



Pioneer Mutual Federal Credit Union Member Business Loan (MBL) Requirements

The Pioneer Mutual Federal Credit Union (PMFCU) is committed to small businesses. We want your business to succeed, and we are looking for long term lending relationships. We ask for comprehensive information for the application, and have provided a list of requested items below. The information is needed to enable us to make a responsible loan decision. As time-consuming as it sometimes is to compile, our experience shows that careful financial planning can be a significant factor in the success of a business.

Eligibility:

1. Business must open an account with Pioneer Mutual Federal Credit Union.
2. All partners of the Partnership or shareholders of the corporation must be members of the Pioneer Mutual Federal Credit Union.
3. All Business Loans to be given in the name of the business only.

Types of Loans:

DESCRIPTION	TERM	AMOUNT	RATE	COLLATERAL
Machinery/Equipment/Inventory for new or existing businesses	84 months	Lesser of \$150,000 or up to 80% of collateral (Whichever is less)	Fixed: 9.99% APR	Machinery/Equipment/ Inventory & Signature(s) - UCC Filed
Commercial Titled Vehicles New Used	84 months 60 months	Lesser of \$150,000 or up to 80% of collateral	Variable: Prime + 2% Or 6.99% APR Whichever is higher	Vehicle – Lien marked

- Rate as per Rate & Fee Schedule and subject to Credit Score

Fees:

- The following nonrefundable loan processing fee will be applicable.

Loans up to \$150,000 \$ 600.00

- Membership Account balance requirement as per Rate and Fee Schedule
- Loan Origination Fee will be 1% of loan amount with minimum \$1,500.00. (If loan is approved, this fee will be adjusted with the loan processing fee.)

Variable Rate: Prime + 2% variable interest rate to be adjusted daily.

Document & other requirements:

What we look for in a Real Estate loan application:

- Steady income sufficient to repay the loan and other obligations.
- A good past credit history – both business and personal.
- Sufficient collateral that is readily identifiable, with a wide market of resale.

- Financials in line with or exceeding peers.
- Minimum 20% owner equity in the property.

Often, a business cannot provide the level of information we request. In that case, we will review the loan with the information presented. If the information provided is not sufficient to grant the loan, we reserve the right to require additional information. The loan may be considered for approval on the basis of the owner(s) personal credit.

To provide a complete application, please enclose the following items:

- Completed Business Membership and Account Application.
- Completed Business Loan Application. (refer attached check list for requirement)
- A Cashier Check or Money Order for loan process fee (Non-Refundable).

1. For existing businesses:

Last 2 years business financial statements and tax returns, as well as current (to within 3 months) financial statement (including income statements, balance sheets, and supporting schedules). Statements must follow Generally Accepted Accounting Principles. Financial statements must be accompanied by an accountant's review or audit - a compilation is not acceptable.

2. For new businesses:

Business plan detailing the structure of the business (sole proprietorship, partnership, corporation and ownership), a description of the product or service offered, the marketing strategy, an evaluation of the competition, a listing of trade references, and the names of the business principals.

3. A Personal Financial Statement from each principal of the business.
4. A description of any collateral offered or purchase receipts or price quotes for new equipment.
5. Pro-forma financial projections quarter by quarter basis for 2 years or the length of the loan, whichever is less.
6. If the business is a corporation or partnership, include a copy of the certificate of incorporation or partnership papers, and a resolution from the Board of Directors or partners authorizing the loan request and designating who will sign loan papers.
7. Personal guarantee(s) of the owner(s) of the business are required for each business loan. A personal guarantee demonstrates the signer's commitment to seeing the business succeed and means that the principals are personally responsible for the loan payments.

- Pioneer Mutual Federal Credit Union reserves the right to change the above requirements from time to time as and when it deems necessary.
- All loans are subject to Business Loan Committee Members/Board of Director's approval.

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MEMBER BUSINESS LOAN (MBL) DOCUMENT REQUIRED CHECK LIST

<u>MBL Loan Application</u>		
1		Business Loan Application / Business Information (Format Attached)
2		List of Collateral Currently owned with purchased invoice (Equipment, Machinery, Furniture & Fixture, Inventory)
3		List of Collateral to be purchased – Submit invoice (Equipment, Machinery, Furniture & Fixture, Inventory)
4		Collateral – Buy/Sell Agreement (If property is owned by Borrower)
5		Landlord’s Waiver
6		Current Business Insurance Policy
7		Business Licenses (Sales Tax Permit)
8		Loan Processing Fee as per Rate and Fee Schedule (Non Refundable)
<u>Business Information</u>		
1		Tax Return of Business – Last Two Years:
		Year 2017
		Year 2018 (If not filed 2018, then provide 2016)
2		Balance Sheet & Income Statement Business – Last Two Years:
		Year 2017
		Year 2018
3		Financial Statement up to last quarter or (90 days or less)
4		Profit & Loss Projections – On Quarterly Basis for one year
5		History of Business and Business Plan
6		Business Lease copy – lease term should be equal to the loan maturity period
<u>Personal Information – Borrower(s)</u>		
1		Tax Return of Business – Last Two Years:
		Year 2017
		Year 2018 (If not filed 2018, then provide 2016)
2		Personal Financial Statement / Schedule of Debt (Format Attached)
3		Personal Cash Flow – 12 Months
4		Personal Profile or resume on all properties, partners, directors, guarantors
5		Legible copy of ID/DL / Legal Status

MEMBER BUSINESS ACCOUNT CARD DOCUMENT REQUIRED CHECK LIST
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<u>Membership and Account Application</u>		
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	1	Business Account Card (Form Attached)
	2	Business Membership and Account Agreement (Form Attached)

<u>Company Registration and DBA Documents</u>		
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	1	Certificate of Incorporation/ Partnership Agreement
	2	Articles of Incorporation/ Certificate of Partnership
	3	Corporate By-Laws
	4	County Assumed Name Certificate
	5	State Assumed Name Certificate (if Corporation)
	6	Borrower's Resolution (Partnership or Corporation) (Format Attached)
	7	TIN Certificate
	8	Account Opening Fees