



The Missouri Small Business Disaster Relief Loan Program

Guidelines and Application

June 2011
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*Sponsored by:
The Missouri Department of Economic Development (DED) and
the Missouri Development Finance Board (MDFB)*

<http://www.ded.mo.gov/MOloan/>

The Guidelines for the DED/MDFB Missouri Small Business Loan Program

In January 2009, Governor Nixon signed Executive Order 09-03. That order, provided below, focused on the needs of small businesses in this economy. Of particular importance was access to capital and the availability of low-interest or no interest loan funds. That Executive Order directed the Department of Economic Development (DED) to work together with the Missouri Development Finance Board to create such a pool of funds for that purpose. This Application and Guidelines are the product of that collaboration.

Executive Order 09-03

WHEREAS, small businesses are vitally important to the economy of the State of Missouri; and

WHEREAS, according to the Quarterly Census of Employment and Wages, businesses of fewer than 50 employees account for 94% of the businesses in Missouri; and

WHEREAS, small businesses will help to provide the high-paying jobs of the future in the State of Missouri; and

WHEREAS, the Missouri Department of Economic Development is a state agency dedicated to job creation and works collaboratively with other state entities in furtherance of its mission; and

WHEREAS, the Missouri Development Finance Board is a state entity that also plays a significant role in job creation; and

WHEREAS, it is important to the success of Missouri small businesses that they have access to low-interest or no-interest capital, particularly in these challenging economic times.

NOW, THEREFORE, I, JEREMIAH W. (JAY) NIXON, Governor of Missouri, by virtue of the authority vested in me by the Constitution and laws of the State of Missouri, do hereby direct the Missouri Department of Economic Development, working together with the Missouri Development Finance Board, to create a pool of funds designated for low-interest and no-interest direct loans for small businesses.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Missouri, in the City of Jefferson, on this 13th day of January, 2009.

*Jeremiah W. (Jay) Nixon
Governor
State of Missouri*

Small Business Disaster Relief Loan Program DED/MDFB Guidelines

Loan Program Parameters:

1. The Disaster Relief loan program, part of the MO Small Business Loan Program, is for existing businesses that are located in county that has been declared a federal disaster area as a result of a natural disaster and have been directly impacted by the disaster;
2. Applicant must have applied to the Small Business Administration (SBA) for disaster assistance and received a denial letter. Applicant must submit a copy of the denial letter with this application and sign the consent to have information shared between SBA and DED.
3. The interest rate is 3% with a 2 year deferral period or 1% interest rate for the 10 year term of the loan (borrower's option);
4. The terms are typically 10 years or less but may be adjusted for adequate debt coverage. Loan repayment is quarterly principal and interest payments;
5. Payments may be auto debited from a checking or savings account;
6. The minimum loan amount is \$2,500 and the maximum loan amount is \$50,000;
7. The number of loans per household will be limited to 1;
8. The company must be 100 percent Missouri owned and 100 percent Missouri located;
9. The company must be registered with the Secretary of State in good standing;
10. The company may not be a gambling entity, a check cashing service (unless associated with a bank), a pawn broker service, resale of donated or used goods, liquidation sales, day labor services, job training services, sale or distribution of alcohol or tobacco products, web based or print newspapers or magazines, speculative real estate, radio or television stations. The owner may not be employed by the State of Missouri;
11. Loan proceeds may be used for working capital, inventory, equipment purchase, real property improvements (owned by borrower) but cannot be used for refinancing of existing debt or outstanding debt payments; (see funding guidelines below)
12. Loan proceeds must begin to be drawn within 60 days of the loan approval date and all loan proceeds drawn within 1 year of the approval date (unless authorized additional time by DED and MDFB). Failure to draw funds within this time line will result in requiring the resubmission of an amended application and an additional credit review. This loan is not a line of credit;
13. Loan origination, collateralization, and loan servicing may be provided by an entity contracted by the MDFB;
14. Determination of loan delinquency and default is made by the MDFB. Late payment fees may be assessed;
15. The company must provide a certificate of insurance naming MDFB as an additional insured on their business insurance each time a policy is renewed;
16. Loan collections will be referred to the Financial Services Division of the Missouri Attorney General's Office.

Loan Funding Guidelines:

1. Acceptable working capital expenses include the below expenses:
 - General Liability Insurance, Property Insurance, and Workers Compensation;*
 - Health Insurance;*
 - Leases/Rent (a copy of the lease is required);*
 - Payroll (NO OWNER SALARIES);*
 - Contractors (need contract and billing for services);
 - Telephone, Internet, utilities; *
 - Supplies. *

*Expenses incurred within three (3) months prior to approval of the application qualify with acceptable documentation evidencing incurrence or payment of these expenses.

2. Acceptable equipment expenses include:
 - Paid for equipment (may be reimbursed if purchased within the previous 3 month period);
 - Unpaid for equipment (a bid/quote or invoice is required to be reimbursable and a check will be made to vendor and loan applicant).

Loan Application Instructions:

1. Loan applications must be made on the form attached.
2. One (1) original signed copy shall be postmarked or delivered to:
Missouri Department of Economic Development
Governor Nixon's Small Business Loan Program
301 West High Street, Suite 770
P.O. Box 1157
Jefferson City, Missouri 65102
3. Loan applications that are not complete (all questions answered) or in compliance with steps 1-3 above may be considered non-responsive.
4. Applicants approved will be required to complete additional loan paperwork, including the payment of any reasonable processing fees, prior to accessing the loan funds.
5. Applicants must complete the Certification and Affirmation on pages 11 and 12 of the application.
6. Applicants must complete and submit form 943 to obtain a tax clearance certificate (valid for 45 days) from the Missouri Department of Revenue. Form 943 is at <http://dor.mo.gov/forms/943.pdf>.
7. Applicants must be enrolled in E-Verify and submit an electronically signed Memorandum of Understanding. Find more information and enroll at <https://e-verify.uscis.gov/enroll/>.

Loan Application Checklist:

- One complete, original signed, and dated application submitted to DED
- One complete copy (keep for company file) for the applicant's own records and file
- Missouri Department of Revenue Tax Clearance Certificate (see Item 6 Loan Application Instructions)
- Memorandum of Understanding from E-Verify (see Item 7 Loan Application Instructions)
- Signed and Notarized Certification and Affirmation page
- Applicant must submit copy of denial letter for disaster assistance from the Small Business Administration (SBA) with this application.
- A \$15 nonrefundable check or money order made out to the Missouri Development Finance Board (for credit reviews)



DED/MDFB Small Business Disaster Relief Loan Application

All applicants must read and follow the Guidelines section of this Application. The Guidelines section contains information on the Loan Program Parameters, the Loan Applications Instructions, and a Loan Application Checklist.

BUSINESS INFORMATION

Owner/Name

Date of Birth

Home Telephone

Business Telephone

Fax

E-mail

Business Name

County

Federal ID Number

How was the business affected by the disaster?

Any personal/business judgments, unsettled lawsuits or major disputes? Yes _____ No _____
If yes, please explain.

Has the business, or any principals, been involved in bankruptcy or insolvency proceedings? Yes _____ No _____
If yes, please explain.

Is the business insured? Yes _____ No _____ If so, for how much? \$ _____

Has the business applied for Federal Disaster assistance? Yes _____ No _____ If so, for how much? \$ _____

Has the business applied for Small Business Administration assistance? Yes _____ No _____ If so, for how much? \$ _____

Has the business suffered direct losses as a result of the disaster? Yes _____ No _____

Has the business been able to resume regular business activities since the disaster? Yes _____ No _____

What date was the business interrupted due to the disaster?

FINANCING INFORMATION

Total amount of loan request (maximum **\$50,000**) \$ _____

Purpose of loan request	
Working capital \$	Equipment \$
Inventory \$	Leasehold improvements \$
Personal (not borrowed) funds available to invest in business \$	
Other Sources of Funds	
Have you contacted your bank for financing? Yes ___ No ___ What bank?	
Who referred you to the program?	Phone
DEMOGRAPHIC INFORMATION	
The MDFB has requested that we obtain the following information for statistical purposes only. Please check all those that apply.	
Business owned by _____(> 50% Female owned) _____(> 50% minority owned)	
Veteran Status _____Non-Veteran _____Vietnam-era Veteran _____Other Veteran	
Ethnicity: _____ African American _____White _____Hispanic _____Asian/Pacific _____ Islander _____Eskimo/Aleuts _____American Indian _____Multi Ethnic	
What is your combined yearly household income as of today? \$	
How many are in your household?	
ADDITIONAL INFORMATION	
<p>Please provide the following items with a completed application and forms.</p> <ul style="list-style-type: none"> • Copies of business tax returns for the previous 3 years. • Copies of personal tax returns for the previous 3 years. • Aging of Accounts Receivable and Accounts Payable (if applicable). • Check for \$15 made payable to MDFB for a credit review. 	
CERTIFICATIONS	
<p>Please read the following and sign the Application Form. All owners, officers, and partners must sign this application.</p> <p>The information in this Loan Application is provided for the purpose of applying for funds under the DED/MDFB Small Business Disaster Relief Loan Program. The information is accurate to the best of my knowledge. I understand that personal and/or business information may be requested pursuant to this loan application and I hereby give my consent for such information to be provided to DED. I also understand that DED/MDFB retains the sole decision as to whether this loan application is approved, disapproved, or modified. It is my right to accept or decline the loan amount, rate and terms approved by DED/MDFB.</p>	
<p>I AUTHORIZE DED/MDFB to keep this application whether or not my request for credit is approved. By signing below, I authorize DED to obtain a credit report on me through the credit-reporting agency of its choice, as well as to answer questions others may ask about my credit record with DED/MDFB (if applicable). I understand that I must provide updated credit and financial information as requested if my financial condition changes.</p>	

Print Name	
Signature	Date
Print Name	
Signature	Date
<i>MDFB is an Equal Opportunity lender. DED will not discriminate against any loan applicant because of his or her race, color, religion, sex, handicap, familial status, or national origin.</i>	

This loan program is part of the State of Missouri’s disaster recovery efforts. During periods of disaster recovery, the Missouri Department of Economic Development (DED) maintains a working partnership with the Small Business Administration (SBA) for the purpose of business referral, education and other cooperative efforts that ensure businesses have every opportunity to access capital necessary for a full recovery. DED and SBA also make every effort to avoid any duplication of benefits provided through federal and state disaster assistance to any one business entity. DED and SBA operate under a formal Memorandum of Understanding that maintains and protects business and personal information subject to applicable privacy laws. As the business owner or authorized representative I understand and agree that as an applicant for business recovery funding, the DED and SBA will share any and all information provided in the application(s) between and among their respective agencies as allowed under law.

Signed _____
Date _____

PERSONAL FINANCIAL STATEMENT

As of _____, 20_____

Complete this form for: (1) each proprietor, or (2) each limited partner who owns 20% or more interest and each general partner, or (3) each stockholder owning 20% or more of voting stock and each corporate officer and director, or (4) any other person or entity providing a guaranty on the loan.

Name: _____

ASSETS	(Omit cents)	LIABILITIES	(Omit cents)
Cash on Hand and in Banks	\$	Accounts Payable	\$
Savings Accounts	\$	Notes Payable to Banks and Others (Describe in Section 2)	\$
IRA or Other Retirement Accounts	\$	Unpaid Taxes (Describe in Section 6)	\$
Accounts and Notes Receivable	\$	Installment Account (Other) Mo. Payments \$	\$
Life Insurance – Cash Surrender Value Only (Complete Section 8)	\$	Loan on Life Insurance	\$
Stocks and Bonds (Describe in Section 3)	\$	Line of Credit tied to Real Estate	\$
Real Estate (Describe in Section 4)	\$	Mortgages on Real Estate (Describe in Section 4)	\$
Automobile – Present Value	\$	Installment Account (Auto) Mo. Payments \$	\$
Other Personal Property (Describe in Section 5)	\$	Other Liabilities (Describe in Section 7)	\$
Other Assets (Describe in Section 5)	\$		
Total Assets	\$	Total Liabilities	\$
		Net Worth	\$

SECTION 1. Source of Income	Contingent Liabilities
Salary	As Endorser or Co-Maker
Net Investment Income	Legal Claims and Judgments
Real Estate Income	Provision for Federal Income Tax
Other Income (Describe below)*	Other Special Debt

Description of Other Income in Section 1. Please describe any recurring income not reflected on previous tax returns:

*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

SECTION 2. Notes Payable to Bank and Others (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Name and Address of Note Holder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

SECTION 3. Stocks and Bonds (Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

Number of Shares	Number of Securities	Cost	Market Value Quotation Exchange	Date of Quotation/Exchange	Total Value

SECTION 4. Real Estate (List each parcel separately. Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

	Property A	Property B	Property C
Type of Property			
Address of Property			
Name of Property Owner			
Date Purchased			
Original Cost			
Present Market Value			
Name of Lender			
Loan Number			
Loan Balance			
Amount of Payment per Month			
Status of Loan			

SECTION 5. Other Personal Property and Other Assets (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment, and if delinquent, describe delinquency.)

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SECTION 6. Unpaid Taxes (Describe in detail as to type, to whom payable, when due, amount, and to what property, if any, a tax lien attaches.)

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SECTION 7. Other Liabilities (Describe in detail.)

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SECTION 8. Insurance Held (Give face amount and cash surrender value of policies – name of insurance and beneficiaries.)

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I authorize Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements on a Missouri Small Business Loan application may subject me to the penalties prescribed by section 570.140, RSMo. FALSE statements on a conventional loan application may result in fines and imprisonment under relevant Federal and State laws.

Signature: _____ Date: _____ Social Sec. No.: _____

Signature: _____ Date: _____ Social Sec. No.: _____

PROJECTED PROFIT & LOSS STATEMENT	
Year Ending	
Revenue	
Gross Sales	
Less Returns & Allowances	
Net Sales	
Cost of Sales	
Gross Profit	
Operating Expenses	
Selling	
Salaries & Wages	
Payroll Taxes	
Commissions	
Advertising	
Other	
Total Selling Expenses	
General & Administrative	
Salaries & Wages	
Payroll Taxes	
Employee Benefits	
Insurance	
Depreciation	
Automobile Expense	
Dues & Subscriptions	
Legal & Accounting	
Office Supplies	
Telephone	
Utilities	

Rent	
Taxes & Licenses	
Other	
Total General & Administrative	
Total Operating Expenses	
Operating Profit (Loss)	
Other Income and Expenses	
Net Income and Expenses	
Net Income (Loss) Before Taxes	
Income Taxes	
Net Income (Loss)	

PROFORMA BALANCE SHEET	
Period Ending	
Assets	
Current Assets	
Cash and Equivalents	
Accounts Receivable	
Inventories	
Prepaid Expenses	
Total Current Assets	
Fixed Assets	
Land	
Buildings	
Equipment	
Furniture	
Vehicles	
Less: Accumulated	
Depreciation	
Total Fixed Assets, Net	
Other Assets	
Total Assets	
Liabilities and Shareholders' Equity	
Current Liabilities	
Accounts Payable	
Short-Term Debt	
Current Portion of Long-Term Debt	
Income Taxes Payable	
Accrued Expenses	
Total Current Liabilities	
Long-Term Debt	

Shareholders' Equity			
Capital Stock			
Additional Paid-In Capital			
Retained Earnings			
Total Shareholders' Equity			
Total Liabilities and Shareholders' Equity			
Personal References (relative or close friend may be included)			
Reference Name #1			
Address			
City	State	ZIP	
Phone	E-mail		
Reference Name #2			
Address			
City	State	ZIP	
Phone	E-mail		
Bank References			
Bank Name #1		Account #	
Address			
City	State	ZIP	
Phone	Contact		
Bank Name #2		Account #	
Address			
City	State	ZIP	
Phone	Contact		
Internet Resources for Small Businesses			
sba.gov missouridevelopment.org missouribusiness.net morebusiness.com feemarkets.com	score.org webnow.com dor.mo.gov businessplans.org uspto.gov	irs.gov bplans.com gogettem.com stat-usa.gov mo-sbdc.org	superpages.com e-markets.com floorspace.com businesstown.com

CERTIFICATION AND AFFIRMATION

- I certify that I am an authorized representative of the Applicant and as such am authorized to make the statement of affirmation contained herein.
- I certify that the Applicant does NOT knowingly employ any person who is an unauthorized alien and that the applicant has complied with federal law (8 U.S.C. § 1324a) requiring the examination of an appropriate document or documents to verify that each individual is not an unauthorized alien.
- I certify that the Applicant is enrolled and will participate in a federal work authorization program as defined in Section 285.525(6), RSMo, with respect to employees working in connection with the activities that qualify the Applicant for the Missouri Small Business Loan Program. I certify that the Applicant will maintain and, upon request, provide the Department of Economic Development documentation demonstrating the Applicant's participation in a federal work authorization program with respect to employees working in connection with the activities that qualify the Applicant for this Program.
- I understand that, pursuant to section 285.530.5, RSMo, a general contractor or subcontractor of any tier shall not be liable under sections 285.525 to 285.550 when such general contractor or subcontractor contracts with its direct subcontractor who violates section 285.530.1, if the contract binding the contractor and subcontractor affirmatively states that the direct subcontractor is not knowingly in violation of section 285.530.1 and shall not henceforth be in such violation and the contractor or subcontractor receives a sworn affidavit under the penalty of perjury attesting to the fact that the direct subcontractor's employees are lawfully present in the United States.
- I understand that if the Applicant is found to have employed an unauthorized alien, the Applicant may be subject to penalties pursuant to sections 135.815, 285.025, and 285.535, RSMo.
- I hereby agree to allow representatives of the Department of Economic Development access to the property and applicable records as may be necessary for the administration of the Missouri Small Business Loan Program.
- I certify under penalties of perjury that the above statements and information contained in the application and attachments are complete, true, and correct to the best of my knowledge and belief.
- I attest the information submitted by the company to DED regarding the project is consistent with documents provided to lenders, other governmental entities or investors who may provide funding for the project and that DED is authorized to verify such information from any source.
- For a privately held company, I certify there is no person who owns an ownership interest or who is employed in a management capacity by the company who has committed a felony, is presently under indictment, or is on parole or probation.
- I attest there are no pending or threatened liens, judgments, or material litigation which is likely to affect the viability of the company as an ongoing concern.
- I certify the company does not have any delinquent non-protested federal, state or local taxes
- I certify that neither the operations of the company nor the requested funding would violate any existing agreement.
- I certify that the company has not filed (nor is about to file) for bankruptcy.
- I certify the company has not failed to fulfill any obligations under any other state or federal program.
- I certify the signatory is the authorized representative of the applicant and is authorized to make the statement of affirmation contained therein.

Required Attachment:

- Copy of the executed Memorandum of Understanding between the Applicant and the United States Citizenship and Immigration Services (USCIS).

Name	Title
Signature	Date

STATE OF MISSOURI)
) ss.
COUNTY OF _____)

On this _____ day of _____, 20__ before me, _____,
a Notary Public in _____, and for said state, personally appeared
_____, known to me to be the person who executed the Certification
and Affirmation and acknowledges and states on his/her oath to me that he/she executed the same for the
purposes therein stated.

Notary Public

My commission expires _____.