

Big Stone Area Growth (BSAG)

COVID-19 Business Assistance Loan Policy

It is the mission of Big Stone Area Growth (BSAG) to assist in stimulating the economy of the Big Stone County area and improving the overall County business environment.

During this time of uncertain and stressful economic conditions associated with the current COVID-19 pandemic, BSAG has decided it is in the best interest of the County and its businesses to create an emergency assistance fund for those businesses that have been forced to close or significantly reduce their operations due to the Governor of Minnesota issuing executive orders for businesses to cease operations that are considered to have a greater potential for community spread of the COVID-19 virus.

BSAG shall disclose no information, recommendations or statements made by any individual (including a loan officer, BSAG staff person, or BSAG Board Member). No information may be divulged directly or indirectly to any applicant, or to any of its representatives or any other unauthorized individual.

1. Goals and Objectives

- Ensure that all loans will be paid back
- Ensure that all loans will be good for the County and assist with business survival during this pandemic
- Provide emergency financing for businesses that are suffering financial hardships due to the COVID-19 business restrictions

2. Eligible Applicants

- **Businesses cited in Governor's Emergency Executive Order 20-04 as follows:**
 1. Beginning no later than March 17, 2020 at 5:00 pm, and continuing until March 27, 2020 at 5:00 pm, the following places of public accommodation are closed to ingress, egress, use, and occupancy by members of the public:
 - a. Restaurants, food courts, cafes, coffeehouses, and other places of public accommodation offering food or beverage for on-premises consumption, excluding institutional or in-house food cafeterias that serve residents, employees, and clients of businesses, child care facilities, hospitals, and long-term care facilities.
 - b. Bars, taverns, brew pubs, breweries, microbreweries, distilleries, wineries, tasting rooms, clubs, and other places of public accommodation offering alcoholic beverages for on-premises consumption.
 - c. Hookah bars, cigar bars, and vaping lounges offering their products for on-premises consumption.
 - d. Theaters, cinemas, indoor and outdoor performance venues, and museums.
 - e. Gymnasiums, fitness centers, recreation centers, indoor sports facilities, indoor exercise facilities, exercise studios, and spas.
 - f. Amusement parks, arcades, bingo halls, bowling alleys, indoor climbing facilities, skating rinks, trampoline parks, and other similar recreational or entertainment facilities.
 - g. Country clubs, golf clubs, boating or yacht clubs, sports or athletic clubs, and dining clubs.
- **And those businesses cited in Governor's Emergency Executive Order 20-08 as follows:**

Paragraph 1.e. of Executive Order 20-04 is amended by the following additions (indicated by underlined text) and deletions (indicated by strikethroughs): *Gymnasiums, fitness centers, recreation centers, indoor sports facilities, indoor exercise facilities, exercise studios, and spas tanning establishments, body art establishments, tattoo parlors, piercing parlors, businesses offering massage therapy or similar body work, spas, salons, nail salons, cosmetology salons, esthetician salons, advanced practice esthetician salons, eyelash salons, and barber shops. This includes, but is not limited to, all salons and*

shops licensed by the Minnesota Board of Cosmetologist Examiners and the Minnesota Board of Barber Examiners.

All other provisions of Executive Order 20-04 remain in effect.

- All applicants must have a physical, commercial approved location, whether leased or owned, that is located within Big Stone County.
- All applicants must be current with Big Stone County property taxes

Applicants are encouraged to review Governor's Emergency Orders 20-04 and 20-08 for further definition and clarification of businesses that are or are not eligible for this COVID-19 Business Assistance Loan. BSAG retains final authority to determine if a business is eligible or not.

3. Eligible Loan Activities

- Operating Capital to assist the business with sustaining itself until longer-term assistance programs area available.
- Other activities having sufficient merit as determined by the BSAG Board on a case-by-case basis.

4. Other Considerations

- Compliance with all government regulations.
- COVID-19 Business Assistance Loan funds will be available for as long as BSAG determines prudent, and BSAG reserves the right to limit the amount of funds available for this program at any time.

5. Conflict of Interest

- Any Board member that may indirectly or directly gain financially from loan transactions shall immediately inform the Board of any potential conflict of interest.
- If a potential conflict of interest exists, all necessary steps will be taken to ensure that the loan application is processed in full accordance with BSAG Board policies, and local and State regulations.

6. Loan Conditions

- Maximum loan amount is \$5,000
- Interest rate will be zero percent
- Any fees incurred will be due from borrower at the time of closing
- Loans will be for a maximum length of 24 months
- Loan repayments may be deferred for up to 6 months
- Repayment terms for loans will be determined on an individual basis, so long as the total principal balance is repaid within 24 months of the date of the first draw of loan funds by the borrower
- Upon default of loan, or the permanent closure or sale of the business, the loan immediately becomes due and payable in full
- Loans are not transferable unless the transfer is approved in writing by the BSAG Board
- Loan payment method will be automatic withdrawal ("ACH")

7. Application Requirements

- Completed "COVID-19 Business Assistance Loan" application

8. Collateral

- Loans will be secured with a blanket business UCC lien in the amount of the loan and to the benefit of BSAG
- Personal and/or corporate guarantees will be required for all that own 20% or more of the applicant business

Big Stone Area Growth (BSAG)

COVID-19 Business Assistance Loan Application

Applicant Information

DBA - Legal Name of the Business: _____

<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation	<input type="checkbox"/> LLC
Length of Time in Business	Years Months	Fed Tax Id#	MN State License
Mailing Address		City	ZIP
Location Address		City	ZIP
Business Phone	()	Business FAX	()
E-Mail Address		Web Address	
Contact Name		Title	
Amount of Funding Requested	\$ _____		

Principal #1

Name	DOB	SS#
Address	City	ZIP
Percentage of Ownership _____%		

Principal #2

Name	DOB	SS#
Address	City	ZIP
Percentage of Ownership _____%		

Primary Lender

Name	Phone	Ref#
Address	FAX	
Contact	Title	

Applicant certifies that all information provided, including legal status, is true, current, and complete.
 Applicant authorizes BSAG to utilize credit bureau/reporting agencies for verifying the accuracy of any information provided.
 Applicant authorizes the primary lending institution to provide BSAG with a recent credit report if one has been prepared.

By signing below, I/We represent that the information presented on this application is complete and accurate and that all loan proceeds will be used for business working capital related purposes.

Principal #1 _____ Principal #2 _____

Date _____ Date _____

Big Stone Area Growth (BSAG)

LOAN PROGRAM POLICY

AUTHORIZATION FOR RELEASE OF INFORMATION

I (We) hereby supplement the Loan Application of _____, 20 _____, and agree as follows:

1. Big Stone Area Growth (Lender) is authorized to make credit checks or inquiries concerning my (our) creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, criminal background check, any matters relating to assets, liabilities, and references on said application and support information, any subsequent application and support information; or any loan servicing request or action on any loan resulting from said applications;
2. Creditors, including but not limited to Credit Reporting Agencies, State and National Banks, Federal Land Banks, Production Credit Associations, the Farmers Home Administration and others, are hereby authorized to disclose to Lender any information relative to any of my (our) loans, accounts, purchases, other financial transactions, production or marketing information or other pertinent information, whether past, present, or future, with said creditors;
3. Lender is authorized to share with credit reporting agencies and creditors doing business, or who may do business with me (us), information regarding this extension of credit, any subsequent transactions or loan servicing actions resulting from any extension of credit, and my (our) general credit history;
4. Photocopies of this authorization may be presented to and relied upon by my (our) creditors and others as evidence of my (our) authorization to release information to the Lender.

Applicant

Date

Applicant

Date