

**CAPE MAY COUNTY
COMMERCIAL FISHING
REVOLVING LOAN FUND
PROGRAM**

**Amended
4/2016**

**CAPE MAY COUNTY COMMERCIAL FISHING REVOLVING LOAN FUND
SUMMARY OF PROGRAM**

1. INTRODUCTION

The Board of Chosen Freeholders of Cape May County has established a Commercial Fishing Revolving Loan Fund (RLF) to provide short-term, low-interest rate loans to commercial fishing and related businesses. This loan program is viewed as an integral component of the county's overall strategy to revitalize and improve its economic climate particularly that of the commercial fishing industry. The loan program offers an incentive to commercial fisheries and related businesses to make cost effective improvements resulting in business, job retention and industry growth.

Cape May County's RLF has been designed to meet financial gaps with attractive terms to encourage improvements, expansion and possibly new business locations. By lowering the rate, the County can assume risks and provide assistance for these businesses that a private lender may not be willing or able to undertake.

2. PURPOSE/OBJECTIVES

The Cape May County Board of Chosen Freeholders has established the Revolving Loan Fund for the purpose of revitalizing the commercial fishing industry within Cape May County. Specifically, this loan fund offers assistance to all levels of fisheries industry, including; fisherman, dock owners, processors, wholesalers, etc., as well as, charter and party boat owners carrying the Sub-chapter T license. This loan program also includes related support industries, and can be used to acquire, refurbish, refit, etc. existing and new facilities and equipment. The program's main purpose is to retain or create businesses and jobs in the Commercial Fishing Industry, and/or to enable the safe operation of fishing vessels. It is anticipated that financial assistance is developed by providing and coordinating technical and financial assistance for those businesses desiring to undertake activity for the above-mentioned purpose.

The objective of the program is to establish a sound fisheries industry within Cape May County which can ultimately tie into a world-wide industry. In addition to the loans, the program will provide a comprehensive approach to providing assistance to the fisheries industry, as well as establish an administrative vehicle to identify and meet the needs of the fisheries industry.

3. LENDING CRITERIA FOR COMMERCIAL FISHING REVOLVING LOAN FUND

LOAN TERMS AND CONDITIONS

1. Amount of Loan Assistance:
 - a. The program will emphasize loans of up to \$300,000 or less. Circumstances may consist of:
 1. High jobs created per loan dollar ratio (better than one job per \$25,000 of loan funds.
 2. Any other aspect of the proposed project which the Loan Selection Committee shall deem to enhance the overall climate of the fishing industry.

2. Interest Rate:

Low interest loans at a rate of two (2) percent will be provided to applicants determined credit worthy. In no instance will this interest rate be lower than two (2) percent or lower than the prime rate. The interest rate will, however, be fixed for the term of each loan. The loans will be for commercial fishing projects which will create and/or retain jobs for low and moderate income persons, and/or leverage other funds.

3. Terms:

The loan payment period shall be a maximum of seven (7) years. The term of the loan may be extended if necessary if the loan package involves other forms of financing with longer payback periods.

4. Amortization:

Monthly payments of principal and interest. No prepayment penalties.

5. Collateral:

All loans shall be secured by a lien on the asset financed and/or other secure collateral and, as required, by an assignment of leases. Personal guarantees may be required where the asset has a rapidly depreciating or largely undetermined reuse value, where it is determined that a personal guarantee is necessary to assure repayment of the loan, or where the applicant is a close corporation controlled by a few shareholders.

6. Insurance and Inspections:

Evidence of insurance at least equal to the amount of the loan is required on an annual basis. The County of Cape May shall be designated Loss/Payee or mortgagee on all policies. A copy of the U.S. Coast Guard yearly inspection certificate is required on an annual basis.

7. Credit and Risk:

A history of good credit and evidence of ability to repay from cash flow projections are required. The County may commit funds of financing at a higher than normal risk and will try to assist applicants who are unqualified for or unable to afford financing from conventional sources if the project is desirable in meeting the objectives of the program.

8. Disbursement Procedure:

Loans will be disbursed in a manner outlined in the Loan Agreement depending on the type of activity and the needs of the borrower.

9. Late Charges:

Late charges will be assessed at the rate of 5% of any monthly installment not received within fifteen (15) days after the payment is due.

10. Repayment:

The loan agreement shall provide for the immediate repayment of the loan in the event that the vessel or equipment acquired, property constructed, or land improved in whole or in part with loan funds or any collateral secured by the loan is sold by the owner prior to the end of the period for repayment of the loan.

4. BUSINESS ELIGIBILITY

1. Type of Business:

Any individual, partnership, limited liability company or private corporation involved in the commercial fishing industry operating in or willing to operate in Cape May County. This includes, but is not limited to, the following:

- a. Fishing Vessel/Fleet Owners
- b. Port and Dock Owners
- c. Fish Processors
- d. Fish Wholesalers and Distributors (including cooperatives)
- e. Related support businesses: such as gear suppliers, vessels repair and service operations, etc.
- f. Fish Transporters and Shippers
- g. Commercial Fishing Boatyards
- h. Purchase approved by Loan Selection Committee to promote economic utilizations of county seafood resources.
- i. Aquaculture, fish farming, shellfish farming and related business activities
- j. Any and all business and support businesses related to any of the aforementioned subsections.
- k. Commercial Party Boats maintaining a sub-chapter T license.

A sub-chapter T boat is defined as:

- Licensed to carry more than 6 passengers
- Valid annual US Coast Guard inspected vessel
- Having a current and valid National Marine Fisheries Service Permit(s)
- Primarily engaged in carrying passengers for the purpose of fishing
- Less than 100 gross tons

Ineligible Businesses: All vessels not engaged in the fishing industry and/or not maintaining a sub-chapter T License.

2. Limitation of Applicants: An applicant may be an individual, partnership, limited liability company or private corporation as an individual. An individual, a member of a partnership or a shareholder, officer or director in a LLC or private corporation is hereby limited to a maximum of two loans and/or \$300,000 in total loans during the same loan period.

3. Definition: For an individual to be considered to be a principal in a partnership, in a limited liability company, or a principal in a private corporation subject to the limitation enumerated in the preceding paragraph 2, the individual will have to have 10% or more shares in the partnership; 10% or more of the outstanding stock in the private corporation; or be an officer or director of the private corporation.

C. GENERAL ACTIVITY REQUIREMENTS

In general, the following criteria will apply to all loan application, regardless of business or activity type.

1. Economic development of the Commercial Fishing Industry.
2. Loan applicant to undertake activities which would significantly contribute to the growth of the commercial fishing industry in Cape May County will receive high priority.

The following types of projects would be given high priority are: (not listed in order of priority)

- a. Activities which encourage harvesting, new alternative resources, and/or underutilized fish resources
 - b. Activities which modernize harvest and storage technologies
 - c. Activities which establish large processing operation which are more vertically integrated than the present fragmented industry structure
 - d. Activities which more directly link fisherman to wholesaler distribution, i.e., fishing cooperatives
 - e. Wholesale/distribution operation activities that aggressively market retailers in the fresh fish markets, i.e., supermarket chain stores
 - f. Activities which will encourage longer season (year-round) commercial fishing
 - g. Activities which assist businesses to diversify their product line in order to remain competitive with imports and domestic markets
3. Job Creation/Retention: Proposed projects that create jobs or retain jobs that are threatened to be terminated will receive high priority. These jobs should be for low and moderate income persons. A minimum ratio of \$25,000 of loan fund dollars per new job created/retained, will be accepted with a lower value/job ratio preferred.
 4. Leveraging of Private Funds: The Amount of private funds leveraged as a result of the proposed projects is also a significant factor influencing the approval of a proposed loan. Private leveraging can be defined as:
 - a. The value of the jobs created/retained
 - b. Increased tax revenues (property and business) as result of the project
 - c. Other private investment as a result of the loan. Evidence of private commitment may include:
 - (1) first mortgages
 - (2) long-term leases
 - (3) investor equity
 - (4) contingent development, i.e., private investment that will occur as a result of the borrower's project

D. ELIGIBLE PROJECTS

Low interest revolving loans shall generally be restricted to the following activities:

1. Acquisition of land, building, vessels, gear, machinery and equipment
2. Construction costs for expansion, renovation or modernization
3. Energy conservation measures such as vessel fuel efficiency improvements as well as on-shore physical and equipment improvements
4. Working capital for business start-up, transition periods or other temporary period determined necessary to meet the program objectives
5. The purchase of fishing permits, the purchase of fishing licenses, the installation of fishing vessel electronics and equipment
6. Related professional fees applicable to implementation of the project such as:
 - a. appraisals and surveying
 - b. accounting
 - c. engineering
 - d. legal
 - e. architectural
7. Also eligible are some related project costs such as installation of machinery and equipment
8. Any worthy fishing related project as determined by the Loan Selection Committee needed by the fishing industry.

E. INELIGIBLE PROJECTS

1. Trucks and other such motor vehicles will not be eligible

F. SAFETY EQUIPMENT LOAN PROGRAM

A secondary loan program shall be included for the sole purpose of purchasing U.S. Coast Guard required safety equipment. This loan shall be opened to all those involved in the fishing industry in Cape May County. For the purpose of this program, U.S. Coast Guard required safety equipment includes, but is not limited to, rafts, e-pirbs, survival suits, fire extinguishers and flares. The total monies allocated for this section of the Revolving Fishing Loan Program is \$10,000.

G. TERMS AND CONDITIONS OF SAFETY EQUIPMENT LOAN PROGRAM:

1. Limited to \$10,000 per vessel; \$30,000 per borrower
2. Interest rate - 2%
3. Term - No more than 5 Year pay off
4. Personal guarantees required

Except for the terms and interest rate, all other terms and conditions to the Secondary Safety Loan Program apply.

The Cape May County Fishing Revolving Loan Fund Guidelines and By-laws of the Loan Selection Committee and a sample of loan agreements and other legal documents will be available upon request.

APPLICATION CHECKLIST

Please use this checklist to make sure your application is complete before submitting it to the Loan Committee:

Resume of your job experience in the commercial Fishing Industry including outside jobs you plan to continue, include employment and income of spouse if applicable.

Describe your project in detail including:

- a. Quotes/Sales agreement from suppliers
- b. If purchase of vessel, land etc. an appraisal
- c. Letters of intent from perspective purchasers of catch
- d. Value of equipment in your possession
- e. Number of jobs to be created/retained

Financial Statements:

- a. Attachments A & B included with this package
- b. Tax returns for three (3) years – personal and business
- c. Personal and business financial statements
- d. Letter from bank stating credit worthiness of the applicant
- e. Current Credit Report
- f. Copy of all fishing licenses and permits

If Using Vessel as Collateral:

- a. Boat Survey and Appraisal
- b. Insurance Binders
- c. Boat Registration
- d. Boat Documentation

If Using Real Estate as Collateral:

- a. Tax Bill
- b. Home Owner Insurance Policy, Flood Insurance Policy if Applicable
- c. Mortgage Information
- d. Deed and Site Plan
- e. Title Search

If Incorporated:

- a. Resolution from Corporation approving application for loan
- b. Officers names & addresses
- c. Number of shares each owns

A# _____ L# _____

CAPE MAY COUNTY COMMERCIAL FISHING LOAN APPLICATION

Commercial Fishing Loan: _____ Charter Party Boat Loan: _____ Safety Equipment Loan: _____

This application requests specific financial and business information to review your project. All submissions in connection with this program will be held in as strict confidence as possible under the law. All questions should be answered or indicated "none" or "not applicable". If you need any assistance in completing this application, please contact the Dept of Tourism (609)463-6415, Fax (609) 465-4639. Applications are to be returned to the Dept of Tourism, PO Box 365 Cape May Court House, NJ 08210 or scanned to: tourism@co.cape-may.nj.us

Name: _____ Company Name: _____

Address: _____ City _____ State _____ Zip: _____

Phone: Home: _____ Work: _____ Cell: _____

Email address: _____

Federal tax ID # _____ SS # _____ DOB _____

Purpose of Loan: _____

Amount of loan requested \$ _____

Bank Loans \$ _____

Personal Funds \$ _____

Total Project Costs \$ _____

Collateral: _____

Number of jobs created/retained: _____

Insurance Agency: _____ Accountant: _____

Name of Bank and Branch: _____

Phone Number of Bank: _____ Loan Officer: _____

**** LOAN APPLICATION IS SUBJECT TO CREDIT CHECK ****

SIGNATURE: _____ DATE: _____

(Owner - Major Stockholders - Spouse - Corp. Officers)

PERSONAL AND HOUSEHOLD FINANCIAL STATEMENT (Attachment A)

NAME: _____

ASSETS

Cash on Hand and in Banks \$ _____

Savings Account(s) \$ _____

Marketable Securities (Money Market Funds, Stocks etc.) \$ _____

Pension Account (IRA, Keogh Plan, etc.) \$ _____

Life Insurance (Cash Surrender Value) \$ _____

Real Estate (Current Market Value) \$ _____

Automobile (Current Market Value) \$ _____

Other Assets (Current Value) \$ _____

_____ \$ _____

_____ \$ _____

TOTAL ASSETS \$ _____

LIABILITIES

Accounts Payable \$ _____

Bank Loans, Notes \$ _____

Installments Accounts (Car, etc.) \$ _____

Loans on Life Insurance \$ _____

Mortgage on Real Estate \$ _____

Unpaid Taxes \$ _____

Credit Card Accounts \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL LIABILITIES \$ _____

NET WORTH (Assets minus liabilities) \$ _____

STATE OF NEW JERSEY }
)
 COUNTY OF CAPE MAY }

, of full age, being duly sworn according to law, upon his

oath deposes and says that:

1. Deponent is personally familiar with the Cape May County Commercial Fishing Revolving Loan Package Loan Application to which this affidavit is attached, and says that the facts set forth therein are true to the best of his information and belief.

2. Deponent further states that he is the person authorized to execute this affidavit on behalf of the said applicant.

Sworn to and Subscribed before me
 this day of 201

(Notary Seal)

Notary Public of New Jersey

If the applicant is a corporation, please provide a certified copy of a resolution authorizing this application by the corporation; if a partnership of five (5) or less individuals, all must sign; if an entity, not having a president and secretary, to be signed by one of its chief officers having knowledge of the financial status and qualifications of the applicant.

COLLATERAL CHECKLIST

In General:

1. Type
2. Evidence of Ownership
3. Evidence of Value (to be equal to the amount of loan or better)
4. Other liens
5. Insurance

Specifically:

a. If Real Estate:

1. Deed
2. Tax Bill
3. Appraisal
4. Other Mortgages: lien amount and held by whom
5. Insurance: property and flood
6. Title Search and Title Insurance
7. Survey

b. If Vessel:

1. Name
2. Type
3. Bill of Sale
4. Marine Survey - value
5. Other Mortgages or liens
6. Insurance - loss payee or co-insured

c. If Personal Property, e.g. Equipment:

1. Type
2. ID #
3. Insurance
4. Other liens

CORPORATE RESOLUTION

BE IT RESOLVED, by the Board of Directors and Shareholders of _____
_____, a Corporation of New Jersey, that _____ (Name of
Officer) _____ of the corporation is/are authorized to borrow from the
County of Cape May the sum of _____ to be repaid to said County of Cape
May upon the terms and conditions as contained in the County of Cape May Resolution
No. _____, approving said loan.

The above Corporation Officers are authorized to make, execute, seal and deliver
all documents, including, but not limited to, Mortgages, Guarantees, Promissory Notes,
Loan Agreements, Settlement Sheets, Security Agreements, Financing Statements and
any other documents necessary to effectuate said loan.

I hereby certify that the foregoing Resolution was duly adapted at a duly
constituted meeting of the Board of Directors of _____,
a corporation of New Jersey, on the _____ day of _____ 20 _____.

Secretary of the Corporation

(Corporate Seal)

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.	
	2 Business name/disregarded entity name, if different from above	
	3 Check appropriate box for federal tax classification; check only one of the following seven boxes: <input type="checkbox"/> Individual/sole proprietor or single-member LLC <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ Note. For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single-member owner. <input type="checkbox"/> Other (see instructions) ▶ _____	
	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <small>(Applies to accounts maintained outside the U.S.)</small>	
	5 Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	6 City, state, and ZIP code	
	7 List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the instructions for line 1 and the chart on page 4 for guidelines on whose number to enter.

Social security number													
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Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 3.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. Information about developments affecting Form W-9 (such as legislation enacted after we release it) is at www.irs.gov/fw9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-INT (interest earned or paid)
- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)

- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding?* on page 2.

By signing the filled-out form, you:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income, and
- Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting, is correct. See *What is FATCA reporting?* on page 2 for further information.

Note. If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax under section 1446 on any foreign partners' share of effectively connected taxable income from such business. Further, in certain cases where a Form W-9 has not been received, the rules under section 1446 require a partnership to presume that a partner is a foreign person, and pay the section 1446 withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid section 1446 withholding on your share of partnership income.

In the cases below, the following person must give Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States:

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the entity;
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the trust; and
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person, do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 3 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code* on page 3 and the separate Instructions for the Requester of Form W-9 for more information.

Also see *Special rules for partnerships* above.

What is FATCA reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all United States account holders that are specified United States persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code* on page 3 and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you no longer are tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account; for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; do not leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account, list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9.

a. **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note. ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040/1040A/1040EZ you filed with your application.

b. **Sole proprietor or single-member LLC.** Enter your individual name as shown on your 1040/1040A/1040EZ on line 1. You may enter your business, trade, or "doing business as" (DBA) name on line 2.

c. **Partnership, LLC that is not a single-member LLC, C Corporation, or S Corporation.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

d. **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on line 2.

e. **Disregarded entity.** For U.S. federal tax purposes, an entity that is disregarded as an entity separate from its owner is treated as a "disregarded entity." See Regulations section 301.7701-2(c)(2)(iii). Enter the owner's name on line 1. The name of the entity entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2, "Business name/disregarded entity name." If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, you may enter it on line 2.

Line 3

Check the appropriate box in line 3 for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box in line 3.

Limited Liability Company (LLC). If the name on line 1 is an LLC treated as a partnership for U.S. federal tax purposes, check the "Limited Liability Company" box and enter "P" in the space provided. If the LLC has filed Form 8832 or 2553 to be taxed as a corporation, check the "Limited Liability Company" box and in the space provided enter "C" for C corporation or "S" for S corporation. If it is a single-member LLC that is a disregarded entity, do not check the "Limited Liability Company" box; instead check the first box in line 3 "Individual/sole proprietor or single-member LLC."

Line 4, Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space in line 4 any code(s) that may apply to you.

Exempt payee code.

- Generally, individuals (including sole proprietors) are not exempt from backup withholding.
- Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.
- Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.
- Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space in line 4.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
- 3—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
- 5—A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or possession
- 7—A futures commission merchant registered with the Commodity Futures Trading Commission
- 8—A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
- 10—A common trust fund operated by a bank under section 584(a)
- 11—A financial institution
- 12—A middleman known in the investment community as a nominee or custodian
- 13—A trust exempt from tax under section 664 or described in section 4947

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt payees except for 7
Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
Barter exchange transactions and patronage dividends	Exempt payees 1 through 4
Payments over \$600 required to be reported and direct sales over \$5,000 ¹	Generally, exempt payees 1 through 5 ²
Payments made in settlement of payment card or third party network transactions	Exempt payees 1 through 4

¹ See Form 1099-MISC, Miscellaneous Income, and its instructions.

² However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) written or printed on the line for a FATCA exemption code.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a U.S. commonwealth or possession, or any of their political subdivisions or instrumentalities
- D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(ii)
- F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- G—A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940
- I—A common trust fund as defined in section 584(a)
- J—A bank as defined in section 581
- K—A broker
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

Note. You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-member LLC that is disregarded as an entity separate from its owner (see *Limited Liability Company (LLC)* on this page), enter the owner's SSN (or EIN, if the owner has one). Do not enter the disregarded entity's EIN. If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note. See the chart on page 4 for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at www.ssa.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer Identification Number (EIN) under Starting a Business. You can get Forms W-7 and SS-4 from the IRS by visiting IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note. Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, or 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code* earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. **Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.
2. **Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. **Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.
4. **Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. **Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4. a. The usual revocable savings trust (grantor is also trustee) b. So-called trust account that is not a legal or valid trust under state law	The grantor-trustee ¹ The actual owner ¹
5. Sole proprietorship or disregarded entity owned by an individual	The owner ¹
6. Grantor trust filing under Optional Form 1099 Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))	The grantor ¹
For this type of account:	Give name and EIN of:
7. Disregarded entity not owned by an individual	The owner
8. A valid trust, estate, or pension trust	Legal entity ¹
9. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
10. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
11. Partnership or multi-member LLC	The partnership
12. A broker or registered nominee	The broker or nominee
13. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
14. Grantor trust filing under the Form 1041 Filing Method or the Optional Form 1099 Filing Method 2 (see Regulations section 1.671-4(b)(2)(i)(B))	The trust

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.
² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name and you may also enter your business or DBA name on the "Business name/disregarded entity" name line. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.
⁴ List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules for partnerships* on page 2.
 *Note. Grantor also must provide a Form W-9 to trustee of trust.

Note. If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, SSN, or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

- To reduce your risk:
- Protect your SSN,
 - Ensure your employer is protecting your SSN, and
 - Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, contact the IRS Identity Theft Hotline at 1-800-908-4490 or submit Form 14039.

For more information, see Publication 4535, Identity Theft Prevention and Victim Assistance.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.ftc.gov/idtheft or 1-877-IDTHEFT (1-877-438-4338).

Visit IRS.gov to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their laws. The information also may be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payers must generally withhold a percentage of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to the payer. Certain penalties may also apply for providing false or fraudulent information.