

CALIFORNIA MICROBUSINESS COVID-19 RELIEF GRANT PROGRAM

Applicant Certifications

In connection with the California Microbusiness COVID-19 Relief Grant Program (the “Program”), funded by the State of California (the “State”) and administered for the purposes of distributing Program grants throughout the County of Los Angeles (the “County”) by and through the Los Angeles County Department of Economic Opportunity (“DEO”), the undersigned, constituting an authorized representative of the below-referenced applicant business (the “Applicant”), acknowledges and agrees, on behalf of the Applicant, that the State, the County, DEO, and B.S.D. Capital, Inc. dba Lendistry (“Lendistry”), as the designated intermediary of the Program, each may rely on the below certifications in determining the Applicant’s eligibility for the Program and receipt of a grant under the Program.

The undersigned further acknowledges and agrees that if (i) any of the following certifications are untrue, (ii) the Applicant knowingly makes any false or misleading statement or material omission in the information or materials required or requested from the Applicant, or (iii) the Applicant uses any grant funds for any unauthorized purpose, the State, the County, DEO, and/or Lendistry may require the Applicant to repay such grant funds or take any other legal or equitable recourse available, including, without limitation, by seeking remedies for fraud.

By executing this document, the Applicant hereby certifies to all of the following (please initial next to each of the certifications below):

___ 1. The undersigned signatory is a duly authorized representative and owner of the Applicant and has full authority to make the certifications referenced herein on the Applicant’s behalf.

___ 2. Applicant represents and warrants that Applicant’s business meets all of the eligibility requirements for this Program, including but not limited to, that Applicant meets the definition of “qualified microbusiness” pursuant to Program guidelines, had less than fifty thousand dollars (\$50,000) in revenues in the 2019 taxable year.

___ 3. The Applicant represents and warrants it began the operation of its business prior to December 31, 2019 and is currently active and operating, or has a clear plan to reopen when the state permits reopening of the business. The Applicant also acknowledges and agrees that if Applicant’s business ceases to operate permanently, Applicant may be subject to return of all or any portion of the Program grant.

___ 4. The Applicant’s business has a physical location and is headquartered within Los Angeles County, California and is presently operating in the County.

___ 5. The Applicant’s business currently has five or fewer full-time equivalent employees and had five or fewer full-time equivalent employees in the 2019 and 2020 taxable years as reflected on tax filings.

___ 6. The Applicant’s business is not a business excluded from participation in the California Small Business COVID-19 Relief Grant Program, as specified in paragraph (2) of subdivision (g) of Section 12100.82.

___ 7. The Applicant is the owner of the microbusiness and can provide acceptable form of government-issued photo ID (State, domestic, or foreign) and documentation that includes the owner’s including but not limited to the following: a local business permit or license, a bank statement, a tax return, a trade account, a self-attestation/self-certification done under penalty of perjury.

___ 8. The Applicant is the majority-owner and manager of the qualified micro business and the owner's primary means of income in the 2019 taxable year.

___ 9. The Applicant's business was significantly impacted by the COVID-19 pandemic.

___ 10. If a grant is received by the Applicant, such grant funds will be used only to cover one or more of the following costs and/or expenses of the Applicant's business:

- (a) The purchase of new certified equipment including, but not limited to, a cart;
- (b) investment in working capital;
- (c) application for, or renewal of, a local permit including, but not limited to, a permit to operate as a sidewalk vendor;
- (d) payment of business debt accrued due to the COVID-19 pandemic; or
- (e) costs resulting from the COVID-19 pandemic and related health and safety restrictions, or business interruptions or closures incurred because the COVID-19 pandemic, as defined in subdivision (k) of California Government Code Section 12100.83.

___ 11. If a grant is received by the Applicant, no portion of the grant funds will be used for any purposes other than those listed in Section 10 above. Specifically, no portion will be used for the following costs and/or expenses (collectively, "Excluded Expenses"): (a) human resource expenses for the State share of Medicaid; (b) employee bonuses or severance pay; (c) tax payments; (d) legal settlements; (e) personal expenses or other expenses unrelated to COVID-19 impacts; (f) expenses for repairs from damage covered by applicable insurance; or (g) reimbursement to donors for donated items or services. The Applicant acknowledges and agrees that if all or any portion of the grant funds are used for any unauthorized purposes, the State of California may hold the undersigned, the Applicant and/or any other owner thereof legally liable, including, but not limited to, liability for possible charges of fraud.

___ 12. The Applicant acknowledges and agrees that the Applicant is not one or more of the following types of businesses deemed ineligible to receive a grant under the Program:

- (a) a business without a physical presence in the state of California and not headquartered in California;
- (b) a business primarily engaged in political or lobbying activities, regardless of whether the entity is registered as a 501(c)(3), 501(c)(6), or 501(c)(19);
- (c) a passive business, investment company or investor who files a Schedule E on its tax returns;
- (d) a financial business primarily engaged in the business of lending, such as a bank, finance company or factoring company;
- (e) a business engaged in any activity that is unlawful under federal, state or local law;
- (f) a business that restricts patronage for any reason other than capacity, specifically any business that illegally discriminates patronage;
- (g) a speculative business, meaning a business for the sole purpose of purchasing and holding an item until the market price increases or other business principally engaged in risky activity for the chance of an unusually large profit, including but not limited to, (i) oil wildcatting, (ii) dealing in stocks,

bonds, commodity futures, and other financial instruments and (iii) mining gold or silver in other than established fields;

(h) The Applicant understands that it is ineligible to receive a grant under the Program if any owner of greater than 10% of the equity interest in the Applicant: (i) has within the prior three-years been convicted of or had a civil judgment rendered against such owner, or has had commenced any form of parole or probation (including probation before judgment), for (A) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, (B) violation of federal or state anti-trust or procurement statutes, or (C) commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; or (ii) is presently indicted for or otherwise criminally or civilly charged by a government entity, (federal, state or local) with commission of any of the offenses enumerated in subparagraph (i) above

(i) a business that is affiliated (as such term is defined in 13 C.F.R. § 121.103) with another Applicant;

(j) a church or other religious institution, other than a school, child care, or other educational business affiliated with a church or other religious institution where (i) greater than 50% of the gross annual revenue (as reflected on the entity's most recent tax return (2019)) is derived from the school, child care facility or other educational business and (ii) the Grant Funds will be used only for eligible costs and expenses directly related to the school, child care, or other educational business, and no portion of the Grant Funds will be used for any normal profit or overhead of the church or other religious institution;

(k) a business of a prurient sexual nature, including a business which presents live performances of a prurient sexual nature or a business which derives directly or indirectly more than de minimis gross revenue through the sale of products or services, or the presentation of any depictions or displays, of a prurient sexual nature;

(l) a business engaged in any socially undesirable activity or activity that may be considered predatory in nature such as rent-to-own businesses or check cashing businesses; or

(m) a business, franchise or location of which the majority owner and manager of Applicant's has already applied for and received a grant under the California Small Business COVID-19 Relief Grant Program on behalf of a business for which they are the majority owner and manager.

___ 13. The Applicant has not and will not apply for or receive any other grant through or under the Program. The Applicant agrees that if a second award is issued for its business, then one or both awards will be voidable at the discretion of the State, the County, DEO, and/or Lendistry, as applicable.

___ 14. The undersigned, on behalf of the Applicant, hereby authorizes the State of California and its designated authorized representatives, including without limitation the County, DEO, and Lendistry, to request access to, and to review, the Applicant, the Applicant's tax return information and other information related to the Applicant and its owners that may be requested by such representatives, which may include an investigatory background check of the Applicant or its owners. The Applicant acknowledges that Lendistry will confirm the Applicant's eligibility for the Program and the eligible grant amount thereunder based, in part, on the tax and other documents provided by the Applicant, and the State of California, the County, DEO, may rely on such confirmation and tax and other documents in making a grant to the Applicant. The Applicant further affirms that the tax return information provided in

connection with the Program is identical to the tax return information submitted to the Internal Revenue Service. The Applicant understands, acknowledges and agrees that the State of California and its authorized representatives, including without limitation the County, DEO, and Lendistry, may share such tax information and other documentation with local, state and federal authorized representatives, including without limitation for the purpose of compliance with federal, state, or local laws and regulations.

___ 15. Any and all information provided by or on behalf of the Applicant, including without limitation the information contained in the Applicant's grant application submitted for the Program and any and all information provided in support of Applicant's application under the Program is and will be true and accurate in all material respects.

___ 16. The Applicant acknowledges that the State of California, the County, DEO, and Lendistry are each relying upon the certifications made in this document in addition to any other certifications made by the Applicant in connection with its application for the Program. The Applicant further acknowledges and agrees that all certifications made by the Applicant in connection with the Program are made in good faith.

Signature

Date

Print Name

Title

Applicant Business Name

EIN/SSN/ITIN

Applicant Business Address