

**VIRGINIA SMALL BUSINESS FINANCING AUTHORITY  
SSBCI CASH COLLATERAL PROGRAM  
LENDER'S APPLICATION**

Lender EIN  
Contact Title  
E-mail  
Address  
City State Zip  
Telephone Office Mobile FAX

**We request VSBFA provide cash collateral for the following loan:**

Borrower's Name: EIN

Total Amount of Lender's Loan: \$

Cash Collateral Requested from VSBFA: \$ # of Years Cash Collateral will be needed:

*Note: Amount not to exceed 40% of the loan or \$500,000, whichever is less. Term may not exceed 5 years for term loans or 3 years for lines*

**The following must be completed and submitted to VSBFA:**

1. Lenders Application
2. Borrower's Agreement and Application
3. Lender's Internal Credit Memo to include:
  - a. Financial, Profitability and Repayment Analysis, including ratios, trends, and Industry Standards (e.g.: RMA Comparables)
  - b. Collateral Analysis, including lien position and adequacy.
  - c. Lender's experience with the borrower, including Strengths and Weaknesses.
4. If the loan involves an eligible passive company (EPC), a copy of the executed lease between the EPC and the operating company (OC).
5. Any other documents that may be required.
6. Application fee of \$200

**Application Fee:** Lender shall pay a VSBFA fee of \$200.00 for each Loan application submitted under the CCP.

**Collateral Support Fee:** Additionally, Lender shall pay a collateral support fee of one and one half of one percent (1 1/2%) of the cash collateral amount to VSBFA.

The collateral support fee for a Borrower which is a "military community"\* owned business (at least 51% ownership and control) will be three quarters of one percent (0.75%) of the Cash Deposit at Loan closing.

\*Eligible "military community" members include U.S. Armed Service veterans, service-disabled veterans of U.S. Armed Services, active-duty service members eligible for U.S. Armed Services' Transition Assistance Program, U.S. Armed Service reservists and National Guard members, current spouses of any of the above and widowed spouses of a service member or veteran who died during service or of a service-connected disability.)

**LENDER'S CERTIFICATION**

I certify to the VSBFA that the loan represented by this Lender's Application is approved subject to terms specified. Without VSBFA's participation, as requested, we would not be willing to make this loan, and in our opinion the financial assistance requested is not otherwise available on reasonable terms. I have reviewed and verified all of the information in the Borrower's loan application, Borrower's Certification and the documentation supporting this Application. 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 the owners and managers of the borrower business are of good character.

The loan has not been made in order to:

- i. Eliminate the bank's requirement for collateral or the principal's personal guaranty, or
- ii. Finance passive real estate investment, purchase of residential housing, real estate construction or development, or
- iii. Refinance a Lender's existing debt, except that if there is additional debt added to the refinance amount, the additional principal is eligible for CCP, or
- iv. Repay a delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority; or repay taxes held in trust or escrow, e.g. payroll or sales taxes; or
- v. Reimburse funds owed to any owner, including any equity injection or injection of capital for the business' continuance; or
- vi. 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; or
- vii. To purchase goodwill, or
- viii. To finance the unguaranteed portion of SBA-guaranteed loans or other federally guaranteed loans.

**Name of Lender**

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Certifying Officer Signature

Title

Date