

FINANCIAL ASSISTANCE APPLICATION

State of Ohio
Department of Development
Economic Development Division
ATTN: Deputy Director
P.O. Box 1001
Columbus, Ohio 43216-1001
1-800-848-1300

For Overnight Mailing:
77 South High Street, 28th Floor
Columbus, Ohio 43215-6108

OFFICE USE ONLY
ATS Project Number

Initials _____

Date _____

NOTE: The Financial Assistance Application is designed to furnish detailed information regarding a proposed project. Additional information may be requested.

Updated March 2000

TYPE OF STATE ASSISTANCE REQUESTED

For information about particular programs, please refer to the program guidelines, contact your development representative or visit our website: www.odod.state.oh.us.

TAX CREDITS

- Job Creation Tax Credit (JCTC)

LOANS

- 166 Direct Loan (166)
- 166 Regional Loan (166R)
- Buckeye Fund Loan (BFL)
- Community Development Block Grant Program (CDBG)
- Industrial Revenue Bond (IRB)
- Mini-Loan Guarantee (MLG)
- Minority Direct Loan (MDL)
- Ohio Enterprise Bond Fund (OEBF)
- Pollution Prevention Loan (PPL)
- Pioneer Rural Loan (PRL)
- SBA 504 Loan (504)
- Scrap Tire Loan & Grant (STL&G)

INFRASTRUCTURE ASSISTANCE

- Business Development Account (412)
- Roadwork Development Account (629)
- Community Development Block Grant Program (CDBG)

WORKFORCE DEVELOPMENT

- Ohio Industrial Training Program (OITP)

TECHNICAL ASSISTANCE

- Minority Business Technical Assistance Grant (MBTA)

OTHER

- _____

In order to process this application, the applicant must have met with a representative of ODOD to review our programs. Please certify to that below. Please submit one copy of the application for each program for which you have applied.

Prior to submitting this Financial Assistance Application, I have met with _____,

a representative of the Ohio Department of Development, on _____ (list dates).

Signature of Applicant

Typed Name and Title

1. Company Name: _____

Contact/Title: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

FTI/SSN#: _____

SIC Code(s): _____

2. Community Name (if applicant): _____

Contact/Title: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

FTI #: _____

3. Other (if not listed above; e.g. port authority, bank, CIC, individual, developer and/or consultant): _____

Contact/Title: _____

Address: _____

Phone: _____ Fax: _____

E-Mail: _____

FTI #: _____

4. Name and location of all parent companies (U.S. and international): _____

5. Please check all that apply and complete as applicable:

- | | |
|---|---|
| <input type="checkbox"/> C Corporation | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> S Corporation | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Employee Stock Ownership Plan (ESOP) |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> (51%) Minority Owned (MBE)* |
| | <input type="checkbox"/> (51%) Woman Owned (WBE) |
| <input type="checkbox"/> Joint Venture (specify JV partners)_____ | |

*MBE is defined as African American, Hispanic, Native American, or Oriental. Please attach a copy of state certification.

- 6. Description of business (submit a business plan or a narrative that provides the following information):**
 - a. Describe the business’s history, including activities, products, services, etc.
 - b. Describe the operation and/or financial relationships with any parent or subsidiary, and describe any changes in ownership that may occur as a result of this project.

- 7. Describe project in detail and answer the following questions (attach on additional paper):**
 - a. Is this a new facility/site, expansion, and/or acquisition? (Include an itemized cost list of any equipment purchase.)
 - b. Will the business purchase/lease/or construct the facility? (Include square footage of facility and acreage of site.)
 - c. What type of operation is this? (e.g., manufacturing, headquarters, distribution, R&D)
 - d. What is the primary product or service to be provided at the site?
 - e. For the new jobs, list the job category and the number of full time employees per job category.
 - f. For the retained jobs, please explain how jobs will be retained by the project.

- 8. If applying for a loan, please address the following:**
 - a. Describe the current market, size, industry, trends, growth potential, etc. Include market feasibility information and/or sales commitments to support sales or revenue projections.
 - b. Provide a list of the top five current customers including addresses and telephone numbers. Include the percent of sales to each customer.
 - c. Describe the major competitors in the marketplace, including their market share (if known), and strengths and weaknesses.

- 9. Major factor/competition:**
 - a. Describe why state assistance is a major factor in the project going forward.
 - b. Is there interstate/international competition? If yes, please specify.

10. Project Location:

Street Address: _____

City/Village/Township: _____ County: _____

Local Jurisdiction (if different from mailing address): _____

Phone: _____ Fax: _____

E-Mail: _____

11. Please answer the following questions (jobs refer to employment positions, not specific individuals):

- Will this project result in the relocation of jobs from another state? Yes* No
- Will this project result in the relocation of jobs within Ohio? Yes* No
- Will this project result in a job loss to any Ohio community? Yes* No

* If yes to any of the above questions, please provide detailed information on where the jobs are being relocated from and any significant information related to that relocation.

12. Current Full-Time Employment Composition (excluding retail operations):

Statewide:

- A. Total Existing Full-Time Employees¹ _____
- B. Total Full-Time Employees One Year Ago¹ _____

Project Site:

- A. Total Existing Full-Time Employees¹ _____
- B. Total Full-Time Employees One Year Ago¹ _____

Current employment by category:

Statewide:

- a. Women _____
- b. Minority² _____
- c. FTE³ _____

Project Site:

- a. Women _____
- b. Minority² _____
- c. FTE³ _____

Date (month/day/year) that the above numbers were taken: _____

13. Project Start Date: _____

14. Job Creation Start Date: _____

15. Date company wants tax credit to begin (JCTC only): _____

16. Projected employment in each year:

	YR 1	YR 2	YR 3	Total
A. Month/Year (e.g. 6/99)	_____	_____	_____	_____
B. Retained Full-Time ¹	_____	<u>XXX</u>	<u>XXX</u>	_____
C. Maintained Full-Time ⁴	_____	<u>XXX</u>	<u>XXX</u>	_____
D. New Employees Full-Time ¹	_____	_____	_____	_____
E. Average Hourly Base Wage			\$ _____ (new full-time employees)	
F. Average Hourly Benefits			\$ _____ (new full-time employees)	

Projected employment by category in each year:

	YR 1	YR 2	YR 3	Total
a. Minority ²	_____	_____	_____	_____
b. Women (CDBG & OITP only)	_____	_____	_____	_____
c. Low Moderate Income (CDBG only)	_____	_____	_____	_____
d. Disadvantaged/Minorities (JCTC only)	_____	_____	_____	_____
e. FTE ³	_____	_____	_____	_____

¹A full-time employee is an employee working an average of at least 35 hours per week/annually. This does not include part-time or contract employees. A retained job is one that would be lost if the project does not go forward.

²Minority is defined for employment purposes as African American, Hispanic, Native American, Asian Indian, Asian or Pacific Islander.

³FTE = Full-time equivalent (e.g. two part-time employees working a total of at least 35 hours/week).

⁴ A maintained job is one that will remain even if the project does not go forward.

	TOTAL	EQUITY	PRIVATE LENDER	STATE ASSISTANCE	OTHER PUBLIC <small>(PLEASE IDENTIFY)</small>
FIXED ASSET COSTS					
A. Land					
B. Building					
• Acquisition					
• New Construction					
• Renovation					
• Leasehold Improvements					
C. Machinery & Equipment					
D. On-site Infrastructure/Site Preparation (List):					
E. Professional Fees/Interim Costs					
• Arch/Eng/Appraisal					
• Construction Interest					
F. Admin. Costs (CDBG only)					
TOTAL FIXED ASSET COSTS					
NON-FIXED ASSET COSTS					
G. Furniture/Fixtures					
H. Training Costs					
• Instruction					
• Wages while in training					
I. Working Capital					
J. Other Costs (Specify)					
TOTAL NON-FIXED ASSET COSTS					
TOTAL COMPANY INVESTMENT (Total Fixed and Non-Fixed)					
OFF-SITE INFRASTRUCTURE					
• Streets					
• Water & Sewer					
• Flood & Drainage					
• Rail					
• Professional Fees					
TOTAL OFF-SITE COSTS					
TOTAL COSTS (include total company investment and off-site costs)					

TAX INFORMATION DISCLOSURE AUTHORIZATION

_____ (the company) hereby **irrevocably** authorizes the Tax Commissioner of the Ohio Department of Taxation or any agent designated by the Tax Commissioner of the Ohio Department of Taxation from the date below until _____ (one year from the date below), to disclose to the Director of the Ohio Department of Development or any designated employee of the Director the amounts of any or all outstanding liabilities for corporation franchise tax, individual income tax, employer withholding tax, sales, use tax or excise tax which are currently unpaid and certified to the Attorney General of the State of Ohio for collection.

The Applicant expressly waives notice of the disclosure(s) to the Ohio Department of Development by either the Tax Commissioner of the Ohio Department of Taxation or by any agent designated by the Tax Commissioner of the Ohio Department of Taxation. **The applicant expressly waives the confidentiality provisions of the Ohio law which would otherwise prohibit disclosure and agrees to hold the Department of Taxation and its employees harmless with respect to the limited disclosure authorized herein.**

This authorization is to be liberally interpreted and construed; any ambiguity shall be resolved in favor of the Tax commissioner or the Ohio Department of Taxation.

This authorization is binding on any and all heirs, beneficiaries, survivors, assigns, Executors, administrators, successors, receivers, trustees, or other fiduciaries.

A photocopy of this authorization is as valid as the original.

Name of Applicant (including any DBA)

By: _____

Title: _____
Officer or Director

Date: _____

INSTRUCTIONS TO APPLICANT: Please fill in the Tax Identification Numbers on the next page.

Applicant Full Legal Name and Address	
Names and Addresses of any Affiliates (If necessary, attach a separate form for each affiliate listing each of the numbers set forth below.)	
Federal Tax Identification Number	
Ohio Franchise Tax I.D. Number or other Ohio Tax I.D. Number	

REQUIRED EXHIBITS

Please consult the matrix below to identify exhibits required for each program.

PROGRAMS																
REQUIRED EXHIBITS		JCTC	166	166R	BFL	CDBG	MLG	MDL	OEBF	PPL	PRL	504	STL	412	629	MBTA
A	Three years historical financial statements (balance sheet, profit & loss)	•	•	•	•	•	•	•	•	•	•	•	•			•
B	Interim financial statement (not more than 90 days old)		•	•	•	•	•	•	•	•	•	•	•			
C	Projected financial statements for the current and next three years (balance sheet, p&l, including all assumptions)	•	•	•	•	•	•	•	•	•	•	•	•			•
*	D Personal financial statements		•	•	•	•	•	•	•	•	•	•				•
E	Resumes of officers & key management personnel		•	•	•	•	•	•	•	•	•	•	•			
F	Information concerning working capital line of credit		•	•	•	•	•	•	•	•	•	•	•			
G	Real estate and/or used equipment appraisal (fair market & liquidation)		•	•	•	•		•	•		•	•	•			
H	Phase I environment audit (real estate projects)		•	•	•			•	•		•	•	•			
I	Site plan & architect's rendering		•	•	•	•		•	•		•	•	•			
J	3 rd party cost estimates for infrastructure and fixed asset costs		•	•	•	•		•	•		•	•	•			
*	K Sources of financing & commitments including equity		•	•	•	•	•	•	•	•	•	•	•			
L	Letter of local financial support	•							•					•	•	
*	M Estimated taxes from the proposed project	•	•	•	•	•		•	•	•	•		•			
		JCTC	166	166R	BFL	CDBG	MLG	MDL	OEBF	PPL	PRL	504	STL	412	629	MBTA

* Forms Included in Application Packet

Have the applicant (or user), related companies, or any officers:

- a. Been convicted of a felony? Yes No
- b. Been convicted of or enjoined from any violation of state or federal securities law? Yes No
- c. Been a party to any consent order or entry with respect to an alleged state or federal securities law violation? Yes No
- d. Been a defendant in a civil or criminal action? Yes No

If you have answered yes to any of the above please attach a separate sheet as an explanation.

As an authorized agent of the Applicant, I hereby submit this Financial Assistance Application. I understand that any false statement in this record may subject the Applicant Company and Signer to criminal prosecution. I understand that additional information may be requested. I also understand that this document in no way constitutes a commitment of funds by the State of Ohio for any of its programs.

I hereby represent and certify that I have reviewed the information contained in the Financial Assistance Application, the Ohio Job Creation Tax Credit Supplemental Information and the foregoing and attached information, to the best of my knowledge and belief, is true, complete and accurately describes the proposed project for which the tax credit is being sought. I am aware of Ohio Revised Code Sections 9.66(C) and 2921.13(D)(1) which outline penalties for falsification which could result in the return of all credits/monies received and the forfeiture of all current and future economic development assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than six months. I further agree to inform the Authority of any changes in the foregoing information which may occur prior to the time the applicant and the Chairman of the Authority execute a Tax Credit Agreement. Further, I hereby authorize the Ohio Department of Development to contact the Ohio Environmental Protection Agency to confirm statements contained within this application and to review applicable confidential records.

The undersigned, on behalf of the applicant, understands and acknowledges that even though the information contained in this application, or which may hereafter be communicated to the Authority, contains confidential and proprietary information, it may be subject to public disclosure during deliberations of the Authority at public meetings regarding the project, in the minutes of the Authority's public meetings, and in circumstances described in Ohio Revised Code Section 122.17(G). Further, I hereby authorize the Ohio Department of Development and the Authority to release to the public the name of our business entity, the identity of our business entity's parent, a description of the project, the location of the project, the number of jobs we are committing to create and retain, the amount of our capital investment in the project, and the business entity's contact person and office address and telephone number.

_____ Company Signature	_____ Typed Name	_____ Title	_____ Date
_____ Community CEO Signature (if applicant)	_____ Typed Name	_____ Title	_____ Date
_____ Other Signature	_____ Typed Name	_____ Title	_____ Date

The appropriate application fee must accompany this packet for each program. Please make checks Payable to “Director, Ohio Department of Development.” Please include a copy of the application for each program for which you are applying. All application fees are non-refundable.

<u>Program</u>	<u>Application Fee</u>	<u>Check Enclosed</u>	<u>Copy Enclosed</u>
JCTC	\$500	<input type="checkbox"/>	<input type="checkbox"/>
166	\$1,500	<input type="checkbox"/>	<input type="checkbox"/> (3 copies required)
166R	(determined locally)	<input type="checkbox"/>	<input type="checkbox"/>
BFL	\$1,500	<input type="checkbox"/>	<input type="checkbox"/> (3 copies required)
CDBG	none	<input type="checkbox"/>	<input type="checkbox"/>
IRB	none	<input type="checkbox"/>	<input type="checkbox"/>
MLG	none	<input type="checkbox"/>	<input type="checkbox"/>
MDL	\$300	<input type="checkbox"/>	<input type="checkbox"/>
OEBF	\$1,500	<input type="checkbox"/>	<input type="checkbox"/> (3 copies required)
PPL	\$1,500	<input type="checkbox"/>	<input type="checkbox"/>
PRL	\$500	<input type="checkbox"/>	<input type="checkbox"/> (3 copies required)
504	\$500	<input type="checkbox"/>	<input type="checkbox"/>
STL&G	\$1,000	<input type="checkbox"/>	<input type="checkbox"/>
412	none	<input type="checkbox"/>	<input type="checkbox"/>
629	none	<input type="checkbox"/>	<input type="checkbox"/>
OITP	none	<input type="checkbox"/>	<input type="checkbox"/>
MBTA	none	<input type="checkbox"/>	<input type="checkbox"/>

EXHIBIT D (1 of 3) PERSONAL FINANCIAL STATEMENT

OHIO DEPARTMENT OF DEVELOPMENT

As of _____

Complete this form for: 1) each proprietor, or 2) each limited partner who owns 10% or more interest and each general partner, or 3) each stockholder owning 10% or more of voting stock and each corporate officer and director, or 4) any other person or entity providing a guaranty on the loan.

Name _____

Business Phone _____ Residence Phone _____

Residence Address _____

City, State, Zip Code _____

Business Name of Applicant/Borrower _____

ASSETS		LIABILITIES	
Cash on hand and in Banks	\$	Accounts Payable	\$
Savings Account	\$	Notes Payable to Banks & Others (Describe in Section 2)	\$
IRA or Other Retirement Account	\$	Installment Account (Auto) Mo. Payments \$ _____	\$
Accounts & Notes Receivable	\$	Installment Account (other) Mo. Payments \$ _____	\$
Life Insurance-Cash Surrender Value Only (Complete Section 8)	\$	Loans on Life Insurance	\$
Stocks and Bonds (Describe in Section 3)	\$	Mortgages on Real Estate (Describe in Section 4)	\$
Real Estate (Describe in Section 4)	\$	Unpaid Taxes (Describe in Section 6)	\$
Automobile-Present Value	\$	Other Liabilities (Describe in Section 7)	\$
Other Personal Property (Describe in Section 5)	\$	Total Liabilities	\$
Other Assets (Describe in Section 5)	\$	Net Worth	\$
Total	\$	Total	\$

SECTION 1 SOURCE OF INCOME		CONTINGENT LIABILITIES	
Salary	\$	As Endorser or Co-Maker	\$
Net Investment Income	\$	Legal Claims & Judgements	\$
Real Estate Income	\$	Provision for Federal Income Tax	\$
Other Income (Describe Below)*	\$	Other Special Debt	\$

Description of other income: _____

*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

SECTION 2 NOTES PAYABLE TO BANK AND OTHERS (Use attachments if necessary. Each attachment must be identified as part of this statement and signed).

Name/Address of Noteholder(s)	Original Balance	Current Balance	Payment Amount	Frequency (monthly, etc.)	How Secured or Endorsed Type of Collateral

SECTION 3 STOCKS AND BONDS (Use attachments if necessary. Each attachment must be identified as part of this statement and signed).

Number of Shares	Name of Securities	Cost	Market Value Quotation/Exchange	Date of Quotation/Exchange	Total Value

SECTION 4 REAL ESTATE OWNED (List each parcel separately. Use attachments if necessary. Each attachment must be identified as part of this statement and signed).

	Property A	Property B	Property C
Type of Property			
Name and Address of Property			
Date Purchased			
Original Cost			
Present Market Value			
Name and Address of Mortgage Holder			
Mortgage Account Holder			
Mortgage Balance			
Amount of Payment per Month/Year			
Status of Mortgage			

SECTION 5 OTHER PERSONAL PROPERTY AND OTHER ASSETS (Describe, and if any is pledged as security, state name and address of lien holder, amount of lien, terms of payment, and if delinquent, describe delinquency).

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SECTION 6 UNPAID TAXES (Describe in detail, as to type, to whom payable, when due, amount and to what property, if any, a tax lien attaches).

SECTION 7 OTHER LIABILITIES (Describe in detail).

SECTION 8 LIFE INSURANCE HELD (Give face amount and cash surrender value of policies - name of insurance company and beneficiaries).

I authorize the Ohio Department of Development/lender to make inquiries as necessary to verify the accuracy of the statement made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These states are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the State Attorney General.

Signature: _____ Date: _____ Social Security Number: _____

Signature: _____ Date: _____ Social Security Number: _____

**EXHIBIT K
PARTICIPATING PARTIES/FINANCING**

LENDER					FINANCING				SECURITY	
	Name of Lender	City	Contact Person	Phone #	Rate	Term	Amount	% of Total	M/E	L/B
1										
2										
3										
4										
5										
6										
7										
	Cash Equity									
	TOTAL									

NON-FINANCING PARTICIPANTS

	ENTITY	NAME OF FIRM	CONTACT PERSON	PHONE #
1	Company's Legal Firm			
2	Company's Accounting Firm			
3	Company's Consultant			
4	Community Assistance			

Are all financing sources committed? Yes No

If no, explain: _____

List any special conditions on financing: _____

Attach commitment letters for financing sources and cash equity.

EXHIBIT M

ESTIMATED TAXES FROM THE PROPOSED PROJECT

STATE OF OHIO TAXES	CURRENT YEAR (without project)	FIRST YEAR (after project completion)	SECOND YEAR	THIRD YEAR
Employee Income Taxes				
Corporate Franchise/Income Taxes				
LOCAL TAXES				
Municipal Employee Income Taxes				
Municipal Corporate Income Taxes				
Real Estate Property Taxes				
Tangible Personal Property Taxes				

Are you applying for local tax exemptions? If so, indicate the expected percentage and term.

Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	
City, state, and ZIP code		
List account number(s) here (optional)		
Requester's name and address (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). **However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3.** For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 3.

Social security number

or

Employer identification number

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
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Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a **nonresident alien or a foreign entity** not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 30% of such payments (29% after December 31, 2003; 28% after December 31, 2005). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will **not** be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate **Instructions for the Requester of Form W-9**.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: *You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).*

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: *If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.*

Exempt payees. Backup withholding is **not required** on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);
2. The United States or any of its agencies or instrumentalities;
3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;
4. A foreign government or any of its political subdivisions, agencies, or instrumentalities; or
5. An international organization or any of its agencies or instrumentalities.

Other payees that **may be exempt** from backup withholding include:

6. A corporation;
7. A foreign central bank of issue;
8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

- 9. A futures commission merchant registered with the Commodity Futures Trading Commission;
- 10. A real estate investment trust;
- 11. An entity registered at all times during the tax year under the Investment Company Act of 1940;
- 12. A common trust fund operated by a bank under section 584(a);
- 13. A financial institution;
- 14. A middleman known in the investment community as a nominee or custodian; or
- 15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, **1** through **15**.

If the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13 . Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt recipients 1 through 7 ²

¹ See **Form 1099-MISC**, Miscellaneous Income, and its instructions.
² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are **not exempt** from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner **LLC** that is disregarded as an entity separate from its owner (see **Limited liability company (LLC)** on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov/online/ss5.html. You may also get this form by calling 1-800-772-1213. Use **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** on page 2.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ **You must show your individual name**, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: *If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.*

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 30% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

