

SCPDC CORONA RECOVERY LOAN PROGRAM

STATEMENT OF UNDERSTANDING and APPLICATION SIGNATURE PAGE

1. _____(initial) **SBA Paycheck Protection Program (PPP) Forgiveness / Duplication of Benefits.**

With the experience of prior programs, SCPDC wants all borrowers to understand that there are multiple funding opportunities being offered to business owners impacted by the Corona / Covid-19 virus. In applying for and accepting SCPDC loan funds, it is understood that while our programs do not reduce an applicant's SBA benefit because of Duplication of Benefits regulations, SBA may reduce the benefit to the borrower due to other programs such as the SCPDC Corona Recovery Loan. SCPDC loan funds may be used for working capital expenses including paying existing debt. However, if these funds are used for payroll, rent, utilities, mortgage interest and anything else that SBA is allowing as a forgivable use; SCPDC is not responsible for the possible loss of that "forgivable" opportunity.

2. _____(initial) **No Right of Assignment or Delegation.** The loan recipient may not assign or otherwise transfer its rights or delegate any of its obligations under this loan program.

3. _____(initial) **Revocation.** SCPDC reserves the right to revoke this loan if the funds are not used for the stated purpose.

4. _____(initial) **Monitoring and Records.**

- i. This loan may be used only for the purposes stated herein. Documents providing evidence of the use of the funds from this award shall be retained by loan recipient for five years from the initial date of disbursement of the loan.
- ii. SCPDC reserves the right to monitor usage of loan funds. Such monitoring will include review that the entire amount of the loan was used only for the expenses as specified above in accordance with your proposal.
- iii. SCPDC may, during regular business hours and on reasonable notice to loan recipient inspect, audit, or copy records pertaining to this loan. It is further agreed that SCPDC auditors or auditors contracted by them shall have the option of auditing all records and accounts of loan recipient that relate to this program at any time during normal business hours, as often as deemed reasonably necessary, to audit, examine, and make excerpts or transcripts of all relevant data.
- iv. Loan recipient's failure to cooperate in such review will result in forfeiture of the loan and loan recipient will be responsible for repaying the full amount of funds disbursed.

Affirmation of Information Provided in Application. By the applicant's initials and signature on this statement and by the submission of an online SCPDC loan application, the applicant represents and warrants that he/she has read and agrees to the Application and Statement of Understanding and attests that all information and documentation furnished in connection with the application is true, accurate and complete to the best of his/her knowledge.

print name

company name

signature

date