Preliminary Market Data and Market Strategy
 - b) Preliminary Financial Feasibility
 - c) Identify Management Team
 - d) Preliminary Time Line Schedule
4. Management Track Record including resumes
5. Source and Use of Funds

The above information will give you some idea of what could make up a pre-application. Sales brochures, pictures, research papers or other materials that can support your project should be included.

FUNDING LOAN APPLICATION

*NOTE: Application Fee of \$100 must accompany this form.

Date Received: _____

BORROWER

Official Name: _____

Address: _____

City _____ State/Zip _____

Plant Address if Different: _____

City _____ State/Zip _____

Name of Chairman/President/Chief Executive Officer: _____

Social Security Number: _____ Phone No. _____

1. Funding Amount Requested: _____
Term: _____ Mortgage - 1st: _____
Method of Financing Requested (Loan, Bonds, Equity, etc.): _____

2. Estimated Cost of Project:
Land \$ _____
Building/s \$ _____
Stationary Equipment \$ _____
Portable Equipment \$ _____ (Automotive Equip., Hand Tools, Office Furniture, etc.)
Total Cost \$ _____

3. Other Financing:
Dollar Amount \$ _____ Term: _____ Interest Rate: _____
Mortgage - 1st or Parity: _____
Source of Funds: _____
Dollar Amount \$ _____ Term: _____ Interest Rate: _____
Mortgage - 1st or Parity: _____
Source of Funds: _____
Dollar Amount \$ _____ Term: _____ Interest Rate: _____
Mortgage - 1st or Parity: _____
Source of Funds: _____

*Additional pages should be attached as necessary to expand on information requested.

4. Financial Consultant & Attorney Representing Project:
 Firm Name, Address & Phone: _____

 Firm Name: _____
 Address: _____ Phone: _____
5. Community Participation - Descriptive Letter (Please Attach)
 Amount \$ _____ Source of Funds: _____
 Use of Funds: _____
6. Financial Statement of Project: From: _____ To: _____
 a. Balance Sheet
 b. Income Statement
 (To be certified by an independent CPA and containing a full disclosure of all personal assets and liabilities of the applicant.)
7. Describe what provision has been made for working capital.
8. Timing: _____ (Indicate Estimated Dates)
 Loan Proceeds Needed:
 Proposed Date to Begin Construction:
 Estimated Date of Completion:
9. Architect/Engineer Responsible for Preparing Plans and Specifications:
 Name of Firm: _____
 Contact: _____
 Address _____ Phone: _____
10. Immediate Annual Payroll \$
11. Beginning Estimated Number of Employees: _____
12. Future Annual Payroll \$ _____ Employees: _____
13. Skills Required: _____

14. Products: _____

15. Attach Separate Sheet Showing Legal Description of Property
 Acres: _____
16. Owner of Record: _____

17. Attach Copy of Lease.
18. Sq. Footage of Building/s: _____ Ceiling Height: _____ Land Size: _____
19. Type of Construction: _____
20. Attach Drawing of Site _____ Improved _____ Unimproved _____
21. How long have you been in business? _____ Date Started: _____
22. Proposed Salary of Top Three Executives:
 1. _____
 2. _____
 3. _____
23. Majority Interest Ownership Breakdown: _____

24. Financial Statements of Owners and Executive Officers:
 From: _____ To: _____
 a. Balance Sheet
 b. Income Statement
 (To be certified by an independent CPA and containing a full disclosure of all assets and liabilities of the applicant.)
25. Have top executives, their employers or any guarantors taken bankruptcy within the past seven years? Yes _____ No _____
 If yes, please describe: _____
26. Is this a new project or an expansion of an existing project? _____
27. Will the establishment of the industrial development project cause the removal of an industrial or manufacturing facility from one area of the state to another area of the state or replace an existing industry?
 Yes _____ No _____
28. Provide a detailed business plan that contains evidence that the project has a good probability of being successful and that there will be an indication of a substantial increase in employment and payrolls as a result of the granting of these loans.
29. Provide evidence that all necessary permits, environmental authorizations and operating licenses have been obtained or provide evidence of pending status.

30. Will the owners furnish key man life insurance?
Yes _____ No _____
31. Applicant understands that Northwestern may charge the following fees:
- a. Pre-application Processing Fee - None
 - b. Application/Loan Processing Fee - \$100.
 - c. Loan Origination Fee - The lesser of 1% or \$1,000.00.
 - d. These fees are non-refundable.
32. Northwestern may require annual audited financial statements, corporate or business tax returns and employment figures from successful loan applicants. Other reasonable financial data may be required on a quarterly basis or upon special request from Northwestern.
33. Applicant agrees to provide a copy of its certificate of incorporation and evidence of good standing. Northwestern will require the applicant to provide a letter from its principal bank regarding status of credit.

NOTICE: BY SIGNING THIS APPLICATION, THE APPLICANT GIVES PERMISSION FOR NORTHWESTERN TO REQUEST CONSUMER CREDIT REPORTS OR OTHER INFORMATION DEEMED NECESSARY IN RELATION TO THE INDIVIDUALS OR FIRMS ASSOCIATED WITH THIS LOAN APPLICATION.

THE COMPLETION OF THIS APPLICATION OR INTERVIEWS WITH NORTHWESTERN PERSONNEL DOES NOT CONSTITUTE AN OBLIGATION TO LEND NOR A COMMITMENT FOR LOAN FUNDS.

IN CONSIDERATION OF THE PROCESSING OF THIS REQUEST AND/OR THE SERVICES SPECIFIED, I HEREBY WAIVE ALL CLAIMS ARISING THEREFROM AGAINST NORTHWESTERN ELECTRIC COOPERATIVE, INC. OR THE INDIVIDUALS PROVIDING THESE SERVICES AND AGREE TO HOLD HARMLESS NORTHWESTERN OR THEM FOR CLAIMS OR INJURIES SUSTAINED, OR ALLEGED TO HAVE BEEN CAUSED BY NORTHWESTERN STAFF OR SUBCONTRACTORS WHILE IN THE PERFORMANCE OF OR AS A RESULT OF THE WORK UNDERTAKEN ON BEHALF OF ME OR MY COMPANY.

CERTIFICATION

The following certifications must be signed by the owners or principals of the applicant’s business:

The undersigned duly authorized officer of the borrower hereby certifies that the filing of this application was duly authorized by the Board of Directors, that the statements made in the foregoing application, all exhibits, and supplementary information furnished or to be furnished in connection with this application are true and correct to the best information and belief of the undersigned and are submitted as a basis for the loan requested.

Rural Certification. I have read the definition of “rural area” and certify that the assistance requested in this application will be used to carry out business activities located in or serving residents of a rural area.

Non-Discrimination Certification. I hereby certify that this company does not deny services, employment, or membership to persons based on political preference, race, religion, age, sex, sexual preference, handicap or disability, or marital status.

Application Certification. I certify and affirm by my signature below that the information contained in and otherwise supplied as part of this application is complete and current to the best of my knowledge. I further understand that intentional misrepresentation of facts may be the basis for a denial of credit.

Credit Check. I hereby give Northwestern Electric Cooperative, Inc. my permission to research the company’s history, make credit checks, contact the company’s financial institution, and perform other related activities for the reasonable evaluation of this application for credit.

Signed this _____ day of _____, 20_____

BORROWER: _____
(Official Name)

BY: _____
(President/Chairman)

ATTEST: _____
(Secretary)

GUIDE FOR PREPARING A BUSINESS PLAN

Summary: A two to three paragraph introduction, the summary should concisely portray who is proposing the business, what they are proposing to do, why it will be successful, how it will be financed, and when it will become profitable.

Market: In a discussion of the market, the business plan should explore questions like those which follow to estimate what share of a market the proposed venture can capture and what sales volume it can expect to generate.

Market Trends: Who are the consumers of this good or service? Is the consumer the same person who makes the buying decision? What are customer attitudes toward this product? Do consumers purchase this product on a recurring basis or is it likely that its purchase will be a one time occurrence? Describe typical purchasing habits, e.g., daily, weekly, seasonal buys; average price level; type of sales outlet, etc.

Describe the product that will be provided. When was the product developed? What improvements have been made in the product since it was introduced? What are the principal differences between this product and that of the competition? What are its outstanding advantages? What information is available on competitive plans to minimize this advantage? What is the sales history of producers of this good? Do geographical differences affect market share? How does the national economic situation affect the sales of this good?

Where is the product in its life cycle? What plans are there to continue research to improve the quality of the product? Can its longevity, usefulness, convenience, price, attractiveness, or ease of use be improved?

Services: Why is this service needed? What makes your version distinctly better than what is currently offered? How is the pricing strategy determined? What are the maximum and minimum levels of service that can be provided with the projected staff and overhead expenses? Can additional personnel be hired? Are there special training needs? What provisions have been made for future growth?

Competition: Who currently supplies this good or service? What are the sales volumes of the competition? How is the competition organized? Does size represent an advantage or disadvantage? How long have the competitors been in business? Will your sales be due to market growth or from capturing market share from your competitors? What is the competition doing to make their goods or services better? Why will they succeed or fail.

Projections: What dollar volume of sales is projected for the first two to three years? What dollar volume of sales is necessary to provide a break even situation? When will the break even point be reached? What percentage of total market sales are projected to be captured? What assumptions are being made as to production costs, packaging, pricing, name, and distribution? How will the long-term success of the business be assured.

Technical and Operational: In this section, you should describe the way the business is run. It should set out what personnel materials, plant, and equipment are needed to generate the projected sales volume and what these requirements will cost.

Ownership: What form of ownership will be used to run the business (sole proprietorship, general partnership, limited partnership, corporation, etc.)? Describe the type of ownership and why it was chosen.

Who will provide the equity capital to start the operation and how much ownership will the participants receive for their investment? How will the profits be allocated? Who assumes the risk or offers personal guarantees and what do they receive for assuming the risk.

Management: How will the organization be controlled? If a corporate structure is used, who will be on the Board of Directors, and what will their responsibilities be?

What are the qualifications of the key people who will directly contribute to the success of the company? Include a brief description of their background as an indicator that they will be able to create and operate a successful operation. Is their compensation tied to the success of the business?

Labor Force: How will qualified personnel be attracted and retained? What types of skills are required? How will the pay scale be determined?

Facility - Plan or Location: Where will the business locate? What advantage does this site have over any other location? Will the structure be owned or leased? Is this the most cost-effective method? What equipment or fixtures are needed? Is newer technology available that would provide some advantage? What are the economies of scale associated with this location and equipment configuration?

Production: Where will the raw material come from? Where does the competition get their raw materials? Why is your source better? How will the product be produced? What is significant about your method? How many units will have to be produced annually to break even?

Marketing Plan: How will the good or service be marketed? What objectives have been defined? Present the strategies and plans for achieving the objectives. What is the budget for advertising? What are the per unit costs for advertising? What are the industry costs for similar goods or services? How much will be spent for media and print copy? Describe the pricing, packaging, and name strategies.

Distribution: How will the good or service reach the consumer? What are the costs associated with distribution? Why was this channel chosen? What channels are used by the competition? How would the use of credit affect distribution? Could you provide credit if the use of credit increased sales and profitability?

Financial Projections: Here the business plan is summarized in dollar terms. Capitalization, expected profitability, and the anticipated cash flow of the venture are stated in financial data.

Statement of Financial Requirements: How much capital is required to carry the firm through its early years of operation? Once capital requirements have been determined, specify where it will come from. How will it be repaid?

Financial Statements: Provide annual balance sheet and operating statements for the past three years. In addition, provide pro forma (projected) financial statements for the next two years, including monthly cash flow, quarterly operating statements, and quarterly balance sheets.

BUSINESS PLAN OUTLINE

- I. Executive Summary– To convince the funding source to read the whole plan; two page overview which highlights strengths and objectives (return on investment, sales, profit, market share, jobs created, community benefits, etc.) Include a brief description of the business and its industry, as well as an explanation of the market opportunity.
- II. Company Background–Name, nature of business, history, affiliates, stage of development, unique features of products or services, any proprietary position (patents, experience).
- III. Product or Service Description– Definition of product or service to be sold.
 1. Product viability
 2. Technology
- IV. Market Analysis and Marketing Strategy– Provide an in depth analysis of the market for the product or service to be sold. Include the following:
 1. Market Profile:
 - a. Competition and industry information
 - b. Trade/Service Area (include map)
 - c. Customer Profile (describe the actual and potential purchasers of the product or service by market segment.)
 - d. Market Size (estimate the size of the total current mark for the product or service.)
 - e. Quantify the size of each market segment in relevant terms (dollars spent, units used, number of people, percent of income, etc.)
 2. Market Plan:

Provide a detailed description of how the business will obtain its estimated market share and achieve its sales objective. Discuss your overall marketing strategy and plans for:

 - a. Pricing
 - b. Promotion
 - c. Distribution channels
 - d. Marketing review, monitoring or evaluation

- V. Management
 - a. A listing of key managers, directors and principal owners, including detailed resumes.
 - b. Organization of structure
 - c. Compensation and employee ownership
 - d. Plans for future staff

- VI. Operations Plans
 - a. Space and equipment requirements
 - b. Working capital requirements
 - c. Labor force
 - d. Geographic location advantages
 - e. Manufacturing aspects, sources of supply, etc.

- VII. Financial Statements and Projections
 - a. Three year's historical financial statement (existing business, if start-up, provide a capital investment balance sheet.)
 - b. Interim statement dated within 60 days (existing business)
 - c. Aging of accounts payable and receivable as of date of interim statement
 - d. Personal financial statements of all persons owning 20% or more of the stock in the company
 - e. Three to Five year pro forma projections, with income statements, cash flow statements and balance sheets, first year by month, second and third by quarter.
 - f. Break-even analysis
 - g. Schedule of all debts, liabilities and leases
 - h. Notes to financial projections (identify the assumptions underlying the financial projections.)
 - i. Best and worst case outcomes
 - j. Analysis of financial projections

- VIII. Funding
 - a. Amount of money sought
 - b. Use of proceeds
 - c. Funding history, funding references
 - d. Pricing and deal structure (including terms & pay back)
 - e. Capitalization- existing and pro formal

- IX. Research, Development, Engineering and Design
 - a. Proprietary rights
 - b. Timing
 - c. Cost
 - d. Strategy

X. Summary of Risks Involved

Summarize the critical risks and assumptions associated with each section of the business plan. Discuss contingency plans that have been developed for potential problems and delays. Including:

- a. The industry, the company and its personnel
- b. Timing
- c. Product and market acceptance
- d. Liabilities and contingencies

XI. Professionals and Advisors

- a. Legal Counsel
- b. Accountant
- c. Others

XII. Project implementation Schedule

Provide an overall schedule of the specific activities necessary to start the business or implement the project and achieve its projected level of profitability.

LOAN APPLICATION

CHECKLIST

Date: _____

- 1. Principal's Name:
- 2. Business Name or d/b/a:
- 3. Bank Name:
- 4. Loan Amount:
- 5. Statement of Personal History, (each proprietor, officer, director, or stockholder owning 20% or more of corporate stock.)
- 6. Personal Financial Statement dated within 90 days of application date— SIGNED & DATED.
- 7. Copies of Federal Tax Returns of owners of business for the last three years - SIGNED & DATED.
- 8. Copies of Federal Tax Returns for the business for each of the last three years - SIGNED & DATED.
- 9. Business balance sheet dated within 90 days of application date - SIGNED & DATED.
- 10. Aging of Accounts Receivable and Accounts Payable that agrees with Balance Sheet.
- 11. Written schedule of notes and mortgages payable that agrees with Balance Sheet.
- 12. Profit and Loss Statement dated within 90 days of application date - SIGNED & DATED.
- 13. Reconciliation of Net Worth.
- 14. Year-end profit and Loss Statements for each of the last three years - SIGNED & DATED.
- 15. Detailed projection of profit or loss of one year's operation.

- 16. Detailed projection of cash-flow for one year's operation.
- 17. Brief history of business and expected benefits from loan.
- 18. Brief resume of owners and managers.
- 19. Names of co-signers/guarantors, their addresses and personal financial statements.
- 20. Description and cost of any items of machinery, equipment, fixtures to be purchased with proceeds from loan. (Prefer quotations from suppliers.)
- 21. Description of machinery, equipment, furniture or fixtures, including model & SN, offered as collateral.
- 22. Legal description of real estate offered as collateral. (Copy of Deed is acceptable.)
- 23. Credit report and D&B report
- 24. Copy of Certificate of Incorporation.
- 25. Appraisal(s) for all collateral.
- 26. Copy of lease (if appropriate.)
- 27. Plans and specifications, if new construction of \$10,000 or more is involved; with bids from at least two qualified contractors. (Do not send blueprints.)
- 28. If a change of business ownership is involved, give a detailed list of the assets to be acquired and reason present owner is selling.
- 29. If a new business, what is the source and amount of applicant(s) investment in the proposed business.
- 30. Bank letters.
- 31. If a change of business ownership, provide last three years' Federal Tax Returns and last three years' Profit and Loss Statements and Balance Sheets for company.