COVID-19

Economic Relief Package

Small Business Emergency Assistance Loan Program Application

April 6, 2020
COVID-19 Economic Relief Package

- SMALL BUSINESS EMERGENCY ASSISTANCE GRANT PROGRAM

- SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM

- PROGRAMS TO MOBILIZE CAPITAL TO MICRO-, SMALL, & MEDIUM-SIZED BUSINESSES
  - CDFI First Loss Reserve Fund
  - Emergency Assistance Guarantee
  - Entrepreneur Support Program

- NJ TECHNICAL ASSISTANCE SUPPORT

- CREDIT FLEXIBILITY TO SUPPORT BUSINESSES
Up to $100K working capital loans for up to 10 years for businesses with $5 million or less in revenue; 0% for years 1-5; 1-3% for years 6-10.

**Business Eligibility**

- $5M or less annual revenue
- Physical commercial location in New Jersey
- At least 1 year in existence
- Must be registered to do business in New Jersey
- Minimum Global Debt service ratio of 1.0 based on the year prior to the declaration of emergency
- Tax Clearance; Department of Labor good standing
- Minimum Credit Score of 600 for at least one guarantor
- Must show negative impact of emergency (e.g., closure, reduced hours, 20% revenue drop, 20%, etc.)
- Additional conditions may apply
- Must fill out and certify simplified debarment legal questionnaire

**NJEDA Program Size**

$10M (initial wave)
Loan Application Screen Shots: Welcome page

Application window opens on:
Monday, April 13
9:00am ET

Application window closes on:
Monday, April 20th
9:00am ET

Application will be available at:
https://cv.business.nj.gov
Loan Application Screen Shots: Basic Organization Information

To confirm your organization’s registered legal name:
https://www.njportal.com/DOR/BusinessNameSearch/Search/BusinessName

Note: you are able to save your application and come back to it at a later time if required.
Loan Application Screen Shots: Contact Information

Individual authorized to fill out application on behalf of company

If the Authorized Representative is not the CEO (or equivalent) of the company, NJEDA will need contact information for the CEO (or non-profit equivalent)
Loan Application Screen Shots: Organization Details (1/2)

**Organization Details**

Please ensure you provide accurate information, or your application may be delayed or rejected.

**Place of Incorporation/Formation** *
- [ ] New Jersey
- [ ] United States

**Date Established** *
- [ ]

**Full-Time Employees (W2)** *
- [ ] As of December 31, 2019

**Part-Time Employees (W2)** *
- [ ] As of December 31, 2019

**All other workers (1099, seasonal, PEO, etc.)** *
- [ ] As of December 31, 2019

Does your organization have a physical operating presence in New Jersey? *
- [ ] Yes
- [ ] No

Is your organization religiously-affiliated? *
- [ ] Yes
- [ ] No

Has the applicant, or any related parties, previously received EDA assistance? *
- [ ] Yes
- [ ] No

Is this organization registered with the State of New Jersey as any of the following?
- [ ] Small Business Enterprise (SBE)
- [ ] Minority and/or Women Business Enterprise (M/WBE)

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Business must be in existence for one full year to be eligible

Business must have a physical commercial location in the State of New Jersey

If your organization is religiously affiliated, we may need to follow up with additional questions during the loan underwriting process

This information will not be used to evaluate the application but only for statistical tracking purposes

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PRELIMINARY DRAFT SHARED AS A COURTESY; SOME WORDING/LANGUAGE MAY CHANGE
Amount should correspond with info on most recent financial statement

### Examples of Entity Formation documents:

**For-Profit**: Filed Certificate of Incorporation, Bylaws, Filed Certificate of Authority-NJ (entity formed outside of NJ), Amendments

**Non-Profit**: Filed Certificate of Incorporation, Bylaws, Filed Certificate of Authority-NJ (entity formed outside of NJ), Amendments, IRS Determination Letter

**LLC**: Filed Certificate of Formation, Operating Agreement, Amendments, Filed Certificate of Authority-NJ (entity formed outside of NJ)

**LLP**: Filed Partnership Certificate, Partnership Agreement, Amendments, Filed Certificate of Authority-NJ (entity formed outside of NJ)

**General Partnership**: Partnership Agreement, Amendments

**Trust**: Trust Agreement, Amendments

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### Does your organization self-identify as any of the following?

- [ ] Small business enterprise
- [ ] Minority-owned business
- [ ] Women-owned business
- [ ] Veteran-owned business

### Annual Revenues *

What is the organization’s annual revenue for the most recent fiscal year?

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**Please provide a brief description (2-3 sentences) of the organization.**

I would argue that the organization is a manufacturer of widgets used in the hospitality and retail industries. Our total customer base is 500. We have five satellite locations throughout NJ to handle both our domestic retail and hospitality clients and a 5,000 square foot distribution center in Essex County.

Include: the industry that the organization falls within, the organization background, and a description of the product or service the organization offers.

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**Entity Formation Documents**

- Filed Certificate of Incorporation
- Bylaws
- Filed Certificate of Authority
- Amendments

**C Corporation Documents**

- Operating Agreement
- Partnership Agreement
- Partnership Agreement

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**Save**
Loan Application Screen Shots: Information about your industry (2/2)

NAICS Code

Do you know the NAICS code of your organization?

- Yes
- No

This is a six-digit number that corresponds to your organization’s industry. Learn more: North American Industry Classification System (NAICS)

Sector *
- Health Care and Social Assistance

Industry *
- 621210 - Offices of Dentists

Description

This industry comprises establishments of health practitioners having the degree of D.M.D. (Doctor of Dental Medicine), D.D.S. (Doctor of Dental Surgery), or D.D.Sc. (Doctor of Dental Science) primarily engaged in the independent practice of general or specialized dentistry or dental surgery. These practitioners operate private or group practices in their own offices (e.g., centers, clinics) or in the facilities of others, such as hospitals or HMO medical centers. They can provide either comprehensive preventive, cosmetic, or emergency care, or specialize in a single field of dentistry.

NAICS Code: 621210

I confirm that the NAICS code of ACME Inc is 621210.

Please ensure this is accurate, or your application may be delayed or rejected.

Save
Applicants are advised to reach out to partners/other owners in advance to collect as much of this as possible, or make sure this information is accessible when you apply.

For-profit entities must provide info for all owners with at least 10% ownership of the business.
For-profit entities must provide info for all owners with at least 10% ownership of the business.

Applicants are advised to reach out to partners/other owners in advance to collect as much of this as possible, or make sure this information is accessible when you apply.

NJEDA will require three consecutive years (as recent as is available) of personal tax returns for all owners with at least 10% interest in the company; these returns should be uploaded in the appropriate fields.
Loan Application Screen Shots: Company Financial Document Uploads

Financial Documents

Financial Statement Documents *
- Upload or drag files here.

Financial Statement Type *
- CPA Prepared
- Internally Prepared
- Other

Federal Tax Returns

Please provide three consecutive years of federal tax returns.

2019 Tax Form *
- Upload or drag files here.
- 2019 Tax Form Type
  - Form 1120
  - Form 1120-S
  - Other

2018 Tax Form *
- Upload or drag files here.
- 2018 Tax Form Type
  - Form 1120
  - Form 1120-S
  - Other

2017 Tax Form *
- Upload or drag files here.
- 2017 Tax Form Type
  - Form 1120
  - Form 1120-S
  - Other

2016 Tax Form *
- Upload or drag files here.
- 2016 Tax Form Type
  - Form 1120
  - Form 1120-S
  - Other

NJEDA requires three consecutive years tax returns (or as many years tax returns as appropriate for entities that have been in business less than 3 years).

Financial documentation may vary depending on company structure; for most companies, NJEDA expects to see an Income Statement, Balance Sheet, and Statement of Cashflows.
Loan Application Screen Shots: Use of Funds description and supporting documentation (1/2)

The applicant must identify how the loan will be used by entering each applicable funding use in the following fields.

Each use that is provided will total and auto-fill the total funds needed field.

Applicant should provide documentation based on the specific funding use identified, examples:

- Payroll: Payroll reports/ledger
- Rent: Current lease
- Mortgage: Most recent statement/bill
- Utilities: Most recent bill
- Taxes: Most recent municipal statement/bill
- Inventory: Invoices
- Other: Any other applicable documentation

Amount cannot exceed $100,000, or be more than the total funds needed.
If the total funds needed is greater than the loan amount requested, NJEDA will seek information on any additional funding sources the applicant will use to address the funding gap. This may include bank loans, personal equity, other state/federal funds, etc.
The applicant is required to provide a schedule of all debts so the NJEDA may determine the availability of cashflow to service the proposed debt.
Loan Application Screen Shots: Available Collateral Worksheet

This information allows the NJEDA to determine what, if any, real estate is available for the applicant to pledge as collateral.

No loans will be declined based on a lack of collateral.
Additional firm-level qualification questions

Additional Information

Please ensure you provide accurate information, or your application may be delayed or rejected.

Is Acme Inc. a home-based business?
- Yes  
- No

Does Acme Inc. host gambling or gaming activities?
- Yes  
- No

Does Acme Inc. conduct or purvey “adult” activities, services, products or materials?
- Yes  
- No

I.e., pornographic, lewd, prurient, obscene or otherwise similarly disreputable, including nude or semi-nude performances or the sale of sexual aids or devices.

Does Acme Inc. conduct auctions, bankruptcy sales, fire sales, “lost-our-lease,” “going-out-of-business,” or similar sales?
- Yes  
- No

Is Acme Inc. a transient merchant (“peddler,” “popup store,” or “itinerant vendor”)?
- Yes  
- No

Is Acme Inc. an outdoor storage company?
- Yes  
- No

E.g. Christmas tree sales.

Does Acme Inc. conduct any activities that may constitute a nuisance?
- Yes  
- No

Does Acme Inc. conduct business for any illegal purposes?
- Yes  
- No

Save
Loan Application Screen Shots: Legal Questionnaire (1/2)

Legal Questionnaire

Applicants are required to answer the following background questions pertaining to the commission of certain actions that can lead to debarment or disqualification from program eligibility.

For purposes of answering these questions, the term "applicant" refers to the business entity seeking financial assistance.

In the past 10 years, has applicant or its owner(s):

1. Been convicted and/or found guilty and/or pled guilty and/or found liable and/or paid a fine or otherwise paid to settle any allegations made by the government in any court to any violation of law, other than minor traffic offenses.
   - Yes  
   - No

2. Been denied a license or permit required to engage in its business or profession or has any such license or permit or been suspended or revoked by any government?
   - Yes  
   - No

3. Been suspended, debarred, disqualified, denied a classification rating or prequalification or otherwise been declared not responsible to bid or submit a form of prequalification on or to perform work on any public contractor subcontract?
   - Yes  
   - No

4. Violated the terms of a public agreement or transaction so seriously as to affect the integrity of an agency program?
   - Yes  
   - No

- Question about prior convictions
- Questions about license or permit denials or revocations
- Question about public debarment
- Question about breaking the terms of an agreement with a public agency
5. Had an injunction, order or lien entered against it in favor of any governmental agency including but not limited to judgments or liens based on taxes assessed or fines and penalties imposed by any government agency?
   - Yes
   - No

6. Is the applicant presently indicted for or otherwise criminally or civilly charged by a government business with the commission of a violation of law?
   - Yes
   - No

Definitions

The terms set forth below shall be defined as follows:

"Affiliates" means persons having an overt or covert relationship such that any one of them directly or indirectly controls or has the power to control another.

"Legal Proceedings" means any State, Federal or foreign civil, criminal or administrative proceeding in a court or administrative tribunal in the United States, any territories thereof or foreign jurisdiction.

Additional Information

The Authority reserves the right to require additional clarifying or explanatory information from the applicant (\"Applicant\") regarding the answers given. If, at any time prior to board action on this application, or at any time between the date of such action and the execution of a grant agreement with the Authority, the Applicant should become aware of any facts that materially alter or change such answers, or render any of them incomplete, the Applicant shall have a duty to immediately report such facts to the Authority in writing.

I hereby represent and certify that I have reviewed the information contained in this Legal Questionnaire, and that the foregoing information is true and complete. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

/S/ Brian Sabina
# Certification of Application

Eligibility of financial assistance by the New Jersey Economic Development Authority (NJEDA) is determined by the information presented in this application. Any changes in the status of the proposed project from the facts presented herein could disqualify the project.

Only Board Members of the governing board of the particular program for which you are applying, by resolution, may take action to determine project eligibility and to authorize the issuance of funds.

## I. THE UNDERSIGNED, BEING DUTY SWORN UPON MY OATH SAY:

1. I understand that if such information is willfully false, I am subject to criminal prosecution under N.J.S.A. 2C:28-2 and civil action by the EDA which may at its option terminate its financial assistance.

2. I authorize the New Jersey Department of Law and Public Safety to verify any answer(s) contained herein through a search of its records, or records to which it has access, and to release the results of said research to the EDA.

3. I authorize that the firm will make a best effort not to furlough or lay off any individuals from the time of application through six months after the end of the declared state of emergency. If you have already furloughed or laid off workers you must make a best-effort pledge to rehire those workers as soon as possible. Any material breach of its best efforts certification may result in the NJEDA seeking repayment of the grant.

4. I authorize that the firm has been negatively impacted by the COVID-19 declared state of emergency (e.g., has been temporarily shut down, has been required to reduce hours, has had at least a 20% drop in revenue, has been materially impacted by employees who cannot work due to the outbreak, or has a supply chain that has materially been disrupted and therefore slowed firm-level production).

5. I affirm, represent, and warrant that the applicant has no outstanding obligations to any bank, loan company, corporation, or individual not mentioned in the above application and attachments; that the information contained in this application and in all attachments submitted herewith is to the best of my knowledge true and complete and that the bond/loan applied for herein is not for personal, family, or household purposes.

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- False statements can be prosecuted
- Dept. of Law can verify my answers
- Best effort not to lay off employees and rehire those that have already been let go
- I have been negative impacted by COVID-19
- I have no outstanding obligations that have not already been identified in the application.
NJEDA can run a credit check on my business
NJEDA can share information with specific parties to execute this loan
I am in good standing with the Departments of Labor and Taxation
I am signing this electronically

Electronic signature
EMERGENCY ASSISTANCE ELIGIBILITY WIZARD
See what support programs are available to you to help stabilize your operations and get back on a pathway to growth.

GRANT AWARD SIZE ESTIMATE CALCULATOR
Get an early estimate of your potential grant award size based on information you submitted on your Q4 2019 NJ WR-30

NEW JERSEY COVID-19 JOBS AND HIRING PORTAL
Businesses across New Jersey need thousands of workers for immediate hire. Learn more about who is hiring in your community.

NEW JERSEY COVID-19 BUSINESS INFORMATION HUB
Search for information on COVID-19 and its impact on businesses.

Additional Resources

CV.BUSINESS.NJ.GOV
CV.BUSINESS.NJ.GOV
CV.BUSINESS.NJ.GOV
JOBS.COVID19.NJ.GOV