



Application Guidance for Entity-Owned Companies

Contents

Overview	1
Eligibility	2
Business Ownership	2
Potential for Success.....	5
Control	5
Individual Contributor (Disadvantaged)	6
Individual Contributor (Non-Disadvantaged)	7

Overview

The questions detailed in these instructions will allow entity-owned companies to complete their 8(a) application. If you have additional questions, please see:

- [Local Assistance](#) - SBA and their network of partners offer free assistance in your area.
- [Certify Knowledgebase](#) – Centralized location for detailed how-to articles, forms, frequently
- [Certify Help Desk](#) – If you cannot find answers to your questions from the resources detailed above, please contact the Certify Help Desk for assistance.

Eligibility

Question	Guidance
Has your company ever generated revenue?	Select N/A – Entity Owned
Has your company ever participated in in the 8(a) Program?	This question applies to the company applying for the 8(a) Program, not the entity.
Has your company ever submitted an application to the 8(a) Program?	This question applies to the company applying for the 8(a) Program, not the entity.
Do the assets of a former 8(a) company make up 50% or more of your company’s assets?	Note that this does not apply to a shared services agreement.
Did you hire a consultant to help with your 8(a) application?	If you (the person filling out this 8(a) application) are employed by the parent company, and not the company applying for the 8(a) Program, select “yes” and upload the Representative form 1010 Business

Business Ownership

Question	Guidance
Is your company 51% or more entity-owned?	Select “Yes” and upload a completed 1010 form.
Does your company currently have ownership interest in any other companies?	Select N/A – Entity-Owned
Does any other company or organization have more than 10% ownership interest in your company?	Select N/A – Entity-Owned

Additional Ownership Documentation (all entity-owned applicants):

- For all companies your parent company owns 50% or more of: in addition to their names, primary NAICS codes, and which (if any) have participated in the 8(a) Program, please provide the names of each company's officers, directors, and/or managers
- If the AIT, ANC, CDC, or NHO owns the applicant company through a subsidiary or holding company, provide the name and address of that company, along with the company's Articles of Incorporation, Articles of Organization, corporate bylaws, stock certificates, stock register, and operating agreement (as applicable for the holding company's legal structure)
- Day-to-day manager's resume
- If the day-to-day manager has another job outside the applicant company, please provide the name of the other company, manager's role, number of hours worked per week, work schedule, and an explanation of how it doesn't interfere with the day-to-day manager's ability to manage the applicant company. Include a letter from the other employer verifying the work hours and schedule.
- If the household members of any individuals involved in the applicant company are federal employees, provide a letter of no objection from the federal agency employing the family member. Individuals involved in the company include day-to-day managers, board members, member representatives, officers, directors, etc.

ANCs should also provide:

- Documentation showing the ANC's ownership of the applicant company. (If this is uploaded to your corporation documentation in the Ownership section of your application, there is no need to provide it separately.)

CDCs should also provide:

- Documentation to verify the CDC is a non-profit organization and has received financial assistance under 42 U.S.C. 9805, *et seq.*

Native Hawaiian Organizations (NHOs) should also provide:

- Name, address, and contact information of the NHO parent company
- The percentage of the company owned by the NHO parent company
- Documentation showing the NHO's ownership of the applicant company If the NHO or its subsidiary



owns 50% or more of another business, provide this information for each company: company name, primary NAICS code, percentage of the NHO's ownership, the names of each company's officers, directors, and/or managers, and whether the company has participated in the 8(a) program

- If the NHO has ever been an owner, stockholder or guarantor for a company that has received an SBA loan, provide the name of the borrower, the date approved (or estimated date), and the current status of the loan
- The NHO's corporate bylaws
- Documentation that demonstrates the legal status of the NHO, including documentation filed with the State of Hawaii's Department of Commerce and Consumer Affairs
- Copies of all minutes of NHO board of directors' meetings and all resolutions of the board of directors for the past two years
- Copies of all minutes of NHO meetings in which directors were elected
- Resumes of all board members
- If not previously established, provide documentation to prove how the NHO will benefit economically disadvantaged Native Hawaiians. The NHO must provide data showing the economic condition of the Native Hawaiian community that it intends to serve, including:
 - The number of Native Hawaiians in the community
 - The current unemployment rate of those Native Hawaiians
 - The per capita income of those Native Hawaiians, excluding judgment awards
 - The percentage of those Native Hawaiians below the poverty level
 - The access those Native Hawaiians have to capital
 -
- Documentation of any activities the NHO has done to benefit Native Hawaiians at the time of the NHO company's 8(a) program Initial Application
- Statements in the NHO's bylaws or operating agreements that identify the benefits Native Hawaiians will get from the NHO
- A detailed plan showing how revenue earned by the NHO will mainly benefit Native Hawaiians

Potential for Success

Question	Guidance
Please upload your company's Federal tax returns filed in the last five years, including all schedules and attachments, and proof of payment if a balance was due.	If your parent company files consolidated tax returns that include the applicant company, upload 5 years of the consolidated returns. If your company has not existed for 5 years and has not filed 5 years of taxes, upload all of the federal tax returns your company has filed.

Control

Question	Guidance
Do any other companies or individuals provide financial support to your company?	Upload any documents that describe how your parent company, or any other person or company, provides financial and/or bonding support to your company.
Are you the highest compensated person in your company?	Select N/A – Entity-Owned
Please upload your company's business bank account signature card(s).	Upload SBA Form 912 for any bank signatory that is not an officer, director, member representative, or day-to-day manager.
Does your company share any locations or resources with any other companies?	Include all lease and/or shared service agreements your company has with your parent company, a sister-subsidiary, or another company.

Individual Contributor (Disadvantaged)

Once you select the Individual Contributors card, you will see 4 links:

- **Firm Owner and Individual Claiming Disadvantage** – you (the primary person filling out this 8(a) application) need to complete this section. Review the instructions below carefully as many of the questions in this section do not need to be answered because your company is entity-owned.
- **Please add another 8(a) Applicant, if applicable** – you do not need to submit this section.
- **Please add the spouse of any Disadvantaged Individual** – you do not need to submit this section.
- **Please add any other individuals directly involved with the business** – your company’s officers, directors, member representatives, and day-to-day managers must complete this section. Once you add your colleagues’ emails to this section, they will receive an email asking them to create a Certify account and provide information for the application

Question	Guidance
Upload your personal resume	<p>If you are the day-to-day manager of your company, upload your personal resume.</p> <p>If your company is an NHO and you are a board member, upload your personal resume.</p>
Do you have a job outside your company?	<p>If you are the day-to-day manager, answer this question and provided the requested documentation.</p> <p>If you are not the day-to-day manager, the SBA does not need to know if you have another job so you can select “no”.</p>
Basis of Disadvantage	Select “Native American”
Please provide documentation supporting your membership in the “Native American” group.	Upload a blank PDF since you don’t need to provide this information

Have you transferred any assets to any immediate family member for less than fair market value in the last two years?	Select “No”
Tax Returns	Upload a blank PDF since you don’t need to provide this information
As of date	Enter today’s date
All Individual asset/liability questions	Enter \$0 or select “No”

Individual Contributor (Non-Disadvantaged)

Question	Guidance
Are you the former employer of the individual claiming disadvantage?	Select “No” since the question doesn’t apply to entity-owned companies.
Do any of your immediate family members own a company with a contractual relationship with the Applicant company?	Select “No” since the question doesn’t apply to entity-owned companies.
Have you - or any company you owned - ever applied for an 8(a) Certification or participated in the 8(a) Program?	If yes, upload the requested information. This information will not affect the applicant company’s 8(a) eligibility. The one-time eligibility rule does not apply to individuals who own, direct, control or manage entity-owned companies.
Have you already used your one-time-only 8(a) eligibility to qualify a business for the 8(a) Program?	Your response will not affect the applicant company’s eligibility for the 8(a) program.
Have any of your immediate family members ever owned a company that was admitted to the 8(a) Program?	Select “No” since the question doesn’t apply to entity-owned companies.