

4.0 SOLID WASTE MANAGEMENT PROGRAM

PRIVATE ENTITY LOAN APPLICATION FORM

Solid Waste Management Program Private Entity Loan Application

Please type or print clearly. Be sure to fill in each blank and answer each question. If not applicable, mark N/A. If there is not enough room, attach additional sheets. If the requested information is all ready included in the Business Plan, please indicate where it is located.

Date: _____

Amount of loan requested: _____

Please check type of loan being applied for:

Recycling

Disposal/Waste Management

Tire Disposal

4.1 APPLICANT INFORMATION

Name of Applicant's Business: _____

Affiliated Businesses: _____

Company Contact: _____

Business Address: _____

City/State/Zip: _____

Business Telephone: _____

Fax Number: _____

Name of Individual Completing This Form: _____

Company Affiliation: _____

Telephone: _____

Tax Year Ends: _____

Comments:

4.2 PURPOSE OF THE LOAN

DESCRIPTION OF THE PROJECT AND REASON FOR THE LOAN:

The estimated date construction or acquisition will commence: _____

The estimated completion and installation date: _____

Useful life of the proposed project: _____

THIS SECTION INCLUDES ALL SOURCES OF FUNDS, INCLUDING THE NON-SWMP SOURCES OF FINANCING:

<u>Uses of All Funds</u>	<u>Useful Life</u>	<u>Total Costs</u>	<u>Proposed Source</u>
Land Acquisition	_____	\$ _____	_____
Land Improvements	_____	\$ _____	_____
Building	_____	\$ _____	_____
Site Improvements	_____	\$ _____	_____
Repairs/Renovations	_____	\$ _____	_____
Construction	_____	\$ _____	_____
Construction Fees	_____	\$ _____	_____
Equipment and Installation	_____	\$ _____	_____
Furniture and Fixtures	_____	\$ _____	_____

Comments:

<u>Uses of All Funds</u>	<u>Useful Life</u>	<u>Total Costs</u>	<u>Proposed Source</u>
Other Construction Costs	_____	\$ _____	_____
Inventory	_____	\$ _____	_____
Trade Receivable	_____	\$ _____	_____
Work-In-Progress Inventory	_____	\$ _____	_____
Financing Fees	_____	\$ _____	_____
Other Cost (specify)	_____	\$ _____	_____
_____	_____	\$ _____	_____
_____	_____	\$ _____	_____
	TOTAL	\$ _____	

REQUESTED SOURCES OF FINANCING: (Please attach copies of commitment letters for each source of financing. Letters must contain the specific terms and conditions.)

A. Source of Long-term Financing (including SWMP financing)

<u>Name of Lender</u>	<u>Purpose</u>	<u>Amount</u>	<u>Terms</u>	<u>Collateral Position *</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

*Position may be negotiated among the parties involved.

B. Source of Interim (Construction) Financing

<u>Name of Lender</u>	<u>Purpose</u>	<u>Amount</u>	<u>Terms</u>	<u>Collateral Position *</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Comments:

C. Source and Amount of Equity Funding

<u>Source</u>	<u>Purpose</u>	<u>Amount</u>	<u>Comments</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

4.3 BUSINESS INFORMATION

The company is a:

- Sole Proprietorship Partnership S-Corporation
 Other (specify) _____ C-Corporation

Date business established in South Dakota: _____

Date business established out of South Dakota: _____

State of incorporation: _____

Primary business activity:

- Landfill Hauler Recycler Waste Tire
 Other (specify) _____

Business description:

Plant/Office Location(s)

of Employees

Comments:

If an expansion is occurring at a site other than the main office, please complete the following:

Expansion Address: _____

Telephone: _____

MAJOR STOCKHOLDERS, PARTNERS OR PROPRIETORS:

(10% or greater interest. Attach personal financial statements and resumes for each person listed.)

<u>Name</u>	<u>Address</u>	<u>Phone Number</u>	<u>Compensation</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

MANAGEMENT INFORMATION

(List all the officers, directors, or general partners. Attach resumes.)

<u>Name & Title</u>	<u>Address</u>	<u>Phone Number</u>	<u>Compensation</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Indicate officers salaries and number of officers for past three fiscal years:

FY 20__ : officer salaries were \$ _____ for _____ officers.

FY 20__ : officer salaries were \$ _____ for _____ officers.

FY 20__ : officer salaries were \$ _____ for _____ officers.

Interim ____ months: officer salaries were \$ _____ for _____ officers

BANKS WHERE BUSINESS AND PRINCIPALS' PERSONAL ACCOUNTS ARE MAINTAINED:

<u>Name</u>	<u>Phone</u>	<u>Type of Account</u>	<u>90 Day Average Balance</u> (obtain from bank officer)
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Comments:

PRESENT BUSINESS TRADE CREDITORS OR TRADE REFERENCES:

<u>Name</u>	<u>Phone #</u>	<u>Type of Account</u>	<u>Balance</u>	<u>Date</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

4.4 PROPOSED COLLATERAL SUMMARY

(Include additional assets to be acquired with loan proceeds)

	<u>Cost/Book Value*</u>	<u>Cost</u>	<u>Book</u>	<u>Appraised Market Value</u>
A. Land	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
B. Building	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
C. Machinery and Equipment	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
D. Furniture and Fixtures	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
E. Trade Receivable	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
F. Inventory	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
G. Work-In-Progress Inventory	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
H. Personal and/or				
Corporate Guarantees	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
I. Other (specify) _____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
TOTAL COLLATERAL	_____			_____

*Cost is the purchase price if less than one year old. Book value is the purchase prices less accumulated depreciation. Please check which value is used.

Identify personal and corporate guarantees and other collateral for this loan:

Comments:

4.5 CUSTOMER SUMMARY

Identify and describe the area anticipated to be served by the proposed project. Include a list of communities, counties, and major businesses to be served. Identify the top 5 customers or those customers that are anticipated to provide more than 10 percent of the material to be collected, processed, and marketed. (Customers – i.e. those individuals or businesses anticipated to provide material to the proposed facility for disposal or recycling.)

4.6 MARKET INFORMATION

1. Describe the market that exists for your product or service and your ability to compete. Address your market share.

Comments:

2. Describe your method of selling and distribution.

3. How do you price your product or service?

4. Where is your market heading? Describe the trend in the industry.

5. What are the most important factors affecting your ability to compete in the market place?

Comments:

LIST YOUR PRESENT MAJOR CUSTOMERS (10% or more of sales or top five)

<u>Name</u>	<u>City, State, Phone</u>	<u>Product</u>	<u>(%) of Sales</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

LIST YOUR PRESENT AND PROJECTED PRINCIPAL COMPETITORS (top five):

<u>Name</u>	<u>City, State, Phone</u>	<u>Product</u>	<u>(%) of Sales</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

4.7 BUSINESS CONSULTANTS

Attorney

Name: _____ Address: _____

Telephone: _____ Years of Affiliation: _____

Accountant

Name: _____ Address: _____

Telephone: _____ Years of Affiliation: _____

Comments:

4.8 HISTORICAL FINANCIALS (please attach)

Provide the three (3) most recent years financial statements. At minimum, this history must contain a balance sheet and income statement. Audited financials are preferred, however, other statements may be acceptable. If applicant is a business newer than 3 years, provide as many financials as available. Unaudited financial statements must be signed and dated by an authorized financial officer of the applicant business and details (terms, maturity, interest rate) must be provided on existing debt agreements. If unaudited financial statements are provided, also include federal business tax returns for the previous three years. Include personal financial statements of the principal owners (those owning 10% or more of the business.)

4.9 PRO FORMAS (please attach)

Submit pro forma financial statements reflecting the performance of the applicant under the conditions for the term of the loan for the next three years. Pro formas must include: balance sheet, income statement, statement of cash flows, and must be supported by notes and justifiable assumptions.

4.10 PERSONAL FINANCIALS (please attach)

Provide most recent year-end personal balance sheets on each principal owner (owning more than 10 percent) or guarantor, or the most recent personal federal income tax return (previous three years) for each principal. Please provide details of all existing personal debt.

4.11 MANAGEMENT ORGANIZATION (please attach)

Provide an organizational chart of the company showing key positions and functions. Also provide resumes of existing management personnel.

4.12 AFFILIATE STATEMENTS (please attach)

Provide a listing of all affiliates, subsidiaries and companies with similar ownership along with the most recent year-end balance sheet and profit and loss statement of each.

4.13 APPRAISALS

The department may require an appraisal of the project prior to loan closing and its conformance to values presented to the board. An independent appraiser must be acceptable to the board.

4.14 LETTER OF COMMITMENT (please attach)

1. Interim financing letter of commitment.
2. Permanent financing letter of commitment from regulated private lender.

4.15 OTHER ENCLOSURES (please attach)

Articles of incorporation and bylaws, or partnership agreement letters describing the legal operation of the business.

4.16 BUSINESS ORGANIZATION DOCUMENTS (please attach)

1. Brief history of the company.
2. Statement of licensing needs.

4.17 LOAN GUARANTOR

Attach a financial statement from any person(s) that are personally guaranteeing the loan application. The financial statement must include a listing of debt(s), payments, terms of the debt(s) and interest rate(s).

4.18 CREDIT REPORT

I hereby authorize the Department of Environment and Natural Resources or its designee to conduct a credit report

Applicant

Loan Guarantor

Comments:

4.19 LENDER APPLICATION -- available at:

<http://denr.sd.gov/dfta/wwf/cwsrf/E0484aLDV1-SWMPPrivateEntityLenderApp.pdf>

(to be completed by participating lender)

APPLICATION CHECKLIST

Enclosed

Not Applicable

1. Borrower Application

1A. Borrower Schedules:

a. Historical Financials

b. Pro Formas

c. Personal Financials

d. Management and Organization

e. Affiliate Statements

f. Appraisal

g. Letters of Commitment

h. Business Organization

i. Other Enclosures

2. Lender Application

2A. Lender Schedules

a. Lender Analysis

b. List of Collateral and Loan
Positions

c. Loan Servicing Plan

d. Commitment for
Construction and/or Interim
Acquisition Finance

Comments:

4.20 CONFIDENTIALITY STATEMENT

South Dakota Codified Law 46A-1-98. Confidentiality of trade secrets or commercial or financial information received by the board or department. Any documentary material or data made or received by the board or the department for the purpose of furnishing financial assistance to a business pursuant to the provisions of §§ 34A-6-81 to 34A-6-85.1, inclusive; 46A-1-83 to 46A-1-84 inclusive; and 46A-1-91, to the extent that the material or data consists of trade secrets or commercial or financial information regarding the operation of such business, is not a public record, and is exempt from disclosure. Any discussion or consideration by the board may be done in executive session closed to the public.

4.21 CERTIFICATION

All information contained above and in schedules attached hereto are true and complete to the best knowledge and belief of the applicant. There is no intent to deceive or defraud the Board of Water and Natural Resources or any potential participant in any loans to finance this project.

The applicant recognizes that the Department of Environment and Natural Resources or the Board of Water and Natural Resources may not process any application that is not complete. Incomplete applications will be returned to the applicant for completion.

Applicant's Business: _____

Officer's Signature: _____

Officer's Name/Title: _____

Telephone: _____ Date: _____

Comments:

Return completed application to:

PMB 2020
Dept. of Environment & Natural Resources
Water Resources Assistance Program
523 East Capitol Ave
Pierre, SD 57501-3182

4.22 GLOSSARY OF TERMS

BOARD: The Board of Water and Natural Resources.

COLLATERAL: Assets owned by a borrower that are pledged to a lender as security for a loan.

EQUITY: Capital that has no guaranteed or mandatory return that must be paid out in any event, has no definite timetable for repayment of the capital investment, and cannot be withdrawn at the contributor's option without the permission of the superior debt holders.

FINANCIAL STATEMENTS: Written statements reflecting the assets and liabilities, owner's equity, and income of a business or individual. At the minimum, they should include a balance sheet, showing the assets and liabilities of the business and an income statement showing gross income, operating expenses and net income.

INTERIM FINANCING: Short-term lending for the construction or acquisition phase of a project based on a commitment from the board for a term loan.

PRO FORMA: Financial statements reflecting the estimated condition and growth of a business in the years after a loan is made based on the business plan developed by the borrower.

TOTAL PROJECT COST: The direct costs associated with the purchase of land; necessary site development and improvements; construction, acquisition, or remodeling of buildings and works necessary to the operation and protection of the project; purchase and installation of machinery and equipment; fees or services; approved in-kind contributions; and an adequate line of credit from a regulated lender for necessary net working capital.

QUARTERLY LENDER'S REPORT: Report prepared by the servicing lender to include a management report, inventory report, asset report and operations report.