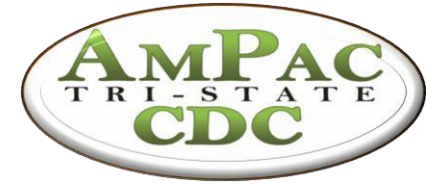


U.S. Small Business Administration



MicroLoan Program



*Advocates for making SBA Lending Easy
Passionate About Your Business Success*

WHO IS ELIGIBLE

SBA Microloans, are most useful to businesses with smaller needs for capital.

USE OF PROCEEDS

The borrowed fund can be used for:

- * working capital
- * purchase of inventory
- * supplies
- * furniture/fixtures
- * raw materials
- * machinery/equipment

MAXIMUM AMOUNT

Each application will be considered on the basis of the company's unique financial needs. The program offers loans of up to \$50,000 to qualified start-up, newly established, or growing small businesses.

INELIGIBILITY

- * Non-profit organizations
- * Consumer and marketing cooperatives
- * Businesses dealing in the creation, origination, expression or distribution of ideas, values, thoughts, or opinions.
- * Specialty stores primarily engaged in selling products that promote or advocate ideas, specialized delivery, distribution of transportation concerns limiting themselves to distribution of ineligible materials.
- * Loans to refinance existing debt.

RATES/TERMS

Interest rates vary, but average between 8 and 13 percent. SBA Microloans must be paid back within 6 years, but lenders can vary the payback period depending on the size of the loan and the borrower's needs and intended use of the proceeds. The borrower will be required to pay closing costs and normal filing fees. The amount will be different for each loan. Terms are subject to change. They typically require some type of collateral, and the personal guarantee of the business owner. MicroLoan borrowers will be required to complete a free business training session conducted by the lender.

COLLATERAL/SECURITY

Collateral (or security) will be determined on a case by case basis, however potential borrowers should know the SBA requires sufficient collateral to secure each loan. If you purchase an asset, a first lien will be obtained. In all loans the personal guarantees of the principal owners of the small business concern will be required.



TECHNICAL ASSISTANCE

Technical assistance is available to clients who participate in the MicroLoan Program during the life of the loan. This assistance is designed to help micro-entrepreneurs obtain additional tools needed to operate their businesses successfully.

THINGS TO REMEMBER

Like any loan, an application for a loan guaranteed by the U.S. Small Business Administration involves forms and documentation. When you apply for an SBA loan to start or expand a small business, you need to be ready to complete several forms and provide documentation.



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**Apply directly at www.ampac.com
909.915.1706**