



PAYCHECK PROTECTION PROGRAM
AFFILIATION WORKSHEET

The purpose of this Affiliation Worksheet is to collect information from a borrower that answered “YES” to Question 3 on its Paycheck Protection Program (PPP) Loan Application (SBA Form 2483, SBA Form 2483-C, SBA Form 2483-SD, SBA Form 2483-SD-C, or lender’s equivalent) or a borrower for which information available to the Small Business Administration (SBA) indicates that the borrower may have affiliates. SBA requires this additional information regarding the size of the borrower and its affiliates to evaluate the borrower’s certification on its PPP Loan Application that it was eligible to receive a PPP loan under the SBA’s rules in effect at the time the application was submitted.

Please complete this Affiliation Worksheet to provide information regarding the size standard that you (Borrower) used when making your eligibility certification and regarding the size of your affiliates. You must disclose all of your affiliates for purposes of this worksheet. Affiliation is defined in 13 CFR 121.301(f) and summarized here: <https://www.sba.gov/document/support-affiliation-rules-paycheck-protection-program>.¹ Affiliation rules apply to non-profit borrowers in the same manner as with respect to for-profit borrowers.

The completed worksheet is due to the Lender servicing your PPP loan within ten business days of receipt from your Lender. Failure to complete the worksheet may result in SBA’s determination that you were ineligible for the PPP loan, the PPP loan amount, or any forgiveness amount claimed, and SBA may seek repayment of the loan or pursue other available remedies.

Within five business days after you provide a completed worksheet with all required responses, signatures, and certifications, the Lender servicing your loan is required to upload the worksheet to the SBA Paycheck Protection Platform (forgiveness.sba.gov).

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 time for completing this worksheet, including gathering data needed, is 45 minutes. Comments about this time or the information requested should be sent to Small Business Administration, Director, Records Management Division, 409 3rd St., SW, Washington DC 20416, and/or SBA Desk Officer, Office of Management and Budget, New Executive Office Building, Washington DC 20503. **PLEASE DO NOT SEND WORKSHEETS TO THESE ADDRESSES.**

Part A – Borrower Information

Borrower Legal Name	DBA or Tradename, if applicable		
Borrower Address	TIN (EIN, SSN, ITIN)	Work Phone	
		() -	
	Primary Contact	E-mail Address	
SBA PPP Loan Number	Original Principal Amount of PPP Loan (\$)		
First Draw PPP Loan ☐		Second Draw PPP Loan ☐	

Part B – Affiliation Information**Section I. Affiliation Waiver**

Answer questions 1, 2, 3, 4, 5 and 6 below. In the right-hand column (labeled “Confidential?”), check the box if the answers or information provided in response to the question are customarily kept confidential.²

If you answer “YES” to any of the questions in Section I, you do not need to complete Sections II, III, and IV.

		YES	NO	Confidential?
1.	Is Borrower assigned a North American Industry Classification System (NAICS) code beginning with 72 (Accommodation and Food Service Industries)? See https://www.census.gov/eos/www/naics/ for an explanation of NAICS code 72.			
2.	Is Borrower a franchisee whose franchise identifier code is listed in SBA’s Franchise Directory? See https://www.sba.gov/sba-franchise-directory for SBA’s Franchise Directory.			
3.	Does Borrower receive financial assistance from a Small Business Investment Company licensed by the SBA?			
4.	Is Borrower majority owned or controlled by a business concern that is assigned a NAICS code beginning with 511110 or 5151 or a nonprofit organization that is assigned a NAICS code beginning with 5151? See https://www.census.gov/eos/www/naics/ for an explanation of NAICS code 511110 or 5151.			
5.	Is Borrower assigned a NAICS code of 519130, has Borrower certified in good faith as an internet-only publisher, is Borrower engaged in the collection and distribution of local or regional and national news and information, and is Borrower majority owned or controlled by a business concern that is assigned NAICS 519130? See https://www.census.gov/eos/www/naics/ for an explanation of NAICS code 519130.			
6.	Is Borrower a faith-based organization? ³			

Section II. Borrower's Size Standard

Select the size standard below that was used to evaluate Borrower's size to determine Borrower's eligibility for a PPP loan (check one).⁴ For Second Draw PPP Loans, only the employee-based size standard is applicable.⁵

A. Employee-based Size Standard ☐	B. Receipt-based Size Standard ☐	C. Alternative Size Standard ☐
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Section III. Borrower's Size-Standard and Industry Information

Provide information in columns #1 and 2 below for Borrower. For #2, provide information under A, B, or C depending on the size standard you indicated in Section II (as noted above, only the employee-based size standard is applicable to Second Draw PPP Loans, so information must be provided under A):

- Use 2.A if Borrower used *A. Employee-based Size Standard*;
- Use 2.B if Borrower used *B. Receipt-based Size Standard*; or
- Use 2.C (both the TNW and ANI columns) if Borrower used *C. Alternative Size Standard*.

In the right-hand column (labeled "Confidential?"), check the box if the information in your answers to 2.A, 2.B, or 2.C is customarily kept confidential.

1.	2.				Confidential?
Primary Six-Digit NAICS Code	<u>A.</u> Employees ⁶	<u>B.</u> Average Annual Receipts over last 3 completed fiscal years before the date of the Borrower's PPP application ⁷ ("Receipts")	<u>C.</u> Alternative Size Standard (as of March 27, 2020)		
			Tangible Net Worth ("TNW")	Average Net Income after Federal taxes (excluding any carryover losses) for last 2 completed fiscal years ("ANI")	
		\$	\$	\$	

Section IV. Borrower's Affiliates Information⁸

Provide information in columns #1, 2, 3, 4, and 5 below for all of Borrower's affiliates.

For #2, select all types of relationships to Borrower that apply. For each type that is selected, provide additional detail about that relationship in the text field "Additional detail on Affiliate relationship to Borrower":

- If "Affiliation based on ownership" is selected, identify the owner (the Borrower, the Affiliate, another specified entity, or a specified individual) and the percentage of ownership (e.g., Affiliate is a 60% owner of Borrower; Borrower is a 51% owner of Affiliate).⁹
- If "Affiliation arising under stock options, convertible securities, and agreements to merge" is selected, identify whether the basis for affiliation is stock options, convertible securities, or an agreement to merge.¹⁰
- If "Affiliation based on management" is selected, identify the common manager or management agreement.¹¹
- If "Affiliation based on identity of interest" is selected, identify the close relative(s) and the business or economic interest.¹²

For #5, provide information for A, B, or C depending on the size standard you indicated in Section II (as noted above, only the employee-based size standard is applicable to Second Draw PPP Loans, so information must be provided under A for all affiliates):

- Use 5.A if Borrower used *A. Employee-based Size Standard*;
- Use 5.B if Borrower used *B. Receipt-based Size Standard*; or
- Use 5.C (both the TNW and ANI columns) if Borrower used *C. Alternative Size Standard*.

If additional rows are needed to list all affiliates, provide information on a separate sheet identified as Addendum A. In the right-hand column (labeled "Confidential?"), indicate whether the information in your answers is customarily kept confidential by entering 1, 2, 3, 4, 5.A, 5.B, and/or 5.C.

1.	2.		3.	4.	5.			Confidential?
Affiliate Name	Relationship to Borrower (select all that apply)	Primary Six- Digit NAICS Code	Did affiliate receive PPP loan(s)?	A. Employees ¹³	B. Receipts ¹⁴	C. Alternative Size Standard as of March 27, 2020		
						TNW	ANI	
	Affiliation based on ownership		YES/ NO		\$	\$	\$	
	Affiliation arising under stock options, convertible securities, and agreements to merge							
	Affiliation based on management							
	Affiliation based on identity of interest							
	Additional detail on Affiliate relationship to Borrower (1,000 character max):							
	Affiliation based on ownership		YES/ NO		\$	\$	\$	
	Affiliation arising under stock options, convertible securities, and agreements to merge							
	Affiliation based on management							
	Affiliation based on identity of interest							
	Additional detail on Affiliate relationship to Borrower (1,000 character max):							
	Affiliation based on ownership		YES/ NO		\$	\$	\$	
	Affiliation arising under stock options, convertible securities, and agreements to merge							
	Affiliation based on management							
	Affiliation based on identity of interest							
	Additional detail on Affiliate relationship to Borrower (1,000 character max):							
	Affiliation based on ownership		YES/ NO		\$	\$	\$	
	Affiliation arising under stock options, convertible securities, and agreements to merge							
	Affiliation based on management							

	Affiliation based on identity of interest								
	Additional detail on Affiliate relationship to Borrower (1,000 character max):								
	Affiliation based on ownership			YES/ NO		\$	\$	\$	
	Affiliation arising under stock options, convertible securities, and agreements to merge								
	Affiliation based on management								
	Affiliation based on identity of interest								
	Additional detail on Affiliate relationship to Borrower (1,000 character max):								

CERTIFICATIONS

The Authorized Representative of Borrower must certify to all of the below by initialing next to each item:

_____ I certify that I have the authority to sign and submit this worksheet on behalf of Borrower.

_____ I certify that the information provided in this worksheet identifies all known affiliates of Borrower and is true and correct in all material respects. I make this certification after reasonable inquiry of people, systems, and other information available to Borrower.

_____ I understand that false statements or claims in connection with an SBA-guaranteed loan or loan forgiveness application is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available at law.

Signature of Authorized Representative of Borrower

Print Name

Title

Date

Endnotes:

¹ See also [85 FR 20817](#) (April 15, 2020), as amended by 86 FR 3692 (January 14, 2021), and 86 FR 15083 (March 22, 2021) regarding application of SBA's affiliation rules. For the affiliation rules applicable to Second Draw PPP Loans, see 86 FR 3712 (January 14, 2021).

² The same affiliation waivers apply to First Draw and Second Draw PPP Loans.

³ See [85 FR 20817](#) (April 15, 2020) regarding application of SBA's affiliation rules and the exemption of certain qualified faith-based organizations from SBA's affiliation rules. See also, 86 FR 3692 (January 14, 2021).

⁴ An applicant can be eligible for a First Draw PPP loan if the applicant, together with its affiliates (if applicable), (1) is an independent contractor, self-employed individual, or sole proprietor with no employees; (2) if not a housing cooperative, eligible 501(c)(6) organization, other eligible 501(c) organization, or eligible destination marketing organization, employs no more than the greater of 500 employees or, if applicable, the size standard in number of employees established by SBA in 13 C.F.R. 121.201 for the Applicant's industry; (3) if a housing cooperative, employs no more than 300 employees; (4) if an eligible 501(c)(6) organization, other eligible 501(c) organization, or eligible destination marketing organization, employs no more than 300 employees per physical location; (5) if NAICS 72 or a 501(c)(3) organization, employs no more than 500 employees per physical location; (6) if a news organization that is majority owned or controlled by a NAICS code 511110 or 5151 business, a nonprofit public broadcasting entity with a trade or business under NAICS code 511110 or 5151, or an Internet-only news or periodical publisher assigned NAICS code 519130 and engaged in the collection and distribution of local or regional and national news and information, employs no more than 500 employees (or, if applicable, the size standard in number of employees established by SBA in 13 C.F.R. 121.201 for the Applicant's industry) per location; or (7) is a small business under the applicable revenue-based size standard established by SBA in 13 C.F.R. 121.201 for the Applicant's industry or under the SBA alternative size standard.

In order to qualify under the SBA alternative size standard, a business must have met both tests in SBA's "alternative size standard" as of March 27, 2020: (1) maximum tangible net worth of the business is not more than \$15 million; and (2) the average net income after Federal income taxes (excluding any carry-over losses) of the business for the two full fiscal years before the date of the application is not more than \$5 million. The alternative size standard is available only to for-profit borrowers, not non-profit organizations.

⁵ An applicant can be eligible for a Second Draw PPP loan if the applicant, together with its affiliates (if applicable): (1) is an independent contractor, self-employed individual, or sole proprietor with no employees; (2) employs no more than 300 employees; (3) if NAICS 72, employs no more than 300 employees per physical location; (4) if a news organization that is majority owned or controlled by a NAICS code 511110 or 5151 business, a nonprofit public broadcasting entity with a trade or business under NAICS code 511110 or 5151, or an Internet-only news or periodical publisher assigned NAICS code 519130 and engaged in the collection and distribution of local or regional and national news and information, employs no more than 300 employees per physical location; or (5) if a 501(c)(3) organization, an eligible 501(c)(6) organization, other eligible 501(c) organization, or eligible destination marketing organization, employs no more than 300 employees per physical location.

⁶ Calculate the number of employees using the average number of employees per pay period in the same time period Borrower used to calculate average monthly payroll. For example, if Borrower calculated average monthly payroll based on calendar year 2019, Borrower's number of employees is the average number for all pay periods in calendar year 2019. See 13 CFR 121.106 for the full definition.

⁷ Receipts generally are the sum of "total income" plus "cost of goods sold" reported on Federal taxes. See 13 CFR 121.104 for the full definition. For Borrowers with fewer than three completed fiscal years, average annual receipts means the total receipts for the period the Borrower had been in existence as of the date of PPP loan application, divided by the number of weeks in existence, multiplied by 52.

⁸ For an explanation of the four tests for affiliation that apply to participants in the Paycheck Protection Program, see <https://www.sba.gov/document/support-affiliation-rules-paycheck-protection-program> and [85 FR 20817](#) (April 15, 2020).

⁹ For purposes of determining affiliation based on equity ownership, an entity is an affiliate of an individual, concern, or entity that owns or has the power to control more than 50 percent of the entity's voting equity. If no individual, concern, or entity is found to control, SBA will deem the Board of Directors or President or Chief Executive Officer (CEO) (or other officers, managing members, or partners who control the management of the entity) to be in control of the entity. SBA will deem a minority shareholder to be in control, if that individual or entity has the ability, under the entity's charter, bylaws, or shareholder's agreement, to prevent a quorum or otherwise block action by the board of directors or shareholders. See 13 CFR 121.301(f)(1). In determining affiliation based on ownership for nonprofit organizations, the organization may use its IRS Form 990, Schedule R, which requires the nonprofit organization to provide information on certain tax-exempt and taxable related organizations, as defined in 26 USC 512(b)(13).

¹⁰ For purposes of determining size, SBA considers stock options, convertible securities, and agreements to merge (including agreements in principle) to have a present effect on the power to control an entity. SBA treats such options, convertible securities, and agreements as though the rights granted have been exercised. Agreements to open or continue negotiations towards the possibility of a merger or a sale of stock at some later date are not considered "agreements in principle" and are thus not given present effect. Options, convertible securities, and agreements that are subject to conditions precedent which are incapable of fulfillment, speculative, conjectural, or unenforceable under state or Federal law, or where the probability of the transaction (or exercise of the rights) occurring is shown to be extremely remote, are not given present effect. An individual, concern or other entity that controls one or more other entities cannot use options, convertible securities, or agreements to appear to terminate such control before actually doing so. SBA will not give present effect to individuals', concerns', or other entities' ability to divest all or part of their ownership interest in order to avoid a finding of affiliation. See 13 CFR 121.301(f)(2). This basis for affiliation is unlikely to apply to nonprofit organizations because, generally, they do not issue stock or securities. If, however, a nonprofit organization has an agreement to merge with another organization, SBA would treat such an agreement, including an agreement in principle, to have present effect under the affiliation rule.

¹¹ Affiliation based on management arises where the CEO or President of the PPP borrower (or other officers, managing members, or partners who control the management of the borrower) also controls the management of one or more other entities. Affiliation also arises where a single individual, concern, or entity that controls the Board of Directors or management of one entity also controls the Board of Directors or management of one of more other entities. Affiliation also arises where a single individual, concern or entity controls the management of the PPP borrower through a management agreement. See 13 CFR 121.301(f)(3). Management affiliation is particularly relevant to nonprofit organizations because they operate through their officers and board members. A common officer may cause the nonprofit organization to be affiliated with another entity, if the officer controls the borrower's management and also controls the management of one or more other organizations, businesses, or entities. A nonprofit organization could be affiliated where a single board member or entity that controls the borrower's board also controls the board or management of one or more other organizations, businesses, or entities. Additionally, for organizations that elect their board through member voting, the organization would be affiliated through a business, entity, or individual that controls more than 50% of the organization's voting rights, with any other entities similarly situated.

¹² Affiliation based on identity of interest arises when there is identity of interest between close relatives with identical or substantially identical business or economic interests (such as where the close relatives operate entities in the same or similar industry in the same geographic area). See 13 CFR 121.301(f)(4). "Close relative" is a spouse; a parent; or a child or sibling; or the spouse of any such person. See 13 CFR 120.10.

¹³ Calculate the number of employees using the affiliate's average number of employees based on numbers of employees for each of the pay periods for the preceding completed 12 calendar months before the date of the Borrower's PPP application. Part-time and temporary employees are counted the same as full-time employees. If an affiliate has not been in business for 12 months, use the average number of employees for each of the pay periods the affiliate has been in business. See 13 CFR 121.106.

¹⁴ See note 6 for information on how to calculate average annual receipts over last three completed fiscal years before the date of the Borrower's PPP application.