ENHANCING FAMILY EMPOWERMENT

SMALL AND HOME BASED BUSINESSES
Resource Materials

AGRICULTURAL DEVELOPMENT IN THE AMERICAN PACIFIC (ADAP) PROJECT
American Samoa Community College
Agriculture, Human and Natural Resources
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IV. HOW TO OBTAIN A BUSINESS LICENSE IN AMERICAN SAMOA

- Applying for a Business License
- Corporations & Partnerships
- License & License Fees Regulations
I. **Starting Your Business – Where to Begin**

This overview helps you determine if starting your own business is really for you.
You have decided to start your own business, Malo Lava!!! As you know, much work lies ahead, and you are anxious to get started. This “Where to Start” information guide is designed to help you through the process of getting your business up and running focusing on proper paperwork such as business license, tax records, FICA, workman’s comp, etc. Trying to get your business up and running takes a lot of time and energy, and it is often easy to let necessary paperwork slip through the cracks.

I. Business License
Obtain your business license from the Department of Commerce, formerly DPO, located on the second floor of the Executive Office Building (EOB). The personnel at Commerce will help you with the paperwork for your business license which costs $25.00. Depending upon the type of license, there may be other fees. Commerce personnel will tell you about all of the steps in the process of obtaining your license as well as other licenses/clearances that must be obtained. For example, a food business needs clearance from the Health Department.

II. Taxes
You will need to keep business financial records to pay your ASG taxes. As a proprietor (sole owner) or partnership (two or more owners), you will need to fill out tax forms (at least ASG 390 AND Schedule C) at income tax time. The Tax Office has the forms needed and can answer your tax questions. Remember, if you are importing goods into American Samoa for your business, you will have to pay the 5% duty to custom’s agent at the post office, port authority, or airport.

III. Self-Employment Contributions Act (SECA) Tax
You pay SECA taxes for yourself at the time you submit your income tax. This tax provides you, the self-employed, with the same benefits that employees get through the payment of social security on their wages. This tax is paid at double the rate of the FICA (social security and Medicare) taxes since you are paying both the employee and employers share. Self employed persons may take a special tax deduction against their SECA tax.
IV. Social Security
Social security on your employees is paid quarterly. Failure to pay social security taxes on time results in a large federal fine.

V. Workman’s Compensation
In American Samoa, Workman’s Compensation coverage must be purchased if you have three or more employees. It is advisable to carry it on fewer employees. This insurance coverage is obtained through local insurance agencies. The premium payments depend on the type of work the employee performs and the total payroll. Higher risk jobs, like construction, carry higher costs.

VI. Zoning
There may be business zoning restrictions where you would like to locate your business. Check with Department of Commerce on zoning issues.

VII. Loans
You may want to obtain a loan to help you with your business. Business loans can be obtained from the Development Bank, Bank of Hawaii, and American Samoa Bank. You will have to meet their requirements to qualify for a loan. Each institution will make their criteria to qualify for a business loan available. Remember, obtaining a loan for a new business is not always easy. Often, a business will have to be in operation for awhile to get a loan. You will then need specific business financial records for the bank.

VIII. Insurance
You are not required to carry insurance for your business. However, you may want to insure your business building and/or inventory against fire, theft, etc. General liability coverage may also be purchased which protects you against losses suffered by others for which you are responsible.
NAME ___________________ ADDRESS ___________________

VILLAGE ___________________ PHONE NUMBER ___________________

1. Circle your gender: Male  Female


Put an X on the line that best describes your interest in small and home based businesses.

3. _____ I currently operate a small or home based business. Type of Business ________________

4. _____ I am interested in starting a small or home based business

5. _____ I am NOT interested in starting a small or home based business

If you answered yes to question 4, please place an X on the line in front of three businesses that you would be most interested in starting.

_____ BAKING/CAKE DECORATING
_____ BED AND BREAKFAST/VILLAGE HOME STAY
_____ DAY CARE CENTER
_____ ECOTOURISM
_____ ELEI FABRIC PAINTING
_____ FLOWER ARRANGING, ULA AND PALE MAKING
_____ FRUIT TREE PRODUCTION
_____ GREENHOUSE/NURSERY SEEDLING PRODUCTION
_____ GROWING FLOWERS AND ORNAMENTAL PLANTS
_____ PORK PRODUCTION
_____ POULTRY/EGG PRODUCTION
_____ SEED PRODUCTION
_____ SEWING
_____ VEGETABLE GARDENING
_____ OTHER (please describe)
SMALL AND HOME BASED BUSINESS QUESTIONNAIRE
ASCC LAND GRANT

SUAF A__________________________TUATUSI__________________________

NU’U__________________________NUMERA TELEFONI__________________________

1. Tane / Tamaita'i


Fa'aetise (X) po'o fea le vaega o lo'o e finagalo iai

3. _____ O lo' o'u faia se tama'i pisinisi i lo'u aiga. O le pisinisi o le ______________________

4. _____ O lo' o ou mana'o e fia amataina sau pisinisi I lo'u aiga.

5. _____ Ou te le mana'o e amataina sa'u pisinisi I lo'u aiga

Afai na e talia le fesili 3 ile loe, ona fa'aetise lea o ni pisinisi se tolu o lo'o e finagalo iai.

____ TAOINA O KEKE / TEUTEUINA
____ APITAGA MO SE ASO / FA'ASAMOA
____ NOFOAGA MO FANAU LAITI
____ TURISI
____ VALIINA O IE ELEI
____ FAIGA O TEU FUGALAAU, ULA MA PALE
____ ATINA'E FUALAAAUAINA SUAMALIE
____ FALE FA'AFIAILELE AI LAAU MA FATU LAAU
____ TOTOINA O FUGALAAU MA LAAU TOTO
____ ATINA'E PUA'A
____ ATINA'E LAFU MOA / FUAMOA
____ FATU LAAU TOTO
____ SU'ISU'I
____ FA'ATOAGA FUALAAU'AINA
____ O SEISI (fa'amatala mai)
So, you want to start your own business, but you are unsure of the exact type of business. Listed below are some ideas. Remember, this is not a complete list of all possibilities. This list is designed to give you some ideas and to help you generate others. Focus on businesses that utilize your skills and that you would enjoy. If you decide on a business where there is competition, bush stores for example, think about how your bush store would draw the necessary customers from the established stores for you to make a go of your business.

Baby Sitting  Handicrafts Making  Stuffed Animals
Baking  Handicrafts Outlet  Swimming Lessons
Barber Shop  Health Food Store  Tapa Making
Beauty Shop  Home Health Care  Traditional Foods
Bed & Breakfast/village  House Cleaning  Outlet
Home Stay  Janitorial Service  Tree Seedling
Cake Decorating  Jewelry Making  Production
Consignment Shop  Music Lessons  Tutorial Service
Consulting Business  Nursery/flower  Ula and Pale
Construction  Seedling and Plant  Making
Day Care Center  Production  Vegetable Gardening
Dive Operation  Pet Care  Vegetable Seedling
Ecotourism  Pork Production  Production
Elei Fabric Painting  Poultry/egg  Voice Lessons
Fish Farm  Production  Weaving
Fishing  Restaurant  Wood Carving
Fitness Center  Samoa Medicinal  Yard Care
Flower Arranging  Plants  Others
Flower Shop  Secretarial Service
Fruit Tree Production  Seed Production
                     Sewing
Starting Your Own Business
MEETING YOUR NEEDS AND DESIRES

Your business will involve a lot of time and energy. Having your own business will be much more enjoyable if it fulfills your needs and desires. Listed below are several statements. Check all that are appropriate. When you do start your own business, be sure the business helps fill these needs and desires.

☐ Achievement
☐ Being in charge
☐ Being my own boss
☐ Challenge of maintaining a business
☐ Challenge of starting a business
☐ Creating employment for others
☐ Determining my work location
☐ Expressing myself creatively
☐ Freedom
☐ Financial independence
☐ Flexible work schedule
☐ Having a business lifestyle
☐ Leadership
☐ Meeting new people
☐ Personal growth
☐ Recognition
☐ Responsibility
☐ Service to others
☐ Status

List others that are important to you

__________________________________________
__________________________________________
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Starting Your Own Business
IDENTIFYING YOUR STRENGTHS

So you think you might want to start your own business? Before you invest time or money into your business idea, you need to consider your personality traits, attitudes, lifestyle, training, experiences, and ability to learn. Candidly answer the questions below.

Circle: Y for YES, S for SOMETIMES, and N for NO

Y S N I am able to make my own decisions and live with them.
Y S N I am an effective leader and supervisor.
Y S N I am a self starter.
Y S N I am well organized in thought and action.
Y S N I enjoy competition from other businesses.
Y S N I have will power and self discipline and can keep on going in the face of adversity.
Y S N I set goals and plan ahead to insure success.
Y S N I am calm under pressure.
Y S N I get things done on time.
Y S N I am an independent and confident person.
Y S N I get along with a wide variety of people and enjoy working with people.
Y S N I take advise from others.
If you answered “Yes” to most or all of these statements, you may be a good candidate for starting a business of your own. If you answered “Sometimes” or “No” to most of the statements, you may want to obtain technical help before starting a business or looking for a business that fits your personality strengths.
II. HOW TO PREPARE A BUSINESS PLAN

In this section, you will find a series of questions that you will need to answer, and when you are done, you will have the basic format for a business plan. The design of the plan is in a question and answer format in order to simplify the business plan process for the reader. Once completed, it is recommended that the reader takes the information and summarizes each section in paragraph format, preferably one page per section. Remember that a business plan is needed to get a loan!
BUSINESS PLAN FORMAT

Cover Page

Name, address, telephone number and logo of the business.

1. Name of Business

2. Address

3. Telephone number

4. Fax number

5. E-mail address

6. Business Logo
Title Page

Repeat the name, address and telephone number, and add the names and addresses of the business owner(s). Also show the date of issue and type "copy number ______ of _______" so that you can number and control the copies.

A. Name of Business

1. Address

2. Telephone number

3. Fax number

4. E-mail address

B. Names and addresses of the business owner(s).

1. Name

2. Address

3. Phone number

4. Fax number

5. E-mail address
1. Name

2. Address

3. Phone number

4. Fax number

5. E-mail address

C. Date issue

D. Copy number _____ of _____
Summary Page

A brief (one page) statement of the business plan objectives. Address the following questions and add any additional information that may be relevant:

A. What is the purpose of this plan?
   1. An operating guide?
   2. A financing proposal?
   3. Both?

B. What business structure have you chosen?
   1. Sole proprietorship?
   2. Partnership?
   3. Corporation?

C. Why will the venture be successful?
For a financing proposal, also include:

1. Who is requesting the money?

2. How much money is needed?

3. How will the money be used?

4. How will the funds be repaid?

5. What collateral will be used to secure the loan?

6. Why does a loan make sense?
   a. Impact on the local economy
   b. Job creation
   c. Investment in the future of the economy
   d. Others
Table of Contents

A single page showing major topics and page references.

EXECUTIVE

i. Business Description

II. Business Location

III. Management

IV. The Market

V. Composition

VI. Financial Data

VII. Supporting Documents
EXECUTIVE SUMMARY

1. What is your product or service?

2. Where is the business to be located?

3. What market segment will it serve?

4. When will be business open?

5. What are the expected profits?

6. When will the profits be realized?
I. Business Description

A. What business are you in?
   1. Describe your product or service in detail.
   2. What is your wholesale price?
   3. What is your retail price?
   4. What are your proposed distribution methods?
   5. How many hours per week you will work?
   6. Other information

B. What customer market will the business serve? (Describe your customer)
   1. What is the age range?
   2. What is the gender?
   3. What is their income level?
   4. What is their lifestyle?
   5. Other?
C. How can you serve the market better than your competition?

1. How do you differ from your competition in regards to product?

2. How do you differ from your competition in regards to pricing?

3. How do you differ from your competition in regards to packaging?

4. How do you differ from your competition in regards to special promotions?

5. Other ways you differ from your competition?

D. What is the present status of your business?

1. Are you starting up a new business?

2. Are you expanding an existing business?
E. Who are your prospective suppliers? (List names and addresses)

1. Supplier 1
   a. Name
   b. Address
   c. Phone number
   d. Fax number
   e. E-mail address

2. Supplier 2
   a. Name
   b. Address
   c. Phone number
   d. Fax number
   e. E-mail address

3. Supplier 3
   a. Name
   b. Address
   c. Phone number
   d. Fax number
   e. E-mail address
II. Business Location

A. What is your business address?

B. Why did you choose that location?

C. What renovations will be needed on the building state the cost?

D. What legal considerations will impact your business?

   1. Are you zoned for business?

   2. What special licenses and permits will be required?

E. How much can the business expand before you will be forced to add on or move?
III. Management

A. What is your business management experience?
   1. What is your volunteer experience?
   2. What is your home management experience?
   3. What is your work experience?
   4. What is your related school/course work experience?
   5. What is your other relevant experience?

B. Are you physically suited for the job?

C. What is the organizational structure of the business?
   (Include a brief description of who does what and an organizational chart, if necessary.)

D. What are proposed salaries and wages?

E. What management resources will be available to you?
   1. Accountant
   2. Attorney
   3. Department of Commerce
   4. Land Grant
   5. Others
IV. The Market

A. Who is your market?

1. What are your demographics?

2. Will your market be island wide?

3. Will your market be limited to a section of the island?

4. Will your market expand beyond American Samoa? List the states/countries?

B. What is the growth potential of the market?
C. How will you attract and keep your market segment?

1. Quality

2. Prices

3. Unique advertising and promotions

4. Special services

5. Competitive advantages

6. Others

D. What features or services will you offer to justify your price?

E. How will you handle payments?

1. Cash

2. Credit

3. Checks

4. Credit cards
V. Competition

A. Describe your competition in terms of products, price, selling methods and special services.

1. What products do they sell?

2. What are their prices like?

3. What are their selling methods?

4. What special services do they offer?

5. What are their strengths?

6. What are their weaknesses?

B. How do you plan to differ from your competition?
VI. Financial Data

A. What are your start-up costs?

B. Provide a projected Cash Flow Analysis.
   (Include explanation and detail by month.)

C. Provide a break-even and pricing formula analysis.

D. For an existing business, include Profit and Loss Statements and copies of tax returns.

VII. Supporting Documents

A. Resume

B. Copies of contracts, licenses and other legal documents

C. Letter of reference

D. Examples of the following:
   1. product drawing (if applicable)
   2. sample business card and stationary
   3. sample flier and/or newspaper advertisement
   4. a press release
   5. any other information which may help your cause or answer potential questions.
INCOME STATEMENT

Name: __________________________
Year: __________________________

Revenues
Gross Sales .................................. $_________ 
Minus Returns .................................. $_________

Expenses
Supplies and Materials .................. $_________
Salaries and Wages ...................... $_________
Advertising ................................ $_________
Rent .......................................... $_________
Utilities ..................................... $_________
Insurance ................................... $_________
Travel ....................................... $_________
Transportation ............................ $_________
Interest ..................................... $_________
Depreciation .................. .. ....... $_________
Accounting ............................... $_________
Phone ..................................... $_________
Repair/Maintenance ................... $_________

Total Expenses......................... $_________

Pre-Tax .................................. $_________
Net Income .............................. $_________
Taxes ...................................... $_________

Net Income ................................ $_________

26
# OVERHEAD COSTS

<table>
<thead>
<tr>
<th>ITEM</th>
<th>Estimate How Much You will Spent For Each</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent</td>
<td></td>
</tr>
<tr>
<td>Medical Insurance</td>
<td></td>
</tr>
<tr>
<td>Pension Plan</td>
<td></td>
</tr>
<tr>
<td>Advertising</td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
</tr>
<tr>
<td>Printing</td>
<td></td>
</tr>
<tr>
<td>Professional Membership(s)</td>
<td></td>
</tr>
<tr>
<td>Liability Insurance</td>
<td></td>
</tr>
<tr>
<td>Paid Labor</td>
<td></td>
</tr>
<tr>
<td>(other than those included in the production process)</td>
<td></td>
</tr>
<tr>
<td>Unpaid Labor</td>
<td></td>
</tr>
<tr>
<td>(total unpaid – unpaid production labor)</td>
<td></td>
</tr>
<tr>
<td>Utilities</td>
<td></td>
</tr>
<tr>
<td>Professional Seminars You Pay For</td>
<td></td>
</tr>
<tr>
<td>Postage</td>
<td></td>
</tr>
<tr>
<td>Materials/Supplies</td>
<td></td>
</tr>
<tr>
<td>(other than those used in the production process)</td>
<td></td>
</tr>
</tbody>
</table>

Desired Profits =

\[
\text{Totals Investment in Business} \times \text{desired return rate} =
\]

<table>
<thead>
<tr>
<th>Desired Profits =</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Totals Investment in Business</td>
<td>desired return rate</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTALS</th>
<th></th>
</tr>
</thead>
</table>
# BALANCE SHEET

**Name:**

**Date:**

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current</strong></td>
<td><strong>Current</strong></td>
</tr>
<tr>
<td>Cash</td>
<td>Accts. Receivable</td>
</tr>
<tr>
<td></td>
<td>Current Due/</td>
</tr>
<tr>
<td></td>
<td>Intermediate and long-term</td>
</tr>
<tr>
<td></td>
<td>Interest Payable</td>
</tr>
<tr>
<td></td>
<td>Taxes Payable</td>
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<tr>
<td></td>
<td>Payroll Payable</td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Intermediate</strong></td>
<td><strong>Intermediate</strong></td>
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<tr>
<td>Equipment</td>
<td>Notes Payable</td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Long-Term</strong></td>
<td><strong>Long-Term</strong></td>
</tr>
<tr>
<td>Real Estate</td>
<td>Mortgage Payable</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS ASSETS</strong></td>
<td><strong>TOTALS LIABILITIES</strong></td>
</tr>
<tr>
<td>$___</td>
<td>$___</td>
</tr>
</tbody>
</table>

**OWNER'S EQUITY** $______
## Comparative 12-Month Pro Forma Profit/Loss Statement

(Previous year or industry norms as guide)

<table>
<thead>
<tr>
<th>Current Year</th>
<th>Past Year or Industry Norms</th>
<th>% Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET SALES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less Cost of Sales</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GROSS PROFIT MARGIN</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### OPERATING EXPENSES:

- **Salaries**
- **Rent**
- **Advertising**
- **Automobile**
- **Dues and subscriptions**
- **Legal and accounting**
- **Supplies**
- **Telephone**
- **Utilities**
- **Insurance**
- **Licenses**
- **Taxes, other than income taxes**
- **Depreciation**
- **Miscellaneous**

**TOTAL Operating Expenses**

### OTHER INCOME

### OTHER EXPENSES

- **Loan payments/interest**

### INCOME BEFORE INCOME TAXES

### INCOME TAXES

**NET PROFIT**

### Notes

**Sales:** Be sure to account for seasonality in monthly sales projections. Should there be more than one source, each should be listed separately (for example, wholesale sales, retail sales, repair work).

**Cost of Sales:** For simplicity, use cost of materials (goods to be sold); for some service businesses, this is left blank.

**Salaries:** Include all salaries; show in which months additional employees will be hired. For sole proprietorships and partnerships, do not include yourselves.

**Operating Expenses:** These are guides; modify to reflect your business.

**Statement Structure:**

(1) Net Sales - Cost of Sales = Gross profit Margin
(2) Gross Profit Margin - Operating Expenses + Other Income - Other Expenses = Income Before Income Taxes
(3) Income Before Income Taxes - Income Taxes = Net Profit
<table>
<thead>
<tr>
<th>FORECAST OF PROFIT/LOSS</th>
<th>1st Month</th>
<th>2nd Month</th>
<th>3rd Month</th>
<th>4th Month</th>
<th>5th Month</th>
<th>6th Month</th>
<th>7th Month</th>
<th>8th Month</th>
<th>9th Month</th>
<th>10th Month</th>
<th>11th Month</th>
<th>12th Month</th>
<th>TOTAL YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. TOTAL SALES (Net)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2. COST OF SALES</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>3. GROSS PROFIT (line 1 minus line 2)</td>
<td></td>
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<td>4. EXPENSES (operating)</td>
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<td>5. SALARIES (other than owner)</td>
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<td>6. PAYROLL TAXES</td>
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<td>7. RENT</td>
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<td>8. UTILITIES (incl. Phone)</td>
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<tr>
<td>9. INSURANCE</td>
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<tr>
<td>10. PROFESSIONAL SERVICES (i.e. acct.)</td>
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<tr>
<td>11. TAXES AND LICENSES</td>
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<td>12. ADVERTISING</td>
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<td>13. SUPPLIES (for business)</td>
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<td>14. OFFICE SUPPLIES (forms, postage, etc.)</td>
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<tr>
<td>15. INTEREST (on loans, contracts, etc.)</td>
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<td>16. DEPRECIATION</td>
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<td>17. TRAVEL (incl. Operating costs of veh)</td>
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<tr>
<td>18. ENTERTAINMENT</td>
<td></td>
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<tr>
<td>19. DUES &amp; SUBSCRIPTIONS</td>
<td></td>
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<tr>
<td>20. OTHER</td>
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<tr>
<td>22. TOTAL: EXPENSES (add lines 5 thru 21)</td>
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<tr>
<td>23. PROFIT BEFORE TAXES (line 3 minus 22)</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
## Forecast of 12-Month Pro Forma Cash Flow

<table>
<thead>
<tr>
<th>CASH BALANCE (beginning of the month)</th>
<th>12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hand</td>
<td>$________</td>
</tr>
<tr>
<td>Cash in bank</td>
<td></td>
</tr>
<tr>
<td>Cash in investments</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Plus SOURCES OF FUNDS (during month):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash sales</td>
<td></td>
</tr>
<tr>
<td>Credit sales payments</td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td></td>
</tr>
<tr>
<td>Loans (proceeds from)</td>
<td></td>
</tr>
<tr>
<td>Depreciation expense</td>
<td></td>
</tr>
<tr>
<td>Other expenses not requiring cash payment</td>
<td></td>
</tr>
<tr>
<td>Sales of fixed assets</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Less USES OF FUNDS (during month)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventory purchases</td>
<td></td>
</tr>
<tr>
<td>Purchases of fixed assets</td>
<td></td>
</tr>
<tr>
<td>Owner(s') withdrawal</td>
<td></td>
</tr>
<tr>
<td>Total expenses</td>
<td></td>
</tr>
<tr>
<td>Loan repayment</td>
<td></td>
</tr>
<tr>
<td>Other cash payment transactions</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
</tr>
</tbody>
</table>

| NET CASH FLOW (end of month) | $________ |

Net Cash Flow at the end of one month becomes the beginning Total Cash Balance for the next month automatically. The same month-by-month estimating procedure may then be applied again and repeated for a total of 12 times to complete the required 12-month cash flow forecast.

**Cash Balance:** Indicate the amount of cash available when operations are begun at the beginning of one period.

**Sales:** Sales may be collected both on a cash and credit basis. It is important to distinguish between the two sources. Of the credit sales, differentiate amounts which can be collected within 30 days, 60 days, 90 days, and entry should be made when such receivables will actually be received.

**Sources of Funds:** Transactions usually include those which will:
* Decrease fixed assets.
* Increase long-term liabilities.
* Increase owner(s) equity.

**Uses of Funds:** Transactions usually include those which will:
* Increase fixed assets.
* Decrease long-term liabilities.
* Decrease owner(s) equity.
III. HOW TO GET A BUSINESS LOAN IN AMERICAN SAMOA

Loan forms from all the banks in American Samoa are included in this section. In order to qualify for a Development Bank loan, an individual has to be turned down by the commercial banks.
**Business Loans**

**Business Credit Application**

<table>
<thead>
<tr>
<th>NAME OF COMPANY</th>
<th>TAX ID NUMBER</th>
<th>TELEPHONE</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>STRENGTH ADDRESS</td>
<td>CITY</td>
<td>STATE</td>
<td>ZIP CODE</td>
</tr>
<tr>
<td>BILLING ADDRESS (IF DIFFERENT FROM ABOVE)</td>
<td>CITY</td>
<td>STATE</td>
<td>ZIP CODE</td>
</tr>
<tr>
<td>NATURE OF BUSINESS (PRODUCT OR SERVICE)</td>
<td>NO. OF EMPLOYEES</td>
<td>YEAR BUSINESS ESTABLISHED</td>
<td>HOW LONG UNDER CURRENT MGMT.</td>
</tr>
<tr>
<td>☐ SOLE PROPRIETORSHIP ☐ GENERAL PARTNERSHIP ☐ LIMITED PARTNERSHIP ☐ CORP.</td>
<td></td>
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</tr>
</tbody>
</table>

**CREDIT REQUEST**

PLEASE DESCRIBE THE PURPOSE OF YOUR LOAN REQUEST

<table>
<thead>
<tr>
<th>AMOUNT REQUESTED</th>
<th>PRIMARY SOURCE OF REPAYMENT</th>
<th>SECONDARY SOURCE OF REPAYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>USUAL TERMS OF SALE OFFERED TO CUSTOMERS</td>
<td>USUAL TERMS OF SALE OFFERED BY SUPPLIERS</td>
<td></td>
</tr>
</tbody>
</table>

**COLLATERAL AVAILABLE FOR THIS LOAN**

**PRINCIPAL/GUARANTORS - Provide a Personal Financial Statement for each Principal/Guarantor listed below**

<table>
<thead>
<tr>
<th>NAME</th>
<th>% OWNERSHIP</th>
<th>TITLE</th>
</tr>
</thead>
</table>

**BUSINESS REFERENCES - *1 = BUSINESS CHECKING  2 = SAVINGS  3 = LOAN* (describe loans in Credit Reference Section)**

<table>
<thead>
<tr>
<th>*1</th>
<th>*2</th>
<th>*3</th>
<th>BANK</th>
<th>ADDRESS</th>
<th>NAME OF CONTACT</th>
<th>TELEPHONE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

<table>
<thead>
<tr>
<th>MAJOR TRADE SUPPLIERS</th>
<th>ADDRESS</th>
<th>NAME OF CONTACT</th>
<th>TELEPHONE NUMBER</th>
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</thead>
<tbody>
<tr>
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</table>

**CREDIT REFERENCES - Provide details of your business credit relationships below**

<table>
<thead>
<tr>
<th>NAME OF CREDITOR/LESSOR</th>
<th>TYPE OF LOAN/LEASE</th>
<th>ORIGINAL AMOUNT</th>
<th>BALANCE OWING</th>
<th>REPAYMENT TERMS</th>
<th>MATURITY DATE</th>
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</tbody>
</table>

LNS-201 (10-59) *Please complete reverse side*
ACCOUNTS RECEIVABLE AGING

<table>
<thead>
<tr>
<th>Listing As Of</th>
<th>Total Accounts Receivable</th>
<th>Current 30 Days</th>
<th>31 - 60 Days</th>
<th>61 - 90 Days</th>
<th>91+ Days</th>
</tr>
</thead>
<tbody>
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</table>

LEASE INFORMATION

DO YOU HAVE A LEASE FOR THE PROPERTY YOUR BUSINESS NOW OCCUPIES? □ YES □ NO

MONTHLY RENTAL $ □ YES □ NO

YEARS REMAINING ON LEASE □ YES □ NO

ESCALATOR CLAUSE □ YES □ NO

DO YOU PAY TAXES, MAINTENANCE, REPAIRS OR INSURANCE IN ADDITION TO YOUR MONTHLY PAYMENT? □ YES □ NO

Approximate Monthly Amount $ □ YES □ NO

MISCELLANEOUS - If answered “Yes”, provide details; attach separate sheet if necessary

HAS YOUR BUSINESS EVER FILED BANKRUPTCY OR DEFAULTED ON ANY DEBTS? □ YES □ NO

IS THE BUSINESS AN ENDORSER, GUARANTOR, OR CO-MAKER FOR OBLIGATIONS NOT LISTED IN ITS FINANCIAL STATEMENTS? □ YES □ NO

ARE ANY ASSETS PLEDGED OR MORTGAGED OTHER THAN AS STATED ON BUSINESS AND PERSONAL FINANCIAL STATEMENTS SUBMITTED? □ YES □ NO

IS THE BUSINESS A PARTY TO ANY CLAIM OR LAWSUIT? □ YES □ NO

DOES THE BUSINESS OWE ANY TAXES FOR YEARS PRIOR TO THE CURRENT YEAR? □ YES □ NO

PLEASE SUPPLY THE NAME, ADDRESS AND TELEPHONE NUMBER OF YOUR INSURANCE AGENT:

DOES YOUR COMPANY MAINTAIN KEY PERSON LIFE INSURANCE ON ANY OWNER, OFFICER OR SHAREHOLDER? □ YES □ NO

NAME OF INSURED BENEFICIARY $ AMOUNT

SUPPORTING INFORMATION - Provide the following information

- Annual Financial Statements including balance sheet and income statement for the past three fiscal years.
- A supporting IRS return for each statement year unless your annual statements are CPA audited or CPA reviewed.
- A current interim financial statement (if more than six months have elapsed since your last statement.)
- As applicable: — Current Year Business License — partnership agreement — articles of incorporation

SIGNATURES/DATE

By signing below, you each agree to the following:

- to the best of your knowledge and belief, all answers to the questions in this application are complete and true;

- the Bank has the right to verify the accuracy of the information provided in this application;

- the Bank is authorized to check each person’s individual and/or business credit rating; and

- the Bank is authorized to provide credit information concerning the applicants to others.

Authorized signature

Print name, title

Soc. Sec. or Tax ID No. Date

Authorized signature

Print name, title

Soc. Sec. or Tax ID No. Date
## SMALL BUSINESS CREDIT APPLICATION

### AMOUNT REQUESTED:

| $------------------- |

### TYPE

- [ ] Term Loan
- [ ] Short-Term Loan
- [ ] Business First Step
- [ ] Other: __________

### USE OF PROCEEDS

- [ ] Purchase Inventory
- [ ] Carry Receivables
- [ ] Purchase Equipment
- [ ] Pay Accounts Payable
- [ ] Other:

### SECURITY INTEREST IN:

- [ ] Accounts Receivable
- [ ] Inventory
- [ ] FF&E

### ASSIGNMENT OF:

- [ ] Receivable
- [ ] Contract
- [ ] Life Insurance
- [ ] Other

### DESCRIPTION:

Other:

### MORTGAGE: (Property Description)

| [ ] 1 Year |
| [ ] 3 Years |
| [ ] 5 Years |
| [ ] Other |

### SOURCE OF PAYMENT

### FOR BUSINESS FIRST STEP SELECT ONE OF THE FOLLOWING PAYMENT OPTIONS AND THE PAYMENT DATE

- [ ] Minimum payment of 2% of average daily balance or
- [ ] Full payment of outstanding month-end balance

| [ ] 1 |
| [ ] 5 |
| [ ] 15 |
| [ ] 20 |
| [ ] 25 |

### LEGAL INFORMATION

#### Mailing Address (Street/City/State/Zip)

<table>
<thead>
<tr>
<th>Business Name</th>
<th>Business Phone</th>
<th>Federal Tax ID # / SSN</th>
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<tbody>
<tr>
<td>[ ]</td>
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</tbody>
</table>

#### Legal Status

- [ ] Sole Proprietor
- [ ] General Partnership
- [ ] "C" Corporation
- [ ] "S" Corporation
- [ ] Professional Corporation
- [ ] Other: (Description)

#### Guarantor

<table>
<thead>
<tr>
<th>Legal Name</th>
<th>Social Security #</th>
<th>Address (Street/City/State/Zip)</th>
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<tbody>
<tr>
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</tbody>
</table>

### AGREEMENT / SIGNATURES

The Applicant named above certifies that all information is complete, true and correct and authorizes the Bank to obtain consumer and/or business credit reports on the Applicant. The Applicant also agrees to comply with the terms and conditions of the First Step Line Of Credit Agreement which will be sent to the Applicant if the credit is approved.

Each person signing below certifies that he/she is signing on behalf of the Applicant in the capacity indicated next to the signer’s name and that such signer is authorized to execute this Credit Application on behalf of the Applicant. The signer(s) further agrees to notify the Bank promptly of any material change in such information.

NOTE: If the Applicant is a corporation, this Application must be signed by the President or Chairman of the Board or any Vice President and one of the following: Secretary, Assistant Secretary, Chief Financial Officer, or Assistant Treasurer. If the Applicant is a partnership, this Application must be signed by all general partners. If the Applicant is a sole proprietorship, this Application must be signed by the owner. If the Applicant is an unincorporated association, this Application must be signed by all members. If the Applicant is the trustee under a trust agreement, this Application must be signed by all trustees. Each person signing this application must indicate the capacity in which he/she is signing in the space labeled "Title".

<table>
<thead>
<tr>
<th>Authorized Signature</th>
<th>Print Name, Title</th>
<th>Date</th>
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</thead>
<tbody>
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<table>
<thead>
<tr>
<th>Authorized Signature</th>
<th>Print Name, Title</th>
<th>Date</th>
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</table>

<table>
<thead>
<tr>
<th>Authorized Signature</th>
<th>Print Name, Title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>[ ]</td>
<td>[ ]</td>
<td>[ ]</td>
</tr>
</tbody>
</table>
### FOR BANK USE ONLY

**LIABILITY**

- **APPROVAL CATEGORY:**
- **AUTHORITY (THIS CATEGORY)**: $
- **TOTAL COMMITTED**
  - **(THIS CATEGORY INCLUDING THIS CREDIT)**: $
- **TOTAL COMMITTED**
  - **(ALL CATEGORIES)**: $

<table>
<thead>
<tr>
<th>FDIC CODE</th>
<th>SIC CODE</th>
<th>LOAN CLASSIFICATION</th>
<th>COMMITMENT CODE</th>
<th>LOAN GRADE</th>
<th>SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**INTEREST RATE**
- [ ] FIXED
- [ ] FLOATING

**FEES:**
- [ ] NEW/REVIEW DATE
- [ ] RENEWAL/EXTENSION TO
- [ ] MODIFICATION/AMENDMENT

**REPAYMENT TERMS:**

### FOR BUSINESS FIRST STEP

- [ ] Checks/Drafts
- [ ] Overdraft Protection
- [ ] Telephonic Transfers (Submit completed Bankphone app)

<table>
<thead>
<tr>
<th>CUSTOMER LOAN NUMBER</th>
<th>DATE BOOKED</th>
<th>AUTHORIZED BY</th>
<th>MATURITY DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

(CL-952 (Rev 02-96))
### Small Business Fact Sheet

**Bank of Hawaii**

**Name of Firm (Legal Name):**

**Contact Person:**

**Business Phone:**

**Fax No.:**

### General Information

**Type of Business:**

**Mailing Address:**

**Street:**

**City:**

**State:**

**Zip Code:**

**Address If Other Than Mailing** (Include Address of all business locations)

**How Long in Business:**

**Annual Sales (Approximate):**

**Number of Employees:**

**Affiliated Firms:**

### Describe Your Products/Services (Please Attach Any Product/Service Literature)

**How Are Your Products/Services Sold:**

- [ ] Walk-in Business
- [ ] Direct Mail
- [ ] Telemarketing
- [ ] Manufacturer's Representative
- [ ] Internal Sales Force
- [ ] Other

**Do You Produce or Sell Products Under Licensing Agreements?**

- [ ] No
- [ ] Yes, (Attach copy of agreement)

**Does Your Company Own Any Patents or Copyrights?**

- [ ] No
- [ ] Yes, (Attach copy)

### Products

**What Are Your Projected Sales This Year:**

$ __________

**How Many Customers Do You Have:**

____________

**Do Any Customers Represent More Than 10% of Total Sales?**

- [ ] No
- [ ] Yes, please list customer names and % of sales below:

  ____________ %

  ____________ %

  ____________ %

**Has Your Business Been Profitable?**

- [ ] Yes
- [ ] No, please describe:

**Are Your Sales Seasonal?**

- [ ] No
- [ ] Yes, please describe:

**What Is Your Average Monthly Sales?**

$ ____________

**What Percentage of Your Sales Is Cash?**

% __________

### Sales

**What Are Your Selling Terms?**

- [ ] Cash
- [ ] Net/10
- [ ] Net/30
- [ ] Net/60
- [ ] Other:

**Discount Offered?**

- [ ] No
- [ ] Yes

If Yes, Describe:

**If you Sell to the Local, State, or Federal Government?**

- [ ] No
- [ ] Yes, please specify percent of sales

**Do You Sell Internationally?**

- [ ] No
- [ ] Yes, please specify percent of sales

### Competitors Industry

**List the Business Name of Your Three Major Competitors:**

1. __________
2. __________
3. __________

**On What Basis Do You Compete?**

- [ ] Price
- [ ] Location
- [ ] Service
- [ ] Major Brands
- [ ] Product
- [ ] Other:

### Is Your Business/Industry Subject to Regulatory Agencies?

**If There Are Union Employees, When Do Current Contracts Expire?**

- [ ] Date:
- [ ] N/A

### Business Trade References (List two major suppliers)

<table>
<thead>
<tr>
<th>Name</th>
<th>Contact</th>
<th>Phone</th>
</tr>
</thead>
</table>

**CL 454 (Rev 10/90)**
### Small Business Fact Sheet (Cont'd)

#### Management

**Does the owner actively manage the business?**
- [ ] Yes
- [ ] Full-time
- [ ] Part-time

**Who would manage the business in the case of the owner's extended absence?**

<table>
<thead>
<tr>
<th>Name</th>
<th>Position / Title</th>
<th>Years w/firm</th>
</tr>
</thead>
</table>

**Does the owner own or manage another business(es)?**
- [ ] No
- [ ] Yes, please describe business(es) and percent of time spent:

**Primary Owners/Guarantors (as of date of Fact Sheet)**

<table>
<thead>
<tr>
<th>Name</th>
<th>% Ownership</th>
<th>Monthly Income</th>
<th>Monthly Expenses</th>
<th>Personal Net Worth (excluding value of business)</th>
<th># Years at Current Res. Address</th>
</tr>
</thead>
</table>

#### Current Conditions

**Is real estate mortgaged?**
- [ ] Yes
- [ ] No

**Are you applying for credit from another source?**
- [ ] Yes
- [ ] No

**Does the business owe any income taxes from prior years?**
- [ ] Yes
- [ ] No

**Is the business an endorser, guarantor or co-maker for obligations not listed in its financial statements?**
- [ ] Yes
- [ ] No

**Is the business a party to any claim or lawsuit?**
- [ ] Yes
- [ ] No

**Are there any delinquent employees, property, or sales taxes?**
- [ ] Yes
- [ ] No

**Has the business ever declared bankruptcy?**
- [ ] Yes
- [ ] No

**Have any principals ever declared bankruptcy?**
- [ ] Yes
- [ ] No

**Are Accounts Receivable or Inventory currently pledged as collateral?**
- [ ] Yes
- [ ] No

#### Financial Information

**Name of Accountant / Firm**

**Address**

**Phone**

**Frequency of Financial Statements:**
- [ ] Monthly
- [ ] Quarterly
- [ ] Semi-Annual
- [ ] Annual

**Does firm have a pension plan?**
- [ ] Yes
- [ ] No

**Preparer of Payroll**

**Name of Business Insurance Agency and Agent**

**Address**

**Phone**

#### Business Bank Accounts

**Bank Name**

**Account #**

**Current Balance Checking**

**Current Balance Savings**

#### Business Indebtedness

(include all term loans, credit lines, mortgages, credit cards, etc.)

<table>
<thead>
<tr>
<th>Owed To</th>
<th>Loan or Line</th>
<th>Org. AMT.</th>
<th>Cur. Bal.</th>
<th>No. PMT.</th>
<th>Collateral Pledged</th>
</tr>
</thead>
</table>

#### Financial and Tax Returns

**Financial Statements Attached for Year(s):**

- [ ] CPA Audited
- [ ] CPA Reviewed
- [ ] CPA Compiled
- [ ] Borrower Prepared
- [ ] Other

**Fiscal Year End:**

**By signing this document, I am representing that all of the information presented herein is true and correct. In addition, I authorize Bank of Hawaii to verify information in it and to obtain and provide credit information about myself and principals of the firm, both now and in the future.**
TO: Applicant:

Please submit the following information to support your business loan application and submit to our office by_____________.

1. Loan proposal to include the following:
   a. Amount
   b. Purpose
   c. Term of payment
   d. Method of Repayment – Primary Source & Secondary Source
   e. Management Structure & Experience
   f. Market Served & Competition
   g. List of items to be purchased from the loan
   h. Collateral

2. Audited financial statement for the prior three fiscal years prepared by a CPA or Independent Accountant firm.

3. Current interim balance sheet and income expense statement for year to date, prepared by a CPA or Independent Accountant firm.

4. Company tax returns for the prior three fiscal years and the results of any IRS audit:
   - Corporation (form 1120)
   - Partnership (form 1065)
   - Individual (form 1040)

5. Personal Financial Statement (attached)

6. Certificate of good standing from the Tax Office (letter)

7. Twelve months projection of estimated income & expenses prepared by a CPA or Independent Accountant firm.

8. Summary, aging of accounts receivable & payable prepared by a CPA or Independent Accountant firm.

9. Articles of Incorporation or Partnership Agreement.


11. Description of physical facilities.


13. Birth Certificate or Passport of principal owner(s).

14. Credit Ratings to be signed (attached).
# Business Credit Application

<table>
<thead>
<tr>
<th>NAME OF COMPANY</th>
<th>TAX ID NUMBER</th>
<th>TELEPHONE</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>STREET ADDRESS</td>
<td>CITY</td>
<td>STATE</td>
<td>ZIP CODE</td>
</tr>
<tr>
<td>BILLING ADDRESS (IF DIFFERENT FROM ABOVE)</td>
<td>CITY</td>
<td>STATE</td>
<td>ZIP CODE</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NATURE OF BUSINESS (PRODUCT OR SERVICE)</th>
<th>NO. OF EMPLOYEES</th>
<th>YEARS BUSINESS ESTABLISHED</th>
<th>HOW LONG UNDER CURRENT MGMT.</th>
</tr>
</thead>
</table>

- [ ] SOLE PROPRIETORSHIP
- [ ] GENERAL PARTNERSHIP
- [ ] LIMITED PARTNERSHIP
- [ ] CORPORATION

**CREDIT REQUEST**

- AMOUNT REQUESTED $
- USUAL TERMS OF SALE
- USUAL TERMS OF SALE OFFERED BY SUPPLIERS
- COLLATERAL AVAILABLE FOR THIS LOAN

**PRINCIPAL/GUARANTORS** - Provide a Personal Financial Statement for each Principal/Guarantor listed below

<table>
<thead>
<tr>
<th>NAME</th>
<th>% OWNERSHIP</th>
<th>TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**BUSINESS REFERENCES**

- 1 = BUSINESS CHECKING
- 2 = SAVINGS
- 3 = LOAN (describe loans in Credit Reference Section)

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>BANK</td>
<td>ADDRESS</td>
<td>NAME OF CONTACT</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MAJOR TRADE SUPPLIERS</th>
<th>ADDRESS</th>
<th>NAME OF CONTACT</th>
<th>TELEPHONE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>( )</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>( )</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>( )</td>
</tr>
</tbody>
</table>

**CREDIT REFERENCES** - Provide details of your business credit relationships below

<table>
<thead>
<tr>
<th>NAME OF CREDITOR/LESSOR</th>
<th>TYPE OF LOAN/LEASE</th>
<th>ORIGINAL AMOUNT</th>
<th>BALANCE OWING</th>
<th>REPAYMENT TERMS</th>
<th>MATURITY DATE</th>
</tr>
</thead>
</table>

Please complete reverse side
## LEASE INFORMATION

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you have your place of business on government property?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do you have your place of business on communal land?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do you have your place of business on individually owned land?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Do you have a lease for the property your business now occupies?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Monthly Rental

<table>
<thead>
<tr>
<th>$ Monthly Rental</th>
<th>Years Remaining on Lease</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you pay taxes, maintenance, repairs or insurance in addition to your monthly payment?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### MISCELLANEOUS - If answered "Yes" provide details, attach separate sheet if necessary

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has your business ever filed bankruptcy or defaulted on any debts?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is the business an endorser, guarantor or co-maker for obligations not listed in its financial statements?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Are any assets pledged or mortgaged other than as stated on business and personal financial statements submitted?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is the business a party to any claim or lawsuit?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does the business owe any taxes for years prior to the current year?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please supply the name, address and telephone number of your insurance agent.

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does your company maintain key person life insurance on any owner, officer or shareholder?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Insured</th>
<th>Beneficiary</th>
<th>$ Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### SIGNATURE/DATE

By signing below, you each agree to the following:

- to the best of your knowledge and belief, all answers to the questions in this application are complete and true.
- the Bank has the right to verify the accuracy of the information provided in this application.
- the Bank is authorized to check each person's individual and/or business credit rating and
- the Bank is authorized to provide credit information concerning the applicants to others.

Authorized signature

Print name, title

Soc. Sec or Tax ID No. Date

Authorized signature

Print name, title

Soc. Sec or Tax ID No. Date
TO: DEVELOPMENT BANK OF AMERICAN SAMOA PERSONAL FINANCIAL STATEMENT

CONFIDENTIAL

This Statement applies as indicated by the following checked box:

☐ I am applying for separate individual credit in my name only and will be relying on my own income or assets and not the income or assets of another person to repay the credit requested. Only Sections 1, 3, and the reverse will be completed.

☐ We are voluntarily applying jointly for credit and are providing information on all of our separate and jointly owned assets and income. If we are the spouses of each other, we will complete all Sections including personal information about both spouses in Sections 1 and 2 and our separate and jointly owned assets and income in Section 3 and the reverse. If we are not the spouses of each other, each of us will complete Sections 1, 3 and the reverse of separate Personal Financial Statement forms.

☐ This Statement relates to my separate individual guaranty of other person(s), partnership(s) or corporation(s) and I will complete only Sections 1, 3 and the reverse.

☐ This Statement relates to our joint guaranty, which will be signed voluntarily by me and my spouse, guarantying the indebtedness of other person(s), partnership(s) or corporation(s) and all sections will be completed including personal information about my spouse in Section 2 and our separate and jointly owned assets and income in Section 3 and the reverse. If this Statement relates to a joint guaranty, which will be signed voluntarily by me and another person other than my spouse, guarantying the indebtedness of other person(s), partnership(s) or corporation(s), each of us will complete Sections 1, 3 and the reverse of separate Personal Financial Statement forms.

NOTE: The "assets" portion of this Statement normally lists only that property that is owned entirely by the person(s) signing the Statement. If I include assets co-owned with others, I will indicate the name(s) of the co-owner(s) and the type of co-ownership, that is, joint tenancy, tenancy in common or tenancy by the entirety. My spouse will sign only when he/she is also completing this form.

SECTION 1—PERSONAL INFORMATION—Applicant/Guarantor (Type or Print)

<table>
<thead>
<tr>
<th>Name</th>
<th>Residence Address</th>
<th>Position or Occupation</th>
<th>Business Name</th>
<th>Business Address</th>
<th>Social Security No.</th>
<th>Age</th>
<th>Res. Phone</th>
<th>Bus. Phone</th>
</tr>
</thead>
</table>

SECTION 2—PERSONAL INFORMATION—Spouse (Type or Print)

<table>
<thead>
<tr>
<th>Name</th>
<th>Residence Address</th>
<th>Position or Occupation</th>
<th>Business Name</th>
<th>Business Address</th>
<th>Social Security No.</th>
<th>Age</th>
<th>Res. Phone</th>
<th>Bus. Phone</th>
</tr>
</thead>
</table>

SECTION 3—STATEMENT OF FINANCIAL CONDITION AS OF 19

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Omit Cents</th>
<th>LIABILITIES</th>
<th>Omit Cents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash with Bank of Hawaii—Checking No.</td>
<td>Loans Payable Bank of Hawaii</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash with Bank of Hawaii—Savings No.</td>
<td>Secured</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash with Other Banks (detailed)</td>
<td>Unsecured</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts &amp; Notes Receivable</td>
<td>Loans Payable Other (Itemized on reverse)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Government &amp; Marketable Securities (Itemized on reverse)</td>
<td>Accounts Payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment in Own Business (Most recent statements submitted)</td>
<td>Charge Accounts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life Insurance—Cash Surrender Value Only (Itemized on reverse)</td>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residence (Itemized on reverse)</td>
<td>Unpaid Taxes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Automobiles—Make &amp; Year</td>
<td>Residence Mortgages Payable (Itemized on reverse)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Make &amp; Year</td>
<td>Other Real Estate Mortgage Payable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title in name of:</td>
<td>Installment Accounts (Itemized on reverse—Schedule D)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Personal Property &amp; Furniture</td>
<td>Loans on Life Insurance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Assets</td>
<td>Other Liabilities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

TOTAL ASSETS: NET WORTH (Total Assets less Total Liabilities)

TOTAL LIABILITIES AND NET WORTH

CONTINGENT LIABILITY: As endorser/guarantor S. On letters of credit $...

Legal claims and judgments (detailed) $...

MONTHLY INCOME

<table>
<thead>
<tr>
<th>Salaried Employee Income</th>
<th>Salaried Employee Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent or Mortgage</td>
<td>Note Payments</td>
</tr>
<tr>
<td>Overtime (constant &amp; regularly recurring)</td>
<td>Charge Accounts</td>
</tr>
<tr>
<td>Bonus or Commissions</td>
<td>Installment Loan—Obligations</td>
</tr>
<tr>
<td>Dividends &amp; Interest</td>
<td>Loans on Life Insurance</td>
</tr>
<tr>
<td>Rents</td>
<td>Federal &amp; State Income Taxes</td>
</tr>
<tr>
<td>‘Other (detailed)</td>
<td>Insurance Premiums</td>
</tr>
</tbody>
</table>

SUBTOTAL—APPLICANT

<table>
<thead>
<tr>
<th>Alimony, Child Support, etc.</th>
</tr>
</thead>
</table>

SPouse S GROSS SALARY (optional)

<table>
<thead>
<tr>
<th>Other Fixed Monthly</th>
</tr>
</thead>
</table>

‘Other (detailed)

SUBTOTAL—SPOUSE

TOTAL INCOME: TOTAL PAYMENTS

*(Alimony, child support or separate maintenance income will not be revealed if it is not to be considered for repaying obligation)*

(CONTINUED ON REVERSE SIDE)
### SCHEDULE A  U.S. GOVERNMENT AND MARKETABLE SECURITIES

All securities listed are mine solely and are in my possession, except as noted.

<table>
<thead>
<tr>
<th>Name of Issuing Corporation and Type of Security</th>
<th>No. of Shares (of Stock)</th>
<th>Face Value (if Bond)</th>
<th>Market Value or Book Value (as of)</th>
<th>Registered in Name of (including all other names that security is registered in)</th>
</tr>
</thead>
</table>

### SCHEDULE B  REAL ESTATE—RESIDENCE

Title to all real estate listed is in my name solely and unencumbered, except as noted.

<table>
<thead>
<tr>
<th>Location and Description</th>
<th>TITLE HELD IN NAME OF and Type of Tenancy, i.e., 1. individual, 2. tenancy in common, 3. joint tenancy, 4. tenancy by the entirety</th>
<th>Date Acquired</th>
<th>Original Purchase Price</th>
<th>Actual Market Value</th>
<th>Monthly Payment</th>
<th>Balance of Mortgage</th>
<th>Loan Number</th>
<th>To Whom Payable</th>
</tr>
</thead>
</table>

### SCHEDULE C  LIFE INSURANCE

<table>
<thead>
<tr>
<th>Company</th>
<th>Agent</th>
<th>Policy No</th>
<th>Face Amount of Policy</th>
<th>Cash Surrender Value</th>
<th>Loan(s) Against Policy</th>
<th>Beneficiary(ies)</th>
<th>To Whom Policy is Assigned</th>
</tr>
</thead>
</table>

### SCHEDULE D  LOANS PAYABLE

<table>
<thead>
<tr>
<th>Name and Address of Holder of Note</th>
<th>Loan Number</th>
<th>Amount of Loan</th>
<th>Terms of Repayment</th>
<th>Maturity of Loan</th>
<th>Description of Assets Pledged</th>
</tr>
</thead>
</table>

### GENERAL INFORMATION

The assets listed in this statement which are pledged include:

All Federal, State income taxes, real estate taxes, gross income, withholding taxes are paid except (name and amount):

Legal action against me/us include:

Personal bankruptcy was filed (date and details):

References where other credit has been obtained:

Personal references:

The information contained in this Statement is provided for the purpose of obtaining, or maintaining credit with you on behalf of the undersigned, or persons, partnerships, or corporations on whose behalf the undersigned may, either individually, or jointly and severally with others, execute a guaranty in your favor. Each undersigned understands that you are relying on the information provided herein (including the designation made as to ownership of property) in deciding to grant or continue credit. Each undersigned represents and warrants that the information provided is true and complete and that you may consider this Statement as continuing to be true and correct until a written notice of a change is given to you by the undersigned. You are authorized to make all inquiries you deem necessary to verify the accuracy of the statements made here, and to determine my/our creditworthiness.

Signature (APPLICANT) ___________________________ (DATE) ___________________________ Signature (SPOUSE) ___________________________
NOTICE
TO
LOAN APPLICANTS

(please read carefully)

The Development Bank of American Samoa is restricted by law from making loans under certain circumstances. All loan applicants should review these restrictions carefully before proceeding further.

1. Loan applicants must either be American Samoans or permanent residents of American Samoa. The Bank is directed by Section 28.0105 of the American Samoa Code Annotated "to make loans...only to qualified borrowers who are American Samoans or permanent residents of American Samoa." This applies to both residential and commercial loans.

2. If you are applying for a loan for residential purposes, the bank will require certain legal documents to secure the loan. For communal land these documents will include a lease to you of the communal land and real estate mortgage. If you are building on individual-owned land these documents will include only a real estate mortgage if you are the registered owner of the land or a lease to you and a real estate mortgage if someone else is the registered owner. Please note the following requirement for legally sufficient preparation of these documents:

   a. Only the Sa’o can sign a lease of communal land. Thus, if your family presently has no Sa’o, the bank cannot process your loan application.

   b. Only the registered individual owner, or his or her lawful heirs (and all of them), can sign a lease or mortgage of individually-owned land. Thus, for example, if you are not the registered owner, but rather your mother or father was, and they are now deceased, then all the living children must sign the documents, or alternatively, they must sign the land over to you first. A probate action may have to be filed in the High Court of American Samoa.

I (we) have read the foregoing important Notice to Loan Applicants, have discussed it with an officer of the bank, and fully understand it.

Date: ____________________________

Loan Applicant

Bank officer initials ____________________________

Co-applicant

44
THE DEVELOPMENT BANK OF AMERICAN SAMOA WANTS ITS CUSTOMERS TO KNOW THAT THERE ARE CERTAIN CHARGES WHICH MAY BE REQUIRED TO BE PAID BEFORE THIS LOAN IS FUNDED. ONCE THESE FEES HAVE BEEN EXPENDED BY THE BANK ON YOUR BEHALF, IT WILL NOT BE REFUNDED.

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration fee</td>
<td>$12.00</td>
<td>Territorial Registrar's Office</td>
</tr>
<tr>
<td>Processing fee</td>
<td>$50.00</td>
<td>Development Bank</td>
</tr>
<tr>
<td>Recording Fee</td>
<td>$15.00</td>
<td>Territorial Registrar's Office</td>
</tr>
<tr>
<td>Publication Fee</td>
<td>$30.00</td>
<td>Territorial Registrar's Office</td>
</tr>
<tr>
<td>Any Draw less than $50.00</td>
<td>$2.00</td>
<td>Development Bank</td>
</tr>
<tr>
<td>Underwriting/Processing fee</td>
<td>$250.00</td>
<td>Development Bank</td>
</tr>
<tr>
<td>Construction/Inspection fee</td>
<td>$250.00</td>
<td>Development Bank</td>
</tr>
<tr>
<td>Hazard Insurance</td>
<td></td>
<td>Insurance Agent*</td>
</tr>
<tr>
<td>Keyman Life Insurance</td>
<td></td>
<td>Insurance Agent*</td>
</tr>
</tbody>
</table>

*NAMING DEVELOPMENT BANK AS THE LOSS PAYEE/BENEFICIARY

I agree to pay the above fees:

Date: ___________________  Applicant Signature: ___________________

Date: ___________________  Co-Applicant Signature: ___________________
### DEVELOPMENT BANK

**REQUEST FOR VERIFICATION OF DEPOSIT**

**INSTRUCTIONS**
- LENDER: Complete items 1 thru 8. Have applicant(s) complete item 9. Forward directly to
depository named in item 1.
- DEPOSITORY: Please complete items 10 thru 15 and return DIRECTLY to lender named in item 2.

#### PART I - REQUEST

1. TO (Name and address of depository)

2. FROM (Name and address of lender)

3. SIGNATURE OF BANK

4. TITLE

5. DATE

6. BANK'S NUMBER (Optional)

#### PART II - INFORMATION TO BE VERIFIED

<table>
<thead>
<tr>
<th>TYPE OF ACCOUNT</th>
<th>ACCOUNT IN NAME OF</th>
<th>ACCOUNT NUMBER</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td></td>
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</tbody>
</table>

TO DEPOSITORY: I have applied for a mortgage loan and stated in my financial statement that the balance on deposit with you is shown above. You are authorized to verify this information and to supply the bank identified above with the information requested in items 10 thru 12. Your response is solely for the purpose of information and no responsibility is attached to your institution or any of your officers.

#### PART III - NAME AND ADDRESS OF APPLICANT(s)

9. SIGNATURE OF APPLICANT(s)

#### TO BE COMPLETED BY DEPOSITORY

#### PART III - VERIFICATION OF DEPOSITORY

10. DEPOSIT ACCOUNTS OF APPLICANT(s)

<table>
<thead>
<tr>
<th>TYPE OF ACCOUNT</th>
<th>ACCOUNT NUMBER</th>
<th>CURRENT BALANCE</th>
<th>AVERAGE BALANCE FOR PREVIOUS TWO MONTHS</th>
<th>DATE OPENED</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
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<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

11. LOANS OUTSTANDING TO APPLICANT(s)

<table>
<thead>
<tr>
<th>LOAN NUMBER</th>
<th>DATE OF LOAN</th>
<th>ORIGINAL AMOUNT</th>
<th>CURRENT BALANCE</th>
<th>INSTALLMENTS (Monthly/Quarterly)</th>
<th>SECURED BY</th>
<th>NUMBER OF LATE PAYMENTS</th>
<th>PER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td>$ per</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td>$ per</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td>$ per</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12. ADDITIONAL INFORMATION WHICH MAY BE OF ASSISTANCE IN DETERMINATION OF CREDIT WORTHINESS

(Include information on loans paid-in-full as in item 11 above)

13. SIGNATURE OF DEPOSITORY

14. TITLE

15. DATE

The confidentiality of the information you have furnished will be preserved except where disclosure of this information is required by applicable law. The form is to be transmitted directly to the lender and is not to be transmitted through the applicant or any other party.

DBAS-77 (Rev. 10/89)
Date: ________________

I. Basic Information

Name of Business: ____________________________

Trade Name, if different: ____________________________

Address: _____________________________________________

Phone Number: ________________ Date Business Established: ________________

Type of Business: _____________________________________________

____ Corporation -- Year Chartered: _____ State: ____________________________

____ Partnership -- Number of Partners: ________

____ Sole Proprietorship

Type of Business (product produced or service provided): ____________________________

Employer ID Number: ____________________________

Name of Principal in Charge: ____________________________ Title: ____________________________

List all Owners, Partners, Stockholders with 25% or more interest and/or

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Social Security #</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Number of Employees: ________________
II. Business Background

Name of Affiliated Firms: ____________________________________________

History: Start-up Date: ______ Number of Years of Continuous Operation: ____________

Change in Products or Services: ________________________________________

Other Information: ____________________________________________________

III. Proposed Project Information

Estimated Project Cost:

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site, Site Improvements and Buildings</td>
<td>$____</td>
</tr>
<tr>
<td>Equipment and Machinery</td>
<td>$____</td>
</tr>
<tr>
<td>Inventory</td>
<td>$____</td>
</tr>
<tr>
<td>Operations</td>
<td>$____</td>
</tr>
<tr>
<td>Other</td>
<td>$____</td>
</tr>
<tr>
<td>Total Project Costs</td>
<td>$____</td>
</tr>
</tbody>
</table>

Amount to be Financed:

<table>
<thead>
<tr>
<th>Type</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conventional</td>
<td>$____</td>
</tr>
<tr>
<td>EDRLF</td>
<td>$____</td>
</tr>
<tr>
<td>Other</td>
<td>$____</td>
</tr>
<tr>
<td>Total to be financed</td>
<td>$____</td>
</tr>
</tbody>
</table>

Estimated construction start date: ____________________________

Estimated start date for operation: __________________________

Number of new permanent jobs when project is operating: ________________

Describe type of jobs to be created: _________________________________

MUST BE ATTACHED FOR FULL LOAN REVIEW:

- A history and description of the business and management ability; detailed project cost estimate and time schedule; market assessment for product or service to be provided.

- Description of collateral to be provided as loan security.

- Personal financial statement current within 90 days for each proprietor, partner or stockholder with 20% or more ownership of the business.
• Statement of personal history or resume for each owner, partner, or corporate officer involved in day
to day management.

• Corporate Charter and Bylaws or Partnership Agreement, where applicable.

• A balance sheet and income statement for the business dated within 90 days of the application
together with an aging of the accounts receivable and accounts payable listed.

• A balance sheet and income statement for the previous three years for the business. If the business is
new, provide a pro-forma balance sheet with a description of assumption attached.

• A monthly cashflow analysis for the first 12 months of operation or for three months beyond the
break-even point (whichever is longer) together with a description of assumptions.

• A schedule of debts which includes the original date and amount, monthly payment, interest rate,
present balance owed, maturity, to whom payable, and collateral securing the loan for each short-term
and long-term loan that the business currently has outstanding or has planned for the next 12 months.
Please indicate whether each loan is current or delinquent.

• Bank commitment or declination letter.

I/We authorize the EDPO, DBAS and its agents to conduct a credit investigation for the purpose of this
loan.

I/We certify that financing is not otherwise available at terms that would reasonably assure the success of
business project.
BUSINESS AND INDUSTRY LOAN GUARANTEE PROGRAM

FACT SHEET

The mission of Rural Business Cooperative Service (RBS) is to enhance the quality of life for all rural Americans by providing leadership in building competitive businesses and cooperatives that can prosper in the global trading marketplace. Improved quality of rural life is an end result of rural development. Business and Industry (B&I) guaranteed loans upgrades the economic environment making material contributions to the community. These types of loans may be made in any area outside the boundary of a city of 50,000 or more and its immediate adjacent urbanized area with population density of no more than 100 persons per square mile. Priority is given to applications for projects in open country, rural communities, and towns of 25,000 and smaller.

Assistance from RBS is provided in the form of a loan guarantee whereby the agency guarantees to reimburse the lender for principle and interest losses of up to 80 percent for guaranteed loans of $5 million or less; up to 70 percent for loans of $10 million or less; and up to 60 percent for loans over $10 million. Priority is given to projects in areas of high unemployment, to projects which create or save jobs and which show a low amount of investment per job created or saved, and to projects that will employ members of displaced farm families.

WHO MAY BORROW?
Any legal entity, including individuals, public and private organizations, and Federally recognized Indian Tribal groups, may borrow.

ARE THERE OTHER REQUIREMENTS?
Borrowers and lenders must comply with Federal requirements relating to equal employment opportunity, historic site preservation, flood and mud slide protection, environmental impact, the Clean Air and Water Act, the Architectural Barriers Act, and nondiscrimination.

WHAT IS THE MAXIMUM LOAN AMOUNT THAT CAN BE GUARANTEED?
B&I loans are limited to a maximum of $25 million.

WHAT WILL THE INTEREST RATE BE?
For guaranteed loans, the interest rate may be either fixed or variable (which must be tied to a base rate) and will be determined by the lender and the borrower and is subject to a RBS review and approval. The rates cannot change more often than quarterly per annum.

WHAT IS THE REpayment SCHEDULE?
Final maturity will not exceed:
- 30 years for land, buildings and permanent fixtures,
- 15 years for machinery or equipment, or the useful life of the machinery and equipment, whichever is less,
- 7 years for working capital. Interest will be due at least annually after the loan is closed.

WHERE CAN LOANS BE MADE?
B&I loans can be guaranteed in the 50 states, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Federated States of Micronesia and the Republic of the Marshall Islands, except in cities of 50,000 or more and other adjacent urban or urbanizing areas. RBS makes the "rural area" determination, and gives priority to applications for loans in open country, rural communities, and towns of 25,000 or less.

HOW MAY LOANS FUNDS BE USED?
The basic uses include developing or financing business or industry, increasing employment, and controlling or abating pollution. Within this framework, uses include, but are not limited to:
- Financing business and industrial construction, conversion, acquisition and modernization.
- Financing the purchase and development of land and buildings, equipment, facilities, machinery, supplies or materials.
- Startup costs and working capital.
- Financing housing development sites.
- Financing processing and marketing facilities.
- Pollution control and abatement.
- Transportation services.
- Agricultural production when part of an integrated business also involved in the processing of agricultural products.
- Agriculture and commercial fishing.
- Forestry and commercial nurseries.
- Tourist and recreation facilities including hotels, motels and bed and breakfast establishments.
- Education or training facilities.
- Constructing or equipping facilities for lease to private businesses engaged in commercial or industrial operations.
- Community or antenna television services or facilities.
- Assistance to industries adjusting to terminated Federal agricultural programs or increased foreign competition.

WHAT PURPOSES ARE NOT ELIGIBLE?

B&I funds may not be used for certain purposes, including:

- Any project likely to result in transfer of business or employment from one area to another.
- Any project likely to cause production that exceeds demand.
- Any project involving transfer of ownership unless this will keep the business from closing, prevent the loss of jobs in an area, or provide more jobs.
- Lending a creditor more than a value of collateral.
- Guarantee or lease payment.
- Payment of loan proceeds to owners partners, shareholders, or others who retain any ownership in the business.
- Corporations and business that are not owned and controlled by US citizens.
- Charitable and educational institutions.
- Churches or church-sponsored organizations.
- Fraternal organizations.
- Lines of credit.

WHAT IS THE GUARANTEE?

A guarantee is a warranty to protect the lender, and may cover up to 80 percent of the principal advanced, including protective advances, and accrued interest. The guarantee fee is 2 percent of the principle loan amount multiplied by the percent of guarantee. It is a one-time fee paid by the lender, who may pass it on to the borrower.

IS COLLATERAL REQUIRED?

Yes, collateral is required. It must be of such nature that, when considered with the integrity and the ability of the project management, the soundness of the project, and the applicant's prospective earnings, repayment of the loan will be reasonably assured. Collateral must secure the entire loan.

MUST THE APPLICANT PROVIDE EQUITY?

A minimum tangible balance sheet equity of 10 percent is required. Balance sheet of an equity of at least 20-25 percent will be required for a new business, a business without full personal or corporate guarantee, or an energy-related business.

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

USDA, Rural Development
Hawaii State Office
144 Waihau Avenue
Koloa, KI 96756
(808) 933-3319

USDA, Rural Development
District II Office
First Hawaiian Bank Building
Suite 303
463 Route B
Mongmong, Guam 96921
(671) 472-7251
Thank you for inquiring about SBA's loan programs.

We hope you will find the enclosed material helpful. The following information may also assist you to understand SBA's loan application requirements and procedures.

At the present time, the only type of financial assistance available from the SBA is the bank loan guaranty program.

**Guaranteed bank loans** are made by financial institutions and guaranteed by SBA. SBA may guaranty up to 80% of a loan of $100,000 or less and up to 75% or $750,000, whichever is less, of loans exceeding $100,000.

Some of the reasons for which a lender may require SBA to guaranty a loan include the following: undercapitalization, lack of sufficient collateral, minimal track record, to provide a longer repayment period to better enable a business to manage the debt.

No letter of decline from the bank is required for a guaranteed loan.

For guaranteed loans, applicants deal directly with the bank. The bank submits the completed loan application package to SBA after the bank has internally approved the loan subject to SBA's guaranty approval.

**All loans received through SBA must be repaid and no loan will be approved without showing an ability to repay. Standard credit criteria are used to determine creditworthiness and repayment ability. The brochure, "Business Loans & the SBA," contains a brief explanation of SBA's credit requirements.**

1. Loan application checklist

   The checklist is intended to assist you in providing a complete loan application. Delays can be encountered when an application is incomplete. The checklist appears lengthy but all items listed do not apply to all loans. Please use the checklist as your guide.

2. Loan Application and Forms

   a. Number of Copies

      Only one copy of an application and supporting documents need to be submitted to SBA.

   b. SBA loan applications require the submission of some special forms. To assist you in understanding why these forms need to be completed, a brief explanation of some of the forms follows:

      1. **SBA Form 159 (Compensation Agreement)**
The purpose of this form is the disclosure of any fees incurred by an applicant in connection with a loan from or in participation with SBA.

2. SBA Form 601 (Agreement of Compliance)

Applies only when loan proceeds in excess of $10,000 are to be used for construction purposes (includes leasehold improvements and renovations). By signing this form, the applicant and contractor agree that they will comply with all nondiscrimination provisions and requirements of Executive Order 11246, as amended (the contents of this Executive Order are described in the form).

3. SBA Form 1624 (Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion)

Businesses which have been suspended or debarred by a Federal agency for offenses such as fraud, price-fixing, embezzlement, theft, bribery, falsification of records, making false statements or claims, are ineligible for SBA financial assistance. This form certifies that the applicant is not under suspension or debarment.

c. Operating Plan Forecast (Profit and Loss Projection) and Cash Flow Projection Forms

Profit and loss projections are required for all loans; cash flow projections are required for short term loans and loans to new businesses. The forms provided with the application package are simply tools to assist you in developing the required projections and are not required forms on which projections have to be submitted. Projections in other formats are acceptable so long as sufficient detail is provided.

Please call us at (808) 541-2990 if you have any questions concerning the loan application or about SBA's loan programs.

11/95
SBA LOAN APPLICATION CHECKLIST FOR BORROWERS

1. SBA Form 4 (Application for Business Loan)
   A. All information requested on the form must be completed and 100% of business ownership must be shown
   B. Application must be signed and dated by applicant
   C. Application must be signed and dated by preparer (if prepared by or assistance was received from others)
   D. Items 9, 10, and 11 on signature page must be answered (details must be provided for questions answered "yes")
   E. Certification that "Statements Required by Law and Executive Order" attached to application have been read and received -executed as follows:
      1) On behalf of applicant by principal of business (includes the proprietor if a sole proprietorship)
      2) By each general partner
      3) By each limited partner or stockholder owning 20% or more
      4) By guarantors (other than those listed above)
      5) By any other individual(s) providing financial information

2. SBA Form 159 (Compensation Agreement)
   A. Must be completed, signed and dated by appropriate individuals
   B. Itemization of charges if total compensation paid exceeds $1000 (or $300 for regular business loans of $15,000 or less)
   C. This form must be completed and submitted with the application even if no representative's services were utilized.

3. SBA Form 4 (Schedule A) - Schedule of Collateral
   List and describe all collateral to be used as security for loan

4. Resumes of principals and management staff

5. Description and history of the applicant business and expected loan benefits.

6. SBA Form 413 (Personal Financial Statement)
   A. Must be submitted by all officers and general partners (regardless of ownership interest held)
   B. Must be submitted by all other persons holding 20% or greater ownership in the applicant business (included limited partners)
   C. Must be submitted by all other persons not holding more than 20% ownership but co-signing or personally guaranteeing loan
   D. Must be dated within 90 days of receipt by SBA
   E. Must be signed and dated by appropriate individuals (Bank's form may be used/submitted in lieu of SBA Form 413)
7. Personal Federal income tax returns for the last three years
   A. Must be submitted by all persons holding 20% or greater ownership in the applicant business
   B. Must be signed and dated by tax payer

8. SBA Form 912 (Statement of Personal History)
   A. Proprietorship - must be completed and submitted by the proprietor.
   B. General Partnership - must be completed and submitted by all partners.
   C. Limited Partnership - must be completed and submitted by all general partners and additionally by each limited partner with interests of 20% or more.
   D. Corporation - must be completed and submitted by each officer, director and additionally by each holder of 20% or more of the voting stock.
   E. Must also be submitted by any other person including a hired manager with authority to speak for and commit management.
   F. If questions 6, 7 or 8 on the form are answered "yes", details explaining the circumstances of each "yes" answer must be provided. If criminal activity is indicated, fingerprints may be required. Contact SBA for the proper form.

9. SBA Form 1624 (Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Lower Tier Covered Transactions) - Applies to guaranteed loans only
   Must be signed by a principal of the applicant business

10. Financial information required on applicant business (for existing businesses)
    A. Profit and loss statement and balance sheet dated within 90 days of receipt by SBA
    B. Profit and loss statement and balance sheet for prior three years
    C. Current aging of accounts receivable (total should agree with the amount reflected in the most recent balance sheet submitted)
    D. Current aging of accounts payable (total should agree with the amount reflected in the most recent balance sheet submitted)
    E. Current schedule of all business term debt (total should agree with the amount reflected in the most recent balance sheet submitted)
    F. Reconciliation of net worth (provide where reconciliation is not evident from financial statements)
    g. One year detailed profit and loss projection with narrative statement supporting projection results
    h. Copies of Federal income tax returns, including all schedules for the last three years.
    i. All financial information submitted must be signed and dated by a principal of the company

11. Financial Statements on Other Business Interests (affiliates). If the applicant business and/or its principals have ownership or management control in other businesses, the following information must be submitted on these businesses:
A. Profit and loss statement and balance sheet dated within 90 days of receipt by SBA
B. Profit and loss statement and balance sheet for prior three years
C. All financial information submitted must be signed and dated by a principal of the company
   (This information is needed to determine whether the applicant business meets SBA size requirements of a small business)

12. New businesses (start ups)
   A. Business plan
   B. Identification of source and amount of owner(s) equity contribution
   C. Monthly cash flow projection for first year of operation must be provided
   D. P&L projection for first three years of operation with narrative statement supporting projected results must be provided
   E. Cash flow and P&L projections must be signed and dated by applicant

13. Corporate applicants must provide the following:
   A. Articles of Incorporation and by laws
   B. List of corporate officers and directors

14. Partnership applicants must furnish a copy of the Partnership Agreement

15. Businesses operating from leased premises must provide a copy of its lease or summary of lease data, including name of lessor, lease terms, etc.

16. Where loan proceeds are being requested for the following purpose(s), the following information must also be submitted:
   A. Real Estate Acquisition
      1) Copy of executed/signed purchase agreement
      2) Appraisal
      3) If alter ego, copy of proposed lease
   B. Machinery & Equipment Acquisition - list of equipment and cost
   C. Business Acquisition/Change of Ownership
      1) Copy of executed/signed buy-sell agreement
      2) Current balance sheet and profit and loss statement dated within 90 days of receipt by SBA for business being acquired
      3) Federal income tax returns and/or company prepared financial statements (P&L and balance sheet) for last three years of business being acquired
      4) All financial statements submitted signed and dated by seller
      5) Statement why the business is being sold
D. Construction loans exceeding $10,000
   1) Copy of contract or estimate of project cost
   2) Source of any additional funds required to finance project
   3) Plans and specs or description of project
   4) SBA Form 601 (Agreement of Compliance) signed by borrower and general contractor

E. Franchise Loans (information should be submitted to SBA in advance for eligibility determination)
   1) Franchise agreement
   2) FTC Disclosure Statement
### PERSONAL FINANCIAL STATEMENT

**U. S. SMALL BUSINESS ADMINISTRATION**

Complete this form for: (1) each proprietor; or (2) each limited partner who owns 20% or more interest and each general partner; or (3) each stockholder owning 20% or more of voting stock, or (4) any person or entity providing a guaranty on the loan.

**Name**

**Business Phone ( )**

**Residence Address**

**Residence Phone ( )**

**City, State, & Zip Code**

**Business Name of Applicant/Borrower**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>(Omit Cents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash on hands &amp; in Banks</td>
<td>$</td>
</tr>
<tr>
<td>Savings Accounts</td>
<td>$</td>
</tr>
<tr>
<td>IRA or Other Retirement Account</td>
<td>$</td>
</tr>
<tr>
<td>Accounts &amp; Notes Receivable</td>
<td>$</td>
</tr>
<tr>
<td>Life Insurance–Cash Surrender Value Only</td>
<td>$</td>
</tr>
<tr>
<td>(Complete Section 8)</td>
<td></td>
</tr>
<tr>
<td>Stocks and Bonds</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 3)</td>
<td></td>
</tr>
<tr>
<td>Real Estate</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 4)</td>
<td></td>
</tr>
<tr>
<td>Automobile–Present Value</td>
<td>$</td>
</tr>
<tr>
<td>Other Personal Property</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 5)</td>
<td></td>
</tr>
<tr>
<td>Other Assets</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 5)</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>(Omit Cents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$</td>
</tr>
<tr>
<td>Notes Payable to Banks and Others</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 2)</td>
<td></td>
</tr>
<tr>
<td>Installment Account (Auto)</td>
<td>$</td>
</tr>
<tr>
<td>Mo. Payments</td>
<td>$</td>
</tr>
<tr>
<td>Installment Account (other)</td>
<td>$</td>
</tr>
<tr>
<td>Mo. Payments</td>
<td>$</td>
</tr>
<tr>
<td>Loan on Life Insurance</td>
<td>$</td>
</tr>
<tr>
<td>Mortgages on Real Estate</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 4)</td>
<td></td>
</tr>
<tr>
<td>Unpaid Taxes</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 6)</td>
<td></td>
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<tr>
<td>Other Liabilities</td>
<td>$</td>
</tr>
<tr>
<td>(Describe in Section 7)</td>
<td></td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$</td>
</tr>
<tr>
<td>Net Worth</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$</td>
</tr>
</tbody>
</table>

**Section 1. Source of income**

<table>
<thead>
<tr>
<th>Description of Other Income in Section 1.</th>
</tr>
</thead>
</table>

*Allimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.*

**Section 2. Notes Payable to Bank and Others.**

(Use attachments if necessary. Each attachment must be identified as a part of this statement and signed.)

<table>
<thead>
<tr>
<th>Name and Address of Noteholder(s)</th>
<th>Original Balance</th>
<th>Current Balance</th>
<th>Payment Amount</th>
<th>Frequency</th>
<th>How Secured or Endorsed Type of Collateral</th>
</tr>
</thead>
</table>

**SBA Form 413 (2-94) Use 5-91 Edition until stock is exhausted. Ref: SOP 50-10 and 50-30**
I authorize SBA/Lender to make inquiries as necessary to verify the accuracy of the statements made and to determine my creditworthiness. I certify the above and the statements contained in the attachments are true and accurate as of the stated date(s). These statements are made for the purpose of either obtaining a loan or guaranteeing a loan. I understand FALSE statements may result in forfeiture of benefits and possible prosecution by the U.S. Attorney General (Reference 18 U.S.C. 1001).
IV. HOW TO OBTAIN A BUSINESS LICENSE IN AMERICAN SAMOA

The following section contains information on the business application process for American Samoa.
You want to set up your own business, but don’t know where to start.

The first step is to know where to go. You need to go to the Economic Development Planning Office (EDPO) in Utulei to pick up a business license application. Once there, ask to be referred to the Business Division, so that a member of their staff can go over the application with you.

What kind of business do you want to operate? Are you going into business by yourself, with a partner, or as a corporation? Do you know where you want to set up your business? These are some of the questions that will be asked of you. The criteria for completing your business license application will depend on what information you give the EDPO staff.

Please review the three attachments provided:

1) The flow chart “How To Apply For A Business License” which gives you a simplified guide to the business licensing process;

2) “How To Incorporate and Do Business in American Samoa” taken from the American Samoa investment brochure; and

3) Title 27 of the American Samoa Code Annotated (ASCA) which gives you the business license regulations.

For more information on how to apply for a business license, please contact the Business Division of the Economic Development Planning Office at (684) 633-5155 or by facsimile at (684) 633-4195.
HOW TO APPLY FOR A BUSINESS LICENSE

Pick up business license application form from EDPO

Route form to various ASG agencies and/or boards for clearance. Relevant agencies are indicated on reverse side of application by EDPO staff.

Once the form has been completed and signed, turn it into EDPO along with any other relevant attachments (e.g., Articles of Incorporation, Zoning application form, lease agreements)

EDPO staff will review application to determine whether all of the requirements have been met. Will refer to either PNRS or Zoning Board if necessary. Once review is complete, staff will forward to Territorial Planning Commission for review.

Once TPC has reviewed and approved the application, it is then forwarded to the Governor's Office with a recommendation for final approval.

The application is signed and returned to EDPO. Application is ready to be picked up.
How to Incorporate and Do Business in American Samoa

Local and foreign corporations and partnerships may be authorized to do business in American Samoa. Present regulations allow only U.S. nationals and citizens to establish sole proprietorships.

Incorporating Locally:
Three or more persons of lawful age, a majority of whom must be U.S. nationals or citizens and at least one a resident of American Samoa, may form a corporation for any lawful business.

Articles of incorporation must be signed and acknowledged by the incorporators and forwarded to the Treasurer via the Attorney General, American Samoa Government, Pago Pago, American Samoa, 96799. The Treasurer then forwards the Articles to the Governor for approval, and they are recorded by the Territorial Registrar. After payment of incorporation fees, the Treasurer issues a certificate of incorporation.

The Articles must contain:

1. the name of the corporation and the principal place of business in American Samoa;
2. the objects for which it is formed, such objects to be stated with specificity;
3. the amount of authorized capital stock, the classes of stock authorized, and the par value and conditions of each class and the time when and conditions under which it is to pay;
4. the time for commencement of existence of the corporation, not earlier than issuance of the certificate;
5. the names and addresses of the incorporators and the officers or persons including at least three directors, to conduct its affairs, and the time when and manner in which such persons will be selected;
6. a statement that private property of the stockholders is to be exempted from corporate debts; and
7. the manner in which the articles may be amended.
Business Licensing:
Any person who wishes to establish a business in American Samoa must obtain a business license. The only businesses exempt from the license requirement are farmers selling their own produce in its natural state.

Any person who operates businesses in two or more locations in American Samoa must obtain a license for each location. Similarly, any person who operates any business which is engaged in two or more types of business activities must obtain a separate license for each activity.

All business license applications are filed through the Economic Development Planning Office and reviewed by the Territorial Planning Commission and the Governor's Office. This review takes into consideration traffic, parking facilities, water and sewage facilities, effect on land resources and economic opportunities for resident Samoans, effect on Samoan customs, culture and traditions, and conformity to the general economic plan.
Applications will be approved unless the business proposal in contrary to the public policy of encouraging the development of business enterprises by Samoans, contrary to the best interest of the public, or incompatible with the economic and social development plans of the Territory.

Licenses are renewed on a calendar year basis regardless of when issued and expire on December 31 of the year in which they are issued or renewed. Most business license fees are $25.00 per year.

**Foreign Corporation Permit to Transact Business:**
All corporations organized under laws other than the laws of American Samoa are by definition foreign corporations, which must obtain a separate permit to transact business.

The application is files with the Governor's Office via the Attorney General, and must include:

1. a certified copy of the article of incorporation;

2. a certified copy of a resolution of the board of Directors authorizing the filing of the articles and service of process generally on any officers or agents in American Samoa engaging in its business here; the name and address of one resident agent for service of process must be indicated; and

3. a statement under oath by the president, vice-president or other head officer and the secretary containing the information required for the articles of incorporation, total authorized capital, total paid-in capital, total value of all money and other assets planned for use in the territory during the next year. Every foreign corporation granted a permit must have at least $10,000 of authorized capital stock and $5,000 of paid-in capital stock, as well as at least one known place of business in American Samoa.
Chapter 01

(RESERED)

Chapter 02

LICENSES AND LICENSE FEES

Sections:

I. Licenses Generally

27.0201 Purpose.
27.0202 Definitions.
27.0203 Administration.
27.0204 Duties of Treasurer.
27.0205 License applications.

II. Specific Businesses

Hotels.

III. Business License Fees

Established.

Proration of fee—Refunds.

License Fees.

Administration of fees.
(a) "Business" means and includes any activity or conduct (whether proprietary, partnership, corporate, or whatever form) engaged in, or caused to be engaged in, with the object of gain or economic benefit, either direct or indirect, but does not include casual sales or personal service contracts.

(b) "Commission" means the territorial planning commission of American Samoa.

(c) "Endorsement" means and includes written evidence obtained by an applicant from the examining department that the applicant has fulfilled the necessary qualifications and requirements prior to the obtaining of the license. It also, when the context so requires, means and includes the evidence of endorsement appearing on the face of the license.

(d) "Engaging in or carrying on a business" means a regular employment which occupies the time, labor, or attention of the person on a continuing basis although one act may be sufficient if circumstances show a purpose to continue, and it need not be the sole or full-time employment of the person, but may be on a part-time or periodic basis.

(e) "Examining agency" means that agency of the government or department of the government which is by law, rule, or regulation given the responsibility of examining and endorsing a class of applicants for required qualifications.

(f) "License" means and includes the permission granted by the Territory of American Samoa under authority of this chapter conferring upon the licensee the right to engage in a business or practice a trade or profession which without the authorization and permission would be illegal; it also, when the context so requires, means and includes the written evidence of that permission.

(g) "License fee" means the charge or assessment levied by the law for the privilege or authority to do that which, without payment for and obtaining the privilege or authority, would be illegal under the provisions of this chapter.

(h) "Person" means and includes any individual, over 21 years of age, firm, copartnership joint venture, association, corporation, estate, trust, or other combination or group acting as a unit.

(i) "Renewal" means the continuation for the next succeeding year of the privilege to conduct the licensed business except that no license shall be renewed unless the application is made therefor within 3 months of the expiration of the last license issued.

(j) "Treasurer" means the Treasurer of American Samoa or his designated representative.


Amendment: 1978 Paragraph (b): substituted "territorial planning" for "economic development".

Case Notes:
Absent a requirement that all persons engaging in business have a license, only those businesses which without a license would otherwise be illegal, either malum in se or malum proibitum, need a license. Government v. South Pacific Island Airways, ASR (1976).

27.0203 Administration.

Administration of this chapter may be delegated by the Governor to persons or departments as necessary for effective and efficient enforcement of this chapter.

History: 1975, PL 14-4 § 2.

27.0204 Duties of Treasurer.

It is the duty of the Treasurer to perform the following functions as well as the other functions assigned by the Governor:

(1) to insure compliance with all required prerequisites, including payment of the fee by any applicant for a license, and to issue the proper license to the applicant;

(2) to keep a complete set of records of all licenses issued;

(3) to keep and maintain a sufficient supply of application forms and any rules and regulations of the commission or Governor's office
relating to the issuance of business licenses.


Amendment: 1978 Paragraph (2) : deleted “economic development” prior to “commission”.

27.0205 License applications.

All license applications must be submitted on forms prescribed by the Governor or commission and must contain the following information:
(1) name of business;
(2) type of business to be conducted;
(3) type of business organization;
(4) names, ages, and residences of principals involved in the business;
(5) location of business;
(6) endorsement of a licensing or examining authority having jurisdiction over the trade, business, or occupation;
(7) proof of bank accounts or financial statements or both, for verification of capital investments upon request by the licensing authority;
(8) proof of issuance of stock certificates verifying ownership, if the applicant is a corporation; and
(9) any other information required by the Governor or commission.

History: 1975, PL 14-4 § 2; and 1982, PL 17-35 § 1.

Amendments: 1982 introductory paragraph and subsections (6) and (7) amended; subsections (8) and (9) added.

27.0206 Licensing procedure.

Upon receipt of a fully completed application, the Treasurer shall forward the application to the Governor for review and approval. The Governor may in his discretion forward the license application to the commission for review and recommendation. Upon final approval by the Governor, the license application will be forwarded to the Treasurer for final disposition. Upon receipt of a properly approved license application and payment of the appropriate license fee by the applicant, the Treasurer will issue the appropriate business license.

History: 1975, PL 14-4 § 2.

27.0207 Licensing for nonresidents.

(a) When an application for a business license is received by the Governor from a person who is not either an “American Samoan” or a “permanent resident” as designated in 41.0502, or in the case of a corporation when the majority stock is not owned by either of such persons, the application shall be referred to the commission.

(b) The commission shall hold a hearing on any application received under subsection (a) on due notice to the applicant in order to consider the application in the context of the following standards:
(1) traffic safety;
(2) adequate parking facilities;
(3) availability of water and sewage facilities;
(4) effect on land resources and economic opportunities for resident Samoans;
(5) effect on Samoan customs, culture and traditions;
(6) conformity to the general economic plan.

(c) After due consideration of any testimony and records introduced at the hearing, in the light of the standards set forth in subsection (b), the commission may deny the application or return it to the Governor with a favorable recommendation. The Governor shall then evaluate the application in the light of the recommendation and the other matters set forth in 27.0208 et seq.

History: 1975, PL 14-4 § 1; and 1978, PL 14-14 § 1; and 1978, PL 15-92 § 3.

Amendment: 1975 Subsection (c) : changed cite at end.
1978 Subsection (c): deleted “economic development” prior to “commission”

Case Notes:
As previously stated, in the matter of business license applications it appears that it would be proper to determine the immigration status of an applicant... The wisdom of the issuance of a business license is more properly the province of the Territorial Planning Commission. Thomas A. French v. Avita Faisieao, ASR (1980).
27.0208 Denial of a business license.

The Governor may disapprove the application of any business license if in his opinion the issuance of a license:

(1) would be contrary to the public policy, of encouraging the development of business enterprises by Samoans;

(2) would be contrary to the best interest of the public;

(3) would be incompatible with the economic and social development of the plans for the Territory, considering among other things: the nature of the proposed business, proposed location, adequacy of investment nature of the buildings and equipment and sanitary conditions.


27.0209 Term of license.

All licenses and applicable endorsements must be issued on a calendar year basis regardless of when issued, and expire on 31 December of the year issued or renewed.


27.0210 Apportionment of fee.

All original license fees shall be prorated in one-fourth of the annual fee charged for each quarter or portion of a quarter remaining in the term from the date of issuance.


27.0211 Renewal of license.

(a) A licensee may renew his license at the expiration thereof by payment of license fee and by filing with the renewal application an affidavit, subject to the penalties of perjury, that he has continued to comply with all of the prerequisites and qualifications provided by law and rules and regulations which were certified by the proper departments of the government in the application for his original license. The renewing licensee may not be required to obtain the approval of the government or any department or agency thereof regarding the application of the zoning law of the Territory of American Samoa to the licensee's business premises; provided, that the licensed business is located upon the identical premises upon which it was located on the date of the issuance of the previous license.

(b) A licensee who fails to renew his license on or before 31 December of each year shall be assessed a penalty of $2 per day for which he is delinquent, which penalty shall become part of the renewal fee. Any licensee who fails to renew his license on or before 30 January shall be required to discontinue his business until he renews the license or be subject to an injunction issued by the High Court of American Samoa and to prosecution under 27.0219. Failure to renew while continuing the operation of a business constitutes a refusal of and failure to obtain a license under the provisions of this chapter.


27.0212 License not transferable.

Every license issued under this chapter is personal and shall be issued to the person or persons making the application therefor, and may not in any circumstances be transferred to any other person except upon the forfeiture of a tenancy or upon a foreclosure of a mortgage where the original contract provides that the license is a security for the obligation, in which event the Governor shall be promptly notified of any forfeiture. Any license conditioned upon the fulfillment of any qualifications or prerequisites pertaining to the premises wherein the licensee conducts his business, trade, or profession may not be transferred to another location without written application to and written approval by the Governor.


27.0213 License required for separate location.

When one person operates or conducts businesses in 2 or more locations in American Samoa, the person is required to obtain a license for each location.
27.0214 Classification of business.
If any question of the classification of any business, conduct or activity arises pertaining to the type of class of license required under this chapter, the classification shall be made by the commission upon review of all the facts presented to it and the classification shall be final. History: 1975, PL 144 § 2.

27.0215 Combination of businesses.
Any person who operates any business which consists of a combination of 2 or more of the classes provided in this chapter shall be required to take out a separate license for each classification. History: 1975, PL 144 § 2.

27.0216 Exemptions.
The provision of this chapter and the license requirements under this chapter do not apply to the following activities:
(1) any business or trade engaged in or conducted by the government or the government of the United States or for the sole or direct benefit of or under the direct supervision of the government;
(2) the selling or marketing by an American Samoan agricultural producer of his own farm produce in its natural state. History: 1975, PL 144 § 2.

27.0217 Payment of all fees and debts prerequisite to issuance of license.
No license may be issued unless the applicant has paid all fees and debts, except taxes, he may owe the government. The fees or debts must be clearly related to the operation of the business. This limitation may not be used for the purpose of collecting fees or debts owed to the government for reasons other than operation of the business for which the license is to be issued. History: 1975, PL 144 § 2.

27.0218 Revocation of license.
Any license issued to a person which is based on information subsequently found by the Governor or commission to be false, is subject to revocation after a due notice and hearing in accordance with the Administrative Procedure Act, 4.1001 et seq. The revocation is in addition to any other penalties. History: 1975, PL 144 § 2.

27.0219 Violation—Penalty.
(a) No person may engage in business in American Samoa without a license issued under this chapter unless specifically exempted under 27.0216.
(b) Any person who is required by this chapter to obtain a license or licenses and endorsements applicable thereto and refuses or fails to obtain the license or licenses and endorsements shall be guilty of a class B misdemeanor and upon conviction shall be sentenced accordingly. History: 1975, PL 144 § 2; and 1976, PL 14-29 § 1; and 1980, PL 16-90 § 35.
Amendments: 1976 Subsection (a): added; provisions contained in section prior to amendment designated subsection (b).
1980 Amended to conform with penalties provided for in Title 46, Criminal Justice.

II. Specific Businesses

27.0230 Hotels.
The Governor may not approve an application for a business license to maintain and operate a hotel unless it substantially meets the standards of the hotel at Goat Island Point (currently owned by the American Samoan Development Corporation) regarding:
(1) sanitary conditions;
(2) room space for each guest;
(3) architectural beauty;
(4) public room space for guests, taking into consideration the number of guestrooms in the hotel;
(5) interior decorations, including decoration in guestrooms;
(6) equipment for the preservation of food;
(7) equipment for the preparation of food;
(8) area surrounding the hotel;
(9) window space for guestrooms and public rooms;
(10) electric lighting;
(11) building materials.


Amendment: 1976 Opening paragraph formerly provided that standards of the Pago Pago Americana Hotel be substantially met.

III. Business License Fees

27.0240 Established.

The following annual business license fees are established:
(1) alcoholic beverage establishments:
   (A) beer tavern.................. $  50
   (B) alcoholic beverage license...... 75
   (2) retail store, per business location......................... 25
   (3) wholesale store, per business location...................... 25
   (4) billiard and pool hall, per table.............................. 25
   (5) public dance hall.......................... 50
   (6) movie theater, per theater........ 50
   (7) auctioneer, per auction sale .... 6.50
   (8) beer importer............................ 25
   (9) beer vendor............................. 25
   (10) alcoholic beverage importer ... 1,000
   (11) alcoholic beverage vendor ......... 1,000
   (12) garage and/or repair shop ...... 25
   (13) service station.......................... 25
   (14) all other business,
       profession, agencies or activities............... 25.


27.0241 Proration of fee—Refunds.

When a business is first started, the fee must be prorated according to the length of time during which the business will have been in operation at the end of the calendar year, but not for a shorter period than 3 months. A discontinued business is not eligible for a refund.

History: 1963, PL 8-4; amd 1981, PL 17-24 § 3.

27.0242 License fees.

The following license fees are established:
(1) fund raising, per occasion, local. $5;
(2) visiting of foreign entertainment groups, performing in public or in private. $100.


27.0243 Administration of fees.

The administration and enforcement of 20.0232, 22.0208, 22.1002, 24.0701, 27.0240 and 27.0242 shall be the responsibility of the Treasurer of American Samoa. The Treasurer may delegate his responsibility under this section.

History: 1967, PL 10-5.

Chapter 03

TRADEMARKS AND TRADE NAMES

Sections:
27.0301 Certificate to be obtained.
27.0302 Application for certificate—Fee.
27.0303 Record—Issuance and effect of certificate.
27.0304 Revocation.
27.0305 Cancellation of certificate.
27.0306 Appeal.

(ASCA 3-48)
APPLICATION FOR BUSINESS LICENSE

Please Print or Type
and complete all Sections.
An incomplete Section will
delay your application

Date

For Calendar Year

Name of Applicant(s) Date of Birth

Mailing Address

Telephone(s) Home Business

Name of Business (d.b.a.)

Business Address

Type of Business

Qualifications of Applicant(s) to operate successfully

Business Location: Existing [ ] or New [ ] Structure

Justification for Business Location

Sole Ownership [ ] Partnership [ ] Corporation [ ]

NOTE: CORPORATIONS must complete the recordation of their Articles of
Incorporation which is evidenced by the Certificate of Incorporation
issued by the Treasurer of the American Samoa Government.
Copies of PARTNERSHIP AGREEMENTS and ARTICLES OF INCORPORATION should
be submitted to the Revenue Branch along with this application form
and relevant documents.
ALIENS cannot operate SOLE OWNERSHIP ENTERPRISES, and PARTNERSHIPS
with ALIENS are subject to review by the IMMIGRATION BOARD.

Names of Principals: Residence Birthplace

1.
2.
3.
4.

Initial Capital: Dollar Amount Contributed by

1. 2. 3. 4.

READ THE FOLLOWING PARAGRAPH CAREFULLY BEFORE SIGNING.
A false statement on this application may be grounds for denial of a
business license or for revocation of a license if already issued and
may be punished by fine or imprisonment (ASCA 46.4607)

I (we) certify that all of the statements made in this application are true,
complete and correct to the best of my (our) knowledge and belief.
(All principals listed above must sign below.)

Signature of Applicant(s) and/or Principals(s) Date

χ
Date ______________

Name of Business (d.b.a.) ____________________________________________

For Government Use Only

NOTE: Any ASG agencies reviewing this application should sign and indicate their approval, denial or non-applicability (N/A). Upon completion, the applicant should present all documents to the Revenue Branch for final review.

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Recommenda tion: ___________________________ Declined ______________________
Date ______________

Comment: TPC approval does not necessarily confer residency status or eligibility upon the applicant(s).

Immigration Board - for Eligibility and Residency Status

Approved: ___________________________ Declined ______________________
Date ______________

Governor's Office - for Approval

Approved: ___________________________ Declined ______________________
Date ______________