



City of Kennedy
 414 North Atlantic Avenue
 P.O. Box 7
 Kennedy, MN 56733

SECTION ONE - APPLICANT INFORMATION

NAME OF APPLICANT:			
SOCIAL SECURITY NUMBER:		CELL PHONE:	
MAILING ADDRESS:			
CITY:	STATE:	ZIP CODE:	
EMAIL ADDRESS:		WEBSITE:	
BUSINESS NAME:		BUSINESS PHONE:	
BUSINESS ADDRESS:		BUSINESS FAX:	
BUSINESS CITY:	STATE:	ZIP CODE:	
Principal Owner Names	Titles	Owner %	Social Security #

Attach separate sheet, if necessary. List all owners, partners, directors, guarantors and stockholders. Those with 20% or more ownership must submit a separate, signed application form and may be required to provide personal guarantees.

APPLICANT IS APPLYING FOR THIS LOAN:

- Individually, without co-applicant(s) or guaranty of a relative or other person(s) or entity.
- Jointly, with co-applicant(s), or the guaranty of one or more persons or entities.

All co-applicants and guarantors must complete a separate application form.

CITIZENSHIP. Is the applicant a citizen of the U.S. or resides in the U.S. after being legally admitted for permanent resident, OR in the case of an organization, at least 51% of the outstanding membership/ownership citizens of the U.S. or residents in the U.S. after being legally admitted for permanent resident.

- No
- Yes

BUSINESS/LEGAL STRUCTURE		
<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Cooperative Corporation <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Subchapter S Corp <input type="checkbox"/> Non-Profit		
DATE ESTABLISHED:	DUNS #:	FEDERAL TAX ID#:
DESCRIPTION & HISTORY OF BUSINESS:		
<u>DUAL INTERESTS.</u> Does the applicant or the business have any financial interest as vendors of project items, or are they prospective customers of the applicant's/business' products?		
<input type="checkbox"/> No		
<input type="checkbox"/> Yes, please provide details:		
<u>LOAN DEFAULT.</u> Has the applicant or the business ever defaulted on a loan commitment?		
<input type="checkbox"/> No		
<input type="checkbox"/> Yes, please provide details:		
<u>RECEIVERSHIP/BANKRUPTCY.</u> Has the applicant or business ever been in receivership or declared bankruptcy?		
<input type="checkbox"/> No		
<input type="checkbox"/> Yes, please provide details:		

<p><u>JUDGEMENTS/INJUNCTIONS.</u> Are there (or have there ever been) civil or criminal judgments of injunctions against the applicant or business?</p> <p><input type="checkbox"/> No</p>
<p><input type="checkbox"/> Yes, please provide details:</p>
<p><u>LITIGATION PENDING.</u> Is any litigation pending that involves the applicant and/or business?</p> <p><input type="checkbox"/> No</p>
<p><input type="checkbox"/> Yes, please provide details:</p>
<p><u>DISCRIMINATION COMPLAINTS.</u> Within the past five years, have there been any violations, citations, charges or complaints of discrimination filed against the applicant and/or business in state or federal court or before any government agency?</p> <p><input type="checkbox"/> No</p>
<p><input type="checkbox"/> Yes, please provide details:</p>

<p><u>PREVIOUS FUNDING.</u> Has the applicant and/or business ever received a business subsidy from a local unit of government before?</p> <p><input type="checkbox"/> No</p>
<p><input type="checkbox"/> Yes, please provide details:</p>
<p><u>TAXES.</u> Do the applicant and/or business have any delinquent taxes (inc. property, income, etc.)?</p> <p><input type="checkbox"/> No</p>
<p><input type="checkbox"/> Yes, please provide details:</p>

SECTION TWO: LOAN PURPOSE

ELIGIBLE USES:

- Business and industrial acquisitions when the loan will keep the business from closing, prevent the loss of employment opportunities, or provide expanded job opportunities.
- Business construction, conversion, enlargement, repair, modernization, or development.
- Purchase and development of land, easements, rights-of-way, buildings, facilities, leases, or materials.
- Purchase of equipment, leasehold improvements, machinery, or supplies.
- Transportation services.
- Start-up operating costs and working capital.
- Interest (including interest on interim financing) during the period before the facility becomes income producing, but not to exceed 3 years.
- Debt refinancing (only allowed when it is determined that the project is viable and refinancing is necessary to create new or save existing jobs or create or continue a needed service; see RD MN 4274.314(b)(10) for additional collateral requirements).
- Hotels, motels, tourist homes, bed and breakfast establishments, convention centers, and other tourist and recreational facilities.
- Revolving lines of credit (see RD MN 4274-314(b)(14)(i)-(v)).

DESCRIPTION OF LOAN PURPOSE/PROJECT NARRATIVE:

SECTION THREE: BUSINESS EMPLOYMENT

TYPE OF EMPLOYMENT: <u>CURRENT EMPLOYMENT</u>	CURRENT JOBS: Full Time	CURRENT JOBS: Part Time	RETAINED JOBS 1 ST YR: FT	RETAINED JOBS 1 ST YR: PT	RETAINED JOBS 2 ND YR: FT	RETAINED JOBS 2 ND YR: PT
PROFESSIONAL/MANAGERIAL/TECHNICAL						
SKILLED						
UNSKILLED/SEMI-SKILLED						
TOTAL						
AVERAGE FULL TIME WAGE:			AVERAGE PART TIME WAGE:			

BENEFITS OFFERED:






<input type="checkbox"/> Employee Health Insurance	<input type="checkbox"/> Profit Sharing	<input type="checkbox"/> Other:
<input type="checkbox"/> Family Health Insurance	<input type="checkbox"/> Paid Vacation	_____
<input type="checkbox"/> Life and/or Disability Insurance	<input type="checkbox"/> Paid Sick Leave	_____
<input type="checkbox"/> Dental Insurance	<input type="checkbox"/> Paid Holidays	_____
<input type="checkbox"/> Employer Retirement Contribution		

TYPE OF EMPLOYMENT: <u>NEW HIRES ONLY</u>	CURRENT JOBS: FT	CURRENT JOBS: PT	RETAINED JOBS 1 ST YR: FT	RETAINED JOBS 1 ST YR: PT	RETAINED JOBS 2 ND YR: FT	RETAINED JOBS 2 ND YR: PT
PROFESSIONAL/MANAGERIAL/TECHNICAL						
SKILLED						
UNSKILLED/SEMI-SKILLED						
TOTAL						
AVERAGE FULL TIME WAGE:			AVERAGE PART TIME WAGE:			

BENEFITS OFFERED:

<input type="checkbox"/> Employee Health Insurance	<input type="checkbox"/> Profit Sharing	<input type="checkbox"/> Other:
<input type="checkbox"/> Family Health Insurance	<input type="checkbox"/> Paid Vacation	_____
<input type="checkbox"/> Life and/or Disability Insurance	<input type="checkbox"/> Paid Sick Leave	_____
<input type="checkbox"/> Dental Insurance	<input type="checkbox"/> Paid Holidays	_____
<input type="checkbox"/> Employer Retirement Contribution		

SECTION FOUR: COST OF ENTIRE PROJECT

A. LAND AND LAND IMPROVEMENTS	\$
 Attach legal description and assessed value.	
B. BUILDINGS	\$
 Attach plans and cost.	
C. MACHINERY AND EQUIPMENT	\$
 Attach cost sheet and supplier.	
D. WORKING CAPITAL	\$
 Attach description and details.	
E. OTHER PROJECT COSTS	\$
 Attach description and details.	
TOTAL COST OF ENTIRE PROJECT	\$

SECTION FIVE: LOAN REQUEST

LOAN AMOUNT REQUESTED FROM KENNEDY EDA:	\$
TERM REQUESTED:	DATE FUNDS NEEDED:

SECTION SIX: SOURCES OF FINANCING FOR ENTIRE PROJECT

SOURCE	ADDRESS	AMOUNT	TERM (IF LOAN)	INTEREST RATE (IF LOAN)
TOTAL FINANCING:		\$		

SECTION SEVEN: SOURCES OF COLLATERAL PLEDGED FOR ENTIRE PROJECT

Acceptable Types: Land, Buildings, Machinery & Equipment, Furniture & Fixtures, Accounts Receivable, Inventory, Homes, Real Estate, Vehicles, Personal Guarantees. Proof of the value of proposed collateral will be required.

COLLATERAL PLEDGED TO KENNEDY EDA IF LOAN IS APPROVED	DESCRIPTION	ASSESSED VALUE	POSITION OF LIEN
KENNEDY EDA			
KENNEDY EDA			
KENNEDY EDA			
COLLATERAL PLEDGED TO FINANCIERS (FROM SECTION SIX)	DESCRIPTION	ASSESSED VALUE	POSITION OF LIEN
TOTAL COLLATERAL:		\$	

SECTION EIGHT: APPLICANT'S/BUSINESS' CURRENT DEBT

USE SEPARATE SHEET, IF NECESSARY

PAYABLE TO:	ORIGINAL LOAN DATE:
↻ ORIGINAL LOAN AMOUNT:	INTEREST RATE:
↻ PAYMENT AMOUNT:	CURRENT?
↻ PRESENT BALANCE:	MATURITY DATE:
PAYABLE TO:	
↻ ORIGINAL LOAN AMOUNT:	INTEREST RATE:
↻ PAYMENT AMOUNT:	CURRENT?
↻ RESENT BALANCE:	MATURITY DATE:

PAYABLE TO:	ORIGINAL LOAN DATE:
↪ ORIGINAL LOAN AMOUNT:	INTEREST RATE:
↪ PAYMENT AMOUNT:	CURRENT?
↪ PRESENT BALANCE:	MATURITY DATE:
PAYABLE TO:	ORIGINAL LOAN DATE:
↪ ORIGINAL LOAN AMOUNT:	INTEREST RATE:
↪ PAYMENT AMOUNT:	CURRENT?
↪ PRESENT BALANCE:	MATURITY DATE:

SECTION NINE: BASIS FOR FINANCING FROM KENNEDY EDA

Please describe why there is a need for funding from the Kennedy EDA (i.e., inadequate bank financing, high private lending interest rates, etc.). Applicant must provide statement from private lender stating the same.

SECTION TEN: KENNEDY EDA CREDIT AND DELINQUENCY POLICY

Interest rate is 4% with a five-year balloon. Terms are 5-10 years on equipment and working capital; 10-20 years on buildings and real estate. Individual loan terms can vary based on applicant’s business plan and form of collateral pledged to the loan .

Overdue letters are sent out 30 days after delinquent. If loan payment is not made to make loan repayment current, an interest rate of 7% accrues on the current balance due on the loan until it is brought current. If loan payment is not paid after 60 days, a judgment from small claims court will be sought or collateral obtained and sold to repay loan amount. The balance of the loan amount after is charged 9% interest until the unpaid balance is paid in full.

If the loan recipient misses more than two payments concurrently, the interest rate will increase to 9%.

I understand these loan policies and credit policies and accept them as terms of the KEDA loan.

Applicant’s Authorized Signature:	Date:
Printed Name and Title:	

SECTION ELEVEN: EQUAL OPPORTUNITY IN EMPLOYMENT

Applicant commits to equality of Opportunity in Employment and hereby certifies that it is in compliance with all state and federal laws pertaining to employment discrimination on the basis of sex, race, color, religion, national origin and age.

Applicant pledges that all jobs to be created with the assistance of public funds will be open to all qualified male and female prospective employees, and that the applicant will extend equal pay for equal jobs.

Applicant understands that it will be expected to report, upon request, follow-up information on jobs created, including job title, annual hours per job, wage rates, gender and racial/ethnic groups.

I, the applicant, certify that the above information and assertions are a true and accurate representation of the company and its owner(s). I further attest to the affirmations on behalf of the company.

Legal Name of Applicant’s Business:	
Applicant’s Authorized Signature:	
Printed Name and Title:	Date:

SECTION TWELVE: TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

Please provide the following information so that the Kennedy EDA will be in compliance with Title VI of the Civil Rights Act of 1964. This information is being requested in accordance with Rural Development regulations of the United States Department of Agriculture.

The information regarding race, color, or national origin designation is requested in order to assure the Federal Government that KEDA complies with Federal Laws prohibiting discrimination on the basis of race, color, national origin. You are not required to furnish this information, but are encouraged to do so. Federal regulations require that a lender may neither discriminate on the basis of this information, nor on whether you choose to furnish the information. If you choose not to furnish this information, under Federal regulations we are required to note your race and national origin on the basis of visual observation or surname.

Please select the appropriate designations below to describe the applicant:

RACIAL CATEGORIES:

- American Indian or Alaskan Native
- Asian
- Black or African American
- Native Hawaiian or Pacific Islander
- White

ETHNIC CATEGORIES:

- Hispanic or Latino
- Non Hispanic or Latino

GENDER CATEGORIES:

- Female
- Male

Applicant's Authorized Signature:

Date:

Printed Name and Title:

SECTION THIRTEEN: DECLARATION OF NO CONFLICT OF INTEREST

The applicant, the applicant's business, and its principal officers (including their immediate family) must not hold any legal or financial interest or influence with or upon Kennedy EDA Board Members, or Kennedy EDA Council Representatives (including their immediate family). Kennedy EDA Board Members, or Kennedy EDA Council Representatives (including their immediate family) as listed below must not hold any legal or financial interest or influence with or upon the loan applicant, the applicant's business, or its principal officers (including their immediate family).

KEDA COUNCIL REPRESENTATIVES:

Todd Truedson
Cynthia Urbaniak
Matthew Casper
Jon Pietruszewski
Kevin Hanson



This Section shall not prevent the Kennedy EDA from making a loan to a cooperative that has a Kennedy EDA officer as a member of the cooperative. MN RD 4274.308(b)(4)

My signature certifies that myself, my business, and business officers (including their immediate family) do not hold any legal or financial interest or influence with or upon Kennedy EDA Council Representatives (including their immediate family).

Applicant's Authorized Signature:

Printed Name and Title:

Date:

<p>My signature certifies that Kennedy EDA Board Members, or Kennedy EDA Council Representatives (including their immediate family) do not hold any legal or financial interest or influence with or upon the applicant, the applicant's business, and business officers (including immediate family).</p> <p>Kennedy EDA's Authorized Signature:</p>	
Printed Name and Title:	Date:

SECTION FOURTEEN: CLEAR AIR & FEDERAL WATER POLLUTION CONTROL ACT	
<p>My signature certifies that I am an applicant seeking financial assistance from the Kennedy EDA and as such, certify that facilities under my ownership and/or supervision utilized in the accomplishment of the project described above are not listed on the Federal Environmental Protection Agency's (EPA) list of violating facilities. I will notify the Kennedy EDA of receipt of any communication from the Director of the EPA Office indicating that a facility to be utilized in the described project is under consideration for listing as a violating facility.</p> <p>Applicant's Authorized Signature:</p>	
Printed Name and Title:	Date:

SECTION FIFTEEN: ADDITIONAL ACKNOWLEDGEMENTS	
<p>If the loan request is approved by the Kennedy EDA and accepted by me, the borrower, I must also pay for:</p> <ol style="list-style-type: none"> 1. Property Hazard insurance with a standard mortgage clause naming the Kennedy EDA as beneficiary in an amount that is at least the lesser of the depreciated replacement value of the property being insured or the amount of the loan. Hazard insurance includes fire, windstorm, lightning, hail, business interruption, public liability, property damage, or any other hazard insurance which may be required to protect the security. The Kennedy EDA's interest in the insurance may be assigned to USDA Rural Development. 2. Life insurance, which may be decreasing term insurance, for the principals and key employees of the borrowing entity. Such life insurance will be assigned or pledged to the Kennedy EDA. The Kennedy EDA's interest in the insurance may be assigned to USDA Rural Development. <p>My signature indicates that I have reviewed the above section and agree to the terms as described.</p> <p>Applicant's Authorized Signature:</p>	
Printed Name and Title:	Date:

SECTION SIXTEEN: APPLICANT'S CERTIFICATION

I certify that all statements made in this application are an accurate representation of my financial condition on this date and are made for the purpose of obtaining the loan indicated. Verification and re-verification of any information contained in this application may be made at any time by Kennedy EDA, it's agents, successors, and assigns, either directly or through a credit reporting agency or other source named in this application at any time while checking the creditworthiness of this loan application, or if approved, at any time while said loan has an outstanding balance due.

Kennedy EDA, its agents, successors, and assigns, will rely on the information contained in this application and I have a continuing obligation to amend and/or supplement the information provided in this application if any of the material facts which I have represented herein should change prior to advancement of funds by Kennedy EDA or at any time thereafter, if requested.

It is further agreed that in the event that I make credit application elsewhere either prior to, during the term of, or following the making of the loan sought by this application, Kennedy EDA is also authorized to receive additional credit information and to answer any questions by third parties on their credit experience with the undersigned.

I further understand that the information supplied in this application will be used to assess the business' qualification for a loan. There is the possibility this data may be public record if and when the loan is approved. Public information would be available to be examined by any person. Data will be kept confidential to the extent possible under State Law.

TENNESSEN WARNING-I have read the above statements and I agree to supply date to the Kennedy EDA in conjunction with a loan with the full knowledge of the information provided in the statement.

Applicant's Business's Legal Name:

Applicant's Authorized Signature:

Date:

Printed Name and Title:

SECTION SEVENTEEN: REQUIRED ATTACHMENTS UPON REQUEST

- Credit & Information Disclosure Authorization
- USDA Equal Opportunity Agreement, RD 400-1
 - USDA Assurance Agreement, RD 400-4
 - USDA Request for Environmental Information, RD 1940-20
- Request for Taxpayer Identification Number and Certification, W-9
- Request for Transcript of Tax Return, 4506-T
- Corporate Resolution Authorizing Agents, see Sample Available from EDA
 - Documentation from lending institute stating Kennedy EDA Financing is Necessary, see Sample Available from EDA

Other Items that may be helpful for the EDA Board to consider the loan request:

Business Plan

History of Business

Market Analysis and Strategy

Products

Manufacturing Process

Financial Projections

Schedule of Business Debt

Statement of Collateral

Resumes and Personal Finance Statements

Commitment Letters

Affiliates

Appraisals/Proposed Lease/Purchase Options or Agreements

Partnership Certificate of Authorization or Corporate Certificate of Authority and Incumbency

Last Year's Business Income Tax Statement

Last Year's Personal Income Tax Statement

Evidence of Payment of Last Quarter's Payroll Tax

Evidence of Worker's Compensation Insurance Coverage