



Short Form 2181 "Pre-screen" Instructions

Application Instructions

SBA provides an optional Pre-screen that prospective applicants may consider completing and submitting to highly recommended for first-time applicants to the SBIC Program. Prospective applicants are invited to submit feedback. The feedback is informal and non-binding, but it helps prospective applicants better understand SBA's fit with the program.

The Pre-screen 2181 contains a subset of forms contained in the full MAQ. Specifically:

- The Overview
- Narrative
- Investment Track Record
- Principal Biographies

Completing this form can help prospective applicants prepare for the Management Assessment Questionnaire Application Fee. This information gives background context to aid SBA in providing informal feedback.

Once this Pre-screen (Short Form 2181) is completed, prospective applicants may submit the Pre-screen (Short Form 2181) to SBIC_Applications@sba.gov with the subject line "Pre-screen: MM/DD/YYYY: Name of Prospective Applicant". For the SBICCT Initiative the subject line should state "SBICCT Pre-screen: MM/DD/YYYY: Name of Prospective Applicant".

You will be notified of the receipt of your Pre-screen form via e-mail within 2 - 4 business days, and SBA may provide informal and non-binding feedback related to SBA's underwriting criteria and program considerations.

OMB Approval No. ###-###

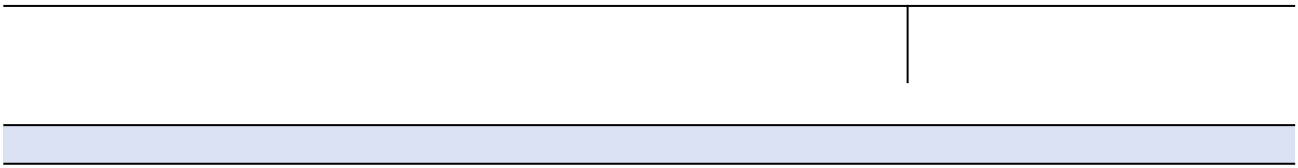
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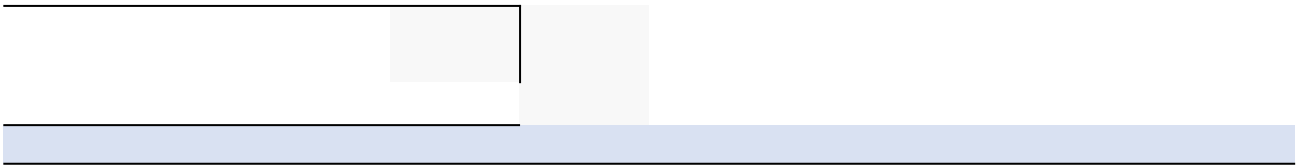
SBA. This an optional step, but one that is
mit a Pre-screen Form 2181 and receive
iBA's underwriting criteria and reassess their

e (MAQ) without incurring the cost of the MAQ

ort Form 2181) via e-mail to
If considering the SBIC Critical Technologies
cant".

follow up to offer the opportunity to share







[Applicant Name]

Applicant Overview Information				
License Type Requested	Standard Debenture S			
Requesting SBICCT Consideration?	Yes			
SBICCT Areas Covered				
Applicant Name	[Applicant Name]			
Investment Firm/Organization	[Applicant Firm Nam			
Manager Registered RIA?	No			
Fund Vintage Year	20xx			
Fund Jurisdiction / Fund Structure	Delaware			
Minimum Fund Size to Close				
Target Fund Size / Hard Cap	\$ Target			
Amount Raised				\$
Paid in Capital				\$
Number of Closings Completed				
Date of First Close	dd/mm/yyyy			
Minimum L.P. Investment Size	\$			
Investment from Sponsor % \$	%			
Investment Period (years)	x			
Fund Term (years)	x			
Target First Close Date	dd/mm/yyyy			
Target Final Close Date	dd/mm/yyyy			
Fund Style	Private Equity			
Fund Strategy	Hybrid Growth			
Security Allocation Targets	(i.e. 30% equity co-investment, 30% dir			
Geographic/Regional Focus	U.S. Nationwide			
Industry(s) of Focus	Healthcare			
	Pharma, Biotech & Life Sc			
Target Fund Return (Net)	Net IRR Ran	Low %	High %	Net MOIC Ra
Target Fund Leverage (Requested Leverage)	Dollars	\$		Ratio to Priv.
Annual Management Fee	Example: Initial Investment Period = 2% of Unreduced Regula the Initial Investment Period = 2% of the cost of loans and companies.			
Other Fees	description and %			
Carried Interest	%			
Preferred Return (if applicable)	%			
Fund's Primary Benchmark				
Investment Principals	Last Name, First Name ; Last Nan			
Key Person(s)	Last Name, First Name ; Last Nan			

SUBMISSION DATES

Pre-screen Submission Date	dd/mm/yyyy
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Estimated Target Date for MAQ Submissi

dd/mm/yyyy

BIC

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e]

Limited Partnership

\$ Hard Cap

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info for
Final
License
Application

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ciences

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ate Capital %

atory Capital plus Assumed Leverage; After
d investments for all "active" portfolio

ne, First Name

ne, First Name

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Narrative

As of Date: dd/mm/yyyy

The narrative sheet and all requested attachments must be completed in full by all applicants.

Name of Applicant: [Applicant Name]

1 Investment Strategy

1.1 Investment Strategy, Allocation and Transaction Types

Describe the fund's investment strategy and the types of transactions you intend to pursue. mission of the SBIC Program. Unless it does not apply, please address the following element

1. Asset class and strategy
2. Investment mix (funds, directs, equity, debt etc.)
3. Geographic focus
4. Industry focus
5. Stage of investment

For Reinvestor SBICs ONLY, include a description of the Underserved focus of the proposed

Response here. Limit to 500 words.

1.2 Approach to Portfolio Construction

Describe how you approach portfolio construction. Include details related to your allocation the fund, approach to follow-on investments (if applicable), reserves management and recy

Response here. Limit to 500 words.

1.3 Leverage at the Portfolio Company Level

Whether you are primarily an equity or debt investor, discuss your view of the use of levera evaluate when making an investment and state your preferred leverage level for a typical ir

1.4 Market Opportunity

Please explain the market dynamics underlying your strategy. What are the key macroecor flow for your strategy? What key factors will determine your opportunities for exit and liqui

1.5 Competition

Identify your direct competitors and explain your competitive advantage(s).

1.6 Risk Management

Please identify the major risks to the success of your investment strategy. Describe your approach to identifying and managing risk.

1.7 Economic Impact

The SBIC Program was created to facilitate the flow of long-term capital to American small business. Describe the economic impact you expect your investment activities will have on American small business. Use data to support your response.

1.8 Restricted Use of Federal Funds

The following categories would result in either criminal liability for the SBIC and its manager: Pornography, Tobacco, Federally Illegal Substances, and International Reinvestment. Will you invest in any of these categories?

2 Firm and Team

2.1 Firm Overview

Please provide a brief history of your firm (including any affiliates) and describe all investing activities the firm currently conducts, or will conduct in addition to managing the SBIC.

2.2 Team History

Briefly describe the origins of this team and any shared work history of the Principals. Please include dates, together, and the organizations for which each principal worked at the time.

2.3 Team Cohesion

2.3.1 Are there any known conditions (health, litigation, financial, personal, etc.) of any of the Principals of the firm or the SBIC? If yes, please provide an explanation below.

2.3.2 In the past 5 years, have any senior members of your team departed the firm? If yes, please provide their departure.

2.3.3 In the past 2 years, have any employees departed the firm? If yes, please provide their names and their departure.

2.3.4 In the past 2 years, have you onboarded new employees to the firm? If yes, please provide their names.

2.3.5 In the past 2 years, have you promoted any employees within your firm? If yes, provide their names.

3 Investment Process

3.1 Overview of the Investment Process

Using a numbered list, please identify the steps in your fund's investment process from deal sourcing to portfolio monitoring and note any decision points. Please include no more than three to five sentences explaining each step.

1 Deal Sourcing and Origination

2 Initial Screening

3 Due Diligence

4 Portfolio Monitoring and Risk Management

5 Liquidity and Realizations

3.2 Investment Due Diligence

Describe your due diligence process, specifically indicating the type and extent of your inquiry research. Indicate how this responsibility is allocated among principals, staff, committees, and from affiliated organizations and outside consultants.

3.3 Decision-Making Process

Describe the decision-making process used to make new investments, exit current investments, follow-on investments or otherwise manage the operations of the fund. In your response please address the following:

- Periodicity of Management Team Meetings
- Voting Power of Principals
- Number of votes required for approval/disapproval of new investments, follow-on investments
- Any special voting rights, such as veto rights, held by one or more principals
- Any requirements to obtain the consent of one or more principals

4 Portfolio Management & Monitoring

4.1 Investment Monitoring

Discuss the process you use to monitor investments in your portfolio. Please refer to the following items in your response:

- Reporting required of portfolio companies
- Firm's approach to board representation
- Number of deals each principal will be responsible for at peak
- Periodicity of portfolio reviews
- Level of engagement with portfolio company management
- Provision of consulting services to portfolio company management
- Who and how will you work with the SBA so the Agency can effectively monitor the portfolio

4.2 Underperforming Investments

Discuss your approach to monitoring and managing underperforming investments. Depend on your approach to turn around poor-performing investments, decline follow-on funding or sell-off your investments to the principals' track records. Explain how and when you decide to mark-down or write-off your investments from the applicant fund.

4.3 Portfolio Services

Describe the scope of all portfolio services, outside of portfolio company financing, you intend to provide. Examples may include Operating Partners, Venture Partners, Marketing, Human Resources, etc. Do you intend to charge portfolio companies for services provided? If so, list the scope of all charges. SBA requires disclosure of this fact and the scope of potential charges to be disclosed to SBIC.

4.5 Value Creation

Discuss your approach to influencing and maximizing partial and full realization opportunities and potential cash returns for long-term loans and debt investments. Depending upon the investment, identify positive and aligned outcomes for both the portfolio concern and investors in the fund.

4.5 Regulatory Compliance

Describe the processes you will use to monitor your compliance with SBIC Program Regulations. Identify the person(s) that will have primary responsibility for regulatory compliance.

5 Fund Economics

5.1 Carried Interest

Please provide a detailed description of the carried interest provisions of your fund, identify the provisions and explain your vesting policy. If applicable, explain how these provisions compare with your

5.2 Management Fee

Please describe the formula you will use to calculate the management fee that the SBIC will
Describe any changes that may occur over the course of the fund’s life. If requesting the in
fee offset calculation, please include the scope of the request in the space below as well.

5.3 Other Compensation

Provide details concerning any compensation, including bonuses, the principals earn outside
partnership. Include a list of any funds for which (i) the principals are earning carried interest
firm is earning management fees.

5.4 Fee Allocation

Please describe your policy on the allocation of fees, such as transaction fees, investment b
monitoring fees, directors’ fees, etc., between the SBIC and any management or other affiliate

6 Capitalization

6.1 Identify your anticipated minimum to close, and discuss how your investment strategy, fund
if you fail to reach your target fundraising level and must operate with this lower amount of

6.2 Placement Agent

Have you hired or do you intend to hire a Placement Agent? If "Yes", please enter the inform
In the space below, describe the duties called for by any placement agents. State who will b
the basis for compensation and how and when such compensation will be paid.

6.3 Investors

Please describe the anticipated composition of your investor base by the following investor :

6.4 Third-Party Borrowing and Capital Call Lines

Do you have or do you intend to have any third party borrowing arrangements in place at a
If "Yes," please provide a description of your current or expected capital call and/or borrowi
(Please review 13 CFR 107.550)

7 Governance

7.1 Organizational Chart

Provide an organizational chart of all entities and persons related to the SBIC on one page. I
List below the ownership percentages for the Applicant's management company and Gener

7.2 Associates and Affiliated Entities - Service Providers

Read the definition of Associate (13 CFR 107.50) and Affiliate (13 CFR 121.103). Identify an
and Affiliated individuals and entities that will provide services to the Applicant in connectio
Applicant's activities as an SBIC, such as due diligence, deal sourcing, administration, or po
consulting, and explain how they will be compensated.

7.3 Associates and Affiliated Entities - Organizational Structure

Read the definition of Associate (13 CFR 107.50) and Affiliated Entity (13 CFR 121.103). Indicate whether any individual or entity identified in your organizational chart or in the previous question is an Associate or Affiliate of any other SBIC applicant or currently licensed SBIC.

7.4 Conflicts of Interest

Describe current or proposed methods to identify any potential conflicts of interest and the methods for resolving those potential conflicts.

7.5 Advisory Committee or LPAC

Do you intend to have an LP Advisory Committee?

Do you intend to have any other type of corporate, advisory or governance committee?

If "Yes" to either question, please provide a brief description of the membership of each committee. Explain the role and responsibilities of each committee, and any compensation you expect to pay.

7.6 Personal Co-Investments

Describe your policies regarding personal investments by principals and/or other employees of the companies. If personal investments are permitted, please indicate whether "hard" dollars or soft dollars will be used and discuss.

7.7 Limited Partner Co-Investments

Describe your policies regarding co-investments made by limited partners. If you plan to offer limited partners the opportunity to co-invest alongside the fund, explain the circumstances under which the offer would be made.

7.8 Other Co-Investments

Provide details regarding any Affiliates and/or Associates, as defined in 13 CFR 107.50 and 121.103, respectively, that are likely to participate in SBIC investments. Please specify the affiliation or association of the entity.

7.9 Responsible Investing and Non-Discrimination Policies and Practices (Voluntary)

7.9.1 Do you maintain a formal ESG or Responsible Investing Policy?

7.9.2 If yes, what year was it established?

7.9.3 Do you maintain a formal Diversity, Equity and Inclusion Policy?

7.9.4 If yes, what year was it established?

7.9.5 As the mandate of the SBIC Program is to solve for capital access inadequacies for small business capital for small businesses and startups across industries, geographies and communities. Please check the box of all that apply to your investment strategy and focus.

Responsible Investment Themes	
<input type="checkbox"/>	Climate Change
<input type="checkbox"/>	Clean Energy
<input type="checkbox"/>	Biotech
<input type="checkbox"/>	Domestic Supply Chain & Manufacturing
<input type="checkbox"/>	Cyber Security
<input type="checkbox"/>	Inclusive Workforce and Non-discrimination
<input type="checkbox"/>	Water
<input type="checkbox"/>	Nutrition
<input type="checkbox"/>	Health and Wellness
<input type="checkbox"/>	Education
<input type="checkbox"/>	Financial Inclusion
<input type="checkbox"/>	Rural, LMI, and Opportunity Zone Businesses
<input type="checkbox"/>	Affordable Housing-Related Businesses

8 Attachments

Please refer to the "Attachment Checklist" tab and submit the documents listed and check

9 SBIC Critical Technologies Initiative (SBICCT) Applicants Only

9.1 SBIC Critical Technologies (SBICCT) Applicants Only

The SBICCT Initiative's mission is to increase investment opportunities in technology companies addressing today's most pressing national security supply chain needs. Please discuss the impact on national security and please justify your response.

9.2 The SBICCT Initiative requires at least 60% of all private capital and SBA leverage finance to be invested in Critical Technology areas the proposed fund intends to invest in. If there are allocation targets, please describe these industries or technology verticals and the intended allocation.

9.3 The SBICCT Initiative is in support of U.S. national security. Do you intend to accept investments from countries you will consider.

9.4 Does your firm currently maintain relationships in other firm managed funds with non-U.S. investors? If so, provide the number of investor and \$ assets by country.

9.5 Are all Principals, Investors and Associates of the Applicant willing to undergo a U.S. Department of Justice background check?

10 Drop-Down Funds and Business Development Company (BDC) SBIC

Is this a drop-down SBIC?

10.1 Capital

How much capital do you intend to drop-down from the parent fund to the SBIC?

\$

10.2 Parent Fund

Describe the types of investments the parent currently makes or plans to make. Discuss how the parent's investments and future investments may either be different from the SBIC's investment strategy or how they will be similar. State what criteria will be utilized for determining into which fund an investment will be placed. Will you maintain a formal allocation policy to govern such decisions?



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Expiration Date MM/DD/YYYY



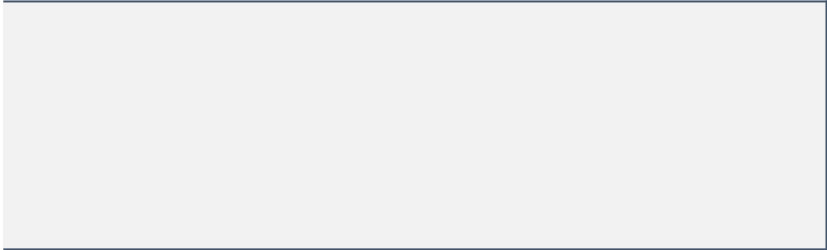
. Describe how this aligns with the Congressional mandate and
is:

- 6. Company size
- 7. Investment/Deal size
- 8. Ownership/Control
- 9. Lead, co-investor or sole investor
- 10. Investment pace

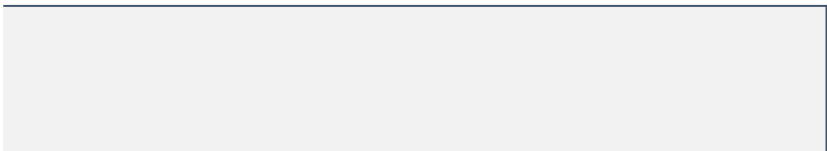
fund and how this is reflected in the fund's investment strategy.



policy, targeted range for the number of portfolio company investments in
clining.



ge at the portfolio company level. Identify the key leverage metrics you
investment.



omic or industry specific factors that will drive deal
dity?



[Redacted]

[Redacted]

[Redacted]

businesses and startups. Please discuss
businesses and their employees. Please

[Redacted]

is or are otherwise prohibited under the program: Human Trafficking,
do you restrict from investing in the following areas?

), advisory or other business activities

[Redacted]

se include dates, the context in which the Principals met, worked

[Redacted]

[Redacted]

principals that might affect their ability to execute their duties to

[Redacted]

provide their names, titles and briefly explain the reasons for

[Redacted]

names, titles, tenure in years, and briefly explain the reasons for

[Redacted]

their names, titles and tenure with the firm.

[Redacted]

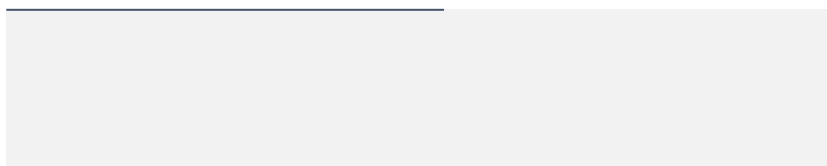
names and titles pre- and post promotion.

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Origination

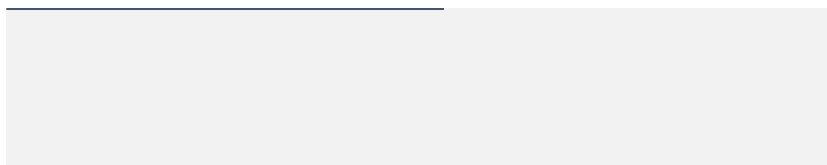
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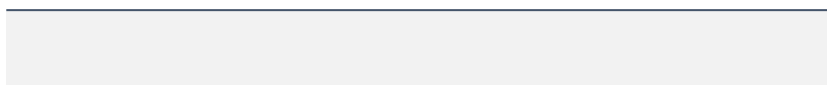
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ling upon the investment strategy, explain the measures you position. When possible, please provide specific examples from our position and how this aligns with the valuation policy of the

[Redacted]

nd to provide.

Recruiting, Back-office Services and Technology Applications and Services. services you might charge portfolio companies for. If charging for portfolio services, IC portfolio companies as part of the terms of financing.

[Redacted]

as for equity capital investments or approach to maximizing investment strategy, explain the measures you take to influence

[Redacted]

ons and manage recurring Regulatory Examinations. Please

[Redacted]

the basis of the calculation (e.g. whole fund or deal-by-deal) our previous funds and rationale for any changes.

[Redacted]

[Redacted]

be charged.
clusion of portfolio services charges in the management

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l operations or other SBIC-related activities would change
capital.

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ation under the "Service Providers" section of this Form 2181.
e responsible for payment of placement agent compensation,

[Redacted]

segments: banks, pensions, endowments & foundations, family offices, high net worth individual investors, RIAs/fin:

[Redacted]

ny time prior to being licensed? "Yes" or "No"

ng arrangements. If this is a licensing application, provide any associated borrowing agreements.

[Redacted]

include any parent funds(s) or side-car vehicles if relevant.
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13 CFR

nature of the

businesses, SBA seeks address persistent shortfalls in access to
While not a requirement for licensing to invest in these areas,

Challenges Address by Investing in Companies Developing Solutions in These Areas:

- Mitigate and adapt to climate change
- Accelerate the energy transformation to a low-carbon economy
- Treatment and care of rare diseases
- Supply chain disruptions and a fragile domestic manufacturing ecosystem
- Improved cyber and data security
- Persistent systemic racism has denied access and opportunities to build equity and participate in the labor force
- Global water scarcity and water quality crisis
- Reducing the global food production imbalance
- Improved mental and physical health
- Equality of access to information and educational technologies and services
- Improving financial wellness and building equity for all Americans
- Expanding access and opportunities to jobs, equity, services and technology
- Largest shortfall in U.S. housing in 50 years

the box next to each item you have submitted.

nies, critical industries, and capital-intensive small businesses
mpact you expect your investment strategy will have on US

companies in one or multiple DoD Critical Technology Areas. Please detail the investments by area, please describe. If you plan to invest in other technology areas,

invested from non-U.S. entities and/or individuals? If yes, please list the

investor entities and/or individuals? If yes, please list the countries and the

results of Defense background check?

IC Applicants ONLY

How those
strategy or how
investment

ancial intermediaries, fund-of-funds, other entity investors. List anticipated percentages for each segment. List the names and c

⌘ for many Americans

contact information for investors who have "soft circle" committed to invest in the fund pending License approval

OMB Approv
Expiration

License no.:

Type of Investment

Deal Name (Company or Fund Investment)

Portfolio Company or Fund EIN #

Industry

Type of Investment	Deal Name (Company or Fund Investment)	Portfolio Company or Fund EIN #	Industry
	Washington Widgets		Manufacturing
	Lincoln Group		Business Services
	Jefferson Trucks		Trucking
	Kennedy Textiles		Textiles
	VanBuren Windows		Manufacturing
	Cleveland Communications		Communications
	Wilson Components		Electronics

(Note: If you need to insert additional rows, please do so above the last line)

State (Geography) Sponsor (Name) Lead Investor Co-investors (Equity) Co-Creditors (Debt) Strategy Venture/Expansion Stage

2-digit Abbreviation	Firm or Fund Name	Firm or Fund Name	Firm or Fund Name	Firm or Fund Name		
					Mezzanine	
					Special Situations	
					Growth Stage	
					Hybrid Debt/Equity	
					Later Stage	
					Later Stage	
					Later Stage	



Current Reported Value	Total Value	Cash Multiple (MOIC)	IRR	Sourced By	Led/Co-led Deal
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<i>Current reported value for the investment (based on current fair market value / market-to-market value).</i>	<i>"Total Value" is equal to "Current Reported Value" + "Amount Distributed".</i>			<i>Last Name, First Name</i>	
		1.24x	15.4%		
		1.33x	14.2%		
		0.66x	(15.0%)		
		1.87x	21.0%		
		1.04x	8.0%		
		1.26x	16.0%		
		1.15x	6.0%		
		1.10x	7.5%	<-- Gross IRR	
			2.5%	<-- Net IRR (Gross IRR net of fees)	

Principal Biographies

As of Date: dd/mm/yyyy

Name of Applicant: [Applicant Name]

For each principal please provide a brief biography and a description of his/her role below, ensuring you include all previous employment and associated time periods in the "bios" tab in this workbook.

Template

<i>First Name Last Name</i>	<i>Title</i>
<i>First Name Last Name</i> is one of three General Partners at XYZ Capital and a member of the firm since 1995 as an Associate, was promoted to Partner in 2002 and General Partner in 2010. <i>Name</i> was an Associate with ABC Asset Management, where s/he worked from 1998 to 2001 and an Investment Banking Analyst at DEF Associates in 1990.	
<i>Last Name</i> earned a B.A. in Economics from ABC College in 1990 and an MBA from XYZ University in 1992.	

<i>1 First Name</i>	<i>Last Name</i>

<i>2 First Name</i>	<i>Last Name</i>

<i>3 First Name</i>	<i>Last Name</i>

<i>4 First Name</i>	<i>Last Name</i>

<i>5 First Name</i>	<i>Last Name</i>

<i>6 First Name</i>	<i>Last Name</i>

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7	<i>First Name</i>	<i>Last Name</i>

8	<i>First Name</i>	<i>Last Name</i>

9	<i>First Name</i>	<i>Last Name</i>

le within the team. Use the suggested format
s. Enter this information on the "Principal

ber of the investment team. S/he joined XYZ
rtner in 2005. Prior to joining XYZ Capital, Last
93 to 1995. S/he began her/his career as an
n GHI University in 1993.

Title

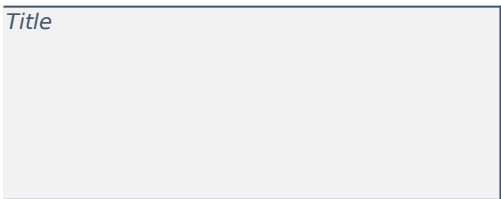
Title

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