

U.S. Small Business Administration
Settlement Sheet
(Use of Proceeds Certification)

OMB APPROVAL NO.: 3245-0200

EXPIRATION DATE:

| | | |
|--|----------------------|---|
| SBA Loan Number (10 Digits) | Loan Approval Amount | SBA Loan Name |
| Lender (Name and Address – Incl. zip code) | | Borrower Name (if different from SBA Loan Name) |

At the time of initial disbursement of this loan, Lender and Borrower certify that:

- (1) The loan funds were disbursed, received and will be used in accordance with the Use of Proceeds section of the Authorization, including any and all SBA/Lender approved modifications;
- (2) There are no liens or encumbrances against the real or personal property securing the loan except those disclosed in the application for this loan; and
- (3) There has been no unremedied adverse change in the Borrower's or Operating Company's financial condition, organization, management, operations or assets since the date of application that would warrant withholding or not making this disbursement or any further disbursement.
- (4) All fees charged or to be charged or received in connection with the making of this loan are permitted by SBA's regulations as well as SBA Form 750, "Guaranty Agreement," and have been reported to SBA on Form 4, "Application for Business Loan" or on SBA Form 159 7(a), "Compensation Agreement". It is further understood that all fees not specifically approved by SBA are prohibited.

At the time of each subsequent disbursement on this loan, Lender and Borrower by disbursing and receiving the loan proceeds are deemed to certify that the above certifications are true with respect to each and every disbursement made on or before such date.

To further induce SBA to participate in the loan, Lender certifies as of the date of each disbursement that:

- (1) All disbursements were (or for future disbursements, will be) made, tracked and documented in accordance with the Authorization and prudent lending practices and failure to do so may be a cause for SBA to deny liability under its guaranty. The documentation must contain sufficient detail for SBA to determine: (a) the recipient of each disbursement; (b) the date and amount of each disbursement; and (c) the purpose of each disbursement. Documentation acceptable to SBA evidencing compliance with the Use of Proceeds section of the Authorization (such as joint payee checks, cancelled checks, paid receipts or invoices, wire transfer account records, etc.) must be attached to this form and provided to SBA along with a copy of this form upon SBA's request.
- (2) Neither the Lender nor its Associates, officers, agents, affiliates or attorneys have charged or will charge or receive, directly or indirectly, any fees not permitted by SBA's regulations and policies as well as SBA Form 750, "Guaranty Agreement," including processing, underwriting, servicing, broker, or referral fees, bonuses, commissions, or points, or have required or will require a compensating balance or certificate of deposit or security that would convey a preference.

The provisions of 18 U.S.C. 1001 and 15 U.S.C. 645 provide certain civil and criminal penalties for making false statements, willfully overvaluing collateral, or other prohibited acts and apply to the above certifications in this form.

Lender's Name and Title: _____ Borrower's Name and Title: _____

Signature: _____ Signature: _____

Date: _____ Date: _____

This Certification must be signed and retained in lender's file, along with supporting documentation, and made available to SBA upon request.

SBA Form 1050 Previous Editions Obsolete

NOTE: According to the Paperwork Reduction Act, you are not required to respond to this collection of information unless it displays a currently valid OMB Control Number. The estimated burden for completing this form, including time for reviewing instructions, gathering data needed, and completing and reviewing the form is 45 minutes per response. Comments or questions on the burden estimates should be sent to U.S. Small Business Administration, Chief, AIB, 409 3rd St., SW, Washington DC 20416. **PLEASE DO NOT SEND FORMS TO THIS ADDRESS.**