

SSBCI 2.0 Minnesota Loan Guarantee Program (MNLGP)
Depository Financial Institutions

The Minnesota Loan Guarantee Program (MNLGP) is funded through the federal State Small Business Credit Initiative under the Small Business Jobs Act of 2010 as reauthorized and amended by the American Rescue Plan Act of 2021 (ARPA). The program provides an 80% loan guarantee of principal up to \$800,000 for enrolled lenders on qualified small business loans. An enrollment fee of 0.25% of the loan principal is charged for each loan.

Lenders must apply to enroll in the program. Interested lenders should complete this application and submit it, along with any attachments, to ssbci.deed@state.mn.us. Lenders must be approved prior to enrolling any loans. Loan enrollments must be approved prior to loan closing.

Section One: Please complete the following information.

Lender Name:	Contact Name:
Address:	Contact Title
City, State and Zip Code:	Phone:
County:	Email:
EIN:	Website:
Regulatory ID Type:	Regulatory ID Number:

Is the lender regulated? Yes No

If yes, list regulator:

Does the lender currently participate in a DEED, SBA or USDA Small Business Program? Yes No

If yes, list all programs:

Section Two: Please confirm the lender is able to meet the following criteria:

- The small business lending staff average 3 or more years’ experience with direct business and commercial lending experience, including sourcing, underwriting, and managing a loan portfolio.
- The lender has an existing small business loan program, has an approval process for making loans, and will follow its existing loan policies and SSBCI program guidelines.
- In the past two years, the lender and lending staff have not received notice of any disciplinary actions or restrictions from a regulatory agency that may hinder the ability to participate in a federally funded loan assistance program.

Section Three: Lenders must attach the following details with their application:

- a. Uniform Bank Performance Report (UBPR) or NCUA Financial Performance Report (FPR);
- b. Copy of Charter;
- c. Listing of all authorized agents and business lender authority as evidenced by Current Board Resolution, Corporate Credit Policy or similar official document;
- d. Approved loan policies; and
- e. Certifications or licensing relevant to the ongoing operations of the lender or small business programs, as applicable.

Section Four: Lender agrees to follow documentation and approval processes required by SSBCI 2.0 and program guidelines, including but not limited to:

- a. Ensuring lender and borrower signs required SSBCI certifications for each enrolled loan, including use of proceeds, conflict of interest and that no principal has been convicted of a sex offense against a minor. *(Principal includes all sole proprietors, managing partners, and natural persons holding 20% or more ownership interest in the organization or corporation.)*
- b. Submitting required quarterly and annual reporting to DEED for use in SSBCI 2.0 reporting to the U.S Department of the Treasury.
- c. Not engaging primarily in financing the operations of an affiliate and is not a holding company of a regulated financial institution.
- d. Making all records pertaining to the use of allocated funds available to DEED, The U.S. Department of the Treasury, and/or the Treasury Inspector General.

The undersigned:

- a. Certifies authority to represent the organization and that all representations made in this application or information provided herein are true and complete to the best of his or her knowledge;
- b. Grants the State of Minnesota and its agents the right to contact individuals and organizations as the State may deem necessary to verify the accuracy and completeness of any and all applicant data;
- c. Agrees to execute and deliver written authorizations for the release of data or for any data privacy waivers reasonably required by the State to verify the accuracy or completeness of applicant data; and
- d. Acknowledges that it is aware that the act of providing false applicant data may subject it to penalties provided by State and Federal laws.
- e. Acknowledges that MNLGP is subject to rules and restrictions of 12 U.S.C. § 5701, SSBCI 2.0 [Capital Program Policy Guidelines](#) as amended on August 16, 2023 or thereafter, and DEED's approved SSBCI 2.0 application to Treasury.



Tennessee Warning Notice: per MN Statutes 13.04, Subd.2, this data is being requested from you to determine if you are eligible for assistance from the Minnesota Department of Employment and Economic Development. You are not required to provide the requested information, but failure to do so may result in the department's inability to determine your eligibility for assistance. The data you provide that is classified as private or non-public will not be shared without your permission except as specified in state and federal laws.

Data Privacy Notice: per MN Statutes 13.591, Subdivision 1, certain data provided in this application is private or non-public data; this includes financial information about the business, including credit reports, financial statements, net worth calculations, business plans; income and expense projections; balance sheets; customer lists; income tax returns; and design, market, and feasibility studies not paid for with public funds. Per MN Statutes 116J.401, Subd. 3., certain data provided in this application is private data; this includes data collected on individuals pursuant to the operation of business finance programs.

I have read the above statements and I agree to supply the information requested to the MN Department of Employment and Economic Development, Office of Business Finance with full knowledge of the information provided herein. I certify that all information provided herein is true and accurate and that the official signing this form has authorization to do so.

Signature of Authorized Lender Representative

Printed Name

Title

Date

Exhibit A: SSBCI 2.0 MN Loan Guarantee Program

Overview

The Minnesota Loan Guarantee Program (MNLGP) provides guarantees to enrolled lenders for eligible small business loans. Established under the State Small Business Credit Initiative (SSBCI 2.0), up to \$12MM will be made available for enrolled lenders on a first come, first served basis.

Purpose of MNLGP:

Reduce risk to lenders by offering a guarantee of up to 80% of principal on eligible small business loans.

Minimum Borrower Qualifications:

Businesses headquartered in Minnesota

Target Business Size: Less than 500 employees at time of application approval

Target Project Size: Less than \$5 million

Business type and use of proceeds meet SSBCI 2.0 guidelines

Guarantee Percentage: Up to 80% of principal balance

Minimum Guarantee Amount: N/A

Maximum Guarantee Amount: \$800,000

Guarantee Fee: 0.25% of loan amount

Guarantee Fee Waiver: Qualified Socially and Economically Disadvantaged Individual-owned businesses

Loans with terms of less than 12 months

Loan Purpose: Start-up costs, working capital, inventory, equipment, and purchase, construction, tenant improvements or renovations excluding passive real estate

Guarantee Term: Matched to use of proceeds or term of loan

Line of credit not to exceed 3 years including renewals

Rate: Set by lender to industry standards

Must be under NCUA rate cap

Fees: No more than 2% for loans over \$25,000

No more than \$500 for loans \$25,000 or less

Restrictions: If a borrower receives a loan guaranteed by the SBA's 7(a) or 504 loan programs or the U.S. Department of Agriculture's Business and Industry (USDA B&I) loan program, SSBCI funds may not be used as credit support to a loan or investment for the same purpose as the SBA-or USDA-guaranteed loan.