

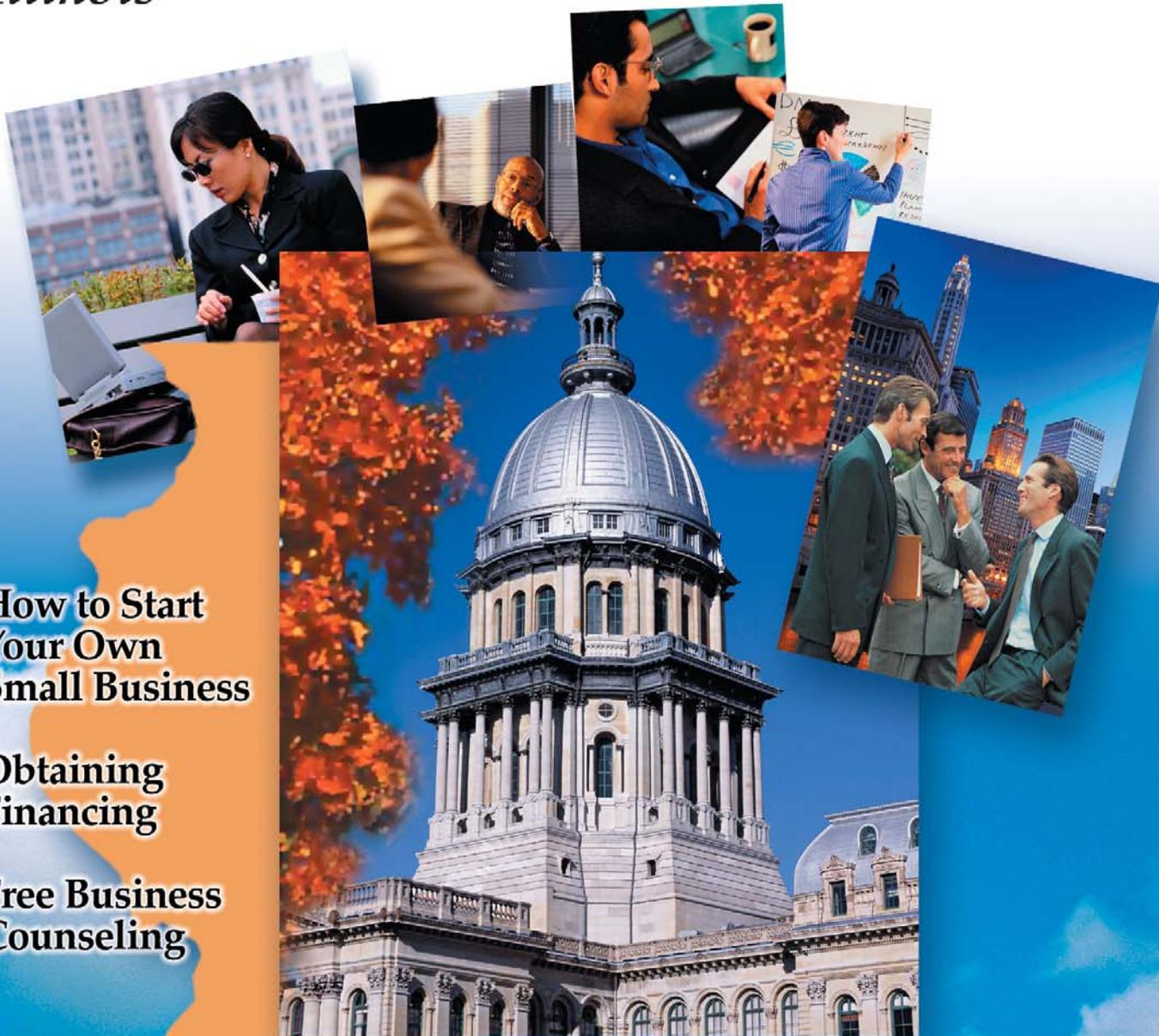
For Starting and Expanding Entrepreneurs



Small BUSINESS RESOURCE

Illinois

2007 - 2008 Edition



**How to Start
Your Own
Small Business**

**Obtaining
Financing**

**Free Business
Counseling**

U.S. Small Business Administration



Courtesy of the
U.S. Small Business Administration



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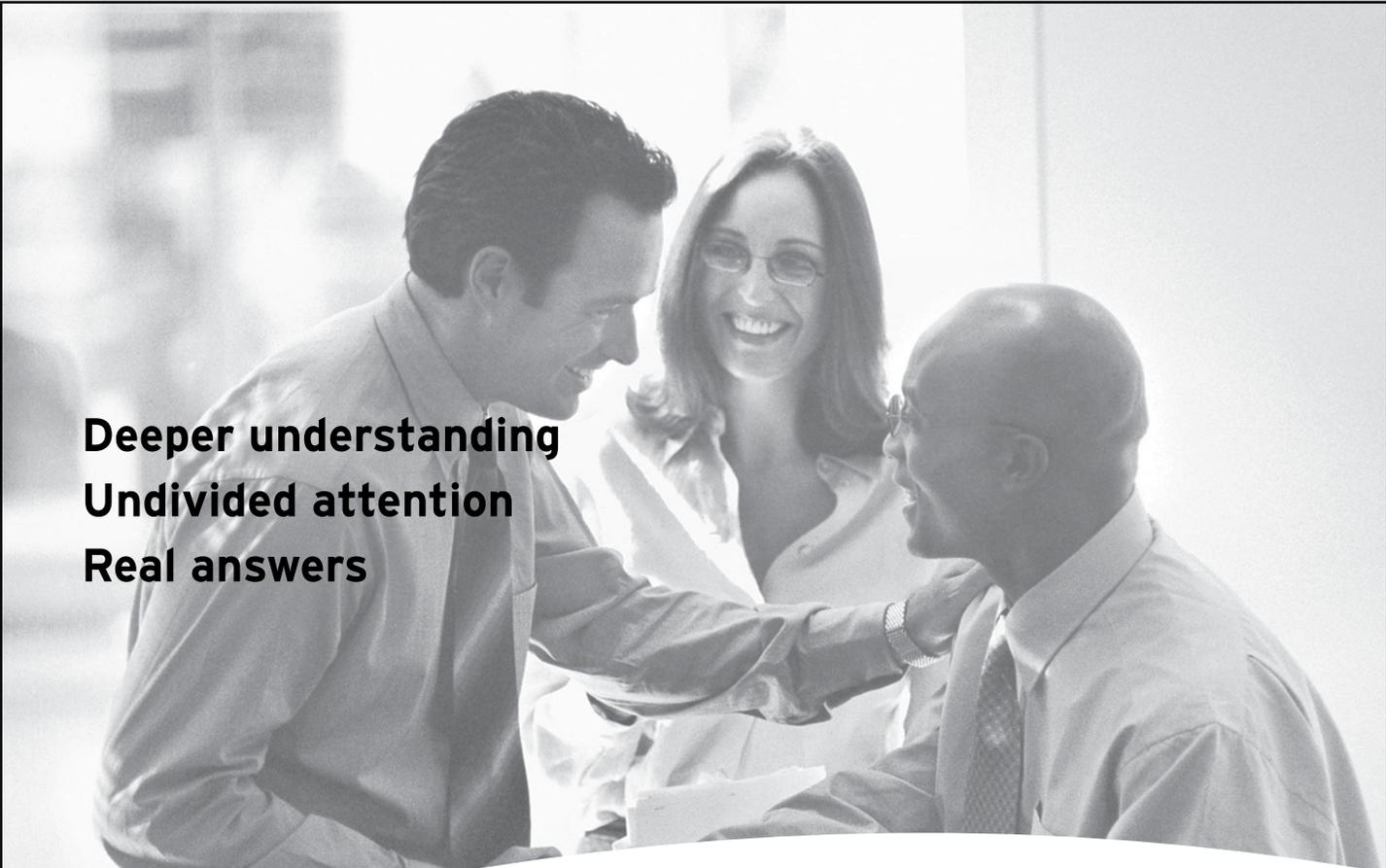
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Meet the New SBA Administrator



On entrepreneurs:

"Their creativity, hard work and productivity have combined to produce the most vibrant economy in the world, creating 60 to 80 percent of all the new jobs in America."

–Steven C. Preston,
SBA Administrator

Dear Entrepreneur:

For 54 years, the U.S. Small Business Administration (SBA) has been a key resource for small businesses across our nation. If you are looking to start or expand an existing small business, I urge you to take advantage of the many products and services SBA provides. If you are looking for financing, business counseling, federal procurement opportunities, or need help attaining the certifications necessary to compete in today's marketplace, then SBA's Small Business Resource Guide is for you.

Since being sworn-in as the 22nd SBA Administrator in July 2006, I have been working hard to make SBA function more like a business to serve you the best we can. SBA is an organization that requires sophisticated financial management and operational responsiveness, and has a customer service culture among the workforce. I have asked our employees to go the extra mile to engage in continuous improvement, and to share their ideas for improving all programs at every level.

It is easy to get excited about serving the small business community. Small businesses help drive our economy, transform communities, create jobs, and enable people to realize their dreams. At SBA, our goal is to help small businesses by giving them the tools they need to succeed. Whether you are starting or expanding a small business and need help developing a business plan, targeting clients, or establishing a budget or need additional training, technical or financial assistance, and more, SBA is here to help.

President Bush has said that "the role of government is not to create wealth. The role of the government is to create an environment in which the entrepreneur can flourish, in which minds can expand, in which technologies can reach new frontiers." Serious, hard-working and successful small business owners create wealth for themselves, their investors, and their employees. Their creativity, hard work and productivity have combined to produce the most vibrant economy in the world, creating 60 to 80 percent of all the new jobs in America.

Your SBA team has worked hard to ensure that information in this Resource Guide is useful to starting and growing your small business. I hope you will actively seek assistance and advice at one of our many offices nationwide, via the Internet at www.sba.gov or through our extensive network of partners.

Sincerely,

Steven C. Preston

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A SINGLE-EDGE UTILITY KNIFE BLADE.**

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A Message from the Region V Administrator



Regional V Administrator
Patrick E. Rea

Welcome to the 2007 edition of the Illinois Small Business Resource Guide. This Resource Guide is your one-stop shopping tool to information on starting and growing a successful business in the state of Illinois. The guide contains information on valuable resources such as SBA's Illinois District Office. This office is one of several SBA offices throughout the country designed to assist you with your day to day business needs including financing, marketing and technical assistance.

Region V—which includes Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin—continues its rich history of financing small business dreams for Midwest entrepreneurs at a record pace. In fiscal year 2005, the SBA's Region V Office provided over 3 billion dollars in financing assistance to small businesses.

This Region will continue to serve as the premier economic development team empowering entrepreneurs throughout Illinois and the industrial Heartland of over 50 million people.

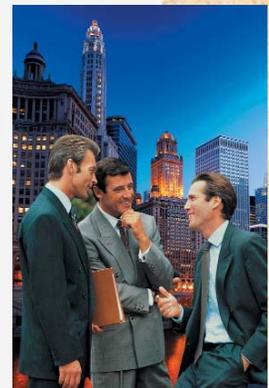
If you have specific questions or need additional information about the programs described in this guide, I encourage you to contact the Illinois District Office. A qualified staff is there to help you. You may also find the Illinois District Office web page www.sba.gov/il a helpful tool.

Owning a business is an exciting and challenging experience, don't face it alone. Let SBA's experienced team of partners guide you as you build a successful future for you and your business.

Sincerely,

Patrick E. Rea

Patrick E. Rea
Region V Administrator



The Success of Your Small Business is Our Goal



"Together with partners such as the Illinois DCEO and Score, the U.S. Small Business Administration brings together all the information necessary to steer you on the road to business success."

– *Judith A. Roussel,*
SBA District Director

We are pleased to present a new edition of the Illinois Small Business Resource Guide. We are fortunate in Illinois to have a wealth of resources available to help you start and grow your business. Together with partners such as the Illinois Department of Commerce and Economic Opportunity (DCEO), The City of Chicago and SCORE, the U.S. Small Business Administration (SBA) brings together the information necessary to steer you on the road to business success.

The Guide is redesigned in a more user-friendly format to make it easier to find the resources you need. These pages also lead you to web sites and phone contacts for additional information.

In today's competitive marketplace, small businesses need something more than a strong economy to assure success. Starting and building a profitable business operation demands vision, drive and skill. Although many aspects of the business environment have changed dramatically over the past decade, the basic needs of small companies, such as organizational and operational training, access to capital and government contracts have remained constant.

That's where SBA and its partners can make a big difference for you and I encourage you to utilize the federal, state and private resources detailed on the following pages.

Did you know that household business names such as Apple, Intel, Ben & Jerry's, Nike, Federal Express, Staples, Winnebago and Callaway Golf received assistance from the SBA? We'd like to help your business join that impressive list of companies.

This Guide is intended to help you find the answers you need to meet the challenges and take advantage of the opportunities awaiting you. We are determined to improve the scope and delivery of our services and we encourage you to join us in achieving this goal.

Serving Small Business Means Helping You!

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www.sba.gov/il

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SBA Answer Desk

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Call with your questions or if you need
extra copies of this Guide

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A Message from the DCEO Director



Illinois DCEO Director
Jack Lavin

Programs to Cultivate Small Businesses in Illinois

The Illinois Department of Commerce and Economic Opportunity and Small Business Development Center, in partnership with the U.S. Small Business Administration, is proud to support the 2007 Small Business Resource Guide.

Illinois' small businesses are the backbone of the statewide economy and will only continue generating more job growth and prosperity for more Illinois citizens. The Small Business Resource Guide

is an important tool to inform individuals of the resources and services available to them through the collaborative efforts of the Illinois Department of Commerce and Economic Opportunity.

Through our Illinois Entrepreneurship Network (IEN), we are charged with providing a comprehensive set of business assistance services, including training, counseling, advocacy and access to critical resources, such as capital, markets, networks and technology. These services are working to help Illinois' small businesses and entrepreneurs enhance their competitiveness and ability to succeed in a rapidly changing global economy.

Through these efforts, we are committed to increasing the availability and access to opportunities to help Illinois small businesses and entrepreneurs grow and thrive.

I am pleased to help provide this valuable resource guide as a tool to help cultivate growth for small businesses, and we look forward to continue advancing entrepreneurship and innovation to bring about even more well-paying, Illinois jobs.

Sincerely,

Jack Lavin
Director

Illinois Department of Commerce & Economic Opportunity (DCEO)

Illinois Entrepreneurship Network
Small Business Development Center
100 W. Randolph St., Suite 3-400
Chicago, IL 60601

or
620 E. Adams St., 4th Floor
Springfield, IL 62701
Small Business Hotline: 800-252-2923
TTY: 800-785-6055
www.Illinoisbiz.biz



Important information and resources for establishing, marketing and managing small businesses...and knowing the rules.

Every day the U.S. Small Business Administration and its nationwide network of partners help countless potential and current small business owners start, grow and succeed.

Whether your target market is global or just your neighborhood, the U.S. Small Business Administration and its partners can help at every stage of turning your entrepreneurial dream into a thriving new business.

If you're just starting, the SBA and its resources can help you with loans and business management skills. If you're already in business, you can use the SBA's resources to help manage and expand your business, obtain government contracts, recover from disaster, and have your voice heard in the federal government.

You can access our help online 24 hours a day at www.sba.gov or visit one of our local offices for assistance. SBA resources can help organize your thoughts on what type of business you want to open.

Using This Resource

Our resources include the SBA's district offices serving every state and territory, nearly 400 offices of SCORE – Counselors to America's Small Businesses – and more than 1,000 Small Business Development Centers primarily located on college campuses. More information about SCORE and the SBDCs is detailed later in this publication, or you can click on www.score.org or www.sba.gov/sbdc.

These professionals can also help you with writing a formal business plan, filling out loan applications to finance your business, managing and expanding your business, finding opportunities to sell your goods or services to the government, recovering from disaster or acting as advocates for small businesses with Congress and regulatory agencies.

The SBA even has programs for helping special audiences, such as women and veterans become small business owners. Additionally, this Guide presents the many programs available to small businesses through a key partner—the Illinois Department of Commerce and Economic Opportunity (DCEO).

Most new business owners who succeed have planned for every phase of their success. Thomas Edison, the great American inventor, once said, "Genius is one percent inspiration and 99 percent perspiration." That same philosophy also applies to starting a business.

First you'll need to generate a little bit of perspiration deciding whether you're the right type of person to start your own business.

Is Entrepreneurship For You?

In business, there are no guarantees. There is simply no way to eliminate all the risks associated with starting a small business - but you can improve your chances of success with good planning, preparation, and insight. Start by evaluating your strengths and weaknesses as a potential owner and manager of a small business. Carefully consider each of the following questions:

- Are you a self-starter? It will be entirely up to you to develop projects, organize your time, and follow through on details.
- How well do you get along with different personalities? Business owners need to develop working relationships with a variety of people including customers, vendors, staff, bankers, and professionals such as lawyers, accountants, or consultants. Can you deal with a demanding client, an unreliable vendor, or a cranky receptionist if your business interests demand it?
- How good are you at making decisions? Small business owners are required to make decisions constantly - often quickly, independently, and under pressure.
- Do you have the physical and emotional stamina to run a business? Business ownership can be exciting, but it's also a lot of work. Can you face six or seven 12-hour workdays every week?
- How well do you plan and organize? Research indicates that poor planning is responsible for most business failures. Good organization of financials, inventory, schedules,

and production can help you avoid many pitfalls.

- Is your drive strong enough? Running a business can wear you down emotionally. Some business owners burn out quickly from having to carry all the responsibility for the success of their business on their own shoulders. Strong motivation will help you survive slowdowns and periods of burnout.
- How will the business affect your family? The first few years of business startup can be hard on family life. It's important for family members to know what to expect and for you to be able to trust that they will support you during this time. There also may be financial difficulties until the business becomes profitable, which could take months or years. You may have to adjust to a lower standard of living or put family assets at risk in the short-term.

Once you've answered those questions, you should consider what type of business you want to start.

Franchising

Franchisees have been active participants in the SBA's small business loan program for many years.

There are primarily two forms of franchising:

- 1) product/trade name franchising;
- 2) business format franchising.

In the simplest form of franchising, while you own the business, its operation is governed by the terms of the franchise agreement. For many, this is the chief benefit for franchising. You are able to capitalize on a business format, trade name, trademark and/or support system provided by the franchisor. But you operate as an independent contractor with the ability to make a profit or sustain a loss commensurate with your ownership.

There are more than 3,000 franchised businesses. The challenge is to decide on one that both interests you and is a good investment. Many franchising experts suggest that you comparison shop by looking at multiple franchise

opportunities before deciding on the one that's right for you.

Some of the things you should look at when evaluating a franchise: profitability, effective financial management and other controls, a good image, integrity and commitment, and a successful industry.

If you are concerned about the risk involved in a new, independent business venture, then franchising may be the best business option for you. Remember that hard work, dedication and sacrifice are key elements for success.

For more information visit the SBA Web site at:

www.sba.gov/smallbusinessplanner/start/ and click on "Buy a Franchise" from the menu on the right side; or visit the Franchise Registry at www.franchiseregistry.com/ or call your local SBA office.

Home-Based Business Considerations

Going to work used to mean traveling from home to a plant, store or office. Today many people do some or all their work at home.

Garages, basements and attics are being transformed into the corporate headquarters of the newest entrepreneurs - the home-based business person.

Prior to Launch

Before diving headfirst into a home-based business, you must know why you are doing it. To succeed, your business must be based on something greater than a desire to be your own boss. You must plan and make improvements and adjustments along the road.

There are no best or right reasons for starting a home-based business. But it is important to understand what the venture involves.

Working under the same roof where your family lives may not prove to be as easy as it seems. It's important to work in a professional environment. One suggestion is to set up a separate office in your home to create this professional environment.

Ask yourself:

- Can I switch from home responsibilities to business work?
- Do I have the self-discipline to maintain schedules?
- Can I deal with the isolation of working from home?
- Am I a self-starter?

Finding Your Niche

Choosing a home business must be approached carefully. Before you invest time, effort and money, ask yourself:

- Does my home have the space for a business?
- Can I identify and describe the business I want to establish?
- Can I identify my business product or service?
- Is there a demand for that product or service?
- Can I successfully run the business from home?

Legal Requirements

A home-based business is subject to many of the same laws and regulations affecting other businesses.

Some general areas include:

- Zoning regulations. If your business operates in violation of them, you could be fined or shut down.
- Product restrictions. Certain products cannot be produced in the home. Most states outlaw home production of fireworks, drugs, poisons, explosives, sanitary or medical products and toys. Some states also prohibit home-based businesses from making food, drink or clothing.

Be sure to consult an attorney and your state's department of labor to find out which laws and regulations will affect your business. Additionally, check on registration and accounting requirements needed to open your home-based business. You may need a work certificate or license from the state. Your business name may need to be registered with the state. For home-based businesses, a separate business telephone and bank account are normally required.

City of Chicago – Department of Business Affairs and Licensing

This department facilitates city services and works alongside businesses to provide a single point of contact. DBA's one-stop shop has business consultants who provide individual assistance with business licensing, starting and expanding a business, guiding businesses through the city process and connecting businesses with resources to help them succeed and grow.

DBA offers free business education workshops twice a week on topics related to starting or expanding a business, writing a business plan, obtaining financing, marketing, regulatory issues, and more. The monthly workshop schedule is posted online.

By visiting the DBA website businesses can access such resources as renewing a business license, connecting with resources and information, business licensing application information, up to date news, and information about upcoming events and new laws. Visit www.cityofchicago.org/businessaffairs.

Businesses are encouraged to make an appointment and meet with a business consultant for assistance by calling 312-74-GOBIZ.

Scott V. Bruner - Director

121 N. LaSalle St., Room 800 • Chicago, IL 60602
312-74-GOBIZ • www.cityofchicago.org/businessaffairs

Also, if you have employees you are responsible for withholding income and social-security taxes, and for complying with minimum wage and employee health and safety laws.

If you're convinced that working from home is for you, it's time to create your business plan. The SBA and its resource partners, such as SCORE and SBDCs can help make the process easier.

Women Business Owners

Women entrepreneurs are changing the face of America's economy. The SBA serves women entrepreneurs nationwide through its various programs and services, some of which are designed especially for women. There are women's business ownership representatives in every SBA district office to help women access all of SBA's programs and services, including loan guaranties, federal contracting opportunities, training, counseling and more. These local representatives can also provide information about other local resources available for women entrepreneurs.

Another valuable tool available for women business owners and entrepreneurs is the Women's Business Center Program, funded in part through a cooperative agreement with the SBA. Located across the country, approximately 100 WBCs provide training, technical assistance, counseling and mentoring specifically to women, especially those who are socially and economically disadvantaged. Mindful of the special needs of women entrepreneurs, the centers try to offer their services at the times and in the places most convenient to economically challenged women. In addition, some centers provide child care, and many provide their materials in Spanish and other languages, depending on the unique needs of the communities in which they are located. Many classes offered by the centers are either free or charge a small fee. And often there are scholarships to help those who need them.

If you can't get to a Women's Business Center, the full range of services is available through the SBA's Web site for women entrepreneurs, which

provides access to all of the SBA's online services, including its extensive library of information, training courses and electronic tools designed to help small businesses. This site also contains information about the services available in local communities.

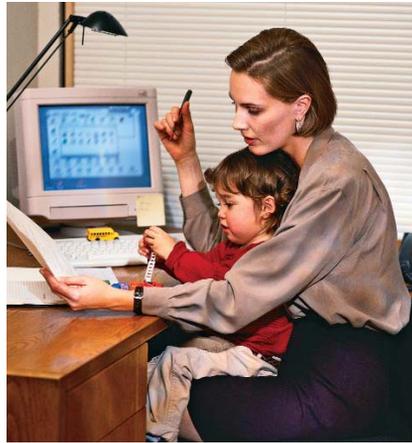
To find it, click on:

<http://www.sba.gov/services/> and choose "Women's business Centers" from the "Counseling & Assistance" heading at the bottom. This online center is available to help you succeed as an entrepreneur. Whether you want to be your own boss or find information on how to run your business better, you can find what you need.

You can contact the **Illinois Women's Business**

Ownership Representatives:

SBA Illinois District Office
Chicago Metropolitan Area
Carole J. Harris
312-353-4004
carole.harris@sba.gov



Women's Business Center-Chicago
Alejandra Fajardo
8 S. Michigan, Suite 400
Chicago, 60603
312-853-3477 ex. 38
www.wbdc.org

Women's Business Center-Rockford
Holly Hanson, Exec. Dir.
EDGE Business Center
605 Fulton Av.
Rockford, 61103
www.edge_ni.org
hhanson@eigerlab.org

Veterans Business Development

The SBA offers a variety of services to American veterans who have made or are seeking to make the transition from soldier to small business owner. Each of SBA's 69 district offices throughout the country has designated a Veterans Business Development Officer to help veterans prepare and plan for entrepreneurship. The Veterans Business Outreach Program provides entrepreneurial development services such as business training, counseling and mentoring to eligible veterans owning or considering starting a small business. Small Business Development Centers and SCORE also provide management assistance to veterans who are current and prospective small

You've been building
your business
since you
can remember.



Fifth Third Business Banking

You were born with an entrepreneurial spirit that can't be quenched. It's not enough just to have your own business, you want to take it to the top. Fifth Third Business Bankers share your passion for building successful businesses. We listen intently to your needs and understand your challenges so we can provide financial advice that empowers you to build the business of your dreams.

Call Mary Los, SBA Manager, at 1-847-354-7002.



www.53.com

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business owners. SCORE also provides resources and counseling services online at: www.score.org.

The SBA offers special assistance for activated Reserve and Guard members and the small businesses they work in or own. Any self-employed Reserve or Guard member with an existing SBA loan can request—from their SBA lender or SBA district office—loan payment deferrals, interest rate reductions and other relief after they receive their activation orders.

The SBA offers special low-interest-rate financing to small businesses with essential employees called to active duty. The Military Reservist Economic Injury Disaster Loan Program (MREIDL) provides loans to eligible small businesses to cover operating costs that cannot be met due to the loss of a key employee called to active duty in the reserves or National Guard. Small businesses may apply for MREIDLs of up to \$1.5 million if they have been financially impacted by the loss of an essential employee. The SBA has created a special Web page specifically for Reserve and Guard members at: www.sba.gov/reservists.

To ensure that veterans, service-disabled veterans and Reserve and National Guard Member entrepreneurs receive special consideration in all its entrepreneurial programs and resources, the SBA has established a fully staffed Office of Veterans Business Development. OVBD develops and distributes various informational materials for entrepreneurship, such as the Veterans Business Resource Guide, VETGazette, and Getting Veterans Back to Work, and various other materials. Veterans may access these resources and other assistance from OVBD. Visit the Web site at www.sba.gov/VETS/.

For more information on special government contracting programs for veterans and service-disabled veterans, please check section 3 of this guide.

Native American Business Development

The SBA also features programs for American Indians, Native Alaskans and Native Hawaiians seeking to create, develop and expand small businesses. These groups have full access to the necessary business development and expansion tools available through the agency's entrepreneurial development, lending and procurement programs. More information is at: www.sba.gov/naa.

Choosing Your Business Structure

You may operate your business under one of many organizational structures generally chosen for liability and tax reasons. The most common organizational structures are sole proprietorships, general and limited partnerships, C and S corporations and limited liability companies.

Each structure offers options appropriate for different personnel situations and which affect tax and liability issues. If you're uncertain where to start, contact the SBA first and you'll be referred to the proper source.

Sole Proprietorship

One person operating a business as an individual is a sole proprietorship. It's the most common form of business organization. Profits are taxed as income to the owner personally. This rate is usually lower than the corporate tax rates. The owner has complete control of the business, but faces unlimited liability for its debts. There is very little government regulation or reporting.

General Partnership

A partnership exists when two or more persons join together in the operation and management of a business. Partnerships are subject to relatively little regulation and are fairly easy to establish. A formal partnership is recommended to address potential conflicts such as, who will be responsible for performing each task; what, if any, consultation is needed between partners before major decisions, etc. Under a general partnership each partner is liable for all debts of the

business. Profits are taxed as income to the partners based on their ownership percentage.

Limited Partnership

Like a general partnership, this is established by an agreement between two or more individuals. However, there are two types of partners.

- A general partner has greater control in some aspects of the partnership. For example, only a general partner can decide to dissolve the partnership. General partners have no limits on the dividends they can receive from profit, so they incur unlimited liability.
- Limited partners can only receive a share of profits based on the prorated amount on their investment, and the liability is similarly limited in proportion to their investment.

C Corporation

A "C" corporation is a legal entity made up of persons who have received a charter legally recognizing the corporation as a separate entity having its own rights, privileges and liabilities, apart from those of the individuals forming the corporation. It's the most complex form of business organization and is comprised of shareholders, directors and officers. The corporation can own assets, borrow money and perform business functions without directly involving the owners. Corporations are subject to more government regulation and have the advantage of limited liability, but not total protection from lawsuits.

Small Business Advocate www.sba.gov/advo

Your Small Business Advocate brings the voice of small business to policy makers inside the federal government in Washington, D.C., and in the state capitals. Economic research, policy analysis, and small business outreach help identify issues of concern. Your Small Business Advocate also works to reduce the regulatory burdens that federal policies impose on small firms and to maximize the benefits small businesses receive from the government.

Subchapter S Corporation

This is a special section of the Internal Revenue Code and permits a corporation to be taxed as a partnership or sole proprietorship, with profits taxed at the individual, rather than the corporate rate. A business must meet certain requirements for Subchapter C status. Contact the IRS for information.

LLCs and LLPs

The limited liability company is a popular business form. It combines selected corporate and partnership characteristics while still maintaining status as a legal entity distinct from its owners. As a separate entity it can acquire assets, incur liabilities and conduct business. It limits liability for the owners. LLC owners risk only their investment, not personal assets. The limited liability partnership is similar to the LLC, but it is aimed at professional organizations.

Writing a Business Plan

After you've thought about your business, the next step is to develop a business plan. The business plan is a formal document explaining in some detail your plans to develop a financially successful business. It's vitally important for two reasons:

- Preparing a business plan forces you to think through every aspect of your business. If you need outside money, your business plan will be one of the first things the lender or investor wants to see.
- A business plan serves as an assessment tool for the owner.

A comprehensive business plan is not done on the spur of the moment. It can be a long process, and you need good advice. The SBA and its resource partners, including Illinois Small Business Development Centers, located on many college campuses, and SCORE – Counselors to America's Small Business – have the expertise to help you craft a winning business plan.

You can find the nearest SBDC at: www.sba.gov/sbdc/

The nearest SCORE chapter can be located at: www.score.org

You can also find business plan help on the SBA's Web site at:

<http://www.sba.gov/small-businessplanner/> then choose "Write a Business Plan" from the "Plan Your Business" menu along the bottom.

In general, here's what a good business plan contains:

Introduction

- Give a detailed description of the business and its goals.
- Discuss ownership of the business and its legal structure.
- List the skills and experience you bring to the business.
- Discuss the advantages you and your business have over competitors.

Marketing

- Discuss the products and services your company will offer.
- Identify customer demand for your products and services.
- Identify your market, its size and locations.

- Explain how your products and services will be advertised and marketed.
- Explain your pricing strategy.

Financial Management

- Explain your source and the amount of initial equity capital.
- Develop a monthly operating budget for the first year.
- Develop an expected return on investment and monthly cash flow for the first year.
- Provide projected income statements, balance sheets for a two-year period.
- Discuss your break-even point.
- Explain your personal balance sheet and method of compensation.
- Discuss who will maintain your accounting records and how they will be kept.





- Provide “what if” statements addressing alternative approaches to problems that may develop.

Operations

- Explain how the business will be managed day-to-day.
- Discuss hiring, personnel procedures.
- Discuss insurance, lease or rent agreements, and issues pertinent to your business.
- Account for the equipment necessary to produce your goods or services.
- Account for production and delivery of products and services.



Concluding Statement

Summarize your business goals and objectives and express your commitment to the success of your business. Once you have completed your business plan, review it with a friend or business associate or SCORE counselor or Illinois Small Business Development Center representative.

When you feel comfortable with the content and structure, review and discuss it with your lender. Remember, the business plan is a flexible document that should change as your business grows.

Business.gov

There’s a one-stop information site on the Internet designed to give small businesses easy access to the best information to deal with legal questions. Called Business.gov, the free legal resource and regulatory information site is part of an “e-government” strategy.

Business.gov is managed by the SBA in partnership with federal agencies providing business-oriented programs and services. You can find links to accurate information on how to comply with federal rules and regulations; all the government forms you’ll need; and tax information from federal and state tax resources, including forms and assistance. Have questions about workplace issues? Business.gov has answers about employee wellness, workplace safety and benefits. Need help finding the right government form? Business.gov has thousands of forms issued by more than 40 federal agencies.

You’re just a computer click away from help 24-hours a day at: **www.business.gov**



SCORE

Counselors to America's Small Business

SCORE is a 10,500-member volunteer association which operates under a cooperative agreement with the U.S. Small Business Administration. SCORE matches volunteer business-management counselors with clients in need of expert advice. SCORE has experts in virtually every area of business management and maintains a national skills roster to help identify the best counselor for a particular client. Volunteer counselors, whose collective experience spans the full range of American enterprise, share their management and technical expertise with both present and prospective small business owners.

A nonprofit association, SCORE has dedicated more than 40 years to helping small businesses succeed.

Most SCORE volunteers are retired business owners or managers, though some members are still actively employed. Volunteers work in or near their home communities to provide management counseling and training to first-time entrepreneurs and current small business owners. They meet with clients at a SCORE chapter office, an SBA office or at the client's place of business.

Every effort is made to match a client's needs with a counselor who is experienced in a comparable line of business. All individual and team counseling is free; there may be a nominal fee for workshops and seminars.

Through in-depth counseling and training, SCORE volunteers help prospective and established small business owners and managers identify problems, determine the causes and find solutions.



Any small business can obtain help from SCORE. Whether you are considering starting your own business, have a business that is experiencing problems, are ready to expand, or need some other type of advice, SCORE can help. The approach is confidential and personal. You don't need to be applying for or have an SBA loan to participate in the program. In fact, an idea is all that is necessary; consultation and counseling before a business start-up is an important part of SCORE's service.

SCORE can also be found on the Internet at www.score.org. Its presence on the Internet makes it possible to reach more small business clients than ever with mentoring and counseling services.

Business owners are now turning to the technology of the Web to fulfill their needs for information and advice. SCORE is primed to meet their requests for help by offering e-mail counseling, maps to local SCORE chapters, hotlinks to other business resources on the Internet and more at the click of a mouse. E-mail counseling is provided by the Cyber-chapter, which now includes more than 1,200 online members. You can choose from almost 800 unique skills to find the cyber counselor who best suits your individual needs. Log on to SCORE's Internet site to take advantage of the many services SCORE has to offer your business.

SCORE Illinois District Contacts

Chicago District
Small Business
Administration
500 W. Madison St.
Suite 1250
Chicago, 60661
312-353-7724
www.chicagoscore.org

Peoria
Peoria Area Chamber
of Commerce
124 S.W. Adams
Peoria, 61602
309-676-0755

Fox Valley
1444 N. Farnsworth Av.
Suite 504
Aurora, 60505
630-375-6026
www.scorefoxvalley.org

Decatur
Milikin University
1184 W. Main St.
Decatur, 62552
217-424-6296

Carbondale
Carbondale So. IL
150 Pleasant Hill Rd.
Carbondale, 62903
618-453-6654
www.siscore.edu

Alton/Godfrey
Score-Alden Hall
5800 Godfrey Rd.
Godfrey, 62035
618-467-2280
www.2LC.edu/score/swis.htm

Quad Cities
SCORE-Quad Cities
622 19th St.
Moline, 61265
309-797-5435

Quincy/Tri-State
Quincy COC 300
Civic Center Plaza
Suite 245
Quincy, 62301
217-222-4169

Springfield
SCORE
3330 Ginger Creek Dr.
Suite B-S
Springfield, 62711
217-793-5020
www.scorespl.org

Rockford
Rockford-No.Illinois
Eigerlab
605 Fulton Av.
Rockford, 61103
815-062-0122

Bloomington
Bloomington
Farm Bureau
of McClean County
402 North Hershey Rd.
Bloomington, 61704
309-664-0549

Champaign
Champaign East
Cent. Illinois
Champaign COC
1817 S. Neil Street
Champaign, 61820
217-359-1791
www.ccchamber.org

Kankakee
Kankakee Valley SCORE
P.O. Box 122
Kankakee, 60901
www.scorekankakee.com



Small Business **DEVELOPMENT CENTERS**

Illinois Small Business Development Centers, in coordination with federal, state, local and private-sector resources, including funding through a cooperative agreement with the SBA, meet the needs of small businesses and promote economic development in local communities by helping create and retain jobs.

They provide services such as development of business plans, manufacturing assistance, financial packaging assistance, contracting assistance and international trade assistance. Special emphasis areas include e-commerce, technology transfer, IRS, EPA and OSHA regulatory compliance, research and development, Defense Economic Transition Assistance, disaster recovery assistance and market research. Based on client needs, SBDCs tailor their services to meet the evolving needs of the local small business community.

SBDCs deliver management and technical assistance to small businesses using an effective business education

network of 63 lead centers and more than 1,000 service-center locations contracted to manage a broad-based SBDC program. SBDCs are located throughout the U.S., District of Columbia, Guam, Puerto Rico, American Samoa and the U.S. Virgin Islands.

Their services are available to all small businesses or prospective small businesses.

There are specialized programs for minorities, women, veterans, people with disabilities, 8(a) businesses in all stages and persons in low- and moderate-income urban and rural areas.

As the SBA's largest non-finance program, SBDCs meet the counseling and training needs of nearly 1 million start-ups or existing business clients annually.

For more information, visit the Web site at: www.sba.gov/SBDC

SHOREBANK®



Businesses help strengthen communities by creating jobs, building a stable tax base, and creating economic activity.



ShoreBank brings small and large businesses customized deposits and cash management services, as well as the financing they need to grow.

For more information,
call 773-288-1000 or
visit www.sbk.com



SHOREBANK
Let's change the world.®



Illinois Small Business Development Centers

They are another example of how the SBA and the Illinois Department of Commerce and Economic Opportunity work together. Remember that these Illinois SBDCs provide counseling and training to individuals who are interested in starting or expanding a small business. Counseling services available through the Illinois SBDCs are free of charge and include: Business management assistance, market information, financial analysis, business plan development and marketing. Additional technical training programs and seminars are also available at a minimal cost to participants. To request counseling assistance, please contact any of the Centers listed below. You may also find your nearest SBDC by visiting www.ilsbdc.biz

Chicago area and Northern Illinois

Illinois SBDC at Asian American Alliance

2169B S. China Place
Chicago, IL 60616
SBDC: Director
312/225-9320 • Fax: 312/225-9340
e-mail: sbdc@asianamericanalliance.com
web: www.asianamericanalliance.com/aasbdc

Illinois SBDC at Chicago State University/ Greater Southside

9501 South King Drive, BHS 601
Chicago, IL 60628-1598
SBDC: Isabelle Conda
773/995-3938 • Fax: 773/821-2841
e-mail: i-conda@csu.edu
web: www.csu.edu/sbdc

Illinois SBDC at Chicagoland Entrepreneurial Center

Chicagoland Chamber of Commerce
AON Center
200 E. Randolph St., Suite 2200
Chicago, IL 60601-6436
SBDC: Jason Jacobsohn
312/494-6712 • Fax: 312/494-0196
e-mail: jasonj@chicagolandec.org
www.chicagolandec.org/CEC/sub/sales_advisory_services.asp

Illinois SBDC at College of DuPage

425 Fawell Boulevard
Glen Ellyn, IL 60137-6599
SBDC: David Gay
630/942-2771
e-mail: gaydav@cod.edu

Illinois SBDC at College of Lake County

19351 West Washington Street, Room T-302
Grayslake, IL 60030-1198
SBDC: Alese Campbell
847/543-2033
e-mail: clcsbdc@clcillinois.edu
web: www.clcillinois.edu/depts/sbd.asp

Illinois SBDC at Elgin Community College

1700 Spartan Drive
Elgin, IL 60123-7193
SBDC: Kriss Knowles
847/214-7488 • Fax: 847/931-3911
e-mail: kknowles@elgin.edu
web: www.elgin.edu

Illinois SBDC at Evanston Technology Innovation Center

820 Davis Street, Suite 137
Evanston, IL 60201
SBDC: Victoria Gheorghe
847/866-1817 • Fax: 847/866-1808
e-mail: v.gheorghe@sbdc-evanston.org
web: www.sbdc-evanston.org

Illinois SBDC at Governors State University

College of Business, Room 3300
University Park, IL 60466-0975
SBDC: Hilary Burkinshaw
708/534-4929 • Fax: 708/534-1646
e-mail: h-burkinshaw@govst.edu
web: www.centerpointgsu.com

Illinois SBDC at Greater North Chicago Development Corporation

6600 W. Armitage
Chicago, IL 60707-3908
SBDC: Tom Laures
773/637-2768 • Fax: 708/637-2698
e-mail: gncdcsbdc@sbcglobal.net
web: www.gnpdc.org/sbdc.html

Illinois SBDC at Hull House Jane Addams Hull House – Parkway Community House

500 East 67th Street
Chicago, IL 60637-4097
SBDC: Curt Roeschley
773/955-8027 • Fax: 773/955-8028
e-mail: croeschley@hullhouse.org
web: www.hullhouse.org

Illinois SBDC at Hispanic Chamber of Commerce

1800 West Cermak Road
Chicago, IL 60608
SBDC: Marlene Vick
312/492-9960 ext. 11 • Fax: 312/229-1918
e-mail: sbdc@ihccbusiness.net
web: www.ihccbusiness.net

Illinois SBDC at Industrial Council of Nearwest Chicago

2010 West Fulton, Suite 280
Chicago, IL 60612
SBDC: Director
312/433-2373 • Fax: 312/421-1871
e-mail: sbdc@industrialcouncil.com
web: www.industrialcouncil.com/SBDC/services.html

Illinois SBDC at Joliet Jr. College

City Center Campus, Room 400
214 North Ottawa Street
Joliet, IL 60432-4077
SBDC: Bob Hansen
815/280-1400 • Fax: 815/280-1292
e-mail: bhansen@jjc.edu
web: www.jjc.edu

Illinois SBDC at Joseph Center

7600 West Roosevelt
Forest Park, IL 60130
SBDC: Edna Chapman
708/697-6200 • Fax: 708/488-2290
e-mail: echapman@livingwd.org

Illinois SBDC at Kankakee Community College

100 College Drive
Kankakee, IL 60901
SBDC: Ken Crite
815/802-8222 • Fax: 815/802-8101
e-mail: Kcrite@kcc.edu
web: www.kcc.edu

Illinois SBDC at Latin American Chamber of Commerce

3512 West Fullerton Avenue
Chicago, IL 60647-2418
SBDC: Director
773/252-5211 • Fax: 773/252-7065
e-mail:
web: www.latinamericanchamberofcommerce.com

Illinois SBDC at McHenry County College

4100 West Shamrock Lane
McHenry, IL 60050
SBDC: Director
815/455-6098 • Fax: 815/455-9319
e-mail: sbdc@mchenry.edu
web: www.ccedtraining.mchenry.edu

Illinois SBDC at Moraine Valley Community College

10900 South 88th Avenue
Palos Hills, IL 60465-0937
SBDC: Wesley Christensen
708/974-5412
e-mail: christensenw@morainevalley.edu
web: www.morainevalley.edu

Illinois SBDC at North Business & Industrial Council (NORBIC)

5353 West Armstrong Avenue
Chicago, IL 60646-6509
(main) 773/594-9292 • Fax: 773/594-9416
SBDC: Colette Buscemi ext. 227
e-mail: cbuscemi@illinoismanufacturing.org
web:
www.norbic.org/services/busDev/main.html

Illinois SBDC at University of Illinois at Chicago

College of Business Administration (MC 090)
601 South Morgan Street, Suite B4 UH
Chicago, IL 60607
SBDC: Freida Curry
312/413-8130 • Fax: 312/355-3604
e-mail: freidac@uic.edu
web: www.cba.uic.edu

Illinois SBDC at Waubonsee Community College

5 East Galena Boulevard
Aurora, IL 60506-4178
SBDC: Harriet Parker
630/906-4143 • Fax: 630/892-4668
e-mail: hparker@waubonsee.edu
web: www.waubonsee.edu

Illinois SBDC at Women's Business Development Center

8 South Michigan, Suite 400
Chicago, IL 60603-3302
SBDC: Mary Ann Angle
312/853-3477, ext. 14
e-mail: mangle@wbdc.org

Downstate SBDCs**Illinois SBDC at Black Hawk College**

4703 – 16th Street, Suite G
Moline, IL 61265-7066
SBDC: Donna Scalf
309/764-2213
e-mail: scalfd@bhc.edu

Illinois SBDC at Bradley University

141 Jobst Hall
1501 West Bradley Avenue
Peoria, IL 61625-0001
SBDC: Ken Klotz
309/677-2992
e-mail: sbdc@bradley.edu

Illinois SBDC at Danville Area Community College

28 West North Street
Danville, IL 61832-5729
SBDC: William Bucher
217/442-7232 • Fax: 217/442-1897
e-mail: sbdc@dacc.edu
web: www.dacc.edu/sbdc

Illinois SBDC at Highland Community College *

Student / Conference Center, Bldg. H
2998 West Pearl City Road, Room 205
Freeport, IL 61032
SBDC: Michele Miller
815/599-3654 • Fax: 815/232-1366
e-mail: michele.miller@highland.edu
web: www.highland.edu

*Satellite Center of Sauk Valley Community College

Illinois SBDC at Illinois Eastern Community College

702 High Street
Olney, IL 62450
SBDC: Barney Brumfiel
618/395-3011 • Fax: 618/395-1922
e-mail: brumfielb@iecc.edu
web: www.ieccsbdc.com

Illinois SBDC at Illinois State University

214 College of Business Bldg.
Mail Code 5580
Normal, IL 61761-5580
SBDC: Elizabeth Binning
309/438-3610 • Fax: 309/438-2114
e-mail: ejbinni@ilstu.edu

Illinois SBDC at Illinois Valley Community College

815 North Orlando Smith Avenue,
Building 11
Oglesby, IL 61348-9692
SBDC: Bev Malooley
815/224-0212 • Fax: 815/223-1780
e-mail: bev_malooley@ivcc.edu
web: www.ivcc.edu/sbdc

Illinois SBDC at Kaskaskia College

206 West Main
Salem, IL 62881
SBDC: Todd Tracy
618/548-9001 • Fax: 618/548-9007
e-mail: ttracy@kaskaskia.edu
web: www.kaskaskia.edu

Illinois SBDC at Lincoln Land Community College

c/o Greater Springfield Chamber of
Commerce
3 South Old State Capitol Plaza
Springfield, IL 62701
SBDC: Kevin Lust
217/789-1017 • Fax: 217/522-3512
e-mail: sbdc@llcc.edu
web: www.llcc.edu/sbdc

Illinois SBDC at Rend Lake College

327 Potomac Blvd., Suite A
Mt. Vernon, IL 62864
SBDC: Curt Mowrer
618/242-5813 • Fax: 618/242-8220
e-mail: mowrer@rlc.edu
web: www.rlc.edu

Illinois SBDC at Rock Valley College

EIGER Lab
605 Fulton, Room E109
Rockford, IL 61103
SBDC: Luis Saldarriaga
815/921-2081 • Fax: 815/921-2089
e-mail: L.Saldarriaga@rockvalleycollege.edu
web: www.rockvalleycollege.edu

Illinois SBDC at Sauk Valley Community College

173 Illinois Route #2
Dixon, IL 61021-9188
SBDC: Michelle Miller
815/288-5511, x-320 • Fax: 815/288-5958
e-mail: millerm@svcc.edu
web: www.svcc.edu

Illinois SBDC at Shawnee Community College

8364 Shawnee College Road
Ullin, IL 62992-2206
SBDC: Don Denny
618/634-3371 • Fax: 618/634-2347
e-mail: sccsbdc@shawneecc.edu
web: www.shawneecc.edu

Illinois SBDC at Southeastern Illinois College

2 East Locust Street, Suite 200
Harrisburg, IL 62946
SBDC: Lori Cox
618/252-5001 • Fax: 618/252-0210
e-mail: lori.cox@sic.edu
web: www.sic.edu

Illinois SBDC at Southern Illinois University – Carbondale

Dunn-Richmond Economic Development
Center
150 East Pleasant Hill Road
Carbondale, IL 62901-4300
SBDC: Robyn Laur Russell
618/536-2424 • Fax: 618/453-5040
e-mail: sbdc@siu.edu
web: www.southernillinois.biz

Illinois SBDC at Southern Illinois University – Edwardsville

Campus Box 1107, Alumni Hall 2126
Edwardsville, IL 62026
SBDC: Michelle Catalano
618/650-2929 • Fax: 618/650-2647
e-mail: mkostec@siue.edu
web: www.siu.edu

Illinois SBDC at SIU-E/East St. Louis

601 James R. Thompson Blvd.
Building D, Room 1017
East St. Louis, IL 62201
SBDC: Theresa Ebeler
618/482-8330 • Fax: 618/482-8341
e-mail: tebeler@siue.edu
web: www.siu.edu

Illinois SBDC at University of Illinois Extension

Building #11, Suite 1105
2525 East Federal Drive
Decatur, IL 62526-2184
SBDC: Al Luchetti
217/875-4004 • Fax: 217/875-4334
e-mail: aluchett@uiuc.edu
web: www.extension.uiuc.edu/sbdc

Illinois SBDC at University of Illinois Extension

1817 South Neil Street, Suite 201
Champaign, IL 61820
Business Specialist: Bill Wilkinson
217/378-8535 • Fax: 217/359-1809
e-mail: uie-sbdc@extension.uiuc.edu
web: www.extension.uiuc.edu/sbdc

Illinois SBDC at Western Illinois University

510 North Pearl Street, Suite 1400
Macomb, IL 61455
SBDC: Dan Voorhis
309/836-2640 • Fax: 309/837-4688
e-mail: SB-Center@wiu.edu
web: www.wiusbdc.org

Quick check list of IMPORTANT INTERNET SITES

These are not all of the sites in the Resource Guide, but they include many of the main ones you may need to visit for key information on small business development, financing and government contracting. Sites not on this quick reference list can be found at the beginnings or ends of the program descriptions throughout the Guide.

SBA

www.sba.gov

IEN Business Information Center

www.IENconnect.com
(for all Illinois small bus. Programs)
City of Chicago Dept. of Business Affairs
www.cityofchicago.org/businessaffairs

SCORE

www.SCORE.org

Illinois Small Business Development Centers

www.ilsbdc.biz

Women's Business Centers

www.sba.gov/services
(go to counseling assistance)

Veterans Business Development

www.sba.gov/reservists or
www.sba.gov/vets/

Native American Business Development

www.sba.gov/naa

Government forms

www.business.gov

Application for Employer Identification Number

www.irs.gov/smallbiz
(go to new businesses)

Social Security Administration

www.ssa.gov

Americans with Disabilities

www.ada.gov

Bar Coding

www.gslus.org/pl
(not a governmental agency)

Trademarks/Patents

www.uspto.gov

Export Working Capital Program

www.sba.gov/oit/finance

U.S. Export Assistance Center

www.sba.gov/oit/export

SBA Loans

www.sba.gov/services
(go to SBA loans on menu)

Download useful small business publications

www.sba.gov/tools
(go to Library & Resources menu)

Small Business Training Network

www.sba.gov/services
(go to On-Line Training)

Government contracts

www.sba.gov/gc

Business Matchmaking Initiative

www.businessmatchmaking.com

Sub-Net

(contracting opportunities)
www.sba.gov/subnet

Innovation Research Program

www.sba.gov/services
(go to contracting- SBIR or STTR)

8(a) Business Development Program

(for disadvantaged business owners)
www.sba.gov/8abd/

Management & Technical Assistance

www.sba.gov/8abd/indexgrantinfo.html
(for eligible businesses)

Military Service Disabled Veterans

www.sba.gov/vets/index.html

Disaster Assistance

www.sba.gov/services
(go to disaster assistance)

IEN Business Information Center

The IEN Business Information Center is the gateway to small business services providing access to the Illinois Entrepreneurship Network and services statewide. The IEN Business Information Center helps individuals and businesses obtain comprehensive regulatory and permit information and assistance. By making it easy for businesses to get the information they need, the IEN cuts through the red tape and helps businesses stay competitive.

The IEN BIC offers a detailed handbook, "Starting a Business in Illinois", that includes a feasibility checklist and business plan outline, as well as



regulations and issues facing new business ventures. The handbook is also available in Spanish. IEN identifies all applicable state regulations and services. Its extensive database of more than 500 entries profiles virtually every business license, permit

certificate and registration required by the State of Illinois. The BIC is the link to resources and connects small businesses to state services and assistance programs, from financing to free consulting and providing information on how to apply for these programs. Call Toll Free: (800) 252-2923 (statewide); TTY: (800) 785-6055.

Go to the next section on Financing for information on the various Illinois-based loan programs.

Entrepreneurship CENTERS

These Centers specialize in assisting companies with high growth potential. ECs accelerate entrepreneurial ventures by helping businesses connect with resources and funding, patents and products, money and markets. Our Centers also provide customized marketing strategies that drive product growth.

In addition to many specialized services, the ECs offer a financial award program to assist entrepreneurs and small businesses with obtaining professional services for comprehensive business plan assistance, evaluation of a proposed start-up or expansion, or other accelerated support purposes. Award funding is determined based on the potential for successful achievement of a significant business milestone for client firms. Maximum funding per award is up to \$5,000 of eligible project costs. Applicants are required to provide a cash match of 100 percent of the award amount. Contact any Center listed below:

Chicagoland Entrepreneurship Center

Chicagoland Chamber of Commerce
AON Center
200 E. Randolph St., Suite 2200
Chicago, IL 60601-6436
Director: Jason Felger
Phone: 312/494-6736
Fax: 312/494-0196
e-mail: jason@chicagolandec.org

Chicago West Side Entrepreneurship Center

University of Illinois at Chicago /
Chicago Community Ventures
700 North Sacramento Blvd., Ste. 130
Chicago, IL 60612
Director: Bryan Stubbs
Phone: 773/822-0323
Fax: 773/822-0310
e-mail: bstubbs@chiventures.org

Entrepreneurial Center & CenterPoint

Governor's State University
College of Business, Room 3300
University Park, IL 60466-0975
Director:
Phone: 708/534-4929
Fax: 708/534-1646

Galesburg Entrepreneurship Center

471 East Main Street
Galesburg, IL 61401
Director: Dick Johnson
Phone: 309/343-1195
e-mail: djohnson@galesburg.org

Greater Southside Entrepreneurship Center

Chicago State University
9501 South King Drive, BHS 602
Chicago, IL 60628
Director: Roosevelt Martin
Phone: 773/995-3507
Fax: 773/995-2269
e-mail: rmartin@csu.edu

Homeland Security Innovation & Entrepreneurship Center

Northwestern University
1801 Maple Avenue
Evanston, IL 60201
Director: Bret Johnson
Phone: 773/995-3507
e-mail: bretj@northwestern.edu

Illini Entrepreneurship Center

University of Illinois /
Champaign County Alliance
Enterprise Works @ Illinois
60 Hazelwood Drive, Suite 228
Champaign, IL 61820
Director: Jeanne Gustafson
Phone: 217/351-4354
e-mail: JeanneG@champaigncountyedc.org

Illinois Hispanic Entrepreneurship Center

Illinois Hispanic Chamber of Commerce
111 West Washington St., Suite 1660
Chicago, IL 60602-2703
Director: Robert Cornelio
Phone: 312/425-9500
Fax: 312/425-9510
e-mail: rcornelio@ihccbusiness.net

Millikin University Entrepreneurship Center

1184 West Main Street
Decatur, IL 62522-2039
Director: Connie Schmidt-Beck
Phone: 217/424-6267
e-mail: cbeck@millikin.edu

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North Central Entrepreneurship Center

Bradley University
141 Jobst Hall
1501 West Bradley Avenue
Peoria, IL 61625
Director: Roger Luman
Phone: 309/677-4321
e-mail: rll@bumail.bradley.edu

Northwest Region Entrepreneurship Center

1830 Second Avenue, Suite 200
Rock Island, IL 61201-8038
Director: Don Henry
Phone: 309/788-0943
Fax: 309/788-4964
e-mail: dhenry@nwrec.org

Quincy Entrepreneurship Center

300 Civic Center Plaza, Suite 256
Quincy, IL 62301-4170
Director: Charles Bell
Phone: 217/223-4313
e-mail: charlesb@gredf.org

Rock River Valley Entrepreneurship Center

EIGERlab
605 Fulton Avenue
Rockford, IL 61103
Director: Daniel J. Cataldi
Phone: 815/921-2054
e-mail: D.Cataldi@rvc.cc.il.us

Southern Illinois Entrepreneurship Center

Southern Illinois University-Carbondale
150 East Pleasant Hill Road
Carbondale, IL 62901-4300
Director: Emily Carter
Phone: 618/453-5755
Fax: 618/453-5040
e-mail: ecarter@siu.edu
web: www.siecenter.biz

Southwestern IL Entrepreneurship Center

Southern Illinois University-Edwardsville
3307 Founders Hall
Campus Box 1107
Edwardsville, IL 62026-1107
Director: Kristine Polo
Phone: 618/650-2929
Fax: 618/650-2647
e-mail: kpolo@siue.edu

University Entrepreneurship Center

Southern Illinois University
100 North Locust Street
Centralia, IL 62801
Director: Dr. Rick Bonsall
Phone: 618/532-1086
Fax: 618/532-2736
e-mail: rbonsall@siu.edu

University of Illinois at Springfield

Entrepreneurship Center
1 University Plaza, #4000
Springfield, IL 62703-5404
Director: Richard Judd
Phone: 217/206-6533
e-mail: rjudd1@uis.edu

Western Illinois Entrepreneurship Center

510 North Pearl Street, Suite 1800
Macomb, IL 61455
Phone: 309/836-2700
Fax: 309/836-2699

Special Services for Small Business in Illinois

Provided by the Illinois Dept. of Commerce & Economic Opportunity

Small Business Regulatory Flexibility Program

This program conducts impact analyses of proposed rules and regulations affecting the small business community and can suggest ways of making the rules more flexible or cost effective from the small business perspective. In some instances, small businesses may be exempted completely from compliance. The program publishes Regulatory Alert, summarizing rules proposed during the previous weeks that have the potential to affect small business. Published each Monday, this important summary is designed to inform and involve the public regarding changes taking place in Illinois licensing, registration and permitting.

Manufacturing Extension Partnership of Illinois

This provides access for information and technology expertise enabling manufacturers to modernize their operations and become more efficient. With manufacturing professionals operating out of regional offices throughout the state, services range from assessments of a firm's overall competitive position to projects employing advanced technologies and modern business practices that solve specific problems and enhance a firm's competitiveness. MEPI is jointly funded by DCEO, the Illinois Board of Higher Education, the U.S. Department of Commerce, the City of Chicago and by local institutions.



For information call: (312) 814-2366;
TTY: (800) 785-6055.

Illinois Business and Industry Data Center(BIDC)

This is a network of local regional affiliates, many from colleges and universities, regional planning commissions, public libraries and Small Business Development Centers that work to help entrepreneurs and small businesses easily access statistical data. For information call: (217) 782-1914;
TTY: (800) 785-6055.

Biotech Training Investment Program (BioTIP)

Illinois is creating the Biotechnology/Bioscience Training Investment program (BioTIP) to help train graduate students working part-time in biotech/biomedical positions. The program would provide grants to companies to help cover training costs for graduate students who find part-time employment as lab technicians/engineers in the biotech arena and provide essential training to students to enhance their practical skills. Like Illinois' existing Employer Training Investment Program (ETIP), BioTIP employers would be reimbursed for up to 50 percent of the costs for training graduate student employees.

Entrepreneurship in Residence (EIR) Program

Illinois is developing this program to attract and keep exceptional technology management talent in the state by funding a "Fulbright Scholars" approach in biotech/bioscience, homeland security and technology entrepreneurship through sponsorship of a fellowship program for management talent and serial entrepreneurs. This would encourage local and national caliber entrepreneurs to either stay in Illinois to find the next business or move to Illinois. One million dollars has been committed for this new program.

Innovation Challenge Grant Program

Illinois is developing this program for companies to significantly increase the number and value of SBIR/STTR grants awarded to Illinois firms by leveraging funds for grants awarded. In 2004, Illinois captured less than two percent of available Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) funding. This new grant program will enhance small business participation in acquiring SBIR/STTR grants and increase their attractiveness through the prospect of additional investment. One million dollars has been committed to this new program.

Disability Works

This is a comprehensive effort being forged jointly by the City of Chicago, the Illinois Department of Commerce and Economic Opportunity and the Chicagoland Chamber of Commerce that addresses the need for jobs and economic opportunities for people with disabilities. It is currently being piloted in greater Chicagoland, with the goal of eventually being implemented throughout the state. DisabilityWorks is increasing both the supply of and demand for employment of disabled people through seven strategies, and it implements the strategies through three constituencies: 1. people with disabilities; 2. employers; and 3. service providers.

DisabilityWorks is a 2006 recipient of the President's New Freedom Initiative Award, which is presented annually to recognize exemplary and innovative

efforts in furthering employment opportunities and bettering the workplace environment for people with disabilities.

Illinois workNet

A unique, online resource, it provides employment, education and supportive services information to Illinois residents, and helps the state's businesses to recruit workers, find training resources, and access other types of assistance to remain competitive. The portal is designed to cultivate a well-trained workforce by providing valuable resources for citizens and businesses alike, creating a solid foundation for a thriving 21st Century economy.

Illinois workNet was launched by the Illinois Workforce Investment Board and is sponsored by the Illinois Department of Commerce and



Economic Opportunity. It is made possible through partnerships with state and local agencies, local workforce areas and boards, businesses, educators, disability advocacy groups, faith and community-based organizations, and others.

Currently in a testing and expansion phase, having been implemented in 13 of the state's 26 local workforce areas, the portal will be rolled out statewide over the coming months. The workforce system as a whole will be re-branded as "Illinois workNet" to connect virtual resources with physical locations under one cohesive identity.

Illinois Technology Enterprise Centers (ITEC)

These serve technology-based entrepreneurs, innovators and small businesses by assisting them with critical business startup and marketing needs. The regional centers, supported by DCEO, help entrepreneurs locate pre-seed and early stage financing; help innovators in high growth and high technology sectors further their technical and or/managerial skills, and assist with new product development and marketing – thus nurturing new venture development in Illinois.

Small Business Incubators

Developed to provide businesses with sheltered environments during their early stages of growth, Incubators provide shared services, including clerical and technical assistance, and necessities such as office machines, communications equipment and conference rooms.

Any prospective or existing Illinois business owner may take advantage of the services available through the Illinois Small Business Development Center Network. Additional information about the Network and other assistance programs is available by calling the Illinois First Stop Business Information Center at 800-252-2923; TDD 800/785-6055

REGULATIONS

Knowing the Essential Rules

It may be inconceivable to you that your home-based consulting service or hand-knit sweater business would have to comply with any of the numerous local, state, and federal regulations, but in all likelihood it will. Avoid the temptation to ignore regulatory details. Doing so may avert some red tape in the short term, but could be an obstacle as your business grows. Taking the time to research the applicable regulations is as important as knowing your market.

Below is a basic review of the most common requirements that affect small businesses, but it is by no means exhaustive. Bear in mind that regulations vary by industry. If you're in the food service business, for example, you will have to deal with the health department. If you use chemical solvents, you will have environmental compliances to meet. Carefully investigate the regulations that affect your industry because it will save time and money. Being out of compliance could leave you unprotected legally, lead to expensive penalties and jeopardize your business.

Business Organization

There are many forms of legal structure you may choose for your business. The most common structures are Sole Proprietorships, General and Limited Partnerships, C and S Corporations and Limited Liability Companies. Each legal structure offers organizational options which are appropriate for different personal situations and which affect tax and liability issues. We suggest you research each legal structure thoroughly and consult a tax accountant and/or attorney prior to making your decision.

Business Licenses

There are many types of licenses, both state and local as well as professional. Depending on what you do and where you plan to operate, your business will be required to have various state and/or municipal licenses, certificates or permits.

Licenses are administered by a variety of departments. First, be sure to check with the license office in the city or town where you plan to do business.

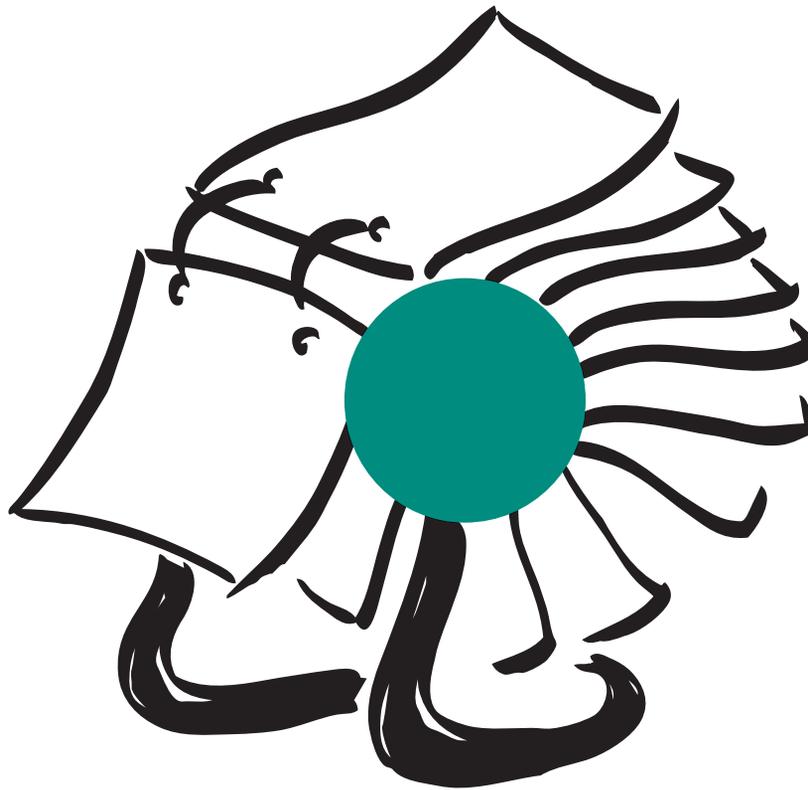
Unique Business Name

Registering your business name, after doing a search to make sure that it is not already in use, protects you from others who might be using the same name. For more information contact the County Recorder in the county in which your business is based.

Legal Assistance for Illinois Small Businesses

For a new or growing business needing legal assistance, the following resources are based in law schools or other non-profit organizations. Most provide free or low cost legal assistance at law school clinics, or through a network of attorneys who volunteer their time.

Each law school-based clinic has its own legal specialties as well as criteria for assisting small business owners because they seek to provide real world experience for their students. You can expect second and third year law students under supervision of trained attorneys and law school faculty to assist you. You can call the school



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nearest you to discuss whether your case meets the criteria, and also ask about fees, timing issues and other matters. You'll be asked to fill out an application. These centers usually have strict income requirements and they limit the kinds of activities they will conduct for small business clients. Start your research process on the clinics with the descriptions that follow under each:

Chicago Kent Law School of the Illinois Institute of Technology

Law Offices of Chicago Kent
Gary Laser, Director
565 West Adams
Chicago, IL 60661
(312) 906-5000
E-Mail: Lawoffices@kentlaw.edu
www.kentlaw.edu/academics/clinic/clients.html

Fee-for-service assistance to clients on a wide variety of practice areas, including information technology, entrepreneurship, general civil litigation and representing dot com start-ups.

Community Economic Development Law Project, Inc.

Small Business Program
Susan Kaplan, Director
100 North LaSalle, Suite 600
Chicago, IL 60602
(312) 939-3638
www.cedlp.org

Offers free, full scope transactional legal assistance for non-profit organizations and for low to moderate income small business owners. Since 1995 this small business program has provided legal support to people who are starting their businesses or "micro-enterprises as a strategy to escape poverty. Through the Community Economic Development Law

Law Library

www.sba.gov/library

Your SBA Law Library contains valuable legal and business information. It also includes small business research data and statistical information.

Project's Small Business Program, low income entrepreneurs have access to professional and technical assistance. Clients receive help in determining corporate structure, insurance issues, lease provisions and contract options.

DePaul University College of Law Clinical Programs

25 East Jackson
Chicago, IL 60604
(312) 362-8294
www.law.depaul.edu/institutes_centers
Provides a full array of legal services to clients on a wide variety of practice areas, including economic development and entrepreneurship.

Lawyers for the Creative Arts

William E. Rattner, Executive Director
213 West Institute Place, Suite 403
Chicago, IL 60610
E-mail: wrattner@law-arts.org
www.law-arts.org
Legal services for artists in all art related areas and on general legal issues where artists may need assistance, such as with copyright, trademark, and other intellectual property matters. Service extends to general business issues, contracts of all kinds, landlord-tenant matters, immigration, employment, taxes and other questions. Its lawyers also help clients with disputes over payments and other issues. Services are not provided for criminal, divorce, domestic relations, personal injury or emergency cases. Assistance is free to qualifying artists and arts organizations. An individual

must have a household gross income of under \$30,000 a year. Referrals to other attorneys interested in arts issues will be provided if a client does not meet income requirements.

Loyola University Chicago Business Law Center Clinic

Prof. Joseph L. Stone, Director
25 East Pearson, 12th Floor, Suite 1200
Chicago, IL 60611
(312) 915-7830

E-mail: loyolachicagolaw@luc.edu
www.luc.edu/law/academics/special/clinic/business.html

Students provide affordable legal assistance to small businesses on choice of corporate entity, corporate entity formulation, basic contract review and drafting, commercial leases, zoning requirements, business licenses and permits. Clients include entrepreneurs, small business owners and non-profit organizations. This center does not currently provide assistance with complex tax matters, sophisticated intellectual property or litigation matters.

Northwestern University School of Law Small Business Opportunity Center

Thomas Morsch, Esq., Director
Bloom Legal Clinic
357 East Chicago Avenue
Chicago, IL 60611
E-mail: Small-business@northwestern.edu
www.law.northwestern.edu/sboc/index.cfm
A non-profit, student-based clinical program, it provides affordable legal services to entrepreneurs and non-profit organizations focusing on job retention and economic development in the Chicago area. Students can assist on the following: incorporation, trademark registration, franchise agreements, business licenses, copyright protection, zoning requirements, commercial leases and not-for-profit corporations. General business advice may also be available from Northwestern's Kellogg Graduate School of Management.

The University of Chicago Law School Institute for Justice Clinic on Entrepreneurship

Elizabeth Milnekel, Director
6020 South University Avenue
Chicago, IL 60637-2704
(773) 834-3129

E-mail: clinic@ij.org
www.clinic.ij.org

This clinic is a free public interest transactional law firm, to help entry-level, low income business persons in and around Chicago to exercise their right to earn an honest living by providing the legal advice needed to get businesses started or to stay in business. On an exceptional basis, moderate income entrepreneurs may be assisted on a graduated payment scale. Types of services include: business formation, license and permit applications, contract and lease creation, landlord, supplier



and supplier negotiations, basic tax and regulatory compliance and other activities involving business transactions. The Institute does not litigate.

University of Illinois College of Law Transactions and Community Economic Development Clinic

Cynthia Geerdes, Director
504 East Pennsylvania Avenue
Champaign, IL 61820
(217) 244-9494
www.law.uiuc.edu/academics/clinics/TCED.asp

This clinic structures most of its work around the topics of economic justice and access to credit for the low income working poor. It focuses on fighting poverty and promoting economic justice for all segments of society. Students help small businesses and non-profit organizations get started, dispute credit fraud and identity theft, fight predatory lending and develop positive alternatives to high cost credit.

Business Insurance

Like home insurance, business insurance protects the contents of your business against fire, theft and other losses. Contact your insurance agent or broker. It is prudent for any business to purchase a number of basic types of insurance. Some types of coverage are required by law, other simply make good business sense. The types of insurance listed below are among the most commonly used and are merely a starting point for evaluating the needs of your business.

Liability Insurance — Businesses may incur various forms of liability in conducting their normal activities. One of the most common types is product liability, which may be incurred when a customer suffers harm from using the business product. There are many other types of liability, which are frequently related to specific industries. Liability law is constantly changing. An analysis of your liability insurance needs by a competent professional is vital in determining an adequate and appropriate level of protection for your business.

Property — There are many different types of property insurance and levels of coverage available. It is important to determine the property you need to insure for the continuation of your business and the level of insurance you need to replace or rebuild. You must

also understand the terms of the insurance, including any limitations or waivers of coverage.

Business Interruption — While property insurance may pay enough to replace damaged or destroyed equipment or buildings, how will you pay costs such as taxes, utilities and other continuing expenses during the period between when the damage occurs and when the property is replaced? Business Interruption (or “business income”) insurance can provide sufficient funds to pay your fixed expenses during a period of time when your business is not operational.

“Key Man” — If you (and/or any other individual) are so critical to the operation of your business that it cannot continue in the event of your illness or death, you should consider “key man” insurance. This type of policy is frequently required by banks or government loan programs. It also can be used to provide continuity in operations during a period of ownership transition caused by the death or incapacitation of an owner or other “key” employee.

Automobile — It is obvious that a vehicle owned by your business should be insured for both liability and replacement purposes. What is less obvious is that you may need special insurance (called “non-owned automobile coverage”) if you use your personal vehicle on company business. This policy covers the business’ liability for any damage which may result for such usage.

Officer and Director — Under some circumstances, officers and directors of a corporation may become personally liable for their actions on behalf of the company. This type of policy covers this liability.

Home Office — If you are establishing an office in your home, it is a good idea to contact your homeowners’ insurance company to update your policy to include coverage for office equipment. This coverage is not automatically included in a standard homeowner’s policy.

Employer Identification Number

Taxpayers can call a toll-free number, (800) 829-4933, to get an Employer Identification Number (EIN). IRS customer service representatives are available to answer calls Monday through Friday, from 7:30 a.m. to 5:30 p.m. customer’s local time.

Taxpayers can fax EIN requests seven days a week/24 hours a day by dialing the fax number to one of three IRS Campus’ that accept applications. The instructions on the newly revised Form SS-4, Application for Employer ID Number, indicate which IRS Campus is



assigned to their specific state. Detailed information and an electronic SS-4 can be found at the IRS Small Business/Self Employed Community Web site at: www.irs.gov/smallbiz (click on New Businesses). Faxed applications are processed in four days. The IRS Campus’ accepting faxed applications are:

- Holtsville, NY (631) 447-8960
- Cincinnati, OH (859) 669-5760
- Philadelphia, PA (215) 516-3990

IRS accepts third party Form SS-4’s. Tax practitioners complete the new “Third Party Designee” section on their

client's behalf by obtaining the client's signature on Form SS-4. IRS no longer requires that practitioners file a Form 2848, Power of Attorney or Form 8821, Tax Information Authorization to get an EIN for their clients.

Federal Self-Employment Tax

Everyone must pay Social Security and Medicare coverage. If you are self-employed, your contributions are made through the self-employment tax.

The IRS has publications, counselors and workshops available to help you sort it out. For more information contact the IRS at (800) 829-1040.



Business Tax Information

If you plan to hire employees you are also required to obtain a Federal Employee Identification Number from the Internal Revenue Service (IRS). To obtain the registration form and reference documents, contact the IRS at (800) 829-1040 or visit their website: www.irs.gov/smallbiz for complete information.

Sales Tax Exemption Certificate

If you plan to sell products, you will need a Sales Tax Exemption

Certificate. It allows you to purchase inventory, or materials, which will become part of the product you sell, from suppliers without paying taxes. It requires you to charge sales tax to your customers, which you are responsible for remitting to the state. You will have to pay penalties if it is found that you should have been taxing your products and now owe back taxes to the state. For information on Sales Tax issues, visit your state's Web page.

Federal Income Tax

Like the State Income Tax, the method of paying Federal Income Taxes depends upon your legal form of business. The following procedures must be considered:

Sole Proprietorship: You must file IRS Federal Form Schedule C along with your personal Federal Income Tax return (Form 1040) and any other applicable forms pertaining to your gains or losses in your business activity.

Partnership: You must file a Federal Partnership return (Form 1065). This is merely informational to show gross and net earnings of P&L. Also, each partner must report his share of partnership earnings on his individual Form 1040 based on the information from the K-1 filed with the Form 1065.

Corporation: You must file a Federal Corporation Income Tax (Form 1120) Return. You will also be required to file an individual return on your earnings from the corporation based on the W-2 received from your employer.

Federal Payroll Tax

Federal Withholding Tax: Any business that employs a person other than the owner must register with the IRS and acquire an Employer Identification Number (EIN) and pay Federal Withholding Tax at least quarterly. File Form SS-4 with IRS to obtain number and required tax forms. Call (800) 829-3676 or (800) 829-1040.

Federal Insurance Contribution Act (FICA): Any business owner who employs one person other than himself must pay the current rate 6.20 percent on employees' gross wages, up to

\$87,900 for Social Security Benefits and 1.45 percent for Medicare from each wage paid through 2004. The employee contributes from wages, through payroll withholding, 6.20 percent for Social Security Benefits and 1.45 percent for Medicare on all wages paid for 2005. (Consult forms 1040 ES or Publication 15, Circular E.) Call (800) 829-3676.

Both these withholdings (Federal Withholding Tax and FICA Tax) require the preparation of a W-2 Form for each employee. The W-2 Form is due once a year and must be prepared, mailed and received by the employee before January 31 of the following year.

Federal Unemployment Tax Act (FUTA): For 2005 the FUTA tax is .8 percent of wages paid during the year. The tax applies to the first \$7,000 you pay each employee as wages during the calendar year. The employer is responsible for paying FUTA tax. It must not be deducted from employee's wages. Form 940 must be prepared and paid by January 31 of the following year. Refer to Circular "E", Employer's Tax Guide, and Publication 15 from Internal Revenue Service. Call (800) 829-3676.

Social Security Cards

All employees must have a social security card. It must be signed by its owner, and you should always ask to see and personally record the social security number. Failure to do so may cause your employee to lose benefits and considerable trouble for yourself in back tracking to uncover the error.

Each pay day, your employees must receive a statement from you telling them what deductions were made and how many dollars were taken out for each legal purpose. This can be on the check as a detachable portion or in the form of an envelope with the items printed and spaces for dollar deductions to be filled in. No deductions may be made by any employer for any reason unless the employee has previously signed a paper authorizing the deduction. There are no exceptions.

Employee Considerations

Taxes, etc. - If you have any employees, including officers of a corporation but not the sole proprietor or partners, you must make periodic payments, and/or file quarterly reports about payroll taxes and other mandatory deductions. You may contact these government agencies for information, assistance and forms.

Social Security Administration

www.ssa.gov
(800) 772-1213

Federal Withholding

U.S. Internal Revenue Service
www.irs.gov
(800) 829-1040

Employee Insurance

If you hire employees you may be required to provide unemployment or workers' compensation insurance. For more information, contact the Illinois Insurance Hotline: 800-444-3338

USCIS

The Federal Immigration Reform and Control Act of 1986 requires all employers to verify the employment eligibility of new employees. The law obligates an employer to process Employment Eligibility Verification Form I-9. The U.S. Citizenship and Immigration Services Office of Business Liaison offer a selection of information bulletins and live assistance for this process through the Employer Hotline. In addition, USCIS forms and the Employer Handbook can be obtained by calling the Forms Hotline. For forms call (800) 870-3676, for the Employer Hotline call (800) 357-2099.

Workplace Program

Americans with Disabilities (ADA):
For assistance or clarification with the ADA, call (800) 669-3362 or visit them at: www.ada.gov

Safety & Health Regulations

All businesses with employees are required to comply with state and federal regulations regarding the protection of employees. The Occupational Safety & Health Administration (OSHA) outlines specific health and safety standards adopted by the U.S. Department of Labor. For information on regulations, OSHA at 312-353-2220.

On-Site Safety and Health Consultation Program

This service provides safety and health consultations at no cost to assist Illinois businesses in preventing costly occupational injuries and illnesses. Consultants help firms identify hazards and establish effective safety and health management programs, including information on corrective actions that may be utilized. The program will further guide companies toward compliance with OSHA regulations. For information, call: (800) 972-4216 or (312) 814-2337.

Looking for a small business loan?

Has your search for small business financing been unsuccessful?

ACCIÓN Chicago can help.

ACCIÓN Chicago makes loans to small business owners throughout the Chicagoland area who do not have access to traditional sources of credit. You may be eligible for a business loan between \$500 and \$25,000.

As a community development lender, ACCIÓN lends to all kinds of entrepreneurs: street vendors, beauty salon and restaurant owners, contractors, home-based daycare providers and more.

Since 1994, we have helped hundreds of self-employed men and women throughout Chicagoland.

Call Today to Apply! 312/275-3000
Visit us at www.accionchicago.org

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CHICAGO

1618 W. 18th Street, Suite 200 • Chicago, IL 60608 • 312/275-3000 • info@accionchicago.org





Use of hazardous substances in businesses is highly regulated and there are heavy fines for non-compliance.

Small Business Environmental Assistance Program

Working with the U.S. and Illinois Environmental Protection Agency (IEPA), staff in this program help small businesses understand and comply with state and federal air pollution regulations. Section 507 of the 1990 Clean Air Act Amendments requires each state to operate a small business assistance program. In Illinois, this program was intentionally co-located with Illinois SBDC in the non-regulatory, economic development agency to alleviate the fears small businesses have of contacting the enforcement agency.

The program serves as a free, confidential and non-regulatory resource to small business owners around the state. Staff create "plain language" publications, respond to questions on the toll-free helpline and develop industry-specific compliance assistance workshops. The program's web site includes permit applications, links to state and federal environmental resources and a directory of environmental consultants. Other services include on-site consultation and developing recordkeeping calendars to record monthly usage rates and emission summaries for dry cleaners, gasoline stations, and grain elevators, concrete batch plants, rock crushers, and quarries. The program also publishes a free quarterly newsletter called Clean Air Clips, which highlights the latest environmental regulatory issues affecting small businesses.

All services are free and confidential. For information call (800) 252-3998

Building Codes, Permits and Zoning

It is important to consider zoning regulations when choosing a site for your business. You may not be permitted to conduct business out of your home or engage in industrial activity in a retail district. Contact the business license office in the city or town in which the business is located.

Bar Coding

GS1 US™ (not a government agency) provides a unique company number that is used to create bar codes (including U.P.C.'s) for your products. Many stores require bar coding on the packaged products they sell. Many industrial and manufacturing companies also use bar coding to identify items they receive and ship. GS1 US, formerly the Uniform Code Council, Inc.® (UCC®), provides tools and assistance to help you meet these requirements. For information, visit www.gs1us.org/pc. For additional questions, contact:

GS1 US
7887 Washington Village Drive,
Suite 300
Dayton, OH 45459-8605
(937) 435-3870

Registration — Trademarks and Patents

Trademarks are names or symbols used in any commerce that is subject to regulation by state government or the U.S. Congress.

To register a trademark, contact:
Patent & Trademark Office:
P.O. Box 1450
Alexandria, VA 22313-1450
(800) 786-9199
www.uspto.gov

Trademark Information Hotline

(703) 308-9000

State Registration of a Trademark

Trademarks and service marks may be registered in a state for a term of 10 years. For filing fees or more information about applications for registration of trademark or service mark, contact: Secretary of State, Dept. of Business Services-Trademark Div., 3rd Floor, Howlett Bldg., Springfield, IL 62756. 217-524-0400
www.cyberdriveillinois.com

Caution: Federally registered trademarks may conflict with and supersede state registered business and product names. Businesses are encouraged to check for conflicts with federal trademarks.

Copyrights

Copyrights protect the thoughts and ideas of authors, composers and artists. A copyright prevents illegal copying of written matter, works of art or computer programs. In order to ensure copyright protection, the copyright owner should always include notices on all copies of the work. For general information contact:

U.S. Copyright Office
U.S. Library of Congress
James Madison Memorial Building
Washington, DC 20559
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Patents

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BUSINESS PREPARATION

Small Business Training Network

As a final resource in this first section of the Guide, we want to introduce the Small Business Training Network. Throughout its history, the SBA has complemented its financial assistance programs with resources aimed at helping small business owners gain skills required to start, manage and grow a small enterprise.

The nearly 60 publications listed in its Resource Directory for Small Business Management include titles related to business planning, financial management, management and planning, marketing, products/ideas/inventions, personnel management, crime prevention and emerging business.

These publications are now available for downloading on the SBA's web site at: www.sba.gov/tools. Select "Publications" from the "Library & Resources" menu along the bottom.

The SBA Small Business Training Network is a virtual campus complete with courses and programs to help the small business owner.

The SBTN reaches new markets and trains small business clients in a changing global environment. The on-line classroom features easy-to-use, electronic business courses available 24 hours-a-day. The network provides interactive, easily accessible courses on topics most in demand by small business clients.

The Small Business Training Network includes several key components:

- Online courses and resource areas
- SBA online courses
- Library & online research materials
- Access to business counselors

On this site, you can read articles, take courses, or begin researching areas of small business development that interest you. Or, through a SCORE Cyber-Chapter, you can access via e-mail business advice on an issue that you're struggling with today.

Now featured in the network are four new e-commerce resources, designed to help small businesses increasingly influenced by the Internet and other emerging technologies.

The Small Business Training Network can be accessed from SBA's Home Page at: <http://www.sba.gov/services/>. Then choose "Online Training" from the menus across the bottom.

Heart and soul, you've invested. Allow us to give you credit.

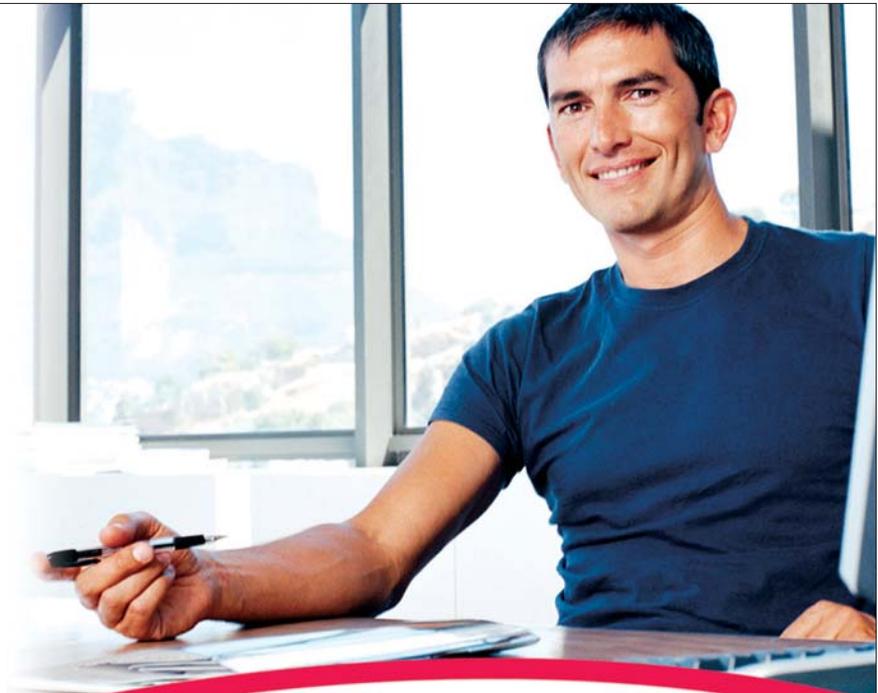
You run your own business. Key gives you credit...as in the respect *and* the financial help you need to move your business to the next level. Your Key Business Relationship Manager is prepared to listen, learn and lend you advice and support you need, including access to cash for:

Working capital
New equipment
Real estate transactions
Equipment lease financing
And more

To get started on creating the ideal financing solution for your business, contact Carol Murray, SBA Relationship Manager, at 708-226-5614.



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Multiple \$ Options for **START-UP or GROWTH**

Many entrepreneurs lack the financial resources to start or expand a small business themselves, so they need to combine what they have with other sources of financing. These sources can include family and friends, venture-capital financing, and business loans.

This SBA Resource Guide will discuss the business loan programs of SBA and the equity financing program. They are: the 7(a) Loan Program, the Certified Development Company or 504 Loan Program, the MicroLoan Program and the Small Business Investment Program. The distinguishing features for these programs are the total dollar amount that can be borrowed, the type of lenders who can provide these loans, the uses for the loan proceeds, and the terms placed on the borrower.

The SBA does not offer grants to start or grow a business. The only grants SBA gives are for businesses providing technical assistance to other businesses.

If you are seeking a business loan, you should familiarize yourself with these programs to see if they may be a viable option. The three principal players in each of these programs are the small business itself, the lender and the SBA. The business should have its business plan prepared before it applies for a loan. This plan should explain what is needed to accomplish the desired business purpose, including the cost of everything, the applicants' contribution, use of loan proceeds, collateral, and most important, an explanation of how the business will be able to repay the loan in a timely manner.

The lender will analyze the application to see if it meets the lender's criteria as well as SBA requirements. SBA will look to the lender to do much of the analysis before it provides its guaranty to the lender's loan or provides the micro lenders with funds to re-lend to the business. The SBA's business loan programs provide a key source of financing for viable small businesses

that have real potential, but cannot qualify for loans from traditional sources.

7(a) Loan Program

This is the SBA's primary business loan program. It is the largest of the agency's non-disaster financial assistance programs because of its loan size, variety of loan proceeds uses, and availability. This program has broad eligibility requirements and credit criteria to accommodate a wide range of financing needs.

The SBA guaranty reduces the lender's risk of borrower non-payment. If the borrower defaults, the lender can request SBA to pay the lender that percentage of the outstanding balance guaranteed by SBA. This allows the lender to recover a portion of what it lent from SBA if the borrower can't make the payments. The borrower is still obligated for the full amount. The reduced risk permits lenders to give small business owners access to the



Designed around the needs of real business owners, CenterPoint at Governors State University has grown to become the lead economic development service provider for the Chicago south suburban and metropolitan region.

CenterPoint clients benefit from:

- No cost, high quality consulting services
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Services are provided with the support of the Illinois Department of Commerce and Economic Opportunity (DCEO), the U.S. Small Business Administration (SBA), and Governors State University.



same kinds of reasonably priced, long-term financing available to large businesses by virtue of their size and economic clout.

To qualify for an SBA guaranty, a business must meet the lender's criteria and the 7(a) requirements. In addition, the lender must certify that it would not provide this loan under the proposed terms and conditions unless it can obtain an SBA guaranty. If the SBA is going to provide a lender with a guaranty, then the loan must be eligible, creditworthy and structured under conditions acceptable to SBA.

Percentage of Guaranties

The SBA only guarantees a portion of any particular loan so each loan will also have an un-guaranteed portion giving the lender a certain amount of exposure and risk. The percentage of guaranty depends on either the dollar amount or the method by which the lender obtains its guaranty. For 7(a) loans of \$150,000 or less, the SBA will guaranty as much as 85 percent and for loans over \$150,000 the SBA can provide a guaranty of 75 percent. The maximum loan amount is \$2 million and the maximum guaranty amount to any one business is \$1.5 million. The one exception is when a business needs both working capital and fixed assets to promote exporting in which case the SBA can guaranty two loans with a maximum level of participation at \$1.75 million.

Interest Rates and Fees

Both fixed and variable interest rates are available. Rates are set based on the lowest prime rate* and maturity. For loans with maturities of less than seven years the rate will be fixed or start at prime plus no more than 2.25 percent. For loans with maturities of seven years or more the rate can be as high as prime plus 2.75 percent. For loans under \$50,000 and for loans processed through SBAExpress, rates are permitted to be higher.

The SBA charges the lender a nominal fee to provide its guaranty, and the lender may pass this charge on to the borrower. The fee is based on the total amount of the loan and whether the loan is short-term (12 months or less)

or long term (over 12 months). The fee is computed based on the amount that SBA guarantees.

On any loan with a maturity of one year or less, the fee is just 0.25 percent of the guaranteed portion of the loan. On loans with maturities of more than one year, the guaranty fee is 2 percent of the SBA guaranteed portion on loans up to \$150,000; 3 percent on loans over \$150,000 but not over \$700,000; and 3.5 percent on loans over \$700,000. There is also an additional fee of 0.25 percent on any guaranteed portion over \$1 million.

** All references to the prime rate refer to the lowest prime rate as published in the Wall Street Journal on the day the application is received by the SBA.*

7(a) Loan Maturities

SBA loan programs are generally intended to encourage longer term small business financing, but actual loan maturities are based on the ability to repay, the purpose of the loan proceeds, and the useful life of the assets financed. However, maximum loan maturities have been established: 20-25 years for real estate; up to 10 years for equipment (depending on the useful life of the equipment); and generally up to 10 years for working capital. Short-term loans and revolving lines of credit are also available through the SBA to help small businesses meet their short-term and cyclical working capital needs.

Structure

Most loans are repaid with monthly payments of principal and interest. For fixed-rate loans the payments stay the same, whereas for variable rate loans the lender can re-establish the payment amount when the interest rates change or at other intervals as negotiated with the borrower. Applicants can request that the lender establish the loan with interest-only payments during the start-up and expansion phases (when applicable) to allow the business time to generate the income to start repaying the loan. There are no balloon payments, call provisions or processing fees allowed on any 7(a) loan. The SBA will charge the borrower a prepayment fee if the

loan has a maturity of 15 or more years and is pre-paid during the first three years.

Collateral

The SBA will not decline a request to guaranty a loan if the only unfavorable factor is insufficient collateral. However, SBA expects every loan to be fully secured. What these two policies mean is that every SBA loan is to be secured by the available assets (both business and personal) which have a recovery value equal to the loan amount or until all assets have been pledged to the extent that they are reasonably available, to adequately secure the loan. Personal guaranties are required from all the principal owners of the business. Liens on personal assets of the principals may be required.

Eligibility

7(a) loan eligibility is based on four different factors. The first is size, as all loan recipients must be classified as "small" by SBA. The basic size standards are outlined below. A more in-depth listing of standards can be found at: <http://www.sba.gov/services/contracting>, then select "Size Standards" from the "Contracting Opportunities" listing along the bottom.

SBA Size Standards:

- Manufacturing from 500 to 1,500 employees
- Wholesaling 100 employees
- Services from \$4.5 million to \$32.5 million in average annual receipts
- Retailing from \$6.5 million to \$26.5 million
- General construction from \$6.5 million to \$32 million
- Agriculture from \$750,000 to \$16.5 million in average annual receipts

Nature of Business

The second eligibility factor is based on the nature of the business and the process by which it generates income or the customers it serves. The SBA has general prohibitions against providing financial assistance to businesses involved in such activities

as lending, speculating, investing, pyramid sales, loan packaging, presenting live performances of a prurient sexual nature, and businesses involved in gambling or any illegal activity.

The SBA will also not support non-profit businesses, private clubs that limit membership on a basis other than capacity, businesses that promote a religion, businesses owned by individuals incarcerated or on probation or parole, municipalities, and situations where the business or its owners previously failed to repay an SBA loan.

Use of Proceeds

The third eligibility factor is what the loan proceeds can and can not be used for. 7(a) proceeds can be used to: purchase machinery, equipment, fixtures, supplies, leasehold improvements, as well as land and/or buildings that will be occupied by the business borrower.

Proceeds can be used to:

- Expand or renovate facilities;
- Finance receivables and augment working capital;
- Finance seasonal lines of credit;
- Construct commercial buildings; and
- Refinance existing debt under certain conditions.

7(a) loan proceeds cannot be used to pay an associate of the business, for floor plan financing, research & development (except for the Energy Loan Program) or to have funds for the purpose of making investments.

Miscellaneous Factors

The fourth factor involves a variety of requirements such as SBA credit elsewhere and utilization of personal assets requirements where the applicant business and its principal owners must use their own resources before getting a loan guaranteed by SBA. It also includes SBA's anti-discrimination policy and limits on lending to agricultural enterprises because there are other agencies of the federal government with programs to such businesses.

However, some factors here are the SBA's most important eligibility rules, including:

- Every loan must be for a sound business purpose;
- There must be sufficient invested equity in the business so it can operate on a sound financial basis;
- There must be a potential for long-term success;
- The owners must be of good character and reputation;
- All loans must be so sound as to reasonably assure repayment.

More can be found out about SBA's eligibility requirements at: <http://www.sba.gov/services/> then select "Loan Eligibility" from the "Financial Assistance" list along the bottom.

What to Take to the Lender

Documentation requirements may vary; contact your lender for the information you must supply.

Common requirements include the following:

- Purpose of the loan.
- History of the business.
- Financial statements for three years (existing businesses).
- Schedule of term debts (existing businesses).
- Aging of accounts receivable and payable (existing businesses).
- Projected opening-day balance sheet (new businesses).
- Lease details.
- Amount of investment in the business by the owner(s).
- Projections of income, expenses and cash flow as well as the assumptions.
- Personal financial statements on the principal owners.
- Resume(s) of the principal owners and managers.

How the 7(a) Program Works

Applicants submit their loan application to a lender for their initial review. The lender will generally review the credit merits of the request before it decides if a loan can be made and if it will need an SBA guaranty. If a guaran-

How Your Loan Request is Reviewed—The Five C's

When receiving a loan request, the lender is primarily concerned with repayment. Loan officers judge applications based on what is commonly referred to as the five C's of Credit:

Character: Lenders will order a copy of your credit report and look at debt repayment trends. They want to know simply if you pay bills and if they are paid on time. You'll be asked to explain blemishes on your report.

Cash Flow: Lenders look at historical and projected cash flow statements to determine whether you will be able to repay the loan and still have money to adequately run the business. Include written justification for cash flow projections in the loan proposal.

Collateral: An asset (something you own) which a lender may claim to satisfy a loan in the event the loan is not repaid according to the required terms. Often the assets purchased with the loan may serve as collateral. If the business does not have enough collateral, the lender will look to personal assets.

Capitalization: This refers to the basic resources of the company, including owner's equity, retained earnings and fixed assets. You do not have to be fully capitalized to qualify for a loan.

Conditions: Factors that affect the success of the company, yet are external to the business, will also be considered by the lender. Examples include government regulations, competition and industry trends.

ty is needed, the lender will also review eligibility, and the applicant should be prepared to complete some additional documents before the lender sends its request for guaranty to the SBA.

In guaranteeing the loan, the SBA assures the lender that, in the event the borrower does not repay the loan, the government will reimburse the lending institution for a portion of its loss. By providing this guaranty, the SBA is able to help tens of thousands of small businesses every year get financing they would not otherwise obtain.

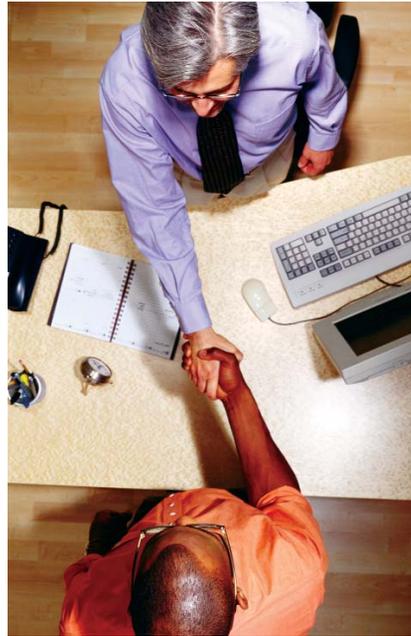
After SBA approval, the lender is notified that its loan has been guaranteed, and it will work with the applicant to make sure the terms and conditions are met before closing the loan, disbursing the funds, and assuming responsibility for collection and general servicing. You make monthly loan payments directly to the lender. As with any loan, you are responsible for repaying the full amount of the loan in a timely manner.

What the SBA Looks for:

- Owners and operators who are of good character.
- Feasible business plan.
- Management expertise and commitment necessary for success.
- Sufficient funds, including the SBA guaranteed loan, to operate the business on a sound financial basis (for new businesses, this includes the resources to meet start-up expenses and the initial operating phase).
- Adequate equity invested in the business.
- Sufficient collateral.
- Ability to repay the loan on time from the projected operating cash flow.

How Lenders Apply For a Guaranty

Once the lender (bank, credit union, savings & loan, or other private-sector lender) decides to apply for a guaranty, it has several options on how to apply to SBA for a guaranty. It can use SBA Standard Processing procedures and have SBA conduct a second analy-



sis of the application the lender already examined. This may be beneficial for lenders with limited experience in making SBA loans or for complex cases where the lender wants to make sure SBA agrees with its decisions. Alternatively, it can use the SBA Certified Lender Program procedures and have SBA perform a review of the work the lender did rather than a complete re-analysis.

Another option available to selected lenders with staff dedicated to making SBA-guaranteed loans is the Preferred Lenders Program procedures, where SBA has delegated the credit decision to the lender. This means SBA will rely on the lender's expertise and not re-analyze the credit decisions involved in making the loan. This results in less overall processing time. Finally, the lender may be able to choose Express Processing procedures which eliminate any up-front review by SBA and allows the lender to use many of its own forms and procedures. More on Express processing follows:

SBA Express

SBAExpress is available for loans up to \$350,000. The program authorizes SBA preferred lenders to use mostly their own forms, analysis and procedures to process, service and liquidate SBA-guaranteed loans. The SBA guarantees up to 50 percent of an SBAExpress loan. Loans under \$25,000 do not require collateral. Like most 7(a) loans, maturities are usually five to seven

years for working capital and up to 25 years for real estate or equipment. Revolving lines of credit are allowed for a maximum of seven years. For a list of lenders in your area, contact your local SBA office available at www.sba.gov.

CommunityExpress Pilot Loan Program

This provides streamlined business financing and management and technical assistance to targeted small business. It is a joint initiative between the SBA and the National Community Reinvestment Coalition.

The Community Express program is offered through hundreds of selected SBA lenders throughout the nation. Under Community-Express, approved lenders may use streamlined and expedited loan review and approval procedures to process SBA-guaranteed loans. These lenders may thus use, to the maximum extent possible, their own loan analysis, loan procedures, and loan documentation to process SBA loans to \$250,000.

CAPLines

This specialized umbrella loan program is designed to help small businesses meet their short-term and cyclical working capital needs. The CAPLines can be used to finance seasonal working capital needs; finance the direct costs of performing certain construction, service and supply contracts; finance the direct cost associated with commercial and residential construction performed on a speculative basis (without a firm commitment for purchase); finance operating capital by obtaining advances against existing inventory and accounts receivable; and consolidate short-term debt. SBA provides an 85 percent guarantee. There are five distinct programs under the CAPLine umbrella:

The Contract Loan Program: Used to finance material and labor needs for a specific contract or contracts. If used for one contract, it is generally not revolving; if used for more than one contract at a time, it can be revolving. The loan maturity is usually based on the length of the contract, but no more than five years.

Certified/Preferred and Express Lenders Operating in Illinois



PLP = Preferred Lender; CLP = Certified Lender; SX = SBAExpress; CX = Community Express

| Expiration Date | Lender | Program Authority | Contact | Telephone Number |
|-----------------|-------------------------------------|-------------------|-----------------------|---------------------|
| 2007/07/24 | Alpine Bank of Illinois | (PLP/SX) | Dianna Cruden | (815) 231-1775 |
| 2007/04/30 | AMCORE Bank, N.A. | (PLP/SX) | Kristin King | (815)961-2792 |
| 2007/09/30 | American Chartered Bank | (CLP) | John Mangan | (847) 540-5210 |
| 2008/09/21 | American Enterprise Bank | (PLP) | Jeffrey Scott | (847) 923-6995 |
| 2008/09/20 | Associated Bank Illinois, NA | (PLP/SX) | Dan D. Campbell | (815) 987-8217 |
| 2007/01/26 | Banco Popular, Illinois, Inc. | (PLP/SX/CX) | Eva Aquino | (773) 292-4683 |
| 2007/10/06 | Bank of America, N.A. | (PLP/SX/CX) | Evan Sowers | (312) 274-9480 |
| 2007/06/23 | Bank of Belleville | (PLP) | Steve Pricco | (618) 233-7015 |
| 2007/06/04 | Bank of Springfield | (CLP/SX) | Abbe Little | (217) 529-5555 |
| 2007/07/24 | Belvidere National Bank | (SX) | Paul F. O'Brien | (815) 544-2400 |
| 2008/03/25 | Branch Banking and Trust Co. | (PLP/SX) | Brian C. Faulk | (404) 261-7203 |
| 2007/07/30 | Bridgeview Bank | (CLP) | Thomas Franklin | (773) 989-2891 |
| 2008/09/18 | Busey Bank | (PLP/SX) | Tom Boaz | (217) 365-4532 |
| 2006/12/04 | Business Lenders LLC | (PLP) | Kama Giedra | (877) 345-6267 x124 |
| 2006/12/18 | Business Loan Express, Inc. | (PLP/SX/CX) | Local Contact | (847) 885-5632 |
| 2008/09/30 | California Bank & Trust | (PLP/SX) | David Player | (800) 722-6226 |
| 2007/08/20 | Capital One Small Business Services | (SX) | Susan Streich | (NA) |
| 2007/07/07 | Center Bank | (PLP/SX) | Pyung Moo Lee | (773) 433-3011 |
| 2007/10/11 | Centrue Bank | (PLP/SX) | Corey M. Davis | (815) 937-2842 |
| 2007/10/26 | Charter One Bank | (PLP/SX) | John Golden | (312) 777-3428 |
| 2007/05/12 | Chase | (PLP/SX/CX) | Pamela Randle-Spence | (312) 732-1854 |
| 2007/01/03 | CIT Small Business Lending Corp. | (PLP) | Richard Trotter | (847) 934-0559 |
| 2006/11/19 | Citibank FSB | (PLP/SX) | Risa Davis | (312) 627-3323 |
| 2008/10/24 | Citizens Community Bank | (SX) | Robert Powell | (708) 749-5633 |
| 2007/10/26 | Citizens Financial Group | (PLP) | Gary J Heidel | (401) 734-5617 |
| 2008/01/09 | Clover Leaf Bank | (SX) | Lisa Fowler | (618) 656-6123 |
| 2007/06/30 | Comerica Bank | (PLP/SX) | Thomas J. Meyer | (847) 381-5959 |
| 2007/05/18 | Commerce Bank, NA | (PLP) | Katherine A. Hunter | (816) 234-1757 |
| 2008/02/02 | Community South Bank | (PLP) | Martin Carr | (865) 633-8651 |
| 2007/09/21 | Farmers State Bank of Alto Pass | (SX) | Michael W. Williams | (618) 252-2600 |
| 2008/03/15 | Farmers State Bank of Hoffman | (SX) | Richard McCullum | (618) 532-2265 |
| 2008/04/14 | Fifth Third Bank | (PLP/SX) | Mark Scheffers | (847) 871-6064 |
| 2007/10/18 | First American Bank | (PLP/SX/CX) | Gregory I. Bula | (847) 586-2272 |
| 2008/05/10 | First Bank | (PLP/SX) | Matt Sessa | (312) 263-2893 |
| 2007/09/21 | First Bankers Trust Company | (SX) | David J. Rakers | (217) 228-8000 |
| 2007/09/07 | First Choice Bank | (PLP/SX) | Catherine S. Magnuson | (630) 845-7834 |
| 2007/07/28 | First Eagle National Bank | (SX) | Cheri Armstrong | (630) 893-2125 |

SMALL BUSINESS LENDING



More small businesses like yours came to us for SBA loans this year than to any other bank in the Midwest. We're so proud to share our thanks. Along with our small business loans, we have exceptional offers and a wide range of products to help show our ongoing support this year, and in years to come. We're so excited to be helping more small businesses. Thanking more too. **To learn more, visit your nearest branch, go to charterone.com or call 1-866-252-4BIZ.**



Once again you've made
us the #1 SBA Lender.

Certified/Preferred and Express Lenders Operating in Illinois (Cont.)

| <i>Expiration Date</i> | <i>Lender</i> | <i>Program Authority</i> | <i>Contact</i> | <i>Telephone Number</i> |
|------------------------|--------------------------------------|--------------------------|----------------------|-------------------------|
| 2007/06/26 | First Mid-Illinois Bank & Trust | (CLP/SX) | Robert Weber | (217) 234-7454 |
| 2007/02/03 | First Midwest Bank | (SX) | Anthony Denovellis | (708) 614-5512 |
| 2007/11/16 | First National Bank of Waterloo | (SX) | David Mitchell | (618) 939-6194 |
| 2007/11/17 | First Trust & Savings Bank | (SX) | Todd A. Muur | (309) 887-4335 |
| 2007/06/05 | Foster Bank | (PLP/SX) | Jay Kong | (773) 279-4957 |
| 2006/12/16 | G.E. Capital Small Business Finance | (PLP) | Scott Wicks | (630) 573-3296 |
| 2008/08/31 | Greater Bay Bank | (PLP/SX) | Roxann Burns | (415) 782-8654 |
| 2007/09/21 | Hanmi Bank | (PLP/SX) | Seikeun Ahn | (773) 202-1117 |
| 2007/08/16 | Harris Trust & Savings Bank | (PLP/SX) | Kathy Smith | (312) 461-6210 |
| 2008/08/22 | Heartland Bank | (SX) | Timothy L. Owen | (309) 662-4444 |
| 2008/02/21 | Illini Bank | (SX) | Ron Wenger | (217) 787-5111 |
| 2008/06/14 | Illinois National Bank | (CLP/SX) | John Maxfield | (217) 747-5549 |
| 2006/11/21 | Innovative Bank | (CX) | Jim Bek | (888) 960-0700 |
| 2007/12/17 | LaSalle Bank, N.A. | (PLP/SX/CX) | Dick Lorenz | (773) 244-7440 |
| 2007/03/24 | M&I Marshall & Ilsley Bank | (PLP) | Paul Mayhew | (262) 797-4400 |
| 2007/09/21 | Main Street Bank & Trust | (SX) | Wesley W. Curtis | (217) 351-6500 |
| 2007/03/28 | Marine Bank | (PLP/SX) | Don Brookhart | (217) 726-0600 |
| 2007/01/15 | Nara Bank, N.A. | (PLP/SX) | Jimmy Bang | (213) 427-6340 |
| 2007/06/24 | National Bank & Trust Co of Sycamore | (SX) | Douglas K. Nelson | (888) 895-2125 |
| 2008/07/31 | National City Bank | (PLP/SX) | Maureen Prochenski | (630) 928-1944 |
| 2008/07/31 | National City Bank | (PLP/SX) | Kim Hopkins | (815) 740-4774 |
| 2007/02/23 | Newtek Small Business Finance | (PLP/SX) | Peter M. Downs | (866) 639-1835 |
| 2007/07/25 | Peoples National Bank | (SX/CLP) | Chris Howton | (618) 244-4777 |
| 2007/09/30 | Plaza Bank | (CLP) | Jack Jones | (773) 625-4100 |
| 2008/04/04 | Prairie Bank and Trust Co | (SX) | Carl Pedersen | (708) 237-4767 |
| 2007/08/21 | Regions Bank | (PLP/SX) | Pete Peterson | (404) 257-2872 |
| 2008/04/24 | Resource Bank | (SX) | Gary Peele | (815) 756-6321 |
| 2007/04/23 | Riverside Community Bank | (SX) | Dennis R. Roop | (815) 637-7008 |
| 2007/09/30 | ShoreBank | (CLP) | Johnathan Thrasher | (773) 420-5620 |
| 2007/06/01 | South Central Bank & Trust | (PLP/SX) | Todd Grayson | (312) 421-7100 |
| 2008/10/24 | Southeast National Bank of Moline | (SX) | Terry L. Esch | (309) 757-0727 |
| 2007/3/24 | Southwest Bank of St. Louis | (PLP/SX) | Paul Mayhew | (800) 642-2657 |
| 2008/5/22 | State Bank of The Lakes | | Beverly Terry | (847) 385-2700 x 4454 |
| 2008/3/4 | Stearns Bank | (PLP/SX) | Steve Domine | (800) 320-7262 |
| 2008/2/11 | Temecula Valley Bank | (PLP/ SX) | Stephanie Castagnier | (847) 477-7546 |
| 2007/3/2 | U S Bank, NA | (PLP/SX/CX) | David Bartrum | (800) 269-4309 x 304 |
| 2008/5/8 | Union National Bank & Trust | (PLP/SX) | Jay Deihs | (847) 888-7500 |
| 2007/10/16 | UPS Capital | (PLP/SX) | Stanton H. Barnett | (630) 787-3170 |
| 2008/6/29 | Wachovia SBA Lending, Inc. | (PLP/SX) | Scott Roos | (847) 458-9759 |
| 2006/8/18 | Washington Mutual | (SX) | Rogelio Lopez | (630) 758-0892 |
| 2008/3/31 | Wells Fargo | (PLP/SX/CX) | John Winston | (319) 345-4696 |



The Seasonal Line of Credit Program: Finances the short-term, seasonal increases of accounts receivable and inventory. The business must have a definite, established seasonal pattern and thus must have been in business for a period of 12 months in order to establish that pattern. The loan does not revolve during the season but may be used over again after a “clean-up” period of 30 days. These also may have a maturity of up to five years. The business may not have another seasonal line of credit outstanding but may have other lines for non-seasonal working capital needs.

The Builders Line Program: Provides financing for small general contractors involved in residential or commercial construction or building rehabilitation for resale. Loan maturity is generally three years but can be extended up to five years if necessary. Proceeds are used solely for direct expenses of acquisition, immediate construction and/or significant rehabilitation of the residential or commercial structures. The purchase of the land can be included if it does not exceed 20 percent of the loan proceeds. Up to 5 percent of the proceeds can be used for physical improvements that benefit the property.

The Small Asset-Based Line: Can be used for revolving lines up to \$200,000 to purchase inventory, pay direct labor or finance accounts receivable and is advanced against existing inventory and/or accounts receivable.

Repayment comes from the collection of accounts receivable or sale of inventory, and this line of credit must revolve. It does require periodic servicing and monitoring of the collateral for which service the lender can charge up to two percent annually to the borrower. These lines are generally used by businesses providing credit to their customers.

The Standard Asset-Based Line: This is similar to the Small Asset-Based Line, but for loan amounts over \$200,000. It does require stricter servicing and monitoring, and the lender may pass the costs along to the borrower.

The 504 Program— Certified Development Company Loans

<http://www.sba.gov/services/financialassistance/sbaloantopics/cdc504/index.html>

The 504 Loan Program is an economic development program that supports American small business growth and helps communities through business expansion and job creation. This SBA program provides long-term, fixed-rate, subordinate mortgage financing for acquisition and/or renovation of capital assets including land, buildings and equipment. Virtually all types of for-profit small businesses are eligible for this program.

The SBA 504 loan is distinguished from the SBA 7(a) loan program in these ways:

- The 504 loan is backed by a 100 percent guaranteed debenture sold to investors.

The maximum debenture is:

- \$1.5 million for businesses that create a certain number of jobs or improve the economy of the locality;
- \$2 million for businesses that meet a specific public policy goal; and
- \$4 million for manufacturers.
- Eligible project costs are limited to long-term, fixed assets such as land and building (occupied by the borrower) and substantial machinery and equipment. Working capital is not an eligible use of proceeds.
- Most borrowers are only required to make an injection (borrower contri-

bution) of just 10 percent which allows the business to conserve valuable operating capital. A further injection of 5 percent is needed if the business is a start-up or new (less than 2 years old) and a further injection of 54 percent is also required if the primary collateral will be a single purpose building.

- Two-tiered project financing: a lender finances approximately 50 percent of the project cost and receives a first lien on the project assets (but no SBA guaranty); SBA provides a 100 percent guaranteed debenture that finances up to 40 percent of the project costs secured by a subordinate lien on the project assets. The borrower provides the balance of the project costs.
 - Fixed interest rate on SBA loan. SBA guarantees the debenture 100 percent. Debentures are sold in pools monthly to private investors. This low, fixed rate is then passed on to the borrower and establishes the basis for the loan rate. A recent history of debenture rates may be found at www.nadco.org
 - All project-related costs can be financed, including acquisition (land and building, land and construction of building, renovations, machinery and equipment) and soft costs, such as title insurance and appraisals. Some closing costs may be financed.
 - Collateral is typically a subordinate lien on the assets financed; allows other assets to be free of liens and available to secure other needed financing.
 - Long-term; real estate loans are up to 20-year term, heavy equipment 10 or 20-year term and are self-amortizing.
 - Loans are provided through Certified Development Companies. CDCs work with banks and other lenders to make loans in first position on reasonable terms, helping lenders retain growing customers and provide Community Redevelopment Act credit.
- Businesses that receive 504 loans are:
- Small — net worth under \$7.5 million, net profit after taxes under \$2.5 million, or meet other SBA size standards.

- Organized for-profit.
- Most types of business — retail, service, wholesale or manufacturing.

The SBA's 504 Certified Development Companies serve their communities by financing business expansion needs. Their professional staffs work directly with borrowers to tailor a financing package that meets program guidelines and the credit capacity of the borrower's business. For more information, go to www.sba.gov/services, then choose "SBA Loans" from the links in the right-hand column. From there, click on "CDC/504 Program."

SBA's 504 Certified Development Companies (CDCs):

Centerpoint 504

Hilary Burkinshaw, Director
Governors State University, Room C3300
University Parkway
University Park, IL 60466
(708) 534-4929 • (708) 534-1646 Fax

Illinois Business Financial Services

Charles Randal, Operations Officer
124 South West Adams Street, Suite 300
Peoria, IL 61602
(309) 674-5800 • (309) 676-7534 Fax

Lake County Partnership for Economic Development Corp.

Frank Brisbois, Director
28055 Ashley Circle, Suite 212
Libertyville, IL 60048
(847) 247-0137 • (847) 247-0423 Fax

Rockford Local Development Corp.

John Phelps, Executive Director
120 West State Street, Suite 204
Rockford, IL 61101
(815) 987-8675 • (815) 968-4157 Fax

Small Business Growth Corporation

Douglas Kinley, Executive Director
2401 West White Oaks Drive
Springfield, IL 62704
(217) 787-7557 • 1 (800) 577-2772 Toll Free
(217) 787-2872 Fax
Chicago Branch
Joel Herscher • (773) 880-1455
Orland Park Branch
Brian Comiskey • (847) 648-6300

SomerCorp 504, Inc.

Two East 8th Street, Suite 800
Chicago, IL 60605
(312) 360-3163 • (312) 360-9177 Fax
Chicago, IL 60605

South Central Illinois Regional Planning and Devel. Commission

Fred Whitaker, Executive Director
120 Delmar, Suite A
Salem, IL 62881-2006
(618) 548-4234 • (618) 548-4236 Fax

Microloan Program

The Microloan Program provides small loans ranging from under \$500 to \$35,000. Under this program, the SBA makes funds available to nonprofit intermediaries that, in turn, make the loans directly to entrepreneurs. Proceeds can be used for typical business purposes such as working capital, machinery and equipment, inventory and leasehold improvements. Interest rates are negotiated between the borrower and the intermediary.

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- Professional
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SomerCor 504

2 E. 8th St., Suite 2M
Chicago, IL 60605
www.somercor.com

SomerCor 504, Inc.



For more information, go to www.sba.gov/services, then choose "SBA Loans" from the links in the right-hand column. From there, click on "Micro Loans.":

Illinois Microloan Participants

Accion Chicago, Inc.
1618 W. 18th St., Suite 200
Chicago, 60608
312-275-3000 Fax:312-275-3010
Contact: Jonathan Brereton
E-mail: jbrereton@accionchicago.org
Service area includes Cook County (parts of Chicago) and Lake, McHenry, DeKalb, Kane, DuPage, Kendall, Grundy, Kankakee, Will and LaSalle Counties.

Justine Peterson Housing & Reinvestment Corp.
5031 Northrup Av.
St. Louis, MO 63110
314-664-5051, Ex. 117
Fax: 314-664-5364
Contact: Sheri Flannigan-Vasquez
E-mail: sflannigan@justinepetersen.org
Service area: Clinton, Jersey, Madison, St. Clair counties.

Small Business Investment Company Program

There are a variety of alternatives to bank financing for small businesses, especially business start-ups. The Small Business Investment Company Program fills the gap between the availability of venture capital and the needs of small businesses that are either starting or growing. Licensed and regulated by the SBA, SBICs are privately-owned and managed investment firms that make capital available to small businesses through investments or loans. They use their own funds plus funds obtained at favorable rates with SBA guarantees. SBICs are for-profit firms whose incentive is to share in the success of a small business.

In addition to equity capital and long-term loans, SBICs provide debt-equity investments and management assistance. The SBIC Program provides funding to all types of manufacturing and service industries. Some investment companies specialize in certain fields, while others seek out small businesses with new products or services because of the strong growth

potential. Most, however, consider a wide variety of investment opportunities. For more information contact your nearest SBA office or the Web site at www.sba.gov/, then choose "Financial Assistance" from the menu across the bottom. From there, click on "Equity Capital" and choose "SBA's Investment Program."

SBIC Licensees in Illinois

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Dunrath Capital Infrastructure Surety Fund

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The Surety Bond Guarantee Program

Although it is not a business loan program, the Surety Bond Guarantee Program is a public-private partnership between the federal government and the surety industry providing small businesses with the bonding assistance necessary for them to compete for government and private contracting opportunities. The guarantee provides the necessary incentive for sureties to bond small businesses that would otherwise be unable to obtain bonding. They typically lack the combination of working capital and a performance track record necessary to secure bonding on a reasonable basis through regular commercial channels.

Through this program, the SBA guarantees bid, payment, and performance bonds for construction, service, and supply contracts up to \$2 million, on behalf of small businesses. The SBA also reimburses sureties a predetermined percentage of losses sustained if a contractor breaches the terms of the contract.

The SBA has two program options available: the Prior Approval Program (Plan A); and the Preferred Surety Bond Program (Plan B). In the Prior Approval Program, SBA guarantees 90 percent of a surety's paid losses and expenses on bonded contracts up to \$100,000, and on bonds for socially and economically disadvantaged and HubZone contractors. All other bonds guaranteed in the Plan A program receive an 80 percent guarantee. Sureties must obtain SBA's prior approval for each bond guarantee issued.

Under the PSB Program, SBA guarantees only 70 percent, but sureties may issue, monitor, and service bonds without SBA's prior approval. Each program targets a different segment of the contracting community, and both are necessary to reach all small business clientele.

For more information on the Surety Bond Program, please visit: www.sba.gov/ and choose "Services." From there, select "Financial Assistance" and click on "Surety Bond."

Surety Bond Agents Serving Illinois Small Businesses

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Arthur J. Gallagher Risk Management Services, Inc.

Two Pierce Place, 6th Floor – Bonds
Itasca, IL 60143-3141
630 694-5445 • 630 694-5499 (fax)

Steve Kuykendall

J.M. Wilson Corporation
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Carmel, IN 46032
317 571-7700 • 317 566-8291 (fax)
800 538-4796 (toll free)
skuykendall@jmwilson.com

Mary K. Angerman

Surety Support Services
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913 385-7760 • 913 385-7699
mary@suretysupportservices.com

Jennifer Marano

Marano & Associates Inc.
17001 19 Mile Road, Suite 1A
Clinton Twp., MI 48038
586 286-2842 • 586 286-2684 (fax)

Michael D. Williams or Jeremy Crawford

Construction Capital Incorporated
1710 N. Douglas Drive, Suite 110
Golden Valley, MN 55422
763 543-6993 • 763 546-1822 (fax)

Chelsea A. VanCleve

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Darlene Blossom

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Eric Goldstein

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314 863-5535 • 314 725-6659 (fax)

Phyllis K. Jeffries

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314 729-1334 • 314 729-1321 (fax)

Barbara Straub

Welsh, Flatness & Lutz, Inc.
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St. Louis, MO 63103
314 436-2399 • 314 342-7170 (fax)

Lawrence Michael

The Brehmer Agency
P.O. Box 498
Butler, WI 53007
262 781-3714

Tah Carazza

HCC Surety Group
9841 Airport Blvd., Suite 900
Los Angeles, CA 90045-9761
310 242-6264 • 310 645-9274 (fax)

Illinois DCEO Small Business Loan Programs

The Participation Loan Program

This program provides credit enhanced financial assistance to Illinois small businesses that provide employment opportunities to Illinois citizens. Through banks, development corporations and other lenders, the Illinois Department of Commerce and Economic Opportunity (DCEO) can participate in business loans up to 25 percent of the total amount of a project, but not less than \$10,000 nor more than \$750,000. DCEO's terms will typically match those of the participating financial institution but DCEO's participation typically will not exceed seven years. DCEO's rate for fixed and adjustable rate loans will be established at the time of loan commitment, and will provide inducements comparable to each program's variable rate pricing. In no event shall the Department's rate be less than three percent.

Minority, Women and Disabled Participation Program

DCEO can participate in a loan made to a Minority, Women or Disabled business up to 50 percent of the total amount of the project, subject to a minimum of \$10,000 and a maximum of \$50,000. DCEO's interest rate will be established at the time of loan commitment. A minority women or disabled-

owned business is a business which is at least 51 percent owned by one or more minority, women or disabled persons and the management and daily operations of the business are controlled by one or more of the minority, women or disabled persons who own it. For information call (217) 782-3891; TTY: (800) 785-6055.

Contractor Loans within the Minority, Women And Disabled Program

This aspect of the Participation Loan Program is designed to encourage lenders to make contract based loans to small Illinois contractors owned and managed by persons who are minorities, women or individuals with disabilities. The Department may purchase up to a 50 percent interest in the loan provided its participation does not exceed 50 percent of the project (contract amount) or \$50,000, whichever is less. The Department's participation will be limited to no more than one year, or the length of the contract, whichever is less. Applications must include a contract description and a cash flow projection for the contract. Loans may not be lines of credit. For information call (217) 782-3891; TTY: (800) 785-6055.

Enterprise Zone Financing Program

This is a derivative of the Participation Loan Program and is designed to encourage economic development and neighborhood revitalization in Illinois Enterprise Zones. For information call (217) 782-3891; TTY: (800) 785-6055.

Development Corporation Participation Loan Program

Another derivative of the Participation Loan Program, it is designed to encourage Community Development Corporations to provide financial assistance to small businesses. For information call (217) 782-3891; TTY: (800) 785-6055.

Rural Micro-business Participation Loan Program

This variation is designed to encourage economic development assistance to Illinois Rural Micro-businesses. A rural micro-business is a rural business that employs five or fewer full-time employees and is based on the production, processing, or

marketing of agricultural products, forest products, cottage and craft products, or tourism. DCEO may purchase up to a 50 percent participation in a loan extended to a rural micro-business, subject to a maximum of \$25,000. There is no minimum participation requirement. The borrower is required to provide equity of at least 10% of the project up to \$1,000 (10% of a \$10,000 project). For information call (217) 782-3891; TTY: (800) 785-6055.

Illinois Capital Access Program (CAP)

CAP is aimed at encouraging lending institutions to make loans to new and small businesses that do not qualify for conventional financing. CAP is based on a unique portfolio insurance concept where the borrower and the (DCEO) each contribute a percentage of the total loan amount into a reserve fund located at the lender's bank. This reserve fund enables the financial institution to make loans beyond its conventional risk threshold and is available to draw upon to recover losses or loans made under the program. For information call (217) 782-3891; TTY: (800) 785-6055.

Revolving Line of Credit Program

The Revolving Line of Credit Program (RLOC) provides economic development assistance to Illinois small businesses that provide employment opportunities for Illinois citizens and need seasonal or variable working capital. Through banks, DCEO may purchase participating interests in business loans up to 25 percent of a project, subject to a minimum \$10,000 and maximum \$750,000 participation (minority, women or disabled participation up to 50 percent but not more than \$50,000.) The participating interest amount is limited to approximately \$10,000 per job to be created or retained. DCEO's interest rate will be established at the time of commitment, and will generally match that of the lender. DCEO's rate to minority, women or disabled businesses or businesses within an Illinois Enterprise Zone may be lower. Terms will typically match those of the participating financial institution but DCEO's participation will not exceed three years.

For information call (217) 782-3891; TTY: (800) 785-6055.

Export Trade Financing

Export Working Capital Program (EWCP)

The SBA's Export Working Capital Program assists lenders in responding to the needs of exporters seeking short-term export working capital. This program enables U.S. exporters to obtain loans that facilitate the export of goods or services. The EWCP supports single transactions or revolving lines. The maximum dollar amount of an export line of credit under this program is \$1.6 million with a 90 percent guaranty. The maximum amount can be increased to \$2 million through co-guaranty between the SBA and the Export-Import Bank. Loan maturities are generally for a term of 12 months.

The guaranty can be reissued for an additional 12 months through an abbreviated application process. The guaranty fee the SBA charges is 0.25 percent of the guaranteed amount of the loan for the initial 12 months. The borrower negotiates the interest rate and all other fees with the lender. The program offers flexible terms, low fees and a quick processing time. For more information go to www.sba.gov/oit/finance.

Eligibility of Exporter

You must have an operating history of at least one year – not necessarily in exporting.

Eligible Buyers

The foreign buyer must be a credit-worthy entity located in an acceptable country.

Use of EWCP Proceeds:

- To acquire inventory for export or to be used to manufacture goods for export.
- To pay the manufacturing costs of goods for export.
- To purchase goods or services for export.
- To support Standby Letters of Credit related to export transactions.
- For pre-shipment working capital directly related to export orders.

- For post-shipment foreign accounts receivable financing.

Ineligible Use of Proceeds

- To support the applicant's domestic sales.
- To acquire fixed assets or capital goods for the applicant's business.
- To support a sale where the exporter is not taking title to the goods.
- To acquire, equip, or rent commercial space overseas.
- To serve as a Warranty Letter of Credit.

Collateral Requirements

- Guaranteed loans must be fully collateralized at all times.
- Collateral for the manufacturing sector typically consists of a first lien on all export-related inventory and export related accounts receivable.
- Collateral for the service sector typically consists of assignment of proceeds of export-related contracts or purchase orders and a first lien on export-related accounts receivable.
- Other collateral may be required.

How to Apply

A small business exporter seeking a guaranteed EWCP loan must apply to a lender.

SBA Ex-Im Bank Co-Guarantee

This program is designed to provide small business exporters the ability to obtain larger export working capital loans through the Export Working Capital Program than SBA could support alone. This program enables U.S. Exporters to obtain loans that facilitate the export of goods or services. Under this program, the total export working capital line, with a 90 percent guarantee cannot exceed \$2 million. Loan maturities are generally for a term of 12 months. At the end of the 12-month maturity a borrower may reapply for a new guarantee.

The guarantee fee SBA charges is .25 percent of the guaranteed amount of the loan for the initial 12 months. The guarantee fee that Ex-Im Bank charges is .25 percent on the loan amount that

a talented and diverse workforce

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- 102,000 strong workforce
- Customized recruiting and training assistance
- Income tax credit up to \$5,000 to apply to wages paid to certain qualified employees



For more information, contact:

Sherman L. Jenkins,
Executive Director
Aurora, IL Economic
Development Commission

630.897.5500

is guaranteed by them. The borrower negotiates the interest rate and all other fees with the lender. The co-guarantee offers flexible terms, low fees and a quick processing time.

Eligibility of Exporter

The same as for the SBA EWCP Program.

Eligible Buyers

The foreign buyer must be a credit-worthy entity located in an acceptable country in conformity with the Ex-Im Bank's Country Limitation Schedule.

Use of Proceeds

Same as the SBA EWCP.

Ineligible Use of Proceeds

- Goods or services with less than 50 percent U.S. content.
- To support the export of any Defense Articles or Defense Services.
- To support the applicant's domestic sales.
- To acquire fixed assets or capital goods for the applicant's business.
- To acquire, equip, or rent commercial space overseas.
- To serve as a Warranty Letter of Credit.

Collateral Requirements

Same as the SBA EWCP.

How to Apply

A small business exporter seeking a co-guaranteed loan must apply to a Lender that is a participant in SBA's 7(a) Loan Guaranty Program. PLP and SBAExpress processing are not permitted. The lender must submit a completed Joint Application for Working Capital Guarantee and loan package to SBA. SBA evaluates and processes the application in accordance with SBA rules for its Export Working Capital program.

International Trade Loan Program

This program helps small businesses engaged or preparing to engage in international trade, as well as small businesses adversely affected by competition from imports. This program combines a guarantee for short-term export working capital with a regular

term loan. SBA can guarantee up to \$1.75 million, less the amount of SBA's guaranteed portion of other loans outstanding to the borrower under SBA's other financial assistance programs. Loans for facilities and equipment can have maturities of up to 25 years and the guarantee fee and interest rate is the same as for any standard 7(a) loans. Loans for the export working capital portion of the transaction are generally for a term of 12 months and the borrower negotiates the interest rate and all other fees with the lender. The guaranty fee that SBA charges is the same as the EWCP for a loan of 12 months.

Eligibility of Exporter

- Applicants must meet the same eligibility requirements for a 7(a) loan.
- Applicant must establish the loan will significantly expand or develop an export market, or the applicant has been adversely affected by import competition, and, in addition the applicant must show that upgrading equipment or facilities will improve its competitive position.
- If eligibility is based on entering or expanding export sales, the applicant must submit a one or two page international business plan, including sufficient information to reasonably support the likelihood of expanded export sales.

Use of Proceeds

- For facilities or equipment, including purchasing land and building(s); building new facilities; renovating, improving, or expanding existing facilities; purchasing or reconditioning machinery, equipment and fixtures; and making other improvements that will be used within the United States for producing goods or services.
- For refinancing of existing debts structured with unreasonable terms. Only debts originally taken out for the purchase of fixed assets may be refinanced.
- Working capital is not an eligible use of proceeds for the International Trade Loan; however, working capital can be included in a companion

7(a) or Export Working Capital Program loan.

Collateral Requirements

Collateral requirements are the same as regular 7(a) loans.

How to Apply

A small business exporter seeking a guaranteed loan must apply to an SBA participating lender. Call your local SBA District Office for a list of participating lenders. See a list of SBA district offices at the end of this Resource Guide.

Export Express

The Export Express program is designed to help SBA meet the export financing needs of small businesses. It is a subprogram of SBA Express and is therefore subject to the same loan processing, making, closing, servicing, and liquidation requirements as well as the same maturity terms, interest rates, and applicable fees as for other SBA loans except as noted below. The total Export Express loan cannot exceed \$250,000. SBA guarantees 85 percent for loans of \$150,000 and under and 75 percent for loans over \$150,000 to \$250,000.

Eligible Buyers

The foreign buyer must be a credit-worthy entity located in an acceptable country.

Use of Proceeds

- Finance standby letters of credit used for either bid or performance bonds;
- Finance export development activities such as export marketing and promotional activities, participation in foreign trade shows, translation of product literature for foreign markets, and other activities designed to initiate or expand the applicant's export of its products/services from the U.S.;
- Provide transaction-specific financing for overseas orders;
- Provide revolving lines of credit for export purposes, the term of which must not exceed seven years. In some instances, as a normal course of business, the borrower may use portions of revolving lines of credit

for domestic purposes, but no less than 70 percent of the revolver to be used for export related purposes;

- Provide term loans and other financing to enable small business concerns, including small business export trading companies to develop foreign markets; and
- Acquire, construct, renovate, modernize, improve or expand production facilities or equipment to be used in the U.S. in the production of goods or services to be exported from the U.S.

Ineligible Use of Proceeds

Applicants with operations, facilities, or offices overseas, other than those strictly associated with the marketing and/or distribution of products/services exported from the U.S., are not eligible for Export Express or SBAExpress.

How to Apply

The application process is the same for the SBA Express, except the applicant must demonstrate that loan proceeds will enable it to enter a new export market or expand an existing export market. The applicant must submit to the lender a plan that includes projected export sales for the upcoming year as well as the dollar volume of export sales for the previous year.

U.S. Export Assistance Center (USEAC)

U.S. Export Assistance Centers, which consist of SBA staff and the U.S. Department of Commerce in a single location, provide trade promotion and export-finance assistance for small businesses. The USEACs also work closely with other federal, state and local international trade organizations. For additional information, visit: www.sba.gov/oit/export or contact:

NAFTA Opportunity Centers (NOC)

NOCs are specialized international trade centers for current and potential exporters and business assistance providers to contact for information and assistance regarding export opportunities in Mexico and Canada resulting from the North American Free

Trade Agreement (NAFTA). Services include consultations with NAFTA Trade Specialists, research data, reference and training materials.

International Trade Centers

ITCs are specialized Small Business Development Centers, providing existing businesses with access to new markets outside of the United States. Their purpose is to provide existing business owners with professional advice and resources to help them enter the global marketplace. Services offered include: Evaluation of a company’s readiness to export, easy access to foreign markets, pricing and transportation information, foreign trade activities and trade show schedules, international market resources and trade leads, and specialized assistance through the North American Free Trade Agreement (NAFTA) Opportunity Centers. To request assistance, contact any Center below:

Chicago area Centers

Illinois SBDC/ITC at College of DuPage
425 Fawell Boulevard
Glen Ellyn, IL 60137-6599
ITC: Cassandra Keener
630/942-3052
Fax: 630/942-3789
e-mail: keener@cod.edu
web: www.cod.edu

Illinois SBDC/ITC at North Business & Industrial Council (NORBIC)
5353 West Armstrong Avenue
Chicago, IL 60646-6509
(main) 773/594-9292
Fax: 773/594-9416
ITC: Thomas Kodiak ext. 225
e-mail: tkodiak@illinoismanufacturing.org
NAFTA: Chris Press ext. 232
e-mail: cpress@illinoismanufacturing.org
Web: www.norbic.org/services/market/main.html

Downstate ITCs

Illinois SBDC/ITC at Black Hawk College
4703 – 16th Street, Suite G
Moline, IL 61265-7066
ITC: Adrian Madunic
309/764-2246
Fax: 309/797-9344
e-mail: madunica@bhc.edu
web: www.sbdc.bhc.edu

Illinois SBDC/ITC at Bradley University
141 Jobst Hall
1501 West Bradley Avenue
Peoria, IL 61625-0001
ITC: Jim Foley
309/677-3075
Fax: 309/677-3386
e-mail: itc@bradley.edu
NAFTA: Tony Cambas 309/677-3075
e-mail: noc@bradley.edu
web: www.bradley.edu

Illinois SBDC/ITC at Southern Illinois University – Edwardsville
Campus Box 1107, Alumni Hall 2126
Edwardsville, IL 62026
ITC: Silvia Torres
618/650-2452
Fax: 618/650-2647
e-mail: storrre@siue.edu
web: www.siu.edu

Illinois SBDC/ITC at University of Illinois at Urbana-Champaign
1206 S. 6th St., 430 Wahlers Hall
Champaign, IL 61820-6980
ITC: Tess Morrison
217/244-1585
u Fax: 217/333-7410
e-mail: tmorriso@uiuc.edu

Community Adjustment and Investment Program

This program helps communities that suffered job losses due to changing trade patterns following the North American Free Trade Agreement. The North American Development Bank has partnered with the SBA and the U.S. Department of Agriculture to make credit available to businesses in eligible communities to create or retain jobs. Business applicants must be able to demonstrate that the loan or loan guaranty will be used to create or preserve at least one job for every \$35,000 in loans over a 24-month period.

Energy/Pollution Control Loan Programs

Two other adaptations of the 7(a) programs resulted in the Energy Loan program for businesses that make, install and service energy savings devices and the Pollution Control Loan Program for businesses that want to install or operate a pollution control facility.

See www.sba.gov/services, then select “Special Purpose Loans” from the “Financial Assistance menu along the bottom.



Applying for **Government Business**

The federal government is the largest purchaser of goods and services in the world. However, small businesses face challenges when trying to win federal contracts. The SBA can help small businesses work through these challenges. Working closely with federal agencies and the nation's leading large contractors, the SBA works to ensure that small businesses obtain a fair share of government contracts and subcontracts. The SBA has a number of programs to help small firms do business with the federal government.

For more information, visit:
www.sba.gov/gc

Business Matchmaking Initiative

The SBA and Hewlett-Packard's HP Small Business Foundation and SCORE – Counselors to America's Small Businesses, have joined together to offer a highly successful Business Matchmaking initiative that includes an innovative, nationwide, 24-7

"Online Business Matchmaking" and counseling component.

Business Matchmaking – a public-private sector contracting initiative — offers a forum for small businesses to meet face-to-face with purchasing representatives from federal, state, and local government agencies along with some of the country's largest corporations to discuss potential contracting opportunities. Business Matchmaking empowers small businesses (through training and one-to-one counseling) to grow and succeed.

These events are conducted in key cities across the country and bring together approximately 5,000 small business owners with hundreds of public and private sector buyers. In addition to the buyer-seller meetings, these events generate substantial numbers of appointments with counselors from SBA personnel and its resource partners – SCORE and Small Business Development Centers.

For additional information, please visit: www.BusinessMatchmaking.com

Prime Contracts Program

Through this program, the SBA helps to increase small business' share of government contracts. SBA Procurement Center Representatives work to expand contracting opportunities for small businesses. PCRs review contracting strategies and actions, review prime contractors' subcontracting plans, recommend contracting sources, and provide one-to-one counseling and training to small businesses seeking to do business with the federal government.

Visit the SBA's Office of Government Contracting home page at: www.sba.gov/gc for a listing of PCRs and buying installations nationwide.

Subcontracting Assistance Program

It promotes maximum use of small businesses by the nation's large prime

contractors. The SBA's Commercial Market Representatives work with large businesses to identify and expand subcontracting opportunities for small businesses. CMRs conduct compliance reviews to ensure that large businesses comply with small business subcontracting requirements. They also provide guidance to assist small businesses in identifying subcontracting opportunities marketing their products and services to these large contractors.

Certificate of Competency Program

This allows a small business to appeal a contracting officer's determination that it is unable to fulfill the requirements of a specific government contract on which it is the apparent successful offeror. The SBA will conduct a detailed review of the firm's technical and financial capabilities to perform on the contract. If the business demonstrates the ability to perform, the SBA issues a Certificate of Competency to the Contracting Officer, requiring award of that contract to the small business.

Small Business Size Standards

The Small Business Act states that a small business concern is "one that is independently owned and operated and which is not dominant in its field of operation." The law also states that in determining what constitutes a small business, the definition will vary from industry to industry to reflect industry differences accurately.

The SBA's Small Business Size Regulations (13 CFR Part 121, www.sba.gov/size/indextableofsize.html) implement the Small Business Act's mandate to the SBA.

The SBA has also established a table of size standards, matched to North American Industry Classification System industries, used to determine eligibility for SBA programs and small business preferences for federal government contracts.

See more at: <http://www.sba.gov/services/>, then click on "Size Standards" under the

"Contracting Opportunities" menu across the bottom.

Size Determination

The Size Determination Program, administered by SBA's six government contracting area offices, ensures that only small firms receive contracts and other benefits reserved exclusively for small business. When a firm's claim that it is small is challenged, the SBA determines if the firm does, in fact, meet established SBA size standards. Size determinations may also be made when requested in connection with other federal small business programs.

Additional information is available at the above "Size Standards" site.

Small Business Vendor Database

As part of the Integrated Acquisition Environment Initiative, the SBA works with the General Services Administration and Department of Defense to provide a database of vendors, including small business. The Central Contractor Registration (CCR) System is the primary gateway vendor and grantee database for the federal government. CCR collects, validates, stores and disseminates data to support agency acquisition and grants missions. Both current and potential federal government vendors and grantees are required to register in CCR to receive federal contracts or grants. Vendors are required to complete a one-time registration to provide basic information relevant to procurement, grant and financial transactions.

Vendors must update or renew their registration at least once a year to maintain an active status. The SBA provides the CCR with authoritative source information regarding certifications under 8(a) Business Development, HUBZone and Small Disadvantaged Business programs and provides the small business size status against each NAICS code listed in a registrant's profile.

SBA maintains the dynamic small business search function of the CCR. Businesses profiled on the DSBS can be searched by NAICS codes, keywords, location, quality certification, bonding

level business type, ownership, SBA certification, and by women, minority, veteran and service-disabled veteran ownership. The DSBS serves as a marketing tool for small businesses because the business profiles in the DSBS include information from SBA's files and other available databases, plus additional business and marketing information on individual firms.

To search the DSBS for small businesses, click on: http://dsbs.sba.gov/dsbs/dsp_dsbs.cfm or select the "Dynamic Small Business Search" at the CCR Web site at: <http://www.ccr.gov>

Registration in the DSBS is through the CCR. For more information on CCR, or to register, click the CCR Web site. Before registering in CCR, go to the top of the Web page and download the handbook which will tell you all the data you will need for a successful registration.

SUB-Net

Prime contractors use SUB-Net to post subcontracting opportunities. Small businesses can review this Web site to identify opportunities in their area(s) of expertise. While the Web site is designed primarily as a place for large businesses to post solicitations and notices, it is also used by federal agencies, state and local governments, nonprofit organizations, colleges and universities, and even foreign governments for the same purpose.

The Web site has shifted the traditional marketing strategy from the shotgun approach to one that is more focused and sophisticated. Instead of marketing blindly to hundreds of prime contractors, with no certainty that any given company has a need for their product or service, small businesses can now use their resources (saving time and money) to identify concrete, tangible opportunities and then submit bids/proposals targeting these potential subcontracting opportunities.

SUB-Net is available at the SBA Web site by visiting: <http://web.sba.gov/subnet>



HUBZone Program

The Historically Underutilized Business Zone Program stimulates economic development and creates jobs in urban and rural communities by providing federal contracting assistance to small businesses.

The HUBZone program establishes preferences for award of federal contracts to small businesses located in historically underutilized business zones. In general, small businesses may obtain HUBZone certification by employing staff who live in a HUBZone and maintaining a “principal office” in one of these specially designated areas.

SBA is responsible for:

- Determining whether or not individual concerns are qualified HUBZone small business concerns, and therefore eligible to receive HUBZone contracts;
- Maintaining a list of qualified HUBZone small business concerns for use by acquisition agencies in awarding contracts under the program; and
- Adjudicating protests and appeals of eligibility to receive HUBZone contracts.

To qualify for the program, a business must meet the following criteria:

- It must qualify as a small business by SBA size standards;
- Its principal office must be located within a HUBZone, which includes lands on federally recognized Indian reservations and covered by the phrase “Indian Country”;
- It must be owned (at least 51 percent) by one or more U.S. citizens, or Community Development Corporation or an agricultural cooperative, or an Indian tribe; and
- At least 35 percent of its employees must reside in a HUBZone.

Existing businesses that choose to move to qualified areas are eligible. To fulfill the requirement that 35 percent of a HUBZone firm’s employees reside in the HUBZone, employees must live in a primary residence within that area for at least 180 days or be a currently registered voter in that area.

For additional information regarding the HUBZone Program, please visit: www.sba.gov/hubzone/

Illinois Procurement Technical Assistance Centers

Procurement Technical Assistance Centers (PTAC) assist existing Illinois companies that are interested in doing business with the government. The goal is to provide access to government contracting opportunities for

companies that may, or may not, be new to this new market. The services provided to clients through this program include: Assistance with bid applications, targeted contracting opportunities, bar code and packaging information, government standards and specifications, quality assistance guidelines, assistance with certifications, radio frequency identification (RFID) and Unique identification (UID) issues, and training opportunities.

In 2006 alone, the PTAC Program assisted clients who received 2,073 contract awards that had a value of over \$553 million. To request assistance, contact any of the Centers below:

Chicago area PTACs

Illinois PTAC at College of DuPage

425 Fawell Boulevard
Glen Ellyn, IL 60137-6599
PTAC: Rita Haake
630/942-2184
Fax: 630/942-3789
e-mail: haaker@cod.edu
web: www.cod.edu

Illinois PTAC for Homeland Security (College of DuPage)

425 Fawell Boulevard
Glen Ellyn, IL 60137-6599
PTAC: Rita Haake
630/942-2184
Fax: 630/942-3789
e-mail: haaker@cod.edu
web: www.cod.edu

Illinois PTAC at College of Lake County

19351 West Washington Street,
Room T-302
Grayslake, IL 60030-1198
PTAC: Marc Violante
847/543-2025, ext. 2580
Fax: 847/223-9371
e-mail: mviolante@clcillinois.edu
web: www.clcillinois.edu/depts/pta.asp

Illinois PTAC at Illinois Hispanic Chamber of Commerce

1800 West Cermak Road
Chicago, IL 60608
PTAC: Mayra Garcia
312/492-9960 ext. 12
Fax: 312/229-1918
e-mail: ptac@ihccbusiness.net
web: www.ihccbusiness.net

Illinois PTAC at Moraine Valley Community College

10900 South 88th Avenue
Palos Hills, IL 60465-0937
PTAC: Al Meroz
708/974-5452
Fax: 708/974-0078
e-mail: meroz@morainevalley.edu
web: www.morainevalley.edu

Illinois PTAC at North Business & Industrial Council (NORBIC)

5353 West Armstrong Avenue
Chicago, IL 60646-6509
(main) 773/594-9292
Fax: 773/594-9416
PTAC: Director ext. 231
e-mail:
Web: www.norbic.org/services/
market/market1.html

Illinois PTAC at South Suburban College

58 West 162nd Street
South Holland, IL 60473-1270
PTAC: Dave Talbot
708/596-2000, ext. 2431
Fax: 708/210-5703
e-mail: dtalbot@southsuburban
college.edu
web: www.southsuburbancollege.edu

Illinois PTAC at Women's Business Development Center

8 South Michigan, Suite 400
Chicago, IL 60603-3302
PTAC: Deon Crayton
312/853-3477, ext. 39
Fax: 312/853-0145
e-mail: dcrayton@wbdc.org
web: www.wbdc.org

Downstate Illinois PTAC

Illinois PTAC at Black Hawk College

4703 - 16th Street, Suite G
Moline, IL 61265-7066
PTAC: Vicky Miller
309/797-2806
309/797-9344
e-mail: millerv@bhc.edu
web: www.sbd.c.bhc.edu

Illinois PTAC of Central Illinois

Quincy Business & Technology Center
301 Oak Street, Room 2-27
Quincy, IL 62301
PTAC: Mary Turner
217/223-5636
Fax: 217/223-5672
e-mail: mturner@imec1.org
web:

Illinois PTAC at Illinois Central College

124 S.W. Adams Street, Suite 300
Peoria, IL 61602-1388
PTAC: Susan Gorman
309/495-5970
Fax: 309/676-7534
e-mail: sgorman@icc.edu
web: www.icc.edu

Illinois PTAC at John A. Logan College

700 Logan College Road
Carterville, IL 62918-9802
PTAC: Chris Barr
618/985-2828, ext. 8571
Fax: 618/985-2867
e-mail: chrisbarr@jalcc.edu
web: www.jalcc.il.us

Illinois PTAC at Rock Valley College

EIGER Lab
605 Fulton, Room E108
Rockford, IL 61103
PTAC: John DiGiacomo
815/921-2086
Fax: 815/921-2089
e-mail:
j.digiacom@rockvalleycollege.edu
web: www.rockvalleycollege.edu

Q: What does it take for businesses to gain the competitive edge in today's global economy?



(312) 746-7777

A: A highly-skilled and flexible workforce.

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(773) 523-2516

Chicago Workforce Center for the Service Industries

SERVICEWORKS
hotel • restaurant • retail • customer service

(312) 494-9346

Demand Driven Workforce Development Services for Chicago Business.

City of Chicago Mayor's Office of Workforce Development
Richard M. Daley, Mayor David Hanson, Commissioner



Small Business Innovation Research Program

The SBIR Program encourages small businesses to explore their technological potential by reserving a specific percentage of federal research and development funds for small businesses. The program serves to fund the critical startup and development stages for a technology and encourages commercialization of the technology, product or service. In turn, this stimulates the U.S. economy.

SBIR Requirements:

Small businesses must meet the following eligibility criteria to participate in the SBIR program.

- Be 51 percent owned and controlled by one or more individuals who are U.S. citizens or permanent resident aliens in the U.S. or be a for-profit business concern that is at least 51 percent owned and controlled by another for-profit business concern that is at least 51 percent owned and controlled by one or more individuals who are citizens of, or permanent resident aliens in, the U.S.
- Be organized for profit.

- Principal researcher must be employed by small business.
- Company size cannot exceed 500 employees.

For more information on the SBIR Program visit www.sba.gov/services, then scroll down the “Contracting Opportunities” menu along the bottom and click on “Contracting Program.” From there, select “SBIR/STTR Programs” from the menu that appears on the right-hand side.

Participating Agencies:

Each year, the following eleven federal departments and agencies are required to reserve a portion of their R&D funds for award to small business: Departments of Agriculture; Commerce; Defense; Education; Energy; Health and Human Services; Homeland Security; Transportation; Environmental Protection Agency; National Aeronautics and Space Administration; and National Science Foundation.

For more information on the SBIR Program, please visit:

www.sba.gov/sbir/index/sbir-sttr.html

Small Business Technology Transfer Program

This STTR program reserves a specific percentage of federal R&D funding for award to small business and nonprofit research institution partners. Small business has long been where innovation and innovators thrive. But the risk and expense of conducting serious R&D efforts can be beyond the means of many small businesses. Conversely, nonprofit research laboratories are instrumental in developing high-tech innovations. But frequently, innovation is confined to the theoretical, not the practical. STTR combines the strengths of both entities by introducing entrepreneurial skills to high-tech research efforts. The technologies and products are transferred from the laboratory to the marketplace. The small business profits from the commercialization, which, in turn, stimulates the U.S. economy.

STTR Requirements:

Small businesses must meet the following eligibility criteria to participate in the STTR Program.

- Be 51 percent owned and controlled

by one or more individuals who are U.S. citizens or permanent resident aliens in the U.S.

- Be organized for profit.
- Principal researcher need not be employed by smallbusiness.
- Small business must conduct at least 40 percent of the work.
- Company size cannot exceed 500 employees. (No size limit for non-profit research institution).

The nonprofit research institution partner must also meet certain eligibility criteria:

- Be located in the United States and be one of the following:
- Nonprofit college or university.
- Domestic nonprofit research organization.
- Federally funded R&D center.
- The research institution must conduct at least 30 percent of the work.

Participating Agencies:

Each year the following five Federal departments and agencies are required by STTR to reserve a portion of their R&D funds for award to small business/nonprofit research institution partnerships: Department of Defense; Department of Energy; Department of Health and Human Services; National Aeronautics and Space Administration; and National Science Foundation.

TECH-Net

TECH-Net is an Internet-based database of information containing Small Business Innovation Research awards, Small Business Technology Transfer awards, Advanced Technology Program awards and Manufacturing Extension Partners centers.

It is a search engine and electronic gateway of technology information and resources for and about small high-tech businesses. It is a tool for researchers, scientists, state, federal and local government officials, a marketing tool for small firms and a potential "link" to investment opportunities for investors and other sources of capital.

TECH-Net is a free service for those seeking small business partners, small

business contractors and subcontractors, leading edge technology research, research partners, (e.g. small businesses, universities, federal labs and non-profit organizations), manufacturing centers and investment opportunities.

TECH-Net is available at: <http://technet.sba.gov>

Assistance for Small and Disadvantaged Businesses

8(a) Business Development Program

This provides various forms of assistance (management and technical assistance, financial assistance, government contracting assistance and advocacy support) to foster the growth and development of businesses owned by socially and economically disadvantaged individuals. SBA assists these businesses (during a nine-year tenure in the 8(a) Business Development Program) to gain equal access to the resources necessary to develop their businesses and improve their ability to compete on an equal basis in the mainstream of the American economy.

Business development assistance includes one-to-one counseling, training workshops, and other management and technical guidance required to expand into the federal government contracting arena.

The SBA enters into contracts with other federal agencies and subcontracts the performance of such contracts to 8(a) program participants.

Eligibility Criteria:

To participate in the 8(a) program, a business must be:

- a small business concern
- owned by a U.S. citizen
- at least 51 percent unconditionally owned and operated by an individual(s) who is socially and economically disadvantaged
- established for two full years before applying (or qualifying for a waiver of the two-year rule)

Social disadvantage:

Social disadvantage is defined as individuals who have been subjected to



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| Upcoming Learning Opportunities: | Date: | Location: |
|-----------------------------------|-----------------|------------|
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| Examiner Training | May - June | Various |
| Champions for Excellence | October 16 & 17 | Naperville |
| Lean Thinking in Healthcare | September 26 | Naperville |

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To be the Leader in Helping Illinois Organizations Achieve Performance Excellence through the development of the Baldrige Criteria.



racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual capabilities. The following individuals are presumed to be socially disadvantaged: Black Americans, Native Americans, Hispanic Americans, Asian Pacific Americans and Subcontinent Asian Americans. An individual who is not a member of one of the groups presumed to be socially disadvantaged must establish individual social disadvantage by a preponderance of the evidence. Anyone may apply for 8(a) Program certification.

For additional information regarding evidence of social disadvantage, please visit: www.sba.gov/8abd/indexprograms.html

Economic disadvantage:

Economically disadvantaged individuals are socially disadvantaged individuals whose ability to compete in the free-enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not socially disadvantaged.

Net worth:

For initial 8(a) Program certification, the net worth of an individual claim-

ing disadvantage must be less than \$250,000. For continued 8(a) Program eligibility after admission, net worth must be less than \$750,000. In determining such net worth, SBA will exclude the ownership interest in the applicant or participant and the equity in the primary residence.

Day-to-Day Management:

- Management and daily business operations must be controlled by disadvantaged individual(s) upon whom eligibility is based.
- The individual(s) must have management or technical expertise directly related to the primary product or service of the business.

For additional information on the 8(a) Business Development Program, please visit:

www.sba.gov/8abd/

Small Disadvantaged Business Certifications

To qualify as a small disadvantaged business, a firm must be owned and controlled by one or more individuals who are socially and economically disadvantaged. Congress has directed that individuals who are members of certain ethnic groups are presumed to be disadvantaged. Other persons, including women and persons of any

race, can also qualify by establishing their disadvantaged status.

Once certified by the SBA, the firm is added to an online registry of SDB-certified firms maintained in CCR/DSBS. Certified firms remain on the list for three years. Contracting Officers and prime contractors may search this registry for potential contractors.

For additional information on SBD Certification and Eligibility, visit the SBD Web site at: www.sba.gov/services, and select "Small Business Certifications" from the "Contracting Opportunities" menu in the center of the page.

Online 8(a)/SDB Application

The online 8(a)/SDB application makes it easier, faster and less expensive for small companies to apply for 8(a) Business Development and Small Disadvantaged Business certification directly from SBA's Web site. The 8(a)/SDB online application incorporates features including context sensitive help, real-time validation, printer-friendly versions and integrates with the CCR/DSBS.

This is one example of how the SBA utilizes technology such as the Internet to simplify the interaction between small business and the federal government.

You may access the electronic 8(a)/SDB application by visiting:

<https://sba8a.symphlicity.com/applicants/guide>

If you are having difficulty with SBA's General Log-in System (GLS), please contact ITSecurity@sba.gov.

If you are having difficulty with the Central Contractor Registration (CCR), please go to

<http://www.ccr.gov/help.asp> for contact information.

If you are having difficulty with the Dynamic Small Business Search (DSBS), please contact Robert.Connolly@sba.gov.

Small Disadvantaged Business (SDB) E-application, please contact SDB@sba.gov.

8(a) Business Development E-application, please contact 8ABD@sba.gov.

The Mentor-Protégé Program for 8(a) Participants

Through the SBA's Mentor-Protégé Program, 8(a) Program participants can receive in-depth business advice to assist them in becoming more competitive in obtaining federal government contracts. The SBA's Mentor-Protégé Program encourages private-sector relationships and broadens the agency's efforts to address the needs of clients in the 8(a) Program.

If you are an 8(a) participant, mentors can provide technical and management assistance, financial assistance in the form of equity investments or loans, subcontract support, and assistance in performing prime contracts through joint-venture arrangements with 8(a) businesses.

For additional information, please visit: www.sba.gov/8abd/mentoroverview.html

Management and Technical Assistance

SBA's Section 7(j) Management and Technical Assistance Program author-

izes the SBA to enter into grants, cooperative agreements and contracts with public or private organizations to pay all or part of the cost of technical or management assistance for individuals or concerns eligible for assistance under sections: 7(a) (11), 7(j) (10), or 8(a) of the Small Business Act. Specifically, the following are eligible to receive management and technical assistance, including businesses which qualify as small under CFR part 121 of this title; concerns located in urban or rural areas with high proportions of unemployed or low-income individuals, or which are owned by such low-income individuals; and businesses eligible to receive 8(a) contracts.

The types of assistance available to eligible individuals through the Management and Technical Assistance Program include counseling and training in the areas of:

- Finance
- Management
- Accounting
- Bookkeeping

- Marketing and presentation analysis
- Advertising
- Loan packaging
- Proposal bid preparation
- Feasibility studies
- Industry specific technical assistance
- The identification and development of new business opportunities

More information is at: www.sba.gov/8abd/indexgrantinfo.html

Service-Disabled Veteran-Owned Small Business

In 2003, the Small Business Act established a procurement program for small businesses owned and controlled by service-disabled veterans.

Contracting officers may award a sole-source or set-aside contract to a small business owned by a service-disabled veteran if:

The business is a responsible contractor able to perform the contract, and the contracting officer does not reason-

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ably expect two or more small businesses owned and controlled by service-disabled veterans will submit offers.

The anticipated award price of the contract (including options) won't exceed-

\$5 million in case of a contract opportunity assigned a North American Industry Classification System code for manufacturing; or

\$3 million in the case of any other contract opportunity;

In the estimation of the contracting officer, the contract award can be made at a fair and reasonable price.

Additionally, a contracting officer may award contracts after competition restricted to small business concerns owned and controlled by service-disabled veterans if the contracting officer reasonably expects two or more small businesses owned and controlled by service-disabled veterans will submit offers and that the award can be made at a fair market price.

For more information about SBA's Service-Disabled Veterans Business program, visit www.sba.gov/VETS/index.html or contact Stephen Konkle at 312-886-4208.

Disaster Assistance

Types of Assistance Available for Recovery

The SBA's Disaster Assistance Program is the only federal program providing loan assistance to homeowners, renters and businesses following disasters. The program provides eligible applicants with certain financial assistance only after an affected area is declared a disaster by the President or the Administrator of the SBA. This loan program is intended for funding of private-sector, non-agricultural losses for which the victims are uninsured or underinsured.

Eligibility is determined by review of a business' or an individual's financial situation as reviewed against established SBA guidelines. A low interest rate (not to exceed 4 percent) is available to applicants without credit available elsewhere; a higher rate (not to



exceed 8 percent) is available to applicants with credit available elsewhere.

There are several types of assistance available to qualified applicants.

Physical Disaster

Loans are available to businesses and homeowners and renters. Loans are available to qualified business applicants of any size for uninsured or underinsured disaster losses of up to \$1.5 million. Businesses may use these funds to replace or repair real estate, equipment, fixtures, inventory, and leasehold improvements to pre-disaster condition. Homeowners receive loans, up to \$200,000 for real property losses to repair or restore a primary residence to pre-disaster condition. Homes which are not primary residences are ineligible. Qualified renters and homeowners may also obtain loans for uninsured or underinsured personal property losses up to \$40,000 to repair or replace personal property such as clothing, furniture, cars, etc. Loans are not intended to replace extraordinarily expensive or irreplaceable items such as antiques, pleasure craft, recreational vehicles or fur coats.

Economic Injury

Loans are loans of up to \$1.5 million for small businesses only which sustain economic injury as a direct result of the disaster event. These working capital loans are intended to be made to small businesses, without credit

elsewhere, to help pay ordinary and necessary operating expenses that would have been payable barring the disaster event. Businesses may receive combined EIDL and physical disaster loans up to \$1.5 million, unless the business meets the federal criteria as a major source of employment. In that event, the \$1.5 million may be waived when appropriate application is made and documentation provided.

Military Reservist Economic Injury

Loans are available to \$1.5 million to assist eligible small businesses to meet their ordinary and necessary operating expenses that they could have met, but are unable to meet, because an essential employee was "called up" to active duty in his/her role as a military reservist. These loans are intended to provide only the amount of working capital needed by a small business to pay its necessary obligations as they mature until operations return to normal after the essential employee is released from active military duty.

More information is at:

<http://www.sba.gov/services>, then choose from the topics under "Disaster Assistance" at the center of the page.

Advocacy

The SBA: Your Voice In the Nation's Capital

The SBA's Office of Advocacy, the "small business watchdog" of the government, examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, the President and federal appellate courts as *amicus curiae* (friends of the court). Advocacy compiles and interprets statistics on small business and is the primary entity within the federal government to disseminate small business data.

Advocacy also funds outside research into small business issues and produces numerous publications to inform policy makers about the important role of small business in the economy and the impact of government policies on small business. In addition, the office monitors federal

agency compliance with the Regulatory Flexibility Act – the law that requires agencies to analyze the impact of their proposed regulations on small entities (including small businesses, small governmental jurisdictions and small non-profit organizations), and consider regulatory alternatives that minimize the economic burden on small entities.

Advocacy’s mission is enhanced by a team of regional advocates, located in the SBA’s 10 regions. They are Advocacy’s direct link to small business owners, state and local government entities, and organizations that support the interests of small entities. The regional advocates help identify regulatory concerns of small business by monitoring the impact of federal and state policies at the grassroots level. Finally, the office is headed by the Chief Counsel for Advocacy who is appointed by the President and confirmed by the U.S. Senate.

Learn more about the Office of Advocacy at: www.sba.gov/services, then select “Small Business Advocacy”



from the “Laws & Regulations” column at the bottom,

Regulatory Fairness for Small Business

If excessive fines, penalties or unfair regulatory enforcement by federal agencies are problems for your small business, you have a voice in Washington, D.C., through the U.S. Small Business Administration’s Office of the National Ombudsman.

The Ombudsman receives comments from small business owners, nonprofit organizations or small government entities. Comments are forwarded to

federal agencies for review, and in some cases fines may be lowered or eliminated and decisions changed in favor of the small business owner. Each year the National Ombudsman files a report with the U.S. Congress on how federal agencies have treated small businesses.

To request help, send the National Ombudsman a complete Federal Agency Comment Form. You may do this by fax at (202) 481-5719, online at the Ombudsman’s Web page: www.sba.gov/services, then select “National Ombudsman” from the “Laws & Regulations” column at the bottom, or by mail at: 409 Third Street S.W., Mail Code 2120, Washington, DC 20416.

The Ombudsman also coordinates 10 regional regulatory fairness boards which meet regularly to receive comments about federal regulations affecting small businesses.

Learn more about the National Ombudsman from the Web site above or call (888) REG-FAIR.

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