



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 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 PPP Forgiveness 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.**

¹ See also [85 FR 20817](https://www.federalregister.gov/documents/2020/04/15/2020-0817) (April 15, 2020) regarding application of SBA’s affiliation rules.

Part A – Borrower Information

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

Part B – Affiliation Information

Section I. Affiliation Waiver

Answer questions 1, 2, 3, and 4 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.

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

				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.	YES	NO	
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.	YES	NO	
3.	Does Borrower receive financial assistance from a Small Business Investment Company licensed by the SBA?	YES	NO	
4.	Is Borrower a faith-based organization? ²	YES	NO	

² See [85 FR 20817](https://www.federalregister.gov/documents/2020/04/15/2020-0817) (April 15, 2020) regarding application of SBA’s affiliation rules and the exemption of certain qualified faith-based organizations from SBA’s affiliation rules.

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).³

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:

- 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.				
Primary Six-Digit NAICS Code	<u>A.</u>	<u>B.</u>	<u>C.</u> Alternative Size Standard (as of March 27, 2020)		
	Employees ⁴	Average Annual Receipts over last 3 completed fiscal years before the date of the Borrower’s PPP application ⁵ (“Receipts”)	Tangible Net Worth (“TNW”)	Average Net Income after Federal taxes (excluding any carryover losses) for last 2 completed fiscal years (“ANI”)	
		\$	\$	\$	Confidential?

³ An applicant can be eligible for a PPP loan under the employee-based size standard if it has no more than 500 employees or if it satisfies the statutory and regulatory definition of a “small business concern” under section 3 of the Small Business Act, 15 U.S.C. 632 (see www.sba.gov/size for employee-based size standards by industry). A business can be eligible under the receipt-based size standard corresponding to its primary industry (see www.sba.gov/size for receipt-based size standards by industry). A business also can be eligible if it 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.

⁴ 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.

⁵ 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.

Section IV. Borrower's Affiliates Information⁶

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).⁷
- 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.⁸
- If "Affiliation based on management" is selected, identify the common manager or management agreement.⁹
- If "Affiliation based on identity of interest" is selected, identify the close relative(s) and the business or economic interest.¹⁰

For #5, provide information for A, B, or C depending on the size standard you indicated in Section II:

- 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.

⁶ 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](https://www.federalregister.gov/documents/2020/04/15/2020-0817) (April 15, 2020).

⁷ 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).

⁸ 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).

⁹ 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).

¹⁰ 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.

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?	<u>A.</u> Employees ¹¹	<u>B.</u> Receipts ¹²	<u>C.</u> Alternative Size Standard as of March 27, 2020		
							TNW		ANI
	Affiliation based on ownership	<input type="checkbox"/>		YES		\$	\$	\$	
	Affiliation arising under stock options, convertible securities, and agreements to merge	<input type="checkbox"/>							
	Affiliation based on management	<input type="checkbox"/>		NO					
	Affiliation based on identity of interest	<input type="checkbox"/>							
Additional detail on Affiliate relationship to Borrower (1,000 character max):									
	Affiliation based on ownership	<input type="checkbox"/>		YES		\$	\$	\$	
	Affiliation arising under stock options, convertible securities, and agreements to merge	<input type="checkbox"/>							
	Affiliation based on management	<input type="checkbox"/>		NO					
	Affiliation based on identity of interest	<input type="checkbox"/>							
Additional detail on Affiliate relationship to Borrower (1,000 character max):									

¹¹ 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.

¹² See footnote 5 for information on how to calculate average annual receipts over last three completed fiscal years before the date of the Borrower’s PPP application.

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?	A.	B.	C. Alternative Size Standard as of March 27, 2020		
				Employees ¹¹	Receipts ¹²	TNW	ANI	
	Affiliation based on ownership		YES					
	Affiliation arising under stock options, convertible securities, and agreements to merge					\$	\$	\$
	Affiliation based on management		NO					
	Affiliation based on identity of interest							
Additional detail on Affiliate relationship to Borrower (1,000 character max):								
	Affiliation based on ownership		YES					
	Affiliation arising under stock options, convertible securities, and agreements to merge					\$	\$	\$
	Affiliation based on management		NO					
	Affiliation based on identity of interest							
Additional detail on Affiliate relationship to Borrower (1,000 character max):								
	Affiliation based on ownership		YES					
	Affiliation arising under stock options, convertible securities, and agreements to merge					\$	\$	\$
	Affiliation based on management		NO					
	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 knowingly making a false statement to obtain a guaranteed loan or forgiveness of an SBA-guaranteed loan is punishable under the law, including under 18 U.S.C. 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 U.S.C. 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a federally insured institution, under 18 U.S.C. 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

Signature of Authorized Representative of Borrower

Print Name

Title

Date