



SUPERIOR EAST/SUPÉRIEUR EST

Community Futures Development Corporation

Société d'aide au développement des collectivités

BUSINESS LOAN APPLICATION



**14 Ganley Street, P.O. Box 709, Wawa ON P0S 1K0, Phone: (705)-856-1105
Or 1-800-387-5776, Fax: (705)-856-1107, www.superioreast.on.ca**

BUSINESS LOAN APPLICATION

1. IDENTIFICATION

APPLICANT'S LEGAL NAME:

ADDRESS:

EMAIL:

PREVIOUS ADDRESS (IF LESS THAN 3 YRS AT ABOVE ADDRESS):

BUSINESS OPERATING NAME:

MAILING ADDRESS:

BUSINESS NUMBER (AS PROVIDED BY CRA FOR HST, PAYROLL, ETC.):

CURRENT EMPLOYER (IF ANY):

SALARY:

OFFICIAL LANGUAGE PREFERRED: """"ENGLISH " " FRENCH " OTHER_____

TELEPHONE NUMBER: WORK () RESIDENCE () """"""""""FAX ()

DATE OF BIRTH:

2. SPOUSE IDENTIFICATION

NAME:

CURRENT EMPLOYER:

OCCUPATION:

DATE OF BIRTH:

SALARY:

OTHER INCOME:

SOURCE(S):

3. PERSONAL FINANCE (Please provide PERSONAL financial details)

ASSETS	AMOUNT	LIABILITIES	MONTHLY PAYMENT	TOTAL OWING
Real Estate	\$	Mortgages	\$	\$
Cash	\$	Credit Cards	\$	\$
Automobile(s) Make _____ Yr. ____ Make _____ Yr. ____	\$	Loans – Auto	\$	\$
Other	\$	Loans – Other	\$	\$
Investments/RRSPs	\$		\$	\$
TOTAL ASSETS	\$	TOTAL LIABILITIES	\$	\$
NET WORTH (Total Assets – Total Liabilities)			\$	

1. If the business should fail, how would you repay the CFDC? _____

2. How did you hear about Superior East CFDC? _____

4. DISCLOSURE AND RELEASE STATEMENT

To: The Superior East Community Futures Development Corporation

1. I, hereby certify that the information in this Statement of Personal Assets and Liabilities is a complete and true declaration. The property values shown above are the fair market values of the properties and the amount of debts is the total potential indebtedness (inclusive of any other loans, credit cards, or other debts for which I have signed as a guarantor).
2. I confirm that if any statement I have made herein or in accompanying materials proves to be incorrect in any way, I shall notify the Corporation immediately.
3. I authorize the Corporation to obtain personal and business credit information about me from any source. By executing this statement, I acknowledge as notice in writing, the Corporation's intent to obtain this information and I authorize each source to provide this information to the Corporation.
4. I understand and agree that in order to perform a credit investigation, I need not provide my Social Insurance Number ("SIN") if I can provide alternative identification that is acceptable to the credit reporting agencies. If I do provide my SIN, I consent to the Corporation using this information for the limited purpose of performing a credit investigation.
5. I authorize the Corporation to retain this Statement of Personal Assets and Liabilities and any financial records, credit and reference reports for the Corporation's records and reporting to Industry Canada who oversees the Community Futures Program.
6. I confirm receipt of the Corporation's *Privacy Statement* and understand and consent to the Corporation collecting, using, retaining and disclosing the information contained in this Statement of Assets and Liabilities for the limited purpose of determining my eligibility for financing as is required by law, and by Industry Canada. I understand that the Corporation will handle my personal information in strict confidence in accordance with Federal privacy law as set out in the Corporation's *Privacy Policy*. If I have any questions or concerns about the management of my information, I may refer to the *Privacy Policy*, available at www.superioreast.on.ca or contact the Chief Privacy Officer.

Yes or No

***** I am currently the subject of litigation before a court, tribunal, government board or agency, or there is a threat of such litigation. There are unexecuted judgment(s) registered against me, such as:

I have made an assignment or have been petitioned into bankruptcy; there are writs registered against my name. If yes, provide details: -

*****I certify that I am a Canadian Citizen or Landed Immigrant.

DATED AT _____ THIS _____ DAY OF _____ 20__

Signature

Signature (I have authority to bind the corporation)

5. THE APPLICANT MAKES THE FOLLOWING STATEMENTS:

That conventional financing was unavailable for this business proposal: ""yes "" no

(a) That the Applicant will notify the Corporation immediately of any application pending and under consideration by another lender, or if negotiations are entered into, or an offer of financing is received, during the period of the Corporation's consideration of this application.

(b) That the Applicant carries a bank account(s) at:

(Name of bank)	(Address)
(Name of bank)	(Address)
(Name of institution)	(Address)
(Name of institution)	(Address)

and will instruct the bank(s) and/or other () to give the Corporation full information concerning the Applicant's affairs.

(c) That there has been no material adverse change in the financial position or operations of the Applicant since , **being the end of the last fiscal year** of the Applicant for which a balance sheet and a profit and loss statement have been furnished.

(d) That there is no litigation in course or threatened, nor any proceedings before any court, tribunal, governmental board of agency now in course or threatened, and that there is no unexecuted judgment rendered against the Applicant, except:

(Litigation/proceedings involving the Applicant and/or any close related individual or corporation should be reported.)

6. THE APPLICANT UNDERSTANDS AND AGREES:

(a) That the Applicant will be responsible for payment of all charges relative to preparation, execution and registration of such documents as may be required by the Corporation or its solicitors should the loan be approved;

(b) That the terms and conditions of any financing which may be authorized will be set forth in a Letter of Offer, for agreement and acceptance by the Applicant;

(c) That the statements made herein are for the express purpose of obtaining financing from the Corporation and are to the best of the Applicant's knowledge and belief true and correct. The Applicant understands that additional information in support of this application must be supplied to the Corporation, if requested, before adequate consideration can be given to this application. The Applicant realizes that any present or future indebtedness of the Applicant, or the Applicant's business, to the Corporation may become due and payable if any information provided by the Applicant to the Corporation proves to be inaccurate or incomplete;

(d) That in applying for this financing and, in the event that the Corporation approves such application, the Applicant's personal and confidential business information will be requested from the Applicant and/or collected from third parties that have information about the Applicant's business and personal financial status for the purposes of determining the Applicant's eligibility for financing and reporting to Industry Canada.

7. DISCLOSURE, RELEASE AND WAIVER OF LIABILITY

(a) The Applicant acknowledges that he or she approached the Corporation to obtain information about business and has, or is preparing a business plan.

(b) The Applicant acknowledges that he or she is solely responsible for the success or failure of his/her business, and that any information which is provided to the Applicant by representatives of the Corporation is for the Applicant's understanding only. It is the Applicant's responsibility to verify the accuracy of such information or to seek additional information concerning any aspects of the Applicant's proposed business.

(c) The Applicant further agrees to hold the Corporation harmless and hereby releases and discharges the Corporation from any actions, damages, claims or demands which may arise, directly or indirectly, as a result of any act or omission by the Corporation in providing information to the Applicant, and to indemnify the Corporation from any such actions, damages, claims or demands which might be suffered by the Applicant's business or any guarantor in connection with any such information.

8. COLLECTION, USE, AND DISCLOSURE OF PERSONAL AND BUSINESS INFORMATION

(a) The Applicant acknowledges that, as the operation of the Corporation is financially supported by the Government of Canada, representatives of Industry Canada are permitted access to the files of the Corporation for monitoring and evaluation purposes and that the Applicant may be contacted by representatives of Industry Canada and that, such information as is acquired by the Ministry will be treated as confidential.

(b) The Applicant acknowledges receipt of the Corporation's *Privacy Statement* and hereby consents to his or her personal and business information being collected, used, retained, and disclosed by the Corporation for the limited purposes as set out above. The Applicant further understands that under Federal privacy law, he or she has access to the information held by the Corporation and knows to refer to the Corporation's *Privacy Policy* or contact the Chief Privacy Officer if a question or concern arises about the handling of the Applicant's personal information.

DATED, at _____, this _____ day of _____, 20____

(Name of Applicant)

(Name of Applicant)

(Signature)

(Signature – I have authority to bind the corporation)

9. PROPOSAL SUMMARY (Note: All numerical estimates provided in this application must be supported with quotes if applicable)

1. Type of Business: · Sole Proprietorship · Partnership · Corporation · Co-operative
2. State the ownership of the business including names and percentages.

3. Location of project (address).

4. Background of all owners/management (experience, education, work history, knowledge on type of business project) and where possible include a resume of the participant/key personnel.

5. Briefly describe your project. Indicate if your project is to establish a new business, or to expand, modernize or acquire an existing one. Is it seasonal? For expansions, modernization or acquisitions, *attach financial statements for the past three years.*

6. Have you made any commitments to the project? (Signed agreements, purchased materials or equipment, acquired land, etc). If so, please specify.

Note – Only answer questions 7 and 8 if an existing business

7. Are any of the following items in arrears for your business? (HST, Income Taxes, Property Taxes, Payroll Remittances). Please answer: YES NO

If yes, what are the amounts outstanding for each item?

Item	Amount Outstanding	Comments

8. Do you have any business loans outstanding? Please answer: YES NO

If yes, please list them, the monthly payment and the balance owing.

Financial Institution	Monthly Payment	Balance Owing

Answer all questions below

9. Briefly describe the products and/or services you will be offering. Why will customers buy your products and/or services instead of another company's?

10. List your competition and their advantages and disadvantages in comparison to your business.

Competition	Advantages	Disadvantages

11. Specify the number of jobs to be created and/or maintained within your business (including the owner).

Jobs	Full-Time	Part-Time	Seasonal
New Jobs Created			
Existing Jobs Maintained			
Totals			

12. What will the wages be for the jobs mentioned in the above table?

13. What is the cost per job for this project? To determine this, divide the loan amount by the number of jobs that will be created and/or maintained. Example ($\$125,000 \div 4 = \$31,250$). The cost per job should not exceed \$45,000.

14. Describe the facilities of the business. This can include a general description of the site, the size of the facility, the equipment and utilities, and the lease arrangements. If you are constructing a new facility, what is the cost breakdown?

15. List what equipment is to be involved in the business. Please include what is presently owned and what is to be purchased.

Equipment	Presently Owned	Age	Book value	To be Purchased (if necessary)	Cost (if necessary)

16. What will your hours of operation be?

17. What forms of advertising do you intend to use and what is your estimated budget?

Advertising Medium	Estimated Cost/Year	Comments

18. List your suppliers.

Name	Location

19. Identify the market you will be targeting by the following:

Location	
Age/Gender	
Income	
Other	

20. Indicate how you plan to secure a part of the market (4 Ps – Product, Price, Promotion, and Place).

21. When will the key activities and initiatives in your business plan be implemented and who will be responsible for their implementation?

22. How will you arrive at your sales per month and for the year? How will the sales be estimated? (For example, unit cost, sales/hour, seasonal fluctuations, mark-up, etc.)

10. EXPENSE FORECAST

EXPENSES	DETAILS	MONTHLY ESTIMATE
Employee Wages & Benefits		\$
Management Wages		\$
Inventory purchases		\$
Utilities – heat, water, lights		\$
Rent		\$
Phone, fax		\$
Licenses, Fees, and Dues		\$
Insurance		\$
Repairs & Maintenance		\$
Travel & Training		\$
Vehicle-shipping, delivery, gas		\$
Office Supplies		\$
Advertising		\$
Bank Interest, Service Charges		\$
Municipal Taxes		\$
Professional Fees		\$
CFDC/Other Loan Repayment		\$
Miscellaneous		\$
TOTAL EXPENSES		\$

11. FINANCIAL DETAILS OF THE PROJECT

(*Remember these totals should equal!!)

ESTIMATED PROJECT COSTS		PROJECT FINANCING		
Business	\$	***Equity (Investment)	\$	%
Land	\$	Loans	\$	%
Buildings	\$		\$	%
Initial Inventory	\$		\$	%
Equipment (major purchases)	\$	Other Gov't Funding (identify source)	\$	%
	\$		\$	%
Marketing	\$	Other	\$	%
Working Capital	\$		\$	%
**Legal Fees	\$		\$	%
*TOTAL	\$	*TOTAL	\$	%

** *Legal fees are the responsibility of the applicant.*

*** *If investment is in the form of tools, equipment, vehicles, etc., please provide a detailed list of contributions.*

12. GENERAL INSTRUCTIONS FOR COMPLETION OF CASH FLOW

- Every owner/manager who is serious about their business should complete a cash flow budget.
- The purpose of good cash management is to have enough cash to meet expenses and bills when they come due.
- It is not uncommon for a business to operate profitably and yet have difficulties because it is starved for cash at certain times of the year.
- A blank Cash Flow Chart has been provided.
- The suggested headings may not always be appropriate for all businesses, but are included here for ease of demonstration.
- The months have not been recorded on this form, so you can start your Cash Flow Forecast at any month to cover a twelve month period.
- In some cases, the amounts would be the same every month (ex. Rent, loan repayment) and in some cases amounts will have seasonal fluctuations (ex. Sales, utilities).

13. GLOSSARY OF TERMS FOR CASH FLOW FORECAST **(see attached cash flow sheet)**

CASH RECEIPTS

Cash from Sales If your business grants credit, only include cash that will actually be collected.

CFDC Loan In the first month you would enter the loan amount you plan to receive from the CFDC.

CASH REPAYMENT

Equipment Purchase Includes purchases made in the first month with the CFDC loan, or during the course of the year.

Inventory This is usually a percentage of sales, for example, a store which sells \$100,000 may have a 50% profit margin therefore their purchases would be \$50,000.

NET CASH

Net Cash From the cash flow forecasts, you would take the total cash receipts for the month minus the total cash payments. If the cash receipts are greater than the cash payments you have a surplus and would enter this amount beside "B". If the cash payments are greater than the cash receipts then you have a deficit and would enter this amount beside "C".

Cumulative The cumulative cash for each month is calculated as follows:

$$\text{Cumulative} = \text{A} + \text{B} - \text{C}$$

You then take the cumulative amount from the first month and enter it as your **Opening Balance "A"** in the second month. You follow this procedure for the remaining eleven months and you have a Cash Flow Budget for the year.

Note: Remember, no matter how time consuming it may seem, a cash flow budget is indispensable in planning for the future of your business.

