



SSBCI Capital Access Program Lender Enrollment Form



Lender Name: _____ EIN: _____

Lender Relationship Manager: _____ Title: _____

Address: _____ Phone: _____

Address: _____ Email: _____

City: _____ State: _____ Zip: _____ County: _____

Borrower: _____ EIN: _____

Address: _____ Phone: _____

Address: _____ Alternate/Cell Phone: _____

City: _____ State: _____ Zip: _____ County: _____

Contact Name: _____ Email: _____

Business Website: _____ Fax: _____

Entity Type: _____ NAICS: _____ Date Business Established: ____/____/____

Annual Revenue: _____

Business Owners:

Name	SSN	Address	Office Held/Title	% of Ownership

Amount of Lender's Loan: \$ _____ Lender's Loan: # _____

SSBCI CAP Enrolled Amount: \$ _____ Loan Type: Term Line of Credit

If Refinance, Loan Increase Amount: _____ Balance Prior to Refinancing: _____

Maturity Date: _____ Loan Purpose: _____

Borrower's Enrollment Fee: \$ _____

Participating Lender Certification:

I certify to the VSBFA that the loan represented by this Lender's Enrollment Form has been approved subject to terms specified. I have reviewed and verified all of the information in the Borrower's Certification Form. I certify, to the extent of my knowledge that the borrower is eligible for the purposes of this program, the proceeds will be used for an eligible purpose in Virginia and that the owners and managers of the Borrower are of good character. This Assurance is referenced by Section 3005(e)(7) of the Small Business Jobs Act of 2010. I also certify:

1. This loan was not made an Eligible Loan in order to place, under the protection provided by the Program, prior debt that is not covered under the Program and that is or was owed by the Borrower to the Lender or to an Affiliate of the Lender.
2. The loan is not a refinancing (other than an existing Enrolled Loan) previously made to the Borrower by the Lender or an Affiliate of the Lender.
3. The loan is not or any portion of a US Small Business Administration (SBA) Loan or, to my knowledge, to cover the unguaranteed portion of a loan guaranteed by any other federal, state or local government of public entity.
4. I have disclosed to the Borrower the information concerning the Program as set forth in the Borrower Enrollment Form, and have provided to the Borrower any required privacy notices required by the Lender's policies, and has processed the Eligible Loan in accordance with the Lender's "know your customer" and other policies and procedures.
5. This loan will not to finance goodwill, in whole or in part.

Participating Lender: _____

Authorized Signer for Lender: _____ Date: _____

Title: _____

Program Guidelines

The Virginia Small Business Financing Authority's (VSBFA) *SSBCI Capital Access Program* (SSBCI CAP) provides access to capital for Virginia businesses by helping banks in Virginia to make loans to businesses that may have difficulty obtaining a conventional loan without a credit enhancement. Unlike typical government guaranty programs, which provide a guaranty of a specific loan, SSBCI CAP utilizes an insurance concept on a portfolio of loans. VSBFA establishes a loan loss reserve at each participating lender, which is funded by enrollment fees paid by the Borrower/Participating Lender and matching fees paid by the VSBFA. Because the participating lender determines what loans to enroll without VSBFA's involvement, SSBCI CAP is a flexible, non-bureaucratic tool to assist lender in meeting the financing needs of Virginia's businesses.

Participating SSBCI CAP Participating Lender:

The Participating Lender must be currently approved to hold Commonwealth of Virginia deposits under Virginia Security for Public Deposits Act. To verify use the following web site: <https://www.tr.s.virginia.gov/Operations> Enrollment fees paid by the Borrower and VSBFA are held by VSBFA in a SSBCI CAP Reserve Fund at the Participating Lender. The funds are classified as public deposits and must be indicated as such on the Lender's records. The Participating Lender is subject to the collateralization and reporting requirements of the Security for Public Deposits Act.

Eligible Borrowers:

Qualifying borrowers must be currently operating in Virginia and be in good standing with the State Corporation Commission or other applicable state or local licensing authority. Businesses must meet the definition of VSBFA "small business." Businesses must also meet at least one of the following criteria to be an eligible borrower:

- Have \$10 million or less in annual revenues over each of the last three years; or
- Have a net worth of \$2 million or less; or
- Have fewer than 250 employees in Virginia, no more than 500 employees overall;
- Borrowers can be a 501(c) (3) and any for-profit corporation, partnership, limited liability corporation, limited liability partnership, joint venture, sole proprietorship, cooperative.

Eligible Loan Purposes:

Loans or Lines of Credit are eligible under the SSBCI CAP program for working capital, expansion, equipment and most other business needs.

Ineligible Loan Purposes:

The SSBCI CAP program may not be used to:

1. Eliminate the lender's requirement for collateral or the principal's personal guaranty;
2. Finance passive real estate investment, the purchase of residential housing, real estate construction or development;
3. Refinance a Lender's existing debt, except that if there is additional debt added to the refinance amount, the additional principal is eligible for CAP;
4. Repay delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority;
5. Repay taxes held in trust or escrow, e.g. payroll or sales taxes;
6. Reimburse funds owed to any owner, including any equity injection or injection of capital for the business' continuance; or to purchase any portion of the ownership interest in the Borrower; or to purchase any portion of the ownership interest in any company, including 100% interest;
7. Reimburse funds owed to any owner for business expenses previously paid by the owner with a personal credit card;
8. Finance the purchase goodwill;
9. Finance the unguaranteed portion of SBA-guaranteed loans or other federally guaranteed loans;
10. Provide financing to a religious establishment unless the loan proceeds are used only for a "business purpose." A "business purpose" does not include an explicitly religious purpose, and the proceeds of the loan to a religious establishment may not be used for the purposes of supporting, assisting, or furthering an explicitly religious purpose, including, but not limited to worship, religious instruction, or proselytization.

Program Loan Amounts and Terms:

The maximum, aggregate outstanding loan amount(s) which may be enrolled for any single borrower, or any common enterprise in which the borrower has an ownership interest, is \$500,000. Although the Lender may have a longer note maturity and amortization period, the maximum enrollment term under SSBCI CAP is 10 years from the date of enrollment.

Program Fees:

The Lender determines the enrollment fee based on the Participating Lender's perceived level of risk. The non-refundable enrollment fee is paid by the Borrower at the time of loan closing and can range between 2% and 7% of the Lender's enrolled loan amount. Both the enrollment fees and VSBFA's matching fees are contributed to a loan loss reserve fund established for the benefit of the Lender. In the event of a default on an enrolled loan, the Lender can utilize funds in this reserve to offset its loss.

Enrollment Form Help

Businesses must apply to a participating lender for their financing need. If the proposed financing request does not meet the participating Lender's normal underwriting guidelines, the Lender will then determine whether the proposed loan transaction would be acceptable if the loan were enrolled in SSBCI CAP. VSBFA does not participate in the Lender's underwriting decision or the lender's decision to utilize SSBCI CAP to provide financing.

What to provide with the Enrollment Form:

1. This completed *SSBCI Capital Access Program* Enrollment Form;
2. Completed and properly executed *SSBCI Capital Access Program* Borrower's Certification;
3. Proof of the enrollment fee deposit to the VSBFA *SSBCI CAP* Reserve Account

Where and How to Submit an Enrollment Form:

Email: VSBFA@sbsd.virginia.gov

Express Mail/Hand delivery: 101 N. 14th Street, 11th Floor Richmond, VA 23219

Regular Mail: P.O. Box 446, Richmond, VA 23218-0446

Fax: 804-225-3384

Enrollment Process: What to Expect from the VSBFA

VSBFA will contact the Participating Lender if additional information is required.