Table of Contents

1. Purpose ................................................................................................................................... 5
2. External Users......................................................................................................................... 5
3. Overview ................................................................................................................................ 5
4. Accessing the SBIC-Web Application ................................................................................... 6
5. Home ...................................................................................................................................... 8
6. View/Update SBIC Profile ..................................................................................................... 10
7. View/Update Portfolio Companies ....................................................................................... 13
8. Add a New Portfolio Company ............................................................................................ 16
9. View/Update Loans and Investments in a Portfolio Company ............................................ 21
10. Manually Add New Investment .......................................................................................... 22
11. Record Investment Current Activity................................................................................... 24
12. File Form 1031 ................................................................................................................... 35
13. Edit/View/Submit a Form 1031 Filing in Draft Status.......................................................... 41
14. View/Amend Currently Submitted Form 1031 Filings ....................................................... 42
15. View/Amend Previously Submitted Form 1031 Filings ..................................................... 43
16. File Form 1031A ................................................................................................................ 45
17. File Form 468 ..................................................................................................................... 46
   17a. File an Annual Form 468 ................................................................................................... 57
   17b. File Quarterly Form 468 .................................................................................................... 58
   17c. File Interim Form 468......................................................................................................... 59
18. Edit/View/Submit Form 468 Filing in Draft Status............................................................... 60
19. View/Amend Currently Submitted Form 468 Filings .......................................................... 61
20. View/Amend Previously Submitted Form 468 Filings ....................................................... 62
21. Search Submitted Filings ..................................................................................................... 63
22. Print Blank Forms ............................................................................................................... 64
23. Upload Other Filings ............................................................................................................ 64
24. Liquidation Supplement ....................................................................................................... 67
25. Where to send Questions or Report Problems................................................................. 76
### Table of Figures

Figure 1: GLS Log in screens ............................................................................................................... 7
Figure 2: Navigate to Home - SBIC User/OL SBIC User .......................................................................... 8
Figure 3: Navigate to Home - OL Rec Agent ............................................................................................ 8
Figure 4: SBIC User/OL SBIC User Home page ....................................................................................... 8
Figure 5: OL Rec Agent Home page ....................................................................................................... 9
Figure 6: Navigate to SBIC Profile – SBIC User/OL SBIC User ................................................................. 10
Figure 7: Navigate to Profile – OL Rec Agent .......................................................................................... 10
Figure 8: SBIC Profile page – All 3 External Users .................................................................................. 11
Figure 9: Navigate to Portfolio – SBIC User/OL SBIC User ................................................................. 13
Figure 10: Navigate to Portfolio – OL Rec Agent ................................................................................... 13
Figure 11: Portfolio Overview page – All 3 External Users .................................................................... 14
Figure 12: Portfolio Company left navigation panel - All 3 External Users .............................................. 15
Figure 13: Portfolio Company left navigation panel - All 3 External Users .............................................. 15
Figure 14: Navigate to Portfolio – SBIC User/OL SBIC User ................................................................. 16
Figure 15: Navigate to Portfolio – OL Rec Agent ................................................................................... 16
Figure 16: Add Portfolio Company page – All 3 External Users .............................................................. 16
Figure 17: Add Portfolio Company – General Information page – All 3 External Users ....................... 17
Figure 18: Add Portfolio Company – General Information page – All 3 External Users ....................... 18
Figure 19: Portfolio Company Overview – SBIC User/OL SBIC User .................................................... 21
Figure 20: Loans and Investments page – All 3 External Users ............................................................... 22
Figure 21: Portfolio Company Overview page - SBIC User/OL SBIC User ............................................. 23
Figure 22: Loans and Investments – All 3 External Users ...................................................................... 23
Figure 23: Portfolio Company Overview – All 3 External Users ............................................................ 24
Figure 24: Loans and Investments–Investment Date – All 3 External Users ........................................... 24
Figure 25: Investment Information page – All 3 External Users ............................................................ 25
Figure 26: Investment Page .................................................................................................................... 25
Figure 27: Current Activity Screen - Top .................................................................................................. 26
Figure 28: Current Activity Page - Add Activity (bottom) ...................................................................... 28
Figure 29: Current Activity form – “Exchange Investment” data fields .................................................... 31
Figure 30: Investment Page .................................................................................................................... 34
Figure 31: Navigate to Filings – SBIC User ............................................................................................... 36
Figure 32: File Form 1031 page ............................................................................................................. 36
Figure 33: Prefinancing Status for New Security or New Form 1031 filing ............................................. 37
Figure 34: Prefinancing Status for Follow-on Security ........................................................................... 38
Figure 35: Individual Ownership Percentages, CEO or President, Women and Veterans ..................... 40
Figure 36: SBIC Home Page .................................................................................................................. 41
Figure 37: Filings in Progress .................................................................................................................. 41
Figure 38: SBIC Home Page .................................................................................................................. 42
Figure 39: Recent Filings ........................................................................................................................ 42
Figure 40: SBIC Home Page .................................................................................................................. 42
Figure 41: Form 1031 Filings – Submission History ............................................................................... 44
Figure 42: Navigating to Filings .............................................................................................................. 45
Figure 43: File Form 1031A ..................................................................................................................... 45
Figure 44: Navigate to Filings - SBIC User/OL SBIC User ................................................................. 46
Figure 45: Navigate to Filings - OL Rec Agent ....................................................................................... 46
Figure 46: File Form 468 - All 3 External Users ...................................................................................... 47
Figure 47: Form 468 Individual Pages (SBIC User and OL SBIC User) .................................................. 49
Figure 48: Form 468 Individual Pages (OL Rec Agent) ......................................................................... 51
1. Purpose

The purpose of this document is to provide a detailed roadmap of the SBIC Web Application features and functionality for External Users (non-SBA employees). In the event of any conflict between this Manual and any program requirement or guidance, such program requirement or guidance will control. This document can also be accessed under the “External User’s Manual” link at the bottom of the SBIC WEB page.

2. External Users

* **SBIC User that Files Form 1031 and 468**: works as a manager of, employee of, or as an outside contractor to, an active SBIC (SBIC User) in the Office of SBIC Operations (OSO).

* **An external user that works on behalf of liquidated SBIC**: works as a manager of, employee of, or as an outside contractor to, an SBIC (OL SBIC User) under the Office of Liquidation (OL).

* **An external receiving agent that works on behalf of liquidated SBIC**: works for an external receivership agent assigned to the SBIC (OL Rec Agent) under the Office of Liquidation and in Receivership.

For users who access both active and liquidated SBICs, separate General Login System (GLS) accounts will be required, each with the role designated for the type of SBIC being accessed. Account records for different SBICs cannot be combined or cross-referenced.

3. Overview

The SBIC Web system has been designed to streamline Form 1031 and Form 468 creation and reporting and to provide SBIC and SBA users with access to more information about the SBIC, its portfolio companies, and its investments in those portfolio companies.

- **Form 1031** - All SBICs are required to submit a Form 1031 within 30 days of each new financing of a small business concern.

- **Form 1031A** – All SBICs are required to submit a Form 1031A Certification on an annual basis and on a semiannual basis if the SBIC has outstanding leverage or outstanding commitments. The purpose of Form 1031A is for the SBIC to certify the completeness and correctness of previous electronic filings of SBA Form 1031. SBICs with SBA Leverage or an SBA Leverage commitment must file Form 1031A semiannually with their semi-annual valuation report and their year-end Form 468. For most SBICs, these filings are the 6/30 and the 12/31 Form 468 filings. SBICs without SBA Leverage or an SBA Leverage commitment must file the Form 1031A annually with their year-end Form 468.

- **Form 468** - All SBICs are required to file the Form 468 annually by the last day of the third month following the end of their fiscal year. An SBIC must also complete a Quarterly Form 468 if it has outstanding leverage, outstanding commitments, or is required to report quarterly by SBA’s Office of Investment and Innovation.
SBICs Licensed After May 2013

If an SBIC has pre-licensing investments, basic portfolio company information, such as names, addresses, etc. can be populated to the SBIC WEB application before the SBIC begins the first Form 468. Please send an email to sbicwebsupport@sba.gov to request the pre-population of existing investments and beginning balances for various Form 468 pages.

4. Accessing the SBIC-Web Application

If you are a new SBIC WEB user, please refer to the GLS Registration Instructions for instructions on creating a GLS account. You will need this GLS account in order to access the SBIC WEB application and to associate your SBIC with your GLS account.

1. Enter the following website URL in your browser: https://eweb.sba.gov/gls/. The following web browsers work with SBIC WEB:
   a. Internet Explorer 8 (with Windows Vista, Windows 7, and Windows 10)
   b. Internet Explorer 9 and later (with Windows Vista, Windows 7, Windows 8, and Windows 10)
   c. Internet Explorer 11 (Windows 10 and Windows Edge)
   d. Google Chrome
   e. Firefox
   f. Safari

NOTE: To ensure optimal performance, please be sure to run all browser updates on a regular basis. Additionally, if users are experiencing issues with screen layouts, sizing or browser objects, please press {Ctrl +} or {Ctrl -} in order to resize the browser objects.

2. After clicking on “Agree” to accept all the GLS warning statements, log into the GLS by entering your registered SBA user ID and password. (See Figure 1)

3. Click on Login.
4. The application displays the home page of your account (See Figure 2 and Figure 3).
5. Home

1. Click on Home in the top navigation menu. (See Figure 2 or Figure 3)

Figure 2: Navigate to Home - SBIC User/OL SBIC User

Figure 3: Navigate to Home - OL Rec Agent

2. The SBIC User/OL SBIC User Home page displays information about the SBIC's Form 1031 and Form 468 Filings (See Figure 4):

- **Filings in Progress** - Shows Form 1031 and Form 468 filings in Draft status, and filings in Draft-Amended status (submitted filings that have been re-opened for correction, but haven't been submitted yet). **NOTE:** Only one draft filing for a Form 468 and one draft filing for a Form 1031 (for each unique portfolio company) can be in progress at any time.

- **Filing Schedule** - Shows the next Form 468 filings, after the current system date, that the SBIC is required to file over the next 12 months.

- **Recent Filings** - Shows Form 1031 and Form 468 filings that have been submitted within the past six months.

Figure 4: SBIC User/OL SBIC User Home page
3. The **OL Rec Agent Home** page displays information about the SBIC's Form 1031 and Form 468 Filings (see Figure 5):

- **Filings in Progress** - Shows Form 468 filings in Draft status, and filings in Draft-Amended status (submitted filings that have been re-opened for correction, but haven't been submitted yet). **NOTE:** Only one draft filing for a Form 468 and one draft filing for a Form 1031 (for each unique portfolio company) can be in progress at any time.

- **Recent Filings** - Shows Form 1031 and Form 468 filings that have been submitted within the past six months. Only Form 468s filings submitted by the OL Rec Agent can be amended by the OL Rec Agent, all previous Form 468 and Form 1031 submissions are Read-Only.

![Figure 5: OL Rec Agent Home page](image)

4. To view or edit a draft filing:

   In the Filings In Progress table, click the hyperlinked label of the filing you want to view or edit (Form 468 or Form 1031).

5. To delete a draft filing:

   In the Filings In Progress table, click the Delete icon for the filing you want to delete, then click OK.

6. To view a recently submitted filing:

   In the Recent Filings table, click the hyperlink of the filed form (Print Form 468 PDF or Print Form 1031 PDF) you want to view.
Note: If the filing you want to see is not shown, it can be found on the Filings - Search page. From the SBIC Profile menu, you can also view all submitted 1031, 468, and other filings in the application.

Users can sort most table columns. Click on the header for a column in a table and the data will sort alphabetically (A-Z) based on the data in that column. Click on the header a second time and the data will sort alphabetically in reverse (Z-A) order based on the data in that column. Similarly, numeric columns can be sorted from lowest to highest and highest to lowest by clicking on the column header.

6. View/Update SBIC Profile

1. Click on SBIC Profile in the top navigation menu (See Figure 6 or Figure 7).

Figure 6: Navigate to SBIC Profile – SBIC User/OL SBIC User

Figure 7: Navigate to Profile – OL Rec Agent

2. SBIC Profile page provides information about the SBIC’s profile.

To edit any of these pages, click on the hyperlink for that page in the left navigation menu, then click the Edit button in the lower-right corner of the page (See Figure 8).

Data fields with an “*” are required to be completed by the user. Users can only edit data fields that are not grayed out.
**Licensee Information** – View, add and edit general licensee information (address, fund type, etc.) and contact information for your SBIC.

**Public-Facing Information** – View, add and edit contact information for your SBIC to be displayed on the SBA’s public web site.

**NOTE:** Enter this information only if you want the address and contact information posted on the SBIC Program’s public web site www.sba.gov/INV to be different from the information listed in the Licensee Information section.

**Branch Offices** - View, add, edit and delete the contacts and address information of any branch offices of your SBIC.

**General Partners** – ONLY for Partnership SBICs. View, add, edit and delete the General Partners/Limited Partners/Management of your SBIC.

**Officers and Directors** - ONLY for Corporate SBICs. View, add, edit and delete the Officers/Directors of your SBIC.

**NOTE:** The information entered on this page is used by the SBIC WEB application to populate Schedule 7 – Page 18C/18P (General Partners or Officers/Directors) of the Annual Form 468 filing. See Section 6 - #3 below for more details.

**Investment Criteria** - View, add and edit information about your SBIC’s investment preferences.

**Sister Funds** - View information about your SBIC’s sister funds.

**NOTE:** SBIC users cannot change this information. Please contact your analyst to request a change.

**Form 468 Filings** - View, print and amend your SBIC’s Form 468 submitted filings. View the CIP worksheet for each Form 468 submission.

*(See Sections 17 to 20 for instructions on how to file Form 468).*

**Form 1031 Filings** - View, print and amend your SBIC’s Form 1031 submitted filings

*(See Sections 12 to 15 for instructions on how to file Form 1031).*

**Other Filings** - View your SBIC’s uploaded Distribution Worksheets, Bank Letters, Form 1031A filings, and Quarterly Status Reports.

*(See Section 23 for instructions on how to upload documents).*

**Capital Information** - View information about your SBIC’s private capital, outstanding leverage, and unused leverage commitments.

**Portfolio Companies** – View, add, and edit information about your SBIC’s portfolio companies.

**Liquidation Information** – ONLY for OL SBIC Users and OL Rec Agents. View, add and edit specific liquidation information about the SBIC.

*Only displayed for SBIC with a Status of Liquidation. (See Section 24 for more details).*
3. Additional Instructions for links under SBIC Profile:

**SBIC Profile – Licensee Information**

Filing requirements for Schedule 8 can be set under the SBIC Profile – Licensee Information link – “Schedule 8 Required” data field. The requirements should be set **BEFORE beginning any Form 468 filing**. Users can set the requirements to submit both sections of Schedule 8, the Financial Information Only, or the Waterfall Information only by selecting the appropriate radio button.

**NOTE:** Once a Form 468 filing has been created, the filing requirements cannot be updated and the user will be required to delete the Form 468 draft filing in order to reset the filing requirements.

**SBIC Profile – General Partners/Limited Partners/Management/Officers and Directors**

The “General Partners” or “Officers and Directors” hyperlink passes the user to a page where information about general or limited partners, management, and officers and directors can be recorded. Once information is entered and saved, users can click on the pencil icon to edit and update any information after the record has been saved.

**NOTE:** This data is automatically populated to your Annual Form 468, Page 18 - General Partners, Limited Partners/Shareholders, Officers. This information is NOT directly linked nor does it update your capital certificate information.

The following rules describe who should be listed on Form 468, Page 18C/Page 18P - Schedule 7. Please list company or entity names in the “Last Name” data field only.

**Partnership SBICs:**

- **General Partners.** List each individual, corporation, LLC or limited partnership serving as a general partner of the Licensee.

- **Limited Partners.** List any individual or entity which directly or indirectly owns or controls a limited partner's interest representing 10 percent or more of the Licensee's private partnership capital.

- **Advisory Management.** List any individuals or entities (other than a general partner) which serve as Investment Advisors/Managers or otherwise participate in the management of the SBIC, whether or not they have any ownership interest in the SBIC.

**Corporate SBICs:**

- **Shareholders.** List each person or company which directly or indirectly owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting shares of the SBIC. In addition, list each person or company which legally or beneficially owns or controls 10 percent or more of any other class of securities of the SBIC.

- **Managers, Officers, and Directors.** List all of the SBIC’s officers and directors, whether or not they have any ownership interest in the SBIC. Also list any individuals or entities which serve as Investment Advisors/Managers or otherwise participate in the management of the SBIC, whether or not they have any ownership interest in the SBIC.
• Complete all other required fields. See Field Notes for instructions on specific fields.

**Field Notes:**
* **Type.** Indicates the status of the individual or company and whether the person is a general partner, limited partner, or manager.

* **# Shares.** If applicable, give the number of partnership shares/units corresponding to the form of ownership or control indicated in the Shares are field.

* **Class.** Indicate the class of shares/units controlled or owned, if applicable.

* **Shares are.** Indicate whether partnership interests are owned legally ("of record") or beneficially, or whether they are controlled (for example, interests may be owned by a minor child and controlled by a parent).

7. **View/Update Portfolio Companies**

SBICs should complete the information in this section before starting a Form 1031, adding manual investments, or recording current activities which populate to the Form 468, Page 11 - Schedule of Loans and Investments.

1. Click on **Portfolio** in the top navigation menu then click on “Companies”. (See Figure 9 or Figure 10)

Figure 9: Navigate to Portfolio – SBIC User/OL SBIC User

![Home SBIC Profile Filings Portfolio Capital Certificate Help](Link)

Figure 10: Navigate to Portfolio – OL Rec Agent

![Home SBIC Profile Filings Portfolio Reports Capital Certificate EPS Help](Link)

2. The **Portfolio Overview** page displays all the Portfolio Companies for the SBIC. (See Figure 11)

3. Click on a Portfolio Company name to view and update information related to that Portfolio Company. Users can also search for portfolio companies by using the “Search” function on the Portfolio Company Overview page.
To search for portfolio companies:

a. In the Portfolio Company Name search field located at the top of the page, enter all or part of the name of the company you want to find.

**Note:** Search criteria fields are not case-sensitive, and use implicit wildcard characters. For example, if you enter "b" in the Portfolio Company Name field, the search will return all portfolio companies that contain the letter b (or B).

b. Click Search.

To view a portfolio company:

a. In the search results table, click the name of the company you want to view. The application will display the portfolio company's General Information page.

Figure 11: Portfolio Overview page – All 3 External Users

4. The General Information page provides information related to the selected Portfolio Company (See Figure 12 and Figure 13).
**General Information.** View, add and edit general information about a Portfolio Company.

**Financial Information.** View, add and edit unaudited financial information about the Portfolio Company. This information automatically populates to the Form 468, Page 20 - Schedule 8: Unaudited Portfolio Company Information. See Section 16 for more details.

**Loans and Investments.** Displays detailed and summary information about the SBIC's Loans and Investments with the Portfolio Company. These Investment details are used to populate the Form 468, Schedule of Loans and Investments and are derived mainly from the Form 1031 filings. Users can also add Manual Investments which will populate to the Form 468, Schedule of Loans and Investments.

**NOTE:** For more details about Loans and Investments, see Sections 9 to 11.

**Commitments.** View, add, edit or delete information about the SBIC's commitments to provide financial assistance to the Portfolio Company.

**Guarantees.** View, add, edit or delete the SBIC's guarantees of third-party debt incurred by the Portfolio Company.
Note(s): If there is a Form 1031 in Draft status for a particular Portfolio Company, no edits can be made to the Portfolio Company’s general information.

If there is a Form 468 in Draft status, updates made to the data on the general information page will be automatically included in the existing Draft Form 468 filing.

8. Add a New Portfolio Company

1. Click on Portfolio in the top navigation menu (See Figure 14 or Figure 15).

Figure 14: Navigate to Portfolio - SBIC User/OL SBIC User

Figure 15: Navigate to Portfolio – OL Rec Agent

2. Click on Add Portfolio Company to add a new Portfolio Company (See Figure 16 and 17). This feature should only be used if the portfolio company DOES NOT exist in your current list of portfolio companies in the Portfolio Overview section. Please note the use of unique Employer Identification Numbers (EIN) for each portfolio company.

Figure 16: Add Portfolio Company page – All 3 External Users
3. Complete all the required data fields, denoted with an “*”, to add the new portfolio company record.

All required data fields must be completed before a Portfolio Company record can be saved or a Form 1031 can be filed. Please note the following business rules for the data fields listed below:

a. **Smaller Concern (If Yes, Check the box).** The “Smaller Concern” question refers to the size of the portfolio company when the investment was made and will not necessarily be the same for all investments of that portfolio company. For example, a company may qualify as a Smaller Concern when the SBIC makes an initial investment, but may have grown too large to qualify at the time of a follow-on investment. The setting can be changed **BEFORE** the user files a new Form 1031 or creates a manual investment that is different than previous investments.
b. **Percentage Ownership and/or Percentage Voting.** These figures are the overall percentages at the portfolio company level.

c. **Current Stage of Company.** Should indicate the current stage of the portfolio company. If the “Stage of Company” = “Public”, then the “Stock Symbol” data field is also required.

d. **Stock Symbol/OTC.** i.e. TSL for Tesla, etc.

e. **Date Business Established.** The earliest date that the application will accept is a date with the year ‘1900’. If a business was established before the year 1900, enter the date established as 1/1/1900 and include the actual date in the comments.

f. **Energy Savings Investment?** An investment made to a small business that is primarily engaged in Energy Saving Activities (see [13 CFR §107.50](https://www.acf.hhs.gov/). Under certain circumstances, a pre-Financing determination by SBA is required, as described in the final rule. A small business is presumed to be primarily engaged in Energy Saving Activities if:

1. The Small Business derived at least 50% of its revenues during its most recently completed fiscal year from Energy Savings Activities; or

2. The Small Business will utilize 100% of the Financing proceeds received from a Licensee to engage in Energy Saving Activities.

g. **Fiscal Year End.** Indicates the month and day of the fiscal year end for the portfolio company. This information will display in the financial information section of the Unaudited Portfolio Company Information page (Form 468, Page 20 - Schedule 8) and will provide a reference point for the periods of the financial information provided. Some dates have been pre-populated based on information from submitted Form 1031s; however, users should update any incorrect dates and also provide fiscal year end dates where needed. This information can be updated before or while a Form 468 filing is in progress, but we recommend updating the fiscal year end dates before a Form 468 is created. (See Figure 18)

---

Figure 18: Add Portfolio Company – General Information page – All 3 External Users
4. To search for NAICS codes when adding or editing portfolio company information, click the “Find NAICS Code” button.

In the NAICS Code pop-up, users can search for NAICS codes by number or industry key word.

a. Do one of the following:
   - To search by NAICS Code, click NAICS Code.
   - To search by Industry Name, click Industry Name.

b. In the box, type a full or partial NAICS code or industry name.

c. Click Search.

d. Click the row with the NAICS information you want to add for the portfolio company.

e. Click OK. To clear the search results, click the View All button.

f. Click Save.

5. To add additional information on other portfolio company pages, in the left navigation panel, click one of the following links:

   - **Financial Information (Schedule 8)**

      a. The page allows users to complete the three period financial information section that populates to the Unaudited Portfolio Company Information report (Form 468, Page 20P – Schedule 8 for partnerships or Form 468, Page 20C – Schedule 8 for corporations).

      b. If users need to add a new filing period, they can update one of the filing periods that will no longer display on the current report. The .PDF copy of the report will resort and display the filing periods in sequential order beginning with the most recent period. If a user enters an “As of Date”, then the “Basis Period” data field is also required to be completed to save the form. Please see Section 17 for more details on completing this section for Schedule 8.

      c. If users need to amend this information in a submitted Form 468 filing, they should amend the Form 468 in which the information was originally submitted, and then input the updates.

      d. For Annual 468 submissions:

         1. EOY Equity Value is equivalent to GAAP Fair Value
         2. EOY Enterprise Value is calculated as Debt + Equity Value
         3. Federal and State taxes paid represent income taxes (do not include payroll taxes).
         4. Please record the most recent year-end economic data in the most recent filing period so that the SBIC Analyst can review the most recent information available.
• *Loans and Investments (See Section 9)*

• *Commitments*

Displays information about the SBIC's commitments to provide financing to the Portfolio Company.

The Investment Type can be Loan, Debt or Equity. This information will automatically populate to the Form 468, Page 9 - Schedule of Commitments.

a. If a commitment expiration date has expired at the time of a Form 468 filing, the entry will automatically be removed in the next Form 468 filing.

b. Users can select whether the commitment is “New” or “Follow-On”

c. Users will have to manually update the outstanding commitment amount as the Portfolio Company draws the committed funds.

**NOTE:** Please present completely undrawn lines of credit in the Schedule of Commitments.

The usual nature of a line of credit is that the small business can draw down, repay, and then re-draw. Accordingly, on the Form 468 please show the amount currently outstanding on the Schedule of Loans and Investments (Form 1031 for initial original amounts only) and the available, undrawn balance on the Schedule of Commitments. Enter a comment on the Schedule of Loans and Investments explaining that the financing is a line of credit and indicating the total amount available under the line.

Please do not file a new Form 1031 for every draw, especially if it is an amount that's being re-drawn after a pay down. For these types of draws done after a pay down, you can simply add a manual investment and explain in the comments that this financing is a line of credit.

For example:

Line of Credit = $1,000,000  
1\textsuperscript{st} Draw = $500,000 (File a Form 1031)  
Repay 1\textsuperscript{st} Draw  
2\textsuperscript{nd} Draw = $500,000 (File a Form 1031)  
Repay 2\textsuperscript{nd} Draw  
3\textsuperscript{rd} Draw = $700,000 (File a Manual Investment)
• **Guarantees.**

Shows the SBIC's guarantees of third-party debt incurred by the portfolio company. This information will automatically populate to the Form 468, Page 10 - Schedule of Guarantees.

9. **View/Update Loans and Investments in a Portfolio Company**

1. Click on **Portfolio** in the top navigation menu. (See Figure 19)

2. Click on a Portfolio Company name to view or update its Loans and Investments.

![Figure 19: Portfolio Company Overview – SBIC User/OL SBIC User](image)

3. Click on **Loans and Investments** in the left panel. (See Figure 20)

This page displays all the Investments for a Portfolio Company:

- Prepopulated Investments (when the SBIC WEB application first went live)
- Investments created by directly filing a Form 1031
- Manually created Investments (See Page 21 - Section 10 and Page 34 - Section 12) on when to file a Form 1031 for these types of investments
- Spawned Investments (Investments created during the recordation of Current Activities on other Investments – these investments DO NOT require a Form 1031 filing)

SBIC Web maintains historical information. All portfolio companies and any associated investment cost and value will always display as part of the portfolio company overview. **NOTE:** Figures on the Portfolio Company overview page are updated nightly and may not match aggregate totals for a specific portfolio company when individual investment numbers are actively updated.
All the various types of investments for a particular Portfolio Company are grouped together under one large "umbrella" for the Portfolio Company.

If equity is held in a holding company that has a different name and Tax ID number than the Portfolio Company where the debt is held, the equity should be listed under the Portfolio Company name so it will be grouped under the “umbrella;” however, users should add notes to the comments section about the holding company along with any other pertinent information about the investment.

10. Manually Add New Investment

Manual Investments should be filed ONLY in the following situations:

When the investment is NOT spawned by one of the existing current activities. Current activities include (but are not limited to):
- Accrued Interest/Dividends/OID (Original Issue Discount) Converted
- Exchange Investment
- Exercise Warrants
- Investment Sold
- Principal Payment Cash/Non-Cash
- When a Form 1031 is NOT required to be filed

Manual investments automatically populate to a Form 468 based on the investment date.

1. Click on Portfolio in the top navigation menu (See Figure 21).
2. Click on a Portfolio Company name.
3. Click on **Loans and Investments** in the left panel. (See Figure 22)

4. Click on **Add Investment** to manually add a new Investment. (See Figure 22)
11. Record Investment Current Activity

Current Activity: A current activity is created for an investment if there is any subsequent addition and/or deduction (affecting investment cost and/or value) after the initial Investment was made.

1. Click on Portfolio in the top navigation menu (See Figure 23).
2. Click on a Portfolio Company name (See Figure 23).

3. Click on Loans and Investments in the left panel. (See Figure 24)
4. Click on the Investment Date of the investment for which you want to record an Activity.  (See Figure 24)

5. The Investment Information page provides general information about an Investment and the Activities associated with it (See Figure 25 and Figure 26).

Users can view, add, or edit information about the selected investment including the interest rate, maturity date, collateral, and repayment terms; number of shares, ownership percentage, and warrant information. Users can also add, delete, or update current activities for an investment.
Figure 25: Investment Information page – All 3 External Users

<table>
<thead>
<tr>
<th>ACME LLC - Portfolio Company Overview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment</td>
</tr>
<tr>
<td>Current Activity</td>
</tr>
</tbody>
</table>

**Investment** - Displays general information about an investment, including information entered on the Form 1031 filing or the manual record for the investment.

**Current Activity** - Displays information about the investment's current cost, total reported value, and unrealized appreciation or depreciation. Also includes a history of the activities recorded for the investment, and the corresponding additions/deductions.

Figure 26: Investment Page

Additional Instructions for Loan or Debt Investments:

If Investment Type is “Loan” or “Debt”, users will be required to select a Loan Status option from the drop-down list. Loan Status options and explanations are as follows:

**Delinquent**: a loan that is 30 to 60 days past due with no payments being made. See past due loans and non-accruing loans.

**Forbearance**: a form of repayment relief granted by the lender or creditor in lieu of forcing a loan into delinquency.

**Litigation**: loan is currently part of an ongoing lawsuit

**Modified**: terms of loan have been changed due to the small business performance, typically resulting in a lower interest rate or some other concession which makes the investment terms more favorable to the small business.

**Performing**: the company is meeting all of its obligations pursuant to the loan agreement, e.g. interest and amortization are current, no covenant violations, etc.

**Non-Performing**: a loan on which the borrower is not making interest payments or repaying any principal.

**Restructured**: loan restructured due to financial or other problems at the small business level; small business is now meeting all new financial obligations.
Other: self explanatory

Unknown: self explanatory

The “Interest Rate” data field on the Investment screen can be updated if an original draft or amended draft Form 468 is in progress.

Additional Instructions for Equity Investments:

If Investment Type is “Equity”, users will be required to provide information for the following data fields:

**# of Shares:** Enter -0- or more. If the number entered is -0-, please provide an explanation in the “Equity Features” data field.

**% Owned:** Enter -0%- or more. If the percent entered is 0%, please provide an explanation in the “Equity Features” data field.

**% Voting:** Enter -0%- or more. If the percent entered is 0%, please provide an explanation in the “Equity Features” data field.

For warrant investments, if the “Warrants” check box is filled in, the user will be able to update the “Expiration Date” data field as well. Please provide any equity details (warrant comments/features) in the data field labeled “Equity Features”. This check box must also be checked in order to activate and record the “Exercise Warrants” current activity option.

6. When updating the information on the current activity page, please note the following when completing the data fields (See Figure 27):

Figure 27: Current Activity Screen - Top
“Is Investment Delinquent in Interest or Principal? To record an investment as “Delinquent” on the Form 468, Page 15 - Schedule of Delinquent Loans and Investments, the user will check the “Is Investment Delinquent…” box in the top section of the current activity page to indicate a “Yes” response.

Class I, Class II, and Other Appreciation/Unrealized Depreciation. If the current cost for an investment is equal to -$0-, the user can update unrealized appreciation or unrealized depreciation as long as the Date Investment Concluded date has not been entered.

For unrealized appreciation, the distinction between Class I and Class II appreciation is as follows:

- Class I Appreciation is Unrealized Appreciation on Publicly Traded and Marketable securities.
- Class II Appreciation is Unrealized Appreciation on securities that are not Publicly Traded and Marketable and meet all of the following criteria, which must be substantiated to the satisfaction of SBA:
  - The Small Business that issued the security received a significant subsequent equity financing by an investor whose objectives were not primarily strategic and at a price that conclusively supports the Unrealized Appreciation;
  - Such financing represents a substantial investment in the form of an arm’s length transaction by a sophisticated new investor in the issuer’s securities;
  - Except as provided for Early Stage SBICs in § 107.1845, such financing occurred within 24 months of the date of the Capital Impairment computation, or the Small Business’s pretax cash flow from operations for its most recent fiscal year was at least 10 percent of the Small Business’s average contributed capital for such fiscal year.

Before recording any current activity, please be sure to add/update/delete the correct unrealized appreciation and/or unrealized depreciation for the investment so that the Fair Market Value (Total Reported Value) will be correct after all current activities have been recorded. Click on the “Edit” button in the top half of the form to update this information (See Figure 27). If an investment has been fully resolved (paid, charged off, sold, etc.), please be sure to take the unrealized appreciation and/or unrealized depreciation down to -$0- **BEFORE** recording any current activities that will bring the ending cost to -$0-.

If Class II, Date of Upround. In general, the “Date of Upround” cannot be the same date of the original financing. Unrealized appreciation based on Uprounds can only result from subsequent financings. Unrealized appreciation is recorded as of the subsequent financing date.

In the event of a reorganization or refinancing that includes an Upround from another investor, the SBIC may enter a “Date of Upround” that is the same as the financing date. Users should include a note in the comment field explaining the transaction and give the date of the SBIC’s original financing.

Market Liquidity. Select the appropriate option from the drop-down list.
7. To update the ending cost for an investment, users can record current activities to increase or decrease the ending cost (Form 1031s and manual investments can also affect ending cost).

   a. To add a current activity, select the Activity Type from the drop down box and click on Add Activity (See Figure 28). **Please be sure to use WHOLE NUMBERS and current dates for your activities so that they will populate to the correct Form 468 reporting period (i.e. a 9/15/20XX activity will NOT populate to your Q1 468 for 3/31/20XX).**

   b. Instead of entering additions and deductions directly and manually creating schedules, SBIC Web users provide information based on an activity type, and the Web application generates the appropriate addition/deduction and automatically, where appropriate, populates the Form 468, Page 11 - Schedule of Loans and Investments, Page 13 - Schedule of Realized Gains and Losses, and in specific cases, Page 14 - Schedule of Non-Cash Gains/Income.

There are 8 types of Current Activities that can be recorded for an Investment:

**Accrued Interest/Dividends/OID Converted**
Used to record accrued interest, OID, dividends, or original issue discount (OID) that has been added to the cost of an existing asset or converted into a new asset. Based on the information entered, the system automatically generates a record for the addition to the specified investment or creates a record for the new investment/asset received as a result of the conversion.

**Unearned Discount (Fee)** – used to record discounted fee at the time of the disbursement of an investment. This figure can be updated for each period in which a discount amortized payment is recorded. Cost should be entered as a positive figure, but will display as a negative figure on the Schedule of Loans and Investments

**NOTE:** *This current activity type can also be used to record the full or partial “reversal” (charge off) of previously recorded PIK interest. Users should indicate in the investment comments what this transaction represents.*

**Discount Amortization** – used to record the amortized amount of the Unearned Discount (Fee) for the reporting period. Cost should be entered as a positive figure, and will display as a positive figure on the Schedule of Loans and Investments.
**ADDITIONAL GUIDANCE FOR SPECIFIC SITUATIONS:** When SBICs make commitments to fund debt securities for a portfolio company, even if they fund only a portion of the commitments, they may receive warrants that are related to not only the debt that is funded but the debt that has not been funded. Cost basis is allocated from the debt that is funded to the warrants that are associated with that particular debt (debit to Warrants-Cost and credit to Unamortized OID, a contra account to the debt) and the resulting OID is amortized over the life of the loan in the normal fashion.

The warrants that are received that are related to the unfunded commitment are treated differently. Since the debt has not yet been funded, SBICs calculate a cost basis for the warrants that have been received and add those warrants to the Schedule of Loans and Investments, but since the debt has not been funded, instead of beginning the amortization of the OID, SBICs record a deferred liability to “hold” the unamortized OID until the debt is funded and the amortization can begin (debit to Warrants-Cost and credit to OID Pending, which is a liability, included with Deferred Revenues on Form 468).

The best way to record this type of transaction is:

1) Record the Original Issue Discount, but apply it to the original debt/loan instrument only (if the warrant investment doesn’t already exist). As the discount is amortized, user should record “Discount Amortization” to back into the OID recorded.

2) Add a manual investment for the warrants (if the warrant was not recorded when the original Form 1031 was submitted).

3) Add a non-schedule activity for the non-cash gain/income page to represent any income (this can be updated each quarter by showing the aggregate collections/additions).

**Charge-Off**
Used to record the charge off of an investment. Based on the information entered, the system will record a deduction to the investment and automatically populate the transactional information to the Form 468, Page 13 - Schedule of Realized Gains and Losses.

**Distribution of Securities**
Used to record the distribution of a security. Based on the information entered, the system records a deduction to the investment, and automatically populates the transactional information to Form 468, Page 13 - Schedule of Realized Gains and Losses.

**Exchange Investment**
Used to record the exchange of one investment for another. Based on the information entered, the system automatically records a deduction for the investment exchanged, generates an investment record for the new investment/asset received, and automatically populates the transactional information to Form 468, Page 13 - Schedule of Realized Gains and Losses.
To record a current activity for “Exchange Investment” (full or partial exchange), the user must determine if the exchange involves a new investment (such as a new note, equity, receivable, etc.) or if it’s an addition to an existing Investment (for example, an SBIC that holds both common stock and preferred stock of a Portfolio Company may exchange its remaining preferred stock for additional common stock).

If the exchange only results in a “New” investment (full or partial), then the user will record information in the following data fields only:

a. Description
b. Date = Date of Exchange (the recorded date of the exchange must be no later than the end date of the Form 468 filing in order to be included in that filing)
c. Cost of Investment Exchanged ($) = Cost of the investment being exchanged as of the SBIC’s previous filing of Form 468, plus or minus any additions/deductions for the current reporting period
d. New Investment:
   - Asset (New)
     - Portfolio Company (select from the dropdown list)
     - Cost ($) = Cost of the new investment
     - Asset Description
     - Asset Type (select from the dropdown list)
     - Type of Shares (if applicable)
     - Interest Rate (if applicable)
e. Purchaser Information (See Figure 29. Users only need to provide the required information noted by an “*”):
   - Name (if sold on public market, please record the market name)
   - City
   - State
   - Zip (if unknown, please record as “11111”)

If the exchange only results in an addition to an “Existing” investment (full or partial), then the user will record information in the following data fields only:

a. Description
b. Date = Date of Exchange (the recorded date of the exchange must be no later than the end date of the Form 468 filing in order to be included in that filing)
c. Cost of Investment Exchanged ($) = Cost of the investment being exchanged as of the SBIC’s previous filing of Form 468, plus or minus any additions/deductions for the current reporting period
d. New Investment:
   - Asset (Existing)
     - Portfolio Company (select from the dropdown list)
     - Cost ($) = Cost that will be added to the existing investment
     - Asset Description
     - Select Security/Asset (select from the dropdown list)
     - Select the existing security/asset that the cost will be added to
e. Purchaser Information (See Figure 29. Users only need to provide the required information noted by an “*”):
   - Name (if sold on public market, please record the market name)
   - City
   - State
   - Zip (if unknown, please record as “11111”)

30
Exercise Warrants
Used to record the exercising of a warrant that is attached to an investment. Based on the information entered, the system automatically generates a record for the new investment/asset acquired. The user can select this current activity only if the option is enabled. To enable this option, the user must ensure that the “Warrant” box on the “Investment” page, for the respective investment, is checked.

Investment Sold
To record a current activity for “Investment Sold” (full or partial sale), the user must determine if the sale involved only cash or cash and some new investment (such as a new note, equity, receivable, etc.) Based on the information entered, the system will record a deduction to the investment and automatically populate the transactional information to the Form 468, Page 13 - Schedule of Realized Gains and Losses.
If the sale only involved cash (full or partial), then the user will record information in the following data fields only:

a. **Cost of Investment Sold ($)** = Cost of the portion of the investment that was sold for cash only
b. **Cash Sale Price ($)** = Amount of cash received for the investment portion sold
c. **Transaction Date = Date of Sale** (the recorded date of the sale must be no later than the end date of the Form 468 filing in order to be included in that filing)
d. **Purchaser Information:**
   - Name (if sold on public market, please record the market name)
   - City
   - State
   - Zip (if unknown, please record as “11111”)

If the sale involved cash (full or partial) AND a new investment (note, equity, etc.), then the user will record information in the following data fields:

a. **Cost of Investment Sold ($)** = Cost of the portion of the investment that was sold for cash and the new investment
b. **Cash Sale Price ($)** = Amount of cash received for the investment portion sold
c. **Transaction Date = Date of Sale** (the recorded date of the sale must be no later than the end date of the Form 468 filing in order to be included in that filing)
d. **Non Cash Component of Net Sales Price (as applicable, based on the Asset Type)**
   - Portfolio Company Acquired (the name of the portfolio company of the new investment)
   - Cost ($) = Cost of the new investment received for the portion of the investment sold (can be greater than or equal to $0)
   - Asset Description
   - Escrow Expires (if applicable)
   - Asset Type (select from the dropdown list)
   - Type of Shares (select from the dropdown list)
   - Interest Rate
   - Maturity Date

e. **Purchaser Information:**
   - Name (if sold on public market, please record the market name (e.g. NYSE, NASDAQ, etc.))
   - City
   - State
   - Zip (if unknown, please record as “11111”)

**NOTE:** The non-cash component of the Net Sales Price will always create a new investment that will be included in the SBIC’s Portfolio Company – Loans and Investments listing.

**Escrows/Earn-Outs:** The non-cash component of the Net Sales Price should be used to record the sale of an investment where additional proceeds (typically based on performance or satisfaction of specified conditions) may be received in the future. Please record the non-cash component as “Asset Acquired” and include information about the transaction in your notes. If and when the earn-out is received or escrow is
released, record the sale on the “Asset Acquired” investment and any associated realized gain.

**Principal Payment Cash/Non-Cash**
To record a current activity for “Principal Payment Cash/Non-Cash” (full or partial payment), the user must determine if the payment involved only cash or cash and some new investment (such as a new note, equity, receivable, etc.).

If the payment only involved cash (full or partial), then the user will record information in the following data fields only:

a. Description  
b. Date = Date of Payment (the recorded date of the payment must be no later than the end date of the Form 468 filing in order to be included in that filing)  
c. Cash Amount ($) = Amount of principal repayment that was paid in cash

If the payment involved cash (full or partial) AND a new investment (note, equity, etc.), then the user will record information in the following data fields:

a. Description  
b. Date = Date of Payment (the recorded date of the payment must be no later than the end date of the Form 468 filing in order to be included in that filing)  
c. Cash Amount ($) = Amount of principal repayment that was paid in cash  
d. Non Cash  
   Asset (New or Existing)  
   Portfolio Company for the new or existing investment (select from drop down list)  
   Cost ($) = Cost of the new or existing investment  
   Asset Description  
   Asset Type (select from the dropdown list)  
   Type of Shares (if applicable)  
   Interest Rate (if applicable)

**NOTE:** If the non-cash component of the payment is “New”, it will always create a new investment that will be included in the SBIC’s Portfolio Company – Loans and Investments listing. If the non-cash component of the payment is “Existing”, it will add the non-cash portion to the cost of the existing investment (seen as an “Addition” on the Schedule of Loans and Investments).

**Return of Capital/Redemption**
Used to record the return of capital or redemption for a security. Based on the information entered, the system records a deduction to the investment.

**FUNCTIONALITY FOR ZERO-ENDING COST INVESTMENTS**
To allow the SBIC WEB application to appropriately accommodate -$0- ending cost investments, a data field (“Date Investment Concluded”) was added and functionality was implemented so that users can carry -$0- cost investments in their Form 468 filings. This data field can be found on the “Investment” page for each investment. (See Figure 30)

If an investment has -$0- ending cost and it should not display after your NEXT Annual Form 468 filing is submitted, add a date in the “Date Investment Concluded” field (this date should not be later than the last day of your annual filing period).
If an investment has -$0- ending cost and it SHOULD remain on your Form 468 filings after the NEXT Annual Form 468 filing is submitted, DO NOT add a date in the “Date Investment Concluded” field.

Since quarterly filings are cumulative, there is no need to amend any previously submitted quarterly filings such as your Q2 2017 – 6/30/2017 filing, to add a date to the “Date Investment Concluded” field. Users can update the “Date Investment Concluded” data field and it will display on your next quarterly filing.

Figure 30: Investment Page
12. File Form 1031

| Note 1: | OL SBIC User may or may not have rights to file Form 1031s, depending on the SBIC’s Liquidation Method. |
| Note 2: | OL Rec Agent is NOT permitted to file a Form 1031. |

Form 1031 filings (disbursed amounts only; not total financing amount) automatically populate to the Form 468, Page 11 - Schedule of Loans and Investments, based on the financing date. **Please use WHOLE NUMBERS when filing Form 1031s.**

- Transmit a Form 1031 to SBA within 30 days of each new financing of a small business concern.
  - If the financing agreement calls for multiple disbursements to the small business, file one Form 1031 covering the entire amount of the planned financing.
  - EXCEPTION: If any disbursements under the financing agreement are contingent upon the small business meeting specified conditions (such as benchmarks or performance hurdles, but NOT including compliance with routine debt covenants), prepare a separate Form 1031 for each such disbursement when it is made, treating it as if it were a separate financing. Do not include the amount of any such contingent financing in the initial Form 1031 filing.

- DO NOT file a Form 1031 for the following occurrences:
  - When an investment is spawned by one of the existing current activities
  - When a manual investment has already been added UNLESS the user plans to file the Form 1031 at a later time. If the user plans to file a Form 1031 for a manual investment that has been recorded, the user must click the “File 1031” link next to the manual investment on the Loans and Investments page. The user should **NOT** begin a completely new Form 1031 as this will create duplicate investments. **This process should not be used if you need to file a Form 1031 that should be an add-on to an existing investment with the same investment terms. Please refer to Section 12 - #6 and #7 for more details on filing add-on investments with the same investment terms.**

Users are reminded that Form 1031s should only be amended under certain conditions. Please refer to Pages 41 – 43 (with special attention to the highlighted note on Page 43), before amending any Form 1031 filing that has **BENED SUBMITTED** as part of a previous Form 468 filing. Additionally, existing Form 1031s should **NOT** be amended and “reused” to file a new Form 1031.

**Users should never file a Form 1031 after the submission of a Form 468 in which the Form 1031 should have been recorded. The user will need to amend the Form 468 filing, and then record the Form 1031 so that it will be displayed as part of the Form 468 submission.**
Filing a Form 1031.

1. Click on Filings in the top navigation menu (See Figure 31).
2. Select File Form.
3. Select Form 1031.

Figure 31: Navigate to Filings – SBIC User

4. Select an existing Portfolio Company from the drop down menu. If the Portfolio Company does not exist, please refer to Page 15, Section 8 for instructions on adding a Portfolio Company record before filing a Form 1031.

5. Then, select New Security or Follow-on Security (See Figure 32) Security (type of investment) is displayed only after the user selects a Portfolio Company and only if a Form 1031 was previously filed for that Portfolio Company or if there is an Imported Investment from the Legacy System for that Portfolio Company.

Figure 32: File Form 1031 page

6. Enter the following information:
   - **Prefinancing Information – New Security**

     If the user is filing the Form 1031 for the first time for a Portfolio Company or if the user selected New Security, then Prefinancing Information - Prefinancing Status drop-down box will display four options (See Figure 33).

     - Initial Financing of a Buyout of an Established Company
     - Initial Financing of a Start-up Company
     - Initial Financing of an Established Company
     - Follow-On on an Established Company
Use the “New Security” option to file a Form 1031 when there is a follow-on investment in an existing portfolio company where the financing terms are different from the previous investment. The follow-on will be recorded as a separate investment in the Schedule of Loans and Investments and not as an “addition” to the existing investment.

- For Prefinancing Status, select “Follow-On on an Established Company”
- Complete all the required data fields for the filing and submit the filing.

Figure 33: Prefinancing Status for New Security or New Form 1031 filing

- Prefinancing Information – Follow-on Security

If the user selected Follow-on Security, then the Prefinancing Information - Prefinancing Status will automatically be “Follow-on Financing to an Existing Portfolio Company” (See Figure 34) and the Prefinancing Information (Section B of the Form 1031) will be pre-populated and editable. The investment will only be presented as an addition to the existing investment selected.

- From the drop-down list, click the existing Investment that the new financing is a follow-on to (that is, the security that the new financing is adding to
- The follow-on will be recorded as an “addition” to the existing investment and not as a separate investment in the Schedule of Loans and Investments.
- NOTE: Follow-on investments cannot be added to existing investments with ending cost, on the Schedule of Loans and Investments, equal to -$0-.
Figure 34: Prefinancing Status for Follow-on Security

![Prefinancing Status for Follow-on Security](image)

The “Small Business Concern’s Pre-Money Valuation” field is required only for equity investments. The amount entered should be the enterprise value of the Small Business (as defined on Page 18- #5d of this guide) prior to the closing of the financing that is being reported on the Form 1031.

If the recipient of the SBIC’s financing is a newly-formed borrower who will be using the funds to acquire a business from an existing entity, then the pre-financing information should be recorded for the company being acquired by the newly-formed borrower.

Effective July 1 2016, within the SBIC WEB application for the SBA Form 1031, users may input individual ownership percentages without the requirement that the related data fields total to 100%. This change was made because Portfolio Concerns may have ownership by entities, such as venture funds or corporations, and these fields apply only to individuals.

To gain reliable and consistent data, SBA offers the following guidance when considering the demographic questions regarding Portfolio Concern ownership and participation:

SBA Form 1031, Part A – Small Business Concern Data, Questions 13 through 15, (See Figure 35) requests voluntary information. SBA requests this information from the management of SBICs to help determine the characteristics of entrepreneurs benefitting from SBIC Financing. SBA encourages Licensees to obtain and complete this information in order for SBA to collect meaningful data, useful in evaluating the program’s contribution to furthering the growth of small business in historically underserved communities and to measure program diversity with respect to SBIC Financings.

SBICs may consider requesting this information as part of standard pre-investment due diligence documentation and/or as part of final documentation to be executed at the time of closing a Financing. This can be done by including the requested demographic percentages as part of an ownership capitalization table of the individual owners (excluding entities), as direct and unconditional percentage ownership without restrictions or conditions. SBICs should review the Portfolio Concern’s capitalization table and consider the Portfolio Concern’s outstanding shares prior to the SBIC’s Financing (versus on a fully diluted basis).

If an individual owner identifies with more than one category, the percentage ownership should be recorded in the category with which the individual primarily identifies.

Similarly, the CEO or President (whichever is more senior) should be recorded in the category with which the individual primarily identifies, including whether or not the CEO or
President is a “Woman”. For example, if the Portfolio Concern’s CEO is a “Woman” who primarily identifies as “Asian”, then the categories should be recorded as “Woman” and “Asian”.

The race and ethnicity categories are based on the Office of Management and Budget’s Standards for Maintaining, Collecting and Presenting Federal Data on Race and Ethnicity. For more information, see: https://www.gpo.gov/fdsys/pkg/FR-1997-10-30/pdf/97-28653.pdf. These categories are defined as follows:

- **American Indian or Alaska Native.** A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
- **Asian.** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
- **Black or African American.** A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American."
- **Hispanic or Latino.** A person of Cuban, Mexican, Puerto Rican, Cuban, South or Central American, or other Spanish culture or origin, regardless of race. The term, "Spanish origin," can be used in addition to "Hispanic or Latino."
- **Native Hawaiian or Other Pacific Islander.** A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
- **White.** A person having origins in any of the original peoples of Europe, the Middle East, or North Africa.

When determining percentage ownership of “Women” and “Veterans” the percentages recorded should reflect the levels at which the Portfolio Concern is collectively owned by “Women” (one or more) and by “Veterans” (one or more). For example, a woman who is also a veteran should be counted in each category to determine overall ownership by both “Women” and Veterans”.

**SBIC WEB users can find the data fields for Form 1031, Part A, Questions 13 through 15, on the “Portfolio Company – General Information” page (See Figure 35). This information automatically populates to each Form 1031 and should be updated (if needed) before the forms are prepared and submitted in SBIC WEB.**

Previously, the data fields for Question 13: “Percentage of Small Business Concern (if any) owned by” had to equal 100%; however, with the July 1, 2016 business rule change, the data fields can be <=100% (less than OR equal to 100%) and the user will be allowed to save the page. The other two sections which relate to Questions 14 and 15 are shown for reference, as it pertains to the guidance above, and are not associated with any business rule changes.
7. Complete all other data Sections:
   - Financing Information
   - Purpose of Financing
   - Investment Details
     - Total Size of Financing Round includes all dollars provided by the SBIC and ALL other lenders and/or investors in a given transaction. Dollars provided may be in the form of revolvers, senior debt, subordinated debt, preferred equity, common equity, or any other financing instrument.
     - % Ownership represents the SBIC’s actual overall ownership percentage in the portfolio company as a whole, taking into account all of the SBIC’s investments in the company.

8. Save a draft copy of the Form 1031 or submit the Form 1031.

*Unique Form 1031 Scenarios:*

If an SBIC receives a closing fee as it relates to a refinancing from a portfolio company and the SBIC “reinvests” the fee with the portfolio company, then a Form 1031 must be filed for the “reinvested” amount. Please add an explanation in the comment section of the
Form 1031 AND in the comment data field for the Schedule of Loans and Investments record for the financing.

If your SBIC was recently licensed and has never submitted a Form 468 in SBIC WEB, please refer to Section 7 for instructions on adding Portfolio Companies and Section 12 on filing Form 1031s before filing the first Form 468.

13. Edit/View/Submit a Form 1031 Filing in Draft Status

**Note 1: OL SBIC User** may or may not have the right to file Form 1031, depending on the SBIC’s Liquidation Method.

**Note 2: OL Rec Agent** is NOT permitted to file/edit a Form 1031.

1. Click on **Home** in the top navigation menu. (See Figure 36)

**Figure 36: SBIC Home Page**

2. Go to **Filings in Progress** table. (See Figure 37)

3. Select a specific Form 1031 filing in draft status to View or Edit.

**Figure 37: Filings in Progress**

4. Make updates and save the Form 1031 in Draft status again or submit the Form 1031.
14. View/Amend Currently Submitted Form 1031 Filings

Note 1: 
**OL SBIC User** may or may not have the right to file Form 1031, depending on the SBIC’s Liquidation Method.

Note 2: 
**OL Rec Agent** is NOT permitted to file/amend a Form 1031.

1. Click on **Home** in the top navigation menu. (See Figure 38)

Figure 38: SBIC Home Page

2. Go to **Recent Filings** table. (See Figure 39)

Figure 39: Recent Filings

3. Select the submitted Form 1031 filing to View or Amend. Click on “Print 1031 PDF” to view the filing. Click on “Amend”/”Amended” to amend the filing.
15. View/Amend Previously Submitted Form 1031 Filings

Note 1: 
**OL SBIC User** may or may not have rights to file Form 1031s, depending on the SBIC's Liquidation Method.

Note 2: 
**OL Rec Agent** is NOT permitted to file/amend a Form 1031.

1. Click on **SBIC Profile** in the top navigation menu. (See Figure 40)

Figure 40: SBIC Home Page

2. Click on Form 1031 Filings link in the left navigation menu to view all Form 1031s ever submitted. (See Figure 8).

   a. The list of Form 1031s will include the following (historically submitted since the start of SBIC WEB):

      1. All original Form 1031s financings
      2. All follow-on financings that are added to an existing investment (these dollar amounts will display in the “Additions/Deductions” column on the Schedule of Loans and Investments)
      3. All follow-on financings that are stand-alone financings (these dollar amounts will display as a new, individual investment on the Schedule of Loans and Investments)

3. Select the Form 1031 .PDF to view by selecting the “Date Submitted” date. If the user needs to amend a Form 1031, please follow the instructions in the yellow “Important” box below.

   a. To view original or amended Form 1031s for a current Form 1031, click on the “>” next to the Form 1031 portfolio company name. The list that is shown provides the history of when the original Form 1031 was filed and any subsequent amended Form 1031s that were submitted.

   b. Amended Form 1031s (these will replace an original (or 1st amended) Form 1031 previously filed and the original (or 1st amended) Form 1031 is no longer included in the Form 468, but they remain in the Form 1031 list for historical recordkeeping only).
Important: Certain data fields on 1031 filings can only be amended if no follow-on investments (with the same investment terms) exist for the investment.

If the amended Form 1031 has already been submitted as part of a Form 468, the Form 468 must be amended (open in draft amend status) BEFORE the Form 1031 can be amended. This will allow any changes to the Form 1031 to be properly reflected in the Form 468 in which it first appeared. Any subsequent Form 468 filings affected by the amended Form 1031 must also be amended, updated, and resubmitted.

To amend a submitted Form 1031 filing:

1. From the Form 1031 Filings page, click on “Amend” for the Form 1031 that needs to be updated.

2. On the View File Form 1031 page, in the Reason box, type the reason for amending the filing.

3. Click Amend Filing. The system will change the filing from Submitted status to Draft Amended status.

Notes: Draft Amended Status filings are displayed in the Filings in Progress table on the Home Page.

When a Form 1031 filing is amended, the original filing remains in the system and may be displayed in the Recent Filings table on the Home Page, on the SBIC Profile – Form 1031 Filings page, and on the Search - Filings page.

4. Click the Edit button, and make changes to the investment information as needed.

5. On the File Form 1031 page, do one of the following:
   - To save the amended filing as a draft, click the Save Draft button.
   - To submit the amended filing, click the Submit Amended button.
16. File Form 1031A

**Note 1:**
OL SBIC User may or may not have the right to file Form 1031A, depending on the SBIC’s Liquidation Method.

**Note 2:**
OL Rec Agent is NOT permitted to file a Form 1031A.

1. Click on Filings in the top navigation menu.
2. Select File Form.
3. Select Form 1031A. (See Figure 42)

Figure 42: Navigating to Filings

4. On the 1031A page, enter the From and To dates and click Generate. (See Figure 43). **From and To dates should be based on the Date of Financing dates.**

5. A Form 1031A is generated with basic data fields from Form 1031s submitted within the Form 1031A period based on the entered From and To dates. If there are no submitted Form 1031s for the report period, the Form 1031A will still generate, but without any financing information.

Figure 43: File Form 1031A

6. Open the Form 1031A (PDF format) and save the form to your workstation, or print it. See Section 23 - Upload Other Filings for information on uploading signed copies of 1031A certification forms to SBIC-Web.

**NOTE:** Per SBA’s Office of General Counsel, users are not required to submit a signed paper copy with wet signatures, via mail, of the Form 1031A Certification to SBA. The uploaded signed .PDF copy will be sufficient to certify all Form 1031s indicated on the respective Form 1031A.
17. File Form 468

**Note:**
OL SBIC User may or may not have the File Form 468 rights depending on the SBIC’s Liquidation Method.

OL Rec Agent CAN file a modified (specified pages only) Form 468.

- An SBIC’s fiscal year end is used to determine when required annual and quarterly Form 468 filings are due. The Web system includes the capability to automatically adjust the required quarter and annual ending dates for a given Form 468.

- A Form 468 can be started only after the ending date of the filing has passed. For example, a user cannot start a second quarter (6/30) filing until July 1st.

Only one draft Form 468 filing can be in progress at a given time.

1. Click on **Filings** in the top navigation menu.
2. Select **File Form**.
3. Select **Form 468** (See Figure 44 or Figure 45).

Figure 44: Navigate to Filings - SBIC User/OL SBIC User

![Figure 44: Navigate to Filings - SBIC User/OL SBIC User](image)

Figure 45: Navigate to Filings - OL Rec Agent

![Figure 45: Navigate to Filings - OL Rec Agent](image)
4. On the **Begin 468 filing** page, select:

- **Filing Type** – Annual, Quarterly, or Interim (See Figure 46)

**Figure 46: File Form 468 - All 3 External Users**

**Note 1:**
If the SBIC already has a Form 468 in Draft status, the system does not allow the filing of a new Form 468 for the same SBIC.

**Note 2:**
For **SBIC User** - The system creates appropriate pages in the left navigation menu based on the user’s selection of Type of Filing (Annual, Quarterly or Interim) and the SBIC Ownership Type (Partnership or Corporate). (See Figure 47)

**Note 3:**
For **OL SBIC User** - The system creates appropriate pages in the left navigation menu based on the user’s selection of Type of Filing (Annual, Quarterly or Interim) and the SBIC Ownership Type (Partnership or Corporate) and the Liquidation Method. (See Figure 47)

**Note 4:**
For **OL Rec Agent** – is allowed to access ONLY the Schedule of Loans and Investments, the Schedule 8 pages, and the Liquidation Supplement. (See Figure 48)
• Users are advised to complete the Form 468 filing according to the order of the pages in the left navigation menu of the draft Form 468 filing. (See Figure 47 and 48). The statements and schedules are presented in order by detailed pages (i.e. Schedule of Loans and Investments, etc.) which feed aggregate figures to other statements and schedules (i.e. Statement of Financial Position).

• Since some line items on the Form 468 pages will populate from other pages, users who elect to complete pages in an order other than the order in the left navigation menu will need to revisit those pages that receive feeds from other schedules to double check their work.

• If data is feeding from another page and if the source data is changed, please be sure to re-validate/update/save the destination page again.
  o For example: figures from Page 4 (Operations Realized) will populate to Page 5 (Cash Flows) the first time a new draft Form 468 is started; however, users can update and save the figures on Page 5, so they are no longer overwritten even when Page 4 is changed.

• Some sections of the statements and schedules do not offer the ability for data entry as the information is populated from other statements or schedules (i.e. Form 468, Page 2 - Statement of Financial Position, Lines 1 to 10 are automatically populated from the Schedule of Loans and Investments).

• To ensure that the latest data is saved, click on the “Save” button for each page after all information is entered. If the page does not save, check for error messages, which will appear at the top of the form page, to determine which data fields need to be corrected. Users must also click “Save” again after checking the “Page is complete” box. This will turn the blue circle (with the arrow) to a green circle (with a check mark) to indicate that the page has been completed.
Figure 47: Form 468 Individual Pages (SBIC User and OL SBIC User)

<table>
<thead>
<tr>
<th>Page</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover Page</td>
<td>Displays general SBIC information.</td>
</tr>
<tr>
<td>Schedule of Loans and Investments</td>
<td>Provides information about all financings extended to Portfolio Companies and any other events which have an effect on the SBIC’s aggregate amount of Loans and Investments.</td>
</tr>
<tr>
<td>Summary of Loans and Investments</td>
<td>Shows summary information for the Portfolio Companies and investments listed on the Schedule of Loans and Investments, plus cumulative totals of the SBIC’s smaller enterprise financings.</td>
</tr>
<tr>
<td>Schedule of Realized Gains and Losses</td>
<td>Provides supporting detail for Net Realized Gain (Loss) on Investments Before Income Taxes, as reported on the Statement of Operations Realized.</td>
</tr>
<tr>
<td>Schedule of Non-Cash Gains/Income</td>
<td>Shows Portfolio Company investments that were derived from non-cash activities during the filing period. Supports the ending balance for Non-Cash Gains/Income on Page 7.</td>
</tr>
<tr>
<td>Schedule of Commitments</td>
<td>Shows commitments made by the SBIC to provide financial assistance. Information is pre-populated and editable.</td>
</tr>
<tr>
<td>Schedule of Guarantees</td>
<td>Shows the SBIC’s guarantees of third-party debt incurred by its Portfolio Companies. Information is pre-populated and editable.</td>
</tr>
<tr>
<td>Schedule of Delinquent Loans and Investments</td>
<td>Shows delinquency information about investments listed on the Schedule of Loans and Investments. Information is pre-populated.</td>
</tr>
<tr>
<td>SBIC Cumulative Investment Performance</td>
<td>Shows Portfolio Company information for investments made on or after October 10, 1993. Most Information is pre-populated and is only available for Partnership SBICs.</td>
</tr>
<tr>
<td>Schedule of Cash and Invested Idle Funds</td>
<td>Shows whether the SBIC is in compliance with the provisions of 13 CFR 107.530.</td>
</tr>
<tr>
<td>Statement of Operations Realized</td>
<td>Presents net income or loss as the sum of two components: net investment income (loss) and net realized gain (loss) on investments. Information is calculated and also pre-populated.</td>
</tr>
<tr>
<td>Partners’ Capital</td>
<td>Describes the major components of the SBIC's Partners’ capital, and shows changes during the period. Information is calculated and also pre-populated.</td>
</tr>
<tr>
<td>Statement of Stockholders’ Equity (8C)</td>
<td>Describes the major components of the SBIC's capital and shows changes during the period. Information is calculated and also pre-populated.</td>
</tr>
<tr>
<td>Retained Earnings (8P)</td>
<td>Includes Retained Earnings and Regulatory and Leverageable Capital information. Information is pre-populated.</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Statement of Cash Flows (5P-6P)</td>
<td>Shows the sources of change in total &quot;cash and cash equivalents&quot; on the Statement of Financial Position between the beginning and the end of a fiscal period. Information is pre-populated but can be edited, if needed.</td>
</tr>
<tr>
<td>Statement of Financial Position (2P-3P)</td>
<td>Classified balance sheet that includes the SBIC’s assets, liabilities, and capital.</td>
</tr>
<tr>
<td>Schedule of Activity (17P)</td>
<td>Shows whether the SBIC is in compliance with the provisions of 13 CFR 107.590. Demonstrates whether an SBIC is active.</td>
</tr>
<tr>
<td>Partners and Management (16P)</td>
<td>Shows the SBIC's general partners, limited partners, and management that meet the ownership threshold to be listed in the Form 468 filing. Information that was entered in SBIC Profile is pre-populated here.</td>
</tr>
<tr>
<td>Operating Plan Update (19P)</td>
<td>Enables user to upload the SBIC operating plan update required for Annual Form 468 filings.</td>
</tr>
<tr>
<td>Unaudited Portfolio Company Information (20P)</td>
<td>Provides information for the Portfolio Companies reported on the Schedule of Loans and Investments. Financial information (three periods) is displayed on this page and users can upload the waterfall .PDF document on this page.</td>
</tr>
<tr>
<td>Management Certifications (22P)</td>
<td>Enables user to create the filing certifications that must be completed and signed by the appropriate SBIC officials. Some of the information is pre-populated.</td>
</tr>
<tr>
<td>Auditor’s Opinion</td>
<td>Enables user to upload a .PDF copy of the auditor's opinion that is required for Annual Form 468 filings.</td>
</tr>
<tr>
<td>Auditor’s Notes to Financial Statement</td>
<td>Enables user to upload a .PDF copy of the auditor's notes that are required for Annual Form 468 filings.</td>
</tr>
<tr>
<td>Valuation Report</td>
<td>Enables user to upload a .PDF copy of the SBIC valuation report required for some Form 468 filings.</td>
</tr>
<tr>
<td>Valuation Meeting Minutes</td>
<td>Enables user to upload a .PDF copy of the SBIC valuation report required for some Form 468 filings.</td>
</tr>
<tr>
<td>Liquidation Supplement</td>
<td>Enables user to record asset inventory year-end details on each portfolio company. Information is pre-populated from the Loans and Investments information and also entered in by the user. (OL SBIC Users Only - See Section 24 for more details)</td>
</tr>
</tbody>
</table>
Figure 48: Form 468 Individual Pages (OL Rec Agent)

<table>
<thead>
<tr>
<th>Schedule of Loans and Investments (11P)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unaudited Portfolio Company Information (20P)</td>
</tr>
<tr>
<td>Liquidation Supplement</td>
</tr>
</tbody>
</table>

**Schedule of Loans and Investments** - Provides information about all financings extended to Portfolio Companies and any other events which have an effect on the SBIC’s aggregate Loans and Investments amount.

**Unaudited Portfolio Company Information (Schedule 8)** - Provides information for the Portfolio Companies reported on the Schedule of Loans and Investments. Financial information (three periods) is displayed on this page and users can upload the waterfall .PDF document on this page.

**Liquidation Supplement** – Enables user to record asset inventory year-end details on each portfolio company. Information is pre-populated from the Loans and Investments information and also entered in by the user. (OL Rec Agent Only – See Section 24 for more details).

Below are additional guidelines for specific pages of the Form 468:

**Page 2/3 - STATEMENT OF FINANCIAL POSITION**

PIK Interest should be reflected on Page 3P, Line 49 or Page 3C, Line 52: Non-cash gains/income which is prepopulated from the Form 468, Page 7, Part II, Undistributed Realized Earnings, Line 9, Column 1

**Page 4 - STATEMENT OF OPERATIONS REALIZED**

PIK Interest should be recorded on Line 1, Interest Income; figure can be positive or negative to accommodate charge-offs of interest that is determined to be uncollectable.

**Page 5/6 - STATEMENT OF CASH FLOWS**

Some figures from Page 4, Statement of Operations Realized will automatically populate to Page 5/6; however, these data fields are editable and can be updated.

**Page 7 - STATEMENT OF PARTNER’S CAPITAL**

Return of capital should be recorded on Part I, Line 5a Liquidation of Partnership Interests.

Net Investment Loss should be recorded on Part II, Line 2a, in the “Undistributed Net Realized Earnings” column.

Distributions to either the Limited Partners or the General Partners should be recorded on Part II, Line 5a.
Users can directly enter the aggregate “collections of non-cash gain/income” figure on Part II, Line 8, Column 2 (details and aggregate totals are found on Page 14, Schedule of Non-Cash Gains/Income). The negative number of the figure entered will automatically populate to Part II, Line 8, Column 1 thereby showing a reduction in the overall non-cash gain/income figure.

**Page 12 - SCHEDULE OF LOANS AND INVESTMENTS**

The percentage of total financings extended to smaller enterprises is calculated using the amount originally funded for both “Smaller Enterprise Financings” (the numerator of the calculation) and “All Financings” (the denominator). This number is NOT cost at the end of the quarter or period.

Since SBIC WEB does not contain all financing records since April 25, 1994, users have the ability to manually edit and update both of these figures. Simply click on the “Edit” button when viewing Page 12 within the draft Form 468 filing to update the figures in that form. Please refer to SBA Regulations 107.710 for more details on smaller enterprise financings.

**Page 14 - SCHEDULE OF NON-CASH GAINS/INCOME**

Instructions on how to complete this schedule are located under the “Instructional Videos” link at the bottom of the SBIC WEB page. The video format is MPEG-4 and takes about one (1) minute to download. After downloading and opening the .zip file, select the “Completing Pages 13 and 14 of the Form468” file to view the video. Press the “Play” button to begin the video.

In order for the ending balances from the last submitted Annual Form 468 to become the beginning balances in the first quarterly or next Annual Form 468 filing, a user must manually update the beginning balances for each continuous non-schedule activity. If a non-schedule activity has a -$0- balance, it will not display on the next filing AFTER an Annual Form 468 has been submitted.

**NOTE:** Once a non-schedule activity has been recorded for the first time, please do not change the original date of the non-schedule activity with each subsequent Form 468 filing. Users should update Additions and Collections on the existing transactions each quarter in order to reflect YTD activity. UNLESS, you have never filed an Annual Form 468 and are filing a Quarterly Form 468 for the first time, please do not record separate entries for each quarter.

If a user needs to amend a non-schedule activity that displays on the non-cash gain/income page that has been submitted as part of a Form 468 filing, the user must do the following:

1. Amend the Form 468 in which the non-schedule activity change/update was originally recorded.
2. Amend the non-schedule activity, without changing the date or altering the selections (realized gain and/or non-cash gain/income radio buttons) originally selected, and update the information that was incorrect.
Previously recorded PIK interest that is deemed uncollectable can be “charged off” (reversed) by editing the existing non-schedule activity (do not change the transaction date) and recording the “charged off” portion as a negative figure in the “Additions” data field. Please use the description field to note the charge off recorded (negative “Additions”).

The figure for the aggregate total for “Collections During Period” should be manually entered on Page 7, Part II, Line 8, Column 2 as the “collections of non-cash gain/income” figure.

**Page 15 - SCHEDULE OF DELINQUENCY**

Users have the option to provide information for an investment with -$0- ending cost and delinquent interest.

**Page 17 - SCHEDULE OF ACTIVITY**

Part I. First Activity Test: Line 1 will be populated from Page 2, Line 14
Part I. First Activity Test: Line 2 will be populated from Page 2, Line 15

**Page 18C - SHAREHOLDERS, OFFICERS, DIRECTORS, AND MANAGEMENT**

The following information can be entered under the SBIC Profile – General Partners/Officers and Directors link.

Some additional “State” abbreviation options available are:

<table>
<thead>
<tr>
<th>Country</th>
<th>Abbreviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>CH</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>SA</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>LU</td>
</tr>
<tr>
<td>Liechtenstein</td>
<td>LI</td>
</tr>
<tr>
<td>Kuwait</td>
<td>KW</td>
</tr>
<tr>
<td>Cayman Islands</td>
<td>CI</td>
</tr>
</tbody>
</table>

“# Shares” column on the .pdf will display the figures with six (6) decimal places. Users can also enter -0- where applicable.

“Percent Owned or Controlled of Interests Outstanding” – *Beginning of Period* and *End of Period* columns will display the figures with two decimal places.

**Page 20 - UNAUDITED PORTFOLIO COMPANY INFORMATION (SCHEDULE 8)**

- Filing requirements for either or both sections (Portfolio Company Financial Information and Waterfall Information) of Schedule 8 **MUST** be set on the SBIC Profile page **BEFORE** a user begins a Form 468 filing. These settings cannot
be changed once you begin a Form 468. Once the Form 468 is filed or a draft Form 468 is deleted, the user can reset the filing requirements.

- The filing requirements for SBICs in Operations can be set by the SBIC user. The requirements vary depending on whether an SBIC is leveraged or non-leveraged; see “Schedule 8 Filing Requirements for SBICs in Operations” below for more information.
- The filing requirements for SBICs in the Office of Liquidation will be set by the financial analyst assigned to the SBIC.

**Schedule 8 Filing Requirements for SBICs in Operations**

- An SBIC licensed on or after October 1, 1993, that has outstanding leverage or a leverage commitment, or intends to apply for a leverage commitment within one year of the end of the reporting period, must file:
  - Financial Information quarterly for each portfolio company, except for Employees, Federal Taxes Paid and State Taxes Paid, which are reported annually.
  - Waterfall Information for each portfolio company in which it holds equity or warrants valued above cost. The Waterfall Information must be provided in the Form 468 for the quarter in which the investment was made and must be updated for any quarter in which the Waterfall Information changed.

- The filing requirements in the previous bullet also apply to a Participating Securities SBIC that has no outstanding leverage or leverage commitments, but does hold Earmarked Assets, with the following exception: The SBIC is required to file Financial Information semi-annually instead of quarterly.

- An SBIC with no outstanding leverage, leverage commitments, or Earmarked Assets is not required to file any Waterfall Information. Financial Information is required annually but is limited to the following information for each portfolio company: Revenues, Net Income, EBITDA, Employees, Federal Taxes Paid, and State Taxes Paid.

- The filing requirements in the previous bullet also apply to any SBIC licensed before January 1, 1994, unless SBA specifically requests additional information.

- SBA also does not require submission of Financial Information or Waterfall Information for:
  - A portfolio company to which the SBIC has made a loan secured by a taxi medallion, and no other type of financing.
  - A portfolio company that is publicly held, in which the SBIC holds only common stock or debt.

- SBA may grant an exemption from a requirement to file Schedule 8 data on a case by case basis for an individual investment or the entirety of an SBIC’s portfolio. SBA will consider materiality and financial risk in determining whether to grant such an exemption. SBA reserves the right to require any Schedule 8 information from any exempted SBIC.
• **Schedule 8 – Basic Information and Financial Information** must be completed and submitted through the Web system with each Form 468 filing (quarterly and annual). This information can be filed under the left navigation menu under each portfolio company.
  
  o **For Financial Information section:** For the periodic information on this section (Revenues, Gross Profit, EBITDA, Interest Charges, Net Income, Cash flow from Operations), users are asked to provide the information on a trailing twelve month (TTM) basis. For a new portfolio company, users are required to report Financial Information for the most recent available "As of Date" only. For example, if an SBIC is preparing its December 31, 2016 Form 468 and has an investment that closed in November 2016, the most current Financial Information available might be as of September 30, 2016. In that case, the SBIC would be required to provide information for that portfolio company as of September 30, 2016 only. Financial Information for additional periods would be added as the SBIC files Form 468s for subsequent reporting periods.
  
  o The “As of” date represents the ending period of the portfolio company financial information. For example, if the TTM period ended on September 30, 2016, the As of Date would be September 30, 2016.
  
  o The following data fields should only be reported in the annual Form 468: Full Time Equivalent Employees, Federal Taxes Paid, and State Taxes Paid.
  
  o SBA understands that a reporting lag exists between Form 468 due dates and when an SBIC receives portfolio company financial information. Therefore, SBICs may report the most recent portfolio company financial information available to them when filing Form 468. SBA expects that in no case will this financial information be more than one year old pursuant to 13 CFR 107.620, which requires an SBIC to collect updated financial information from each portfolio concern at least annually.

• **Schedule 8 Filing Requirements for SBICs in the Office of Liquidation**
  
  o An SBIC will submit Financial Information and Waterfall Information based on their required Form 468 filing schedule (i.e. required to file only annual 468s; then the SBIC will submit this information on an annual basis only).
  
  o Financial and Waterfall Information is only needed for Portfolio Company investments with Value >= $100,000.
  
  o If Portfolio Company value < $100,000, the SBIC has the option to submit the Financial and Waterfall information. Discretion should be used in determining whether to submit information for a Portfolio Company value of $300 vs. a Portfolio Company value of $95,000.

• **Schedule 8 - Waterfall Information** must be submitted for all portfolio companies as one .PDF file that is uploaded as part of the appropriate Form 468 filing (Page 20 – Unaudited Financial Information). The .PDF can be a copy of your information in any format (Word, Excel, etc.).

If changes/updates are required for Schedule 8, users need to amend the Form 468 filing, and then proceed to update the financial information section for each portfolio company.
Page 21P - SBIC CUMULATIVE INVESTMENT PERFORMANCE (SCHEDULE 9)

- Required to be completed and submitted through the Web system on an annual basis.
  - Schedule 9 must be completed by any partnership SBIC licensed on or after October 1, 1993, that has outstanding leverage, a leverage commitment, or Earmarked Assets.
  - Include all investments, both realized and unrealized, made by the SBIC since the fund commencement date or October 1, 1993, whichever is later. If historical information is unavailable in the format requested, you may omit (1) investments realized or written off before January 1, 2012, and (2) for investments held as of January 1, 2012, gross receipts received earlier than January 1, 2012.
  - Although the report will pre-populate the 1st date of investment from the existing portfolio company data, users can update this information as needed for this report.
  - Portfolio companies that have been resolved in prior filing periods can be included on this report by adding a portfolio company record under the Portfolio-Company link on the main menu.
  - Gross Receipts includes all cash and qualifying equity securities received by SBIC for portfolio company investment.
  - Cash receipts may include interest, dividends, repayment of debt, return of capital, profit distributions, royalties, fee income, etc.
  - Equity securities may only be included if they have been distributed by the SBIC to its investors; in which case, they should be entered based on the distributed value. Equity securities or notes still held by the SBIC should be included in the Residual Value.
  - SBA Reported Value Is the aggregate cost at the end of the filing period, of the Form 468, for all the investments in the portfolio company.

Page 21C or Page 22P - MANAGEMENT CERTIFICATION PAGE

The Office of Investment and Innovation only accepts Form 468s with electronically scanned signatures. The form includes a Management Certifications page for which original signatures have previously been required. While the Management Certifications will continue to be a required part of each submission, SBICs can submit the executed Management Certifications page as an uploaded .PDF file.

The Management Certifications page has been revised to include three figures from the Form 468 that will be submitted. The purpose of adding these figures is to associate the uploaded management certifications with key numbers from the financial statements to which they relate. The three figures are:

* Page 2, Line 30 Total Assets
* Page 4C, Line 31 or Page 4P, Line 32 Net Income (Loss)
* Page 6C, Line 41 or Page 6P, Line 43 Cash and Cash Equivalents at End of Period

Users will print out the Management Certifications page, sign and scan it, and then upload it as a .PDF document under the Management Certification link in the Form 468 draft BEFORE they can submit the Form 468 filing.
**VALUATION REPORTS/NOTES TO FINANCIAL STATEMENT**

Users should report material adverse changes (as defined in SBIC TechNote #4) by uploading a .PDF document to both the Valuation Report page and the Notes to Financial Statement page in the SBIC Web application. Please be mindful that only one .PDF file can be uploaded under each hyperlink.

17a. **File an Annual Form 468**

All leveraged and non-leveraged SBICs are required to file an Annual Form 468. The annual filing is due 90 days from the SBIC’s fiscal year end.

A leveraged SBIC is any SBIC with outstanding SBA-guaranteed leverage, Earmarked Assets, or leverage commitments, or an SBIC intending to seek leverage within one year of the end of the reporting period. SBA will consider all other SBICs to be “Non-Leveraged”.

1. In the **Filing Type** section, click **Annual Audited**. (See Figure 49)

2. The system will pre-populate the **Period Start Date** and **Period End Date** based on the SBIC’s most recently completed fiscal year. All pages of the report are required with an Annual Form 468 filing; including, the following pages:
   
   i. Auditor’s Notes to the Financial Statement
   ii. Auditor’s Opinion
   iii. Operating Plan Update
   iv. Valuation Report
   v. Valuation Meeting Minutes
   vi. Form 1031A (if applicable)
   vii. Waterfall Information (Schedule 8)
   viii. Signed Certifications

3. Click **OK**.

---

**Figure 49: Begin Form 468 Filing - Annual page**
17b. File Quarterly Form 468

Unless otherwise noted, all leveraged SBICs are required to file a Quarterly Form 468. The quarterly filing is due 30 days from the end of the quarter.

1. In the **Filing Type** section, click **Quarterly**. (See Figure 50)

2. In the Quarter dropdown list, click on the Quarter for which you want to file. The system will only allow the user to begin a filing for the quarters that have ended in the SBIC’s current fiscal year, or the fourth quarter of the previous fiscal year.

   **NOTE:** Data from fourth quarter Form 468 Quarterly filings **WILL NOT** roll over to the next Q1 filing for the new calendar year. Users must complete an Annual Form 468 so that ending cost figures, from the Schedule of Loans and Investments and other Schedules, will become beginning cost figures in the next filing AFTER the Annual Form 468 has been submitted.

3. The system will pre-populate the **Period Start Date** and **Period End Date** based on the quarter selected and the SBIC’s fiscal year end. The following pages of the report, based on the Form 468 template, are required with a Quarterly Form 468 filing:

   i. Pages 1 – 15, 20 – General/Financial Information, Management Certification page
   ii. Waterfall Information (Page 20 - Schedule 8 – only if changes)
   iii. Valuation Report (only with Q2 filing)
   iv. Valuation Meeting Minutes (only with Q2 filing)
   v. Form 1031A (only with Q2 filing, if the SBIC has outstanding leverage or commitments)
   xi. Statement regarding Material Adverse Changes (only if applicable – see TechNote #4 and Valuation Guidelines for requirements)

4. Additional schedules are provided; however, the schedules are not required for quarterly filings. It is possible that the Office of Investment and Innovation could require some of these schedules, on a case-by-case basis, to be filed in order to monitor an SBIC’s financial condition more closely.

5. Click **OK**.
17c. File Interim Form 468

1. In the **Filing Type** section, click **Interim**. (See Figure 51)

2. In the **Period Start Date** box, type the start date for the filing period.

3. In the **Period End Date** box, type the end date for the filing period.
   - The following pages of the report, based on the Form 468 template, are required with an Interim Form 468 filing:
     - Pages 1 – 15, 20 – General/Financial Information, Management Certification page
     - Statement regarding Material Adverse Changes (only if applicable – see TechNote #4 and Valuation Guidelines for requirements)

4. Click **OK**.

**UPDATE**: The proper use of Interim filings and the business rules within these filings are being revisited. Clarification on when to use these types of filings and how they impact other types of filings (annual, quarterly) will be forthcoming.

Figure 51: Begin Form 468 Filing – Interim page
18. Edit/View/Submit Form 468 Filing in Draft Status

Note 1:
For SBIC User - The system creates appropriate pages in the left panel based on the user’s selection of Type of Filing (Annual, Quarterly or Interim) and the SBIC Ownership Type (Partnership or Corporate).

Note 2:
For OL SBIC User - The system creates appropriate pages in the left panel based on the user’s selection of Type of Filing (Annual, Quarterly or Interim) and the SBIC Ownership Type (Partnership or Corporate) and the Liquidation Method.

Note 3:
For OL Rec Agent – Allowed to access ONLY the Schedule of Loans and Investments, the Schedule 8 pages, and the Liquidation Supplement.

1. Click on Home in the top navigation menu. (See Figure 52)

Figure 52: SBIC Home Page

2. Go to Filings in Progress table. (See Figure 53)

3. Select the draft Form 468 filing to View or Edit.

4. Make updates and Submit.

Figure 53: Filings in Progress table on the SBIC Home page
19. View/Amend Currently Submitted Form 468 Filings

**Note 1:**
OL SBIC User may or may not have the Amend Form 468 rights depending on the SBIC’s Liquidation Method. Additionally, any Form 468 filings submitted while the SBIC was under OSO oversight cannot be amended.

**Note 2:**
For OL Rec Agent – Any Form 468 filings submitted while the SBIC was under OSO oversight cannot be amended.

1. Click **Home** in the top navigation menu. (See Figure 54)

Figure 54: SBIC Home Page

2. Go to **Recent Filings** table to view Form 468 submitted within the past six (6) months. (See Figure 55)

3. Select the submitted Form 468 filing to View or Amend.

4. To View the Form 468, click on “Print 468 PDF”. To view the uploaded files associated with the Form 468 filing, click on the “>” next to “Print 468 PDF” to expand and access the list of uploaded documents.

5. To Amend the Form 468 filing, click on “Amend” or “Amended” to make updates and to resubmit the filing.

Figure 55: Recent Filings table on the SBIC Home page
20. View/Amend Previously Submitted Form 468 Filings

Note 1: 
OL SBIC User may or may not have the Amend Form 468 rights depending on the SBIC’s Liquidation Method. Additionally, any Form 468 filings submitted while the SBIC was under OSO oversight cannot be amended.

Note 2: 
For OL Rec Agent – Any Form 468 filings submitted while the SBIC was under OSO oversight cannot be amended.

1. Click on SBIC Profile in the top navigation menu. (See Figure 56)

Figure 56: SBIC Home Page

2. Click on the Form 468 Filings link in the left navigation menu to view all Form 468s ever submitted. (See Figure 8)

3. Select the submitted Form 468 filing to View or Amend.

4. To View the Form 468, click on “Print 468 PDF”. To view the uploaded files associated with the Form 468 filing, click on the “>” next to “Print 468 PDF” to expand and access the list of uploaded documents.

5. To Amend the Form 468 filing, click on “Amend” or “Amended” to make updates and to resubmit the Form 468 filing.

   a. When amending a Form 468, each Form 468 filing that was submitted AFTER the original (or amended) Form 468 being amended also has to be amended to pick up any changes that were made.

   b. There are two categories of amendments for Form 468s: current year and crossover year.

      1. Current Year amendments involve those changes that are made to existing submissions in the current fiscal year (for year 20XX that would be Q1, Q2, Q3, and Annual filings only).

      2. Crossover Year amendments involve those changes that are made to existing submissions in the PRIOR fiscal year (that would be year 2017 Q1, Q2, Q3; for example, and the Annual Form 468 filing for 2016 only).
21. Search Submitted Filings

1. Click on Filings in the top navigation menu.

2. Select Search. (See Figure 57)

Figure 57: Filings - Search

3. The Search page provides capability to search for Form 1031, Form 468, and the Capital Certificate filings based on a variety of criteria. (See Figure 58)

By default, the page shows all filings for the SBIC.

Figure 58: Search for Form 1031 or Form 468 Filings page

- SBICs are not required to upload a .PDF copy of the Form 468 filing to SBIC WEB; however, an SBIC’s auditor may want the entire Form 468 included in the same .PDF upload along with the auditor’s opinion. Once the Form 468 has been submitted, SBIC Operations and Office of Liquidation Analysts can obtain a .PDF copy directly from SBIC WEB. Additionally, users do not need to email a .PDF copy of the submitted filing UNLESS requested by your analyst.
22. Print Blank Forms

1. Click on Filings in the top navigation menu.
2. Select Print Blank Form. (See Figure 59)

Figure 59: Filings - Print Blank Form

Print a blank form in PDF format or print form instructions for Form 1031, Form 1031A, Form 468, Form 480, and Form 652.

23. Upload Other Filings

1. Click on Filings in the top navigation menu.
2. Select Upload Form. (See Figure 60)

Figure 60: Filings-Upload Form

3. On the Upload Form page, select the Form you want to upload (See Figure 61):
   a. Form 1031A
   b. Bank Letter
   c. Quarterly Status Report (mainly for SBICs in the Office of Liquidation. OL Analysts will notify an SBIC of their requirement to submit this report.)
   d. Distribution Worksheet
   e. Wind Up Plan
   f. Annual Investor Recertification
NOTE:
For security purposes, users can only upload PDF (Portable Document Format) files to SBIC Web. If you have a filing in another format that you want to upload, you must convert it to PDF first. The maximum uploadable file size is 30MB/file.

Users can view uploaded files on the SBIC Profile - Other Filings page.

To upload a 1031A filing:
1. In the Filing list, select 1031A. (See Section 16 for instructions on completing the Form 1031A)
2. Click the Browse button, and select the 1031A filing PDF you want to upload. When selected, the system will show the file name in the File Location box.
3. Click Upload.

To upload a Bank Letter:
1. In the Filing list, select Bank Letter.
2. Click the Browse button, and select the bank letter PDF file you want to upload. When selected, the system will show the file name in the File Location box.
3. Click Upload.

To upload a Quarterly Status Report:
1. In the Filing list, select Quarterly Status Report.
2. From the Quarter list, select the quarter of the current year for the filing period.
3. Click the Browse button, and select the Quarterly Status Report PDF you want to upload. When selected, the system will show the file name in the File Location box.
4. Click Upload.
To upload a Distribution Worksheet:

1. In the Filing list, click Distribution Worksheet.
2. In the Distribution Date Range: From and To fields, enter the date range covered in the file you are uploading.
3. Click the Browse button, and select the Distribution Worksheet PDF file that you want to upload. When selected, the system will show the file name in the File Location box.
4. Click Upload.

To upload a Wind Up Plan:

1. In the Filing list, select Wind Up Plan.
2. In the Report Date data field enter the date of the report being uploaded.
3. Click the Browse button, and select the Wind Up Plan PDF file that you want to upload. When selected, the system will show the file name in the File Location box.
4. Click Upload.

To upload an Annual Investor Recertification:

1. In the Filing list, select Annual Investor Recertification.
2. In the Report Date data field enter the date of the report being uploaded.
3. Click the Browse button, and select the Annual Investor Recertification PDF file that you want to upload. When selected, the system will show the file name in the File Location box.
4. Click Upload.
24. Liquidation Supplement

**Note 1:**
The Liquidation Supplement is only accessible to the **OL SBIC User** and the **OL Rec Agent**.

**Note 2:**
**OL SBIC User** has access to a particular SBIC ONLY if the SBIC is in Liquidation status. An OL SBIC User might/might not have Add/Edit permissions on some of the Application pages depending on the Liquidation Method.

**Note 3:**
**OL Rec Agent** has access to the SBIC ONLY if it is in Liquidation status, and ONLY if the Liquidation Method is Receivership.

**Overview and Background**

In order to estimate projected recoveries on SBICs in the Office of SBIC Liquidation (OL), SBA uses the **Liquidation Supplement** which presents aggregate information for each unique portfolio company in the SBIC’s portfolio. Users will submit the liquidation supplement, as part of their Form 468 filing, so that their respective analysts in OL can immediately review the submitted information.

The data that is pre-populated, in the liquidation supplement, for each OL SBIC or Receivership SBIC is being drawn from the current draft Form 468 filing. Unless this is the first liquidation supplement created, users will also see all data submitted in the prior year’s liquidation supplement.

As with previous Form 468 filings, users will still be required to update detailed information for each investment in order to update the Schedule of Loans and Investments. For more information, please refer to Section 11 for guidance on how to update individual investment details.
Set the Fiscal Year Filing Periods for the Liquidation Supplement

1. Click on **SBIC Profile** in the top navigation menu. (See Figure 6 or Figure 7)

2. Click on the **Liquidation Information** link in the left navigation menu and update the “Current Fiscal Year (9/30 Projections) data field to “20XX” (the current filing year). This data field is used for the projections on the Liquidation Supplement (See Figure 62).

Figure 62: OL SBIC Profile Page

<table>
<thead>
<tr>
<th>Licensee Information</th>
<th>Liquidation Information – General liquidation information about the SBIC currently in the Office of Liquidation.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public-Facing Information</td>
<td></td>
</tr>
<tr>
<td>Branch Offices</td>
<td></td>
</tr>
<tr>
<td>General Partners</td>
<td></td>
</tr>
<tr>
<td>Investment Criteria</td>
<td></td>
</tr>
<tr>
<td>Sister Funds</td>
<td></td>
</tr>
<tr>
<td>Form 468 Filings</td>
<td></td>
</tr>
<tr>
<td>Form 1031 Filings</td>
<td></td>
</tr>
<tr>
<td>Other Filings</td>
<td></td>
</tr>
<tr>
<td>Capital Information</td>
<td></td>
</tr>
<tr>
<td>Portfolio Companies</td>
<td></td>
</tr>
<tr>
<td>Liquidation Information</td>
<td></td>
</tr>
</tbody>
</table>

Update Additional OL data fields

1. For each portfolio company investment, users will need to update two data fields, as applicable, that are needed to facilitate the OL year-end updates.

   a. **Future Estimated Recoveries** – please provide this figure if the investment has not been fully concluded (sold, charged off, paid, etc.). The aggregate future estimated recovery total for each **unique** portfolio company will automatically feed to the Liquidation Supplement (Total Future Estimated Recoveries).

      i. **Loan Investments**: Should be equal to the principal balance outstanding.

      ii. **Equity Investments**: Most likely projected recoveries using SBA value guidelines. **It is very important to support value in the comments section using industry accepted standards and identify the basis of the valuation, examples include: multiple of revenue or EBITDA, funding rounds, a viable offer, and independent valuations. Include supporting information identifying historical numbers already achieved.**
iii. **Other Investments (not loans):** Projected recoveries to the SBIC using current values net of senior liens and disposition expenses. These amounts are used to value SBA’s leverage and therefore must be current and conservative.

b. **Date Investment Concluded** – if the investment has been fully concluded (sold, charged off, paid, etc.); please provide the date of the final transaction. If a date is provided, then ending cost AND Future Estimated Recoveries should be -$0-. Adding this date will also disable the current activities drop down menu and the ability to update unrealized appreciation/depreciation.

2. To access these data fields, users must click on Portfolio Company in the top navigation menu. Then click on Loans and Investments and then click on the investment date. On the Investment page, users can update the information for each investment. (See Figure 63)

![Figure 63: Portfolio Company - Loans and Investments - Investment Page](image-url)
Complete and File the Liquidation Supplement

1. SBICs in the Office of Liquidation should submit the final liquidation supplement with their Q3 (September 30) Form 468 filings, along with an updated Schedule 8 (Page 20 - Unaudited Portfolio Company Information). (See Figure 64)

Figure 64: Form 468 Sub Pages

2. The Liquidation Supplement provides a report where users can record asset inventory year-end details on each unique portfolio company. Information is pre-populated from the current Form 468 draft and is also entered by the user. (See Figure 65)
To edit a record on the Liquidation Supplement form, click on the “pencil” icon at the end of each line. Update all the information for each portfolio company. To save all entered information, click on the “Save” button before moving to the next portfolio company record. **NOTE:** Current Fiscal Year 9/2017 (circled in red) was set per the instructions under Section 24 - #2 “Set the Fiscal Year Filing Periods for the Liquidation Supplement”

The data fields for the Liquidation Supplement are as follows:

<table>
<thead>
<tr>
<th>Data Field</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Company Name</td>
<td>Pre-populated from the Portfolio Company records. This data field is NOT editable.</td>
</tr>
<tr>
<td>Year First Invested</td>
<td>Pre-populated from the oldest investment record for the portfolio company. This data field is editable.</td>
</tr>
<tr>
<td>Cost of Investment</td>
<td>Pre-populated from the aggregate investment records for the portfolio company. Aggregate “Cost at End of Period” for all investments. This data field is NOT editable.</td>
</tr>
<tr>
<td>468 Reported Value</td>
<td>Pre-populated from the aggregate investment records for the portfolio company. Aggregate “Total Reported Value” for all investments. This data field is NOT editable.</td>
</tr>
<tr>
<td>Anticipated Exit Plan</td>
<td>Expected method of disposition. This field cannot be blank if all the investments for the portfolio company have been concluded – please select the actual method of disposition.</td>
</tr>
</tbody>
</table>
### Anticipated Exit Plan Options

<table>
<thead>
<tr>
<th>Exit Type</th>
<th>Exit Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACQ</td>
<td>Acquisition (i.e. co sold)</td>
</tr>
<tr>
<td>AUC</td>
<td>Auction</td>
</tr>
<tr>
<td>BBK</td>
<td>Buy-Back (i.e. by company)</td>
</tr>
<tr>
<td>BKR</td>
<td>Broker Sale</td>
</tr>
<tr>
<td>CH7</td>
<td>Proceeds to Bankruptcy</td>
</tr>
<tr>
<td>COL</td>
<td>To Collection Agency</td>
</tr>
<tr>
<td>CON</td>
<td>Conversion to Common Stock</td>
</tr>
<tr>
<td>COT</td>
<td>Under Contract</td>
</tr>
<tr>
<td>CTD</td>
<td>Convert to Debt</td>
</tr>
<tr>
<td>CTE</td>
<td>Convert to Equity</td>
</tr>
<tr>
<td>CTM</td>
<td>Collect to Maturity</td>
</tr>
<tr>
<td>DIS</td>
<td>Discharged in Bankruptcy</td>
</tr>
<tr>
<td>EX</td>
<td>Exercise of Warrants</td>
</tr>
<tr>
<td>IPO</td>
<td>Go Public</td>
</tr>
<tr>
<td>JUD</td>
<td>Judicial Foreclosure</td>
</tr>
<tr>
<td>LIT</td>
<td>Litigation</td>
</tr>
<tr>
<td>MKT</td>
<td>Sale of Stock in Market</td>
</tr>
<tr>
<td>NEG</td>
<td>Negotiated Settlement</td>
</tr>
<tr>
<td>OTR</td>
<td>Other</td>
</tr>
<tr>
<td>PD</td>
<td>Paid Off</td>
</tr>
<tr>
<td>PRO</td>
<td>Proceed Against Collateral</td>
</tr>
<tr>
<td>PUT</td>
<td>Put of Stock</td>
</tr>
<tr>
<td>REF</td>
<td>Refinance/Recapitalize</td>
</tr>
<tr>
<td>RES</td>
<td>Restruct/Compromise</td>
</tr>
<tr>
<td>SAL</td>
<td>Sale of Debt</td>
</tr>
<tr>
<td>SBA</td>
<td>Assign to SBA</td>
</tr>
<tr>
<td>SSI</td>
<td>Sale of Stock to Investors</td>
</tr>
<tr>
<td>SWO</td>
<td>Sale Without Brokers</td>
</tr>
<tr>
<td>WO</td>
<td>Write Off/Abandon</td>
</tr>
<tr>
<td>SAA</td>
<td>Sale of SBIC Assets</td>
</tr>
<tr>
<td>SLP</td>
<td>Sale of LP Interest</td>
</tr>
<tr>
<td>ESC</td>
<td>Escrow</td>
</tr>
<tr>
<td>ENO</td>
<td>Earn-Out</td>
</tr>
<tr>
<td>Timing of Likely Exit Income/Proceeds Through End of</td>
<td>Provide the likely proceeds over the four periods provided.</td>
</tr>
<tr>
<td>----------------------------------------------------</td>
<td>----------------------------------------------------------</td>
</tr>
<tr>
<td>Through End of Current Year 9/20XX</td>
<td>From the “Current Fiscal Year (9/30 Projections)” data field under the SBIC Profile - Liquidation Information link; based on the federal government FYE. <strong>Ex: 9/2017 when filing the 2017 report</strong></td>
</tr>
<tr>
<td>Next Year</td>
<td>Automatically becomes the next FYE. <strong>Ex: 9/2018 when filing the 2017 report</strong></td>
</tr>
<tr>
<td>Second Next Year</td>
<td>Automatically becomes the next FYE. <strong>Ex: 9/2019 when filing the 2017 report</strong></td>
</tr>
<tr>
<td>Post Second Next Year</td>
<td></td>
</tr>
</tbody>
</table>

**Liquidation Only: Total Future Estimated Recoveries**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EQUITY INVESTMENTS:</strong></td>
<td>Most likely projected recoveries using SBA value guidelines. It is very important to support value in comments section using industry accepted standards and identify the basis of the valuation, examples include: multiple of revenue or EBITDA, funding rounds, a viable offer, and independent valuations. Include support identifying historical numbers already achieved.</td>
</tr>
<tr>
<td><strong>OTHER ASSETS INVESTMENTS:</strong></td>
<td>Projected recoveries to SBIC using current values net of senior liens and disposition expenses. These amounts are used to value SBA’s leverage and therefore must be conservative and current.</td>
</tr>
</tbody>
</table>

| Source of FMV | Source that established or confirmed the valuation amount. |
### Source of FMV Options

<table>
<thead>
<tr>
<th>Source</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>APP</td>
<td>Appraisal</td>
</tr>
<tr>
<td>C</td>
<td>Cost</td>
</tr>
<tr>
<td>FA</td>
<td>Financial Analyst</td>
</tr>
<tr>
<td>IC</td>
<td>Independent Contractor</td>
</tr>
<tr>
<td>JDG</td>
<td>Judgment</td>
</tr>
<tr>
<td>LRF</td>
<td>Last Round of Financing</td>
</tr>
<tr>
<td>MKT</td>
<td>Market Value (pub trade)</td>
</tr>
<tr>
<td>OTR</td>
<td>Other - Add to Comments</td>
</tr>
<tr>
<td>BEL</td>
<td>Priv Sec (Below Cost)</td>
</tr>
<tr>
<td>CST</td>
<td>Priv Sec (Cost)</td>
</tr>
<tr>
<td>DSI</td>
<td>Priv Sec (Disc to Price due Strategic Investor)</td>
</tr>
<tr>
<td>ERV</td>
<td>Priv Sec (Est Net Realzbl 2yrs + Cash Flow)</td>
</tr>
<tr>
<td>IMA</td>
<td>Priv Sec (Impld Price Recent Merger)</td>
</tr>
<tr>
<td>IA</td>
<td>Priv Sec (Ind Appraisal)</td>
</tr>
<tr>
<td>PS</td>
<td>Public Stock</td>
</tr>
<tr>
<td>RPS</td>
<td>Rest Pub Sec (Avg Pub Mkt)</td>
</tr>
<tr>
<td>RPD</td>
<td>Rest Pub Sec (Disc to Avg Mkt)</td>
</tr>
<tr>
<td>SAL</td>
<td>Sale Pending</td>
</tr>
<tr>
<td>BK</td>
<td>SBIC Finan Records</td>
</tr>
<tr>
<td>TAX</td>
<td>Tax Assessment</td>
</tr>
<tr>
<td>SBIC</td>
<td>Their Value</td>
</tr>
<tr>
<td>UNK</td>
<td>Unknown</td>
</tr>
<tr>
<td>UPS</td>
<td>UnRes Pub Sec (Avg Pub Mkt)</td>
</tr>
<tr>
<td>UPM</td>
<td>UnRes Pub Sec (Disc to Avg Mkt)</td>
</tr>
<tr>
<td><strong>Est. Exit Year</strong></td>
<td>Estimated year for full disposition (i.e. 2017) of all investments.</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Actual Cumulative Cash Receipts in OL</strong></td>
<td>Total Recovery of Proceeds. <strong>Include collections to date even if portfolio company is not concluded.</strong> (Include dividends for any equity investments.)</td>
</tr>
<tr>
<td><strong>Date Concluded</strong></td>
<td>Date must be from 10/01 to 09/30 (based on government FYE). If all the investments of a portfolio company have been concluded, please enter the date that the last investment was closed. Dates cannot be in the future. If an investment has ending cost and/or value greater than $0, there should not be a Date Concluded date. If all investments were closed in a prior year, but the recordation was missed, use 10/01 (or the current beginning year - (i.e. FY 2017 reports would use 10/01/2016). Note in the comments why the date was not entered on last year's report. If all investments were closed in a prior year, but the date concluded is not listed, please add the correct date when the last investment was concluded.</td>
</tr>
<tr>
<td><strong>Comments</strong></td>
<td>Please include adequate support of why estimated recovery is expected for principal and interest; provide acceptable and realistic multiples, show trends using historical terms; provide supporting calculations and major assumptions, e.g. growth rate assumed; support valuation method, senior liens, disposition costs and other avenues of recovery. Note independent valuations.</td>
</tr>
</tbody>
</table>

**Important Note:** Cash is no longer included as an “Other Asset”. Please provide the most current Cash balance (as of 09/30) on the SBIC Profile – Liquidation Information page.

**Unfunded Commitments** should be included as a new Portfolio Company record so that it can be added as one line item, on the Liquidation Supplement, and tied to the SBIC’s capital certificate.
25. Where to send Questions or Report Problems

Send all questions or comments to sbicwebsupport@sba.gov. Please do not send emails to the GLS security account address as they do not provide support for the SBIC WEB application. Inquiries sent to other email addresses related to the SBA GLS system or individuals in the Office of Investment and Innovation, and not to sbicwebsupport@sba.gov, will result in delayed responses.

If there are any issues related to your GLS account (login/password/set up), please send an email, noting in the subject line the specific GLS issue, to sbicwebsupport@sba.gov with the following information:

- Type of Error and brief explanation
- SBIC Name
- SBIC EIN (not License Number)
- Your full name
- Your login name

If there are any data discrepancies related to either a Portfolio Company or an Investment, please send an email, noting in the subject line that there is a Portfolio Company/Investment data discrepancy, to sbicwebsupport@sba.gov with the following information:

- Type of Error (discrepancy/duplication/etc.) and brief explanation
- SBIC Name
- SBIC EIN (not License Number)
- Portfolio Company (PC) Name
- Portfolio Company EIN
- Investment Date
- Investment Type (Loan, Equity, etc.)
- Original Investment Amount

If there are any issues related to a specific Form 468 page or the Form 1031, please send an email, noting in the subject line the Form name and the page where the issue can be found, to sbicwebsupport@sba.gov with the following information:

- Type of Error and brief explanation
- SBIC Name
- SBIC EIN (not License Number)
- Portfolio Company (PC) Name
- Portfolio Company EIN (if applicable)
- Include a screenshot of the page showing where the error occurred

Please do not send emails with Form 1031/Form 468 files/PDFs to sbic@sba.gov.