



Vermont Economic Development Authority

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www.veda.org

Special Underwriting Criteria for New Loans Made During the COVID-19 Emergency

Business Name:

Please provide VEDA with responses to the following questions specifically related to your operations during and through the current COVID-19 Pandemic:

1. Do you have any Special COVID-19 Emergency loan(s) (PPP, EIDL, or other stimulus financing, etc.) that have repayment or contingent repayment requirements that could impact your business's cash flow?
 - a. If yes, please provide the amount and the loan status:
 - b. What is the loan's status (current, on deferment, or past due)? For PPP loans, is the loan forgiveness application in process?
 - c. Will you have sufficient cash flow to repay the PPP loan (or any other forgivable loan) if the loan is only partially forgiven or not forgiven at all?
 - d. What lien position do these loans have?
2. For Change of Ownership loans, does the seller have any other loan(s) (PPP, EIDL, or other stimulus financing, etc.) that may become your repayment or contingent repayment obligation?
 - a. How are you addressing those obligations with the seller?
3. What industry sector do you operate in and how is that sector and your business being impacted by the COVID-19 emergency?
4. How have your business revenue and staffing levels been impacted?
5. Do you have a plan to return to normal operations as well as a contingency plan for revenues and operations for a minimum of the next 18 months (i.e. changes in products and/or service)?
6. How have any restrictions such as stay-at-home orders, social distancing, travel, traffic flow, and trade limitations impacted your customers, your costs, and your access to supplies, inventory and/or equipment?

7. What are the other impacts to the business' operational cost(s) such as providing protective gear, cleaning materials and essential costs to ensure the safety of customers and employees?
8. How much has your previous historical revenues, profits and cash flow been impacted by current market conditions?
 - a. If you are not currently operating profitably or at a positive cash flow, provide a monthly projection of income and cash flow to show when and what it will take for the business to get to breakeven again:
9. How concentrated or diversified is the customer base?
 - a. How reliant is your business on sales to or receivables from a limited number of customers?
10. How concentrated or diversified is your vendor/supplier pool, and which, if any, vendors/suppliers have decreased ability to support the business?
 - a. How easy would it be to replace a key vendor if necessary?
11. How does the current market impact the value of the market collateral proposed for the loan?
12. For any loans where 50% or more of the loan proceeds will be used for working capital, discuss why this level of working capital is needed and appropriate for the business in light of the COVID-19 emergency.