

HOW TO APPLY FOR AN MIDC BUSINESS LOAN

To help us learn the unique aspects of your business, it is important that you provide us with as much pertinent information as you can. Before we can make a decision on a loan request, we'll need to examine the following seven areas.

1. Business plan
2. Financial statements for your business
3. Commercial Loan Application (*enclosed*)
4. Business and personal references
5. Your Personal Financial Statement (*enclosed*), and most recent federal income tax returns
6. Character references from at least three sources

It is easier than you may think to provide us with this information. Read on.
Call for an appointment with the Loan Officer.

Financial Statement for your Business

Financial Statements provide us with a detailed description of your company's financial performance and suggest where your company is heading in the future. We recommend that you arrange to have an independent, certified public accountant prepare your financial statements. The components of the financial statements that we will analyze include the balance sheet, income statement, statement of cash flow, and footnotes.

Some of the financial ratios that we analyze when reviewing your financial statements are described in detail within this package. In certain cases, we will accept copies of your company's federal tax returns in place of financial statements. Please consult with MIDC's Loan Officer.

Commercial Loan Application

The Commercial Loan Application serves to provide us with critical information, such as the amount of money you wish to borrow and how you plan to repay it. The completed application will also supply us with general background information on your company, including ownership, company facilities, and the collateral that will be pledged for the loan.

Business and Personal References

We need to examine how you and your business have handled prior extensions of credit. Examples of personal credit could include your mortgage, car loan(s), and credit cards. Business credit card could consist of other bank loans and loans to trade creditors, such as suppliers. Your past experience in handling credit extensions give us and indication of how you will handle the financing you are presently seeking.

Minority Investment Development Corporation
270 Weybosset Street, 4th Floor
Providence, RI 02903
(401) 351-2999 Telephone
(401) 351-0990 Facsimile

You will also need to provide us with names, addresses, and telephone numbers of references that could provide us with the information on your credit history.

MIDC CHECKLIST

Personal Financial Statement

The Personal Financial Statement provides us with insight into your personal financial stability. This includes information on your assets and liabilities, as well as your income and expenditures. The status of your personal finances and their ability to support your business is something that we examine when reviewing a small business loan request. Please review and complete the enclosed Personal Financial Statement prior to meeting with MIDC.

Personal Federal Tax Returns

By supplying us with copies of your personal federal tax returns, you are providing us with supporting detail above and beyond your Personal Financial Statement. Please provide copies for the last three years.

Business Plan

A formal business plan is required for the loan application process. A business plan provides us with additional insights into the nature of your business, the competitive environment in which you operate, and your strategic plan. More importantly, a well-thought-out business plan can provide you with a tool for starting and running your business successfully. You should prepare your plan with the assistance of appropriate professionals, but you should be intimately familiar with the plan, and have ownership of it.

Our Review Of Your Loan Request

After we receive all the completed materials described above, you can be confident that your request and the supporting information will be reviewed and analyzed in detail. We will also want to meet with you to learn more about your business, your vision, and your goals for the company.

MIDC will work with you to develop a financing plan that makes the most sense for the future of your business. By following the suggestions that we have outlined above, you can be sure that your credit request will receive the attention it deserves.

Character References

It is important to MIDC that you and your business support your community, and that your community supports you and your business. Please provide us with the names of at least three character references.

M I D C

PERSONAL

FINANCIAL

STATEMENT

CONFIDENTIAL

Minority Investment Development Corporation

**270 Weybosset Street, 4th Floor
Providence, Rhode Island 02903
401-351-2999 Fax 401-351-0990**

PERSONAL FINANCIAL STATEMENT

PERSONAL FINANCIAL STATEMENT AS OF _____

PERSONAL INFORMATION

NAME _____ EMPLOYER _____

Home Address _____ Address of Employer _____

_____ Zip _____ _____ Zip _____

Home Phone No. () _____ Business Phone No. () _____

Social Security No. _____ No. of Years with Employer _____

Date of Birth _____ Title/Position _____

Name, Phone No. of your Accountant _____

Name, Phone No. of your Attorney _____

Name, Phone No. of your Insurance Advisor _____

Name, Phone No. of your Investment Advisor/Broker _____

Cash Income & Expenditures Statement for Year Ended: _____

ANNUAL INCOME	AMOUNT (\$)	ANNUAL EXPENSES	AMOUNT (\$)
Salary	\$	Federal Income and Other Taxes	\$
Bonuses & Commissions		State Income and Other Taxes	
Rental Income		Rental Payments, Co-op, or Condo Maintenance	
Interest Income		Mortgage Payments	Residential Investment
Dividend Income		Property Taxes	Residential Investment
Capital Gains		Interest & Principal Payments on Loans	
Partnership Income		Insurance	
Other Investment Income		Investments (including tax shelters)	
Other Income (List) *		Alimony/Child Support	
		Tuition	
		Other Living Expenses	
		Medical Expenses	
		Other Expense (List)	
TOTAL INCOME ▶	\$	TOTAL EXPENSES ▶	\$

Any significant changes expected in the next 12 months? yes (If yes, attach information) no

- Income from alimony, child support, or separate maintenance income need not be revealed if the applicant or co-applicant does not wish to have it considered as a basis for repaying this obligation.

BALANCE SHEET AS OF _____

ASSETS	AMOUNT (\$)	LIABILITIES	AMOUNT (\$)
Cash in primary Bank (including money market accounts, CDs)	_____	Notes Payable to this Bank	_____
Cash in other Financial Institutions (List) (including money market accounts, CDs)	_____	Secured	_____
_____	_____	Unsecured	_____
_____	_____	Notes Payable to Others (Schedule E)	_____
_____	_____	Secured	_____
Readily Marketable Securities (Schedule A)	_____	Unsecured	_____
Non-Readily Marketable Securities (Schedule A)	_____	Accounts Payable (including credit cards)	_____
Accounts and Notes Receivable	_____	Margin Accounts	_____
Net Cash Surrender Value of Life Insurance (Schedule B)	_____	Notes Due: Partnership (Schedule D)	_____
Residential Real Estate (Schedule C)	_____	Taxes Payable	_____
Real Estate Investments (Schedule C)	_____	Mortgage Debt (Schedule C)	_____
Partnerships/PC Interests (Schedule D)	_____	Life Insurance Loans (Schedule B)	_____
IRA, Keogh, Profit-sharing & Other Vested Retirement Accts	_____	Other Liabilities (List):	_____
Deferred Income (number of years deferred _____)	_____	_____	_____
Personal Property (including automobiles)	_____	_____	_____
Other Assets (List):	_____	_____	_____
_____	_____	_____	_____
_____	_____	TOTAL LIABILITIES	\$
_____	_____	NET WORTH	\$
TOTAL ASSETS	\$	TOTAL LIABILITIES AND NET WORTH	\$

CONTINGENT LIABILITIES	YES	NO	AMOUNT (\$)
Are you a guarantor, co-maker, or endorser for any debt of an individual, corporation, or partnership?	_____	_____	_____
Do you have any outstanding letters of credit or surety bonds?	_____	_____	_____
Are there any suits or legal actions pending against you?	_____	_____	_____
Are you contingently liable on any lease or contract?	_____	_____	_____
Are any of your tax obligations past due?	_____	_____	_____
What would be your total estimated tax liability if you were to sell your major assets?	_____	_____	_____
If yes, for any of the above, give details:	_____	_____	_____

Investment

Property Address	Legal Owner	Purchase Year	Price	Market Value	Present Loan Balance	Interest Rate	Loan Maturity Date	Monthly Payment	Lender *

*Use expanded schedule(s) as appropriate, dating and signing the schedule(s) in the same manner as this statement.

SCHEDULE D - PARTNERSHIPS (LESS THAN MAJORITY OWNERSHIP FOR REAL ESTATE PARTNERSHIPS)* OR OTHER CORPORATE INTERESTS

Name and Type of Investment	Date of Initial Investment	Cost	Percent Owned	Current Market Value	Balance Due on Partnership	Final Contribution Date
Business/Professional (Indicate name):						
Investments (Including Tax Shelters):						

*Note: For investments which represent a material portion of your total assets, please include the relevant financial statements or tax returns, or in the case of partnership investments or S-corporations, schedule K-1s.

SCHEDULE E - NOTES PAYABLE

Due to	Type of Facility	Amount of Obligation	Secured		Collateral	Interest Rate	Maturity	Unpaid Balance
			yes	no				
			<input type="checkbox"/>	<input type="checkbox"/>				
			<input type="checkbox"/>	<input type="checkbox"/>				
			<input type="checkbox"/>	<input type="checkbox"/>				

Please answer the following questions:

1. Income taxes filed through (date): _____ any returns currently being audited or contested? yes no

If yes, what year(s)? _____

2. Have you or any firm in which you were a major owner ever declared bankruptcy? yes no

If yes, please provide details: _____

3. Have you ever been convicted, charged or arrested for any criminal offense other than a minor traffic violation? yes no

If yes, please provide details: _____

4. Have you drawn a will? yes no

If yes, please furnish the name of the executor(s) and year will was drawn: _____

5. Number of dependents (excluding self) and relationship to applicant: _____

6. Have you ever had a financial plan prepared for you? yes no

7. Did you include three years Federal and State tax returns? yes no

8. Do you have a line of credit or unused credit facility at any other institution(s)? yes no

If so, please indicate where, how much, and name of banker:

9. Do you anticipate any substantial inheritances? yes no

If yes, please explain:

Representations and Warranties

The information contained in this statement is provided to induce you to extend or to continue the extension of credit to the undersigned or to others upon the guarantee of the undersigned. The undersigned acknowledge and understand that you are relying on the information provided herein in deciding to grant or to continue credit or accept a guarantee thereof. Each of the undersigned agrees to notify you immediately and in writing of any change in name, address, or employment and of any material adverse change (1) in any of the information contained in this statement or (2) in the financial condition of any of the undersigned or (3) in the ability of any of the undersigned to perform its (or their) obligations to you. In the absence of such notice or a new and full written statement, this should be considered as a continuing statement and substantially correct. If the undersigned fail to notify you as required above, or if any of the information herein should prove to be inaccurate or incomplete in any material respect, you may declare the indebtedness of the undersigned or the indebtedness guaranteed by the undersigned, as the case may be, immediately due and payable. You are authorized to make all inquiries you deem necessary to verify the accuracy of the information contained herein and to determine the credit-worthiness of the undersigned. Each of the undersigned authorizes you to answer questions about your credit experience with the undersigned. As long as any obligation or guarantee of the undersigned to you is outstanding, the undersigned shall supply annually an updated financial statement. This personal financial statement and any other financial or other information that the undersigned give you shall be your property.

Date

Signature

Date

Signature

M I D C

L O A N

APPLICATION

CONFIDENTIAL

Minority Investment Development Corporation

270 Weybosset Street, 4th Floor
Providence, Rhode Island 02903
401-351-2999 Fax 401-351-0990

M I D C

BUSINESS LOAN APPLICATION

Business Name: _____ Date _____

Business Address: _____ Telephone # _____

_____ FAX # _____

_____ Taxpayer I.D.# _____

Zip Code (required) _____ Business Fiscal Year End Date: _____

LOAN REQUEST

Amount Requested \$ _____ Initial Request Additional Loan

Purpose of Loan: _____

Use of Loan Proceeds:

\$ _____ for inventory purchases

\$ _____ for payment of taxes

\$ _____ for fixed asset purchases

\$ _____ for _____ (specify)

\$ _____ for reduction of payables

\$ _____ for _____ (specify)

Source of Repayment: _____

Length of Repayment: Period: _____ Months _____ Years _____

GENERAL INFORMATION

Legal Form: Corporation Partnership Sole-Proprietorship Other

Income Tax Return Filed Through: _____ Are any returns being contested or audited: yes no

Names and titles of persons authorized to borrow money on behalf of and in the name of Applicant: _____

Date Business started or purchased: _____ Number of employees: _____

BUSINESS LOAN APPLICATION

State where business is incorporated or registered:

Annual Revenues: \$ _____ as of _____

MANAGEMENT (proprietor, partners, officers, directors and all holders of outstanding stock - 100% of ownership must be shown).
use separate sheet if necessary.

Name and Social Security Number	Complete Address	Title	% Owned
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Are there any affiliated or subsidiary companies? yes no

If yes, provide detail:

Who owns the real estate from which the business operates?

If leased or rented, amount of monthly payment, expiration date, any renewal options:

BUSINESS INDEBTEDNESS: Furnish the following information on all installment debts, contracts, notes, and mortgages payable. Indicate by an asterisk (*) any items to be paid by the proceeds of this loan. *Use separate sheet if necessary.*

Name & Address of Noteholder	Original Date and Amount	Current Balance	Payment Amount	Terms/Maturity (monthly etc.)	Type of Collateral

UNPAID TAXES: Describe in detail the type, to whom owed, when due, and any tax liens, if applicable

BUSINESS LOAN APPLICATION

COLLATERAL

Please list collateral you are offering in support of this loan, approximate value, designate ownership of collateral. Describe any existing liens or loans on the proposed collateral. **Use separate sheet if necessary.**

Collateral Description	Value	Collateral is owned by:	Existing liens/loans

Please provide necessary explanation(s) to the following as necessary:

Is your business an endorser, guarantor, or comaker of any obligations not listed on this application? yes no

If yes, what is the contingent liability? \$ _____ Is your business party to any claim or lawsuit? yes no

Has your business ever declared bankruptcy? yes no

Are your payroll, federal, state, and property taxes current? yes no

BUSINESS AND CREDIT REFERENCES

	Name	Address	Telephone Number
1. Attorney			
2. Accountant			
3. Insurance Agent			

Depository Bank	Type of account	Account Number	Average Balance
1.			
2.			
3.			

Major customers	Average annual purchases/sales in \$	Contact/telephone #
1.		
2.		

Major Suppliers	Average annual purchases/sales in \$	Contact/telephone #
1.		
2.		

B U S I N E S S L O A N A P P L I C A T I O N

PLEASE ATTACH COPIES OF BUSINESS FINANCIAL STATEMENTS FOR PAST THREE FISCAL YEARS.

EQUAL CREDIT OPPORTUNITY NOTICE

Were your gross revenues \$1,000,000 or less in your previous fiscal year? yes no

If you answered yes and the Creditor denies your application for credit, you have the right to a written statement of the specific reasons for denial.

Notice: 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, age (providing the applicant has the capacity to enter into a binding contract) or; because all or a 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. The federal agency that administers compliance with this law concerning this creditor is the Federal Deposit Insurance Corporation, 160 Gould Street, Needham, MA 02914.

This information and the information provided on all accompanying financial statements and schedules is provided for the purpose of obtaining credit for the Applicant(s) or for the purpose of Applicant(s) guaranteeing credit for others. Applicant(s) acknowledge that representations made in this statement will be relied on by Creditor in its decision to grant such credit, and the application is true and correct in every detail and accurately represents the financial condition of the Applicant(s) on the date given below. Creditor is authorized to make all inquiries it deems necessary to verify the accuracy of the information contained herein and to determine the credit-worthiness of the Applicant(s) will promptly notify Creditor of any subsequent changes which would affect the accuracy of this Application. Creditor is further authorized to answer any questions about Creditor's credit experience with Applicant(s). Applicant(s) are aware that any knowing or willful false statements for purposes of influencing the actions of Creditor can be violation of federal law

By signing below, each applicant declares that he has read and understands the statement above.

Signed _____ Title _____ Date _____

Signed _____ Title _____ Date _____

FOR INTERNAL USE

Received by: _____ Date _____

Insufficient information for credit decision. Additional information requested on _____

Approved Date notified: _____ By: _____

Amount \$ _____ Other: _____

Term _____

Rate _____

Denied Date notified: _____ By: _____

Withdrawn Date notified: _____

Date closed: _____ By: _____

Risk rating: _____ Next review date: _____ Lender: _____

**MINORITY INVESTMENT DEVELOPMENT CORPORATION
LOAN APPLICATION ADDENDUM**

Company Name: _____

Address: _____

The following questions must be answered in connection with your application for funding from the Minority Investment Development Corporation

1. How many employees do you currently have?

Full time _____

Part time _____

2. Upon receipt of the requested funding and implementation of your business plan, how many employees would expect to have?

Full time _____

Part time _____

3. As the owner of a small business;

a. Do you consider yourself a minority? Yes No

b. If yes, under what classification? Gender _____ Ethnicity _____
(please specify)

c. Annual income per your most recent tax return - Amount _____

Year-ended _____

4. How did you hear about the MIDC?

Please list all outstanding loans for which your company is obligated (amount and source)

Please list any additional loans which have been requested in conjunction with your MIDC request (amount and source)