

Tips on Filling out the Personal Net Worth Template

This relates only to the CBAF Application

Background

To qualify for funding from the CBAF program, the business must be at least 51% owned by individuals whose personal net worth does not exceed \$1.7 million. Each owner meeting this qualification is required to submit a Schedule of Personal Net Worth with this application.

Personal Net Worth (PNW) means the net value of the assets of an individual remaining after total liabilities are deducted including the individual's share of assets held jointly or as a community property with the individual's spouse. PNW does not include:

- The individual's ownership interest in the Applicant.
- The individual's equity in the individual's primary place of residence; or
- The cash value of any qualified retirement savings plans or individual retirement accounts.

The individual(s) identified as owning 51% or more of the business are referred to elsewhere in the Application as "Primary Owners".

The preceding guidance is most relevant to the portal application and does not address each item on the hard form; however, we have identified certain items on the form that you should pay special attention to since these items are commonly reported inaccurately or misrepresented.

If an individual is married, please note the following:

If you reside in a community property state, all assets, and liabilities, except ownership interest in the applicable business, should be halved accordingly on the form, unless there is a separate property agreement that stipulates sole ownership by one individual. ***When completing the template within the portal, formulas are set to halve the asset or liability if "Joint" is selected as "Yes".***

FOR EXAMPLE: John and Mary Smith jointly own their primary residence valued at \$100,000. They each claim 50% ownership of the property. On the hard Personal Net Worth Template, John Smith would only report 50% interest, \$50,000, on his Personal Net Worth Statement. If John Smith is completing the template within the application, John Smith would select "YES" for held jointly and enter \$100,000 as primary residence value. The formulas set in the application will demonstrate \$50,000 in assets for John Smith.

If a question or section of the Personal Net Worth Statement does not apply, leave the text box blank. The application will save without completing every row.

Questions

#18.

If there is one (1) "Primary Owner", please enter this individual's Name and Percentage of Ownership in the two boxes. The first "Primary Owner" will complete the Personal Net Worth Statement imbedded in the application (questions #19 through #27).

*18. Personal Net Worth Qualification – To qualify for funding from the CBAF program, the business must be at least 51% owned by individuals whose personal net worth does not exceed \$1.7 million. Please provide a list of owners who meet this qualification and the percentage of ownership for each of those qualifying individuals. Each of those individuals are required to submit a Schedule of Personal Net Worth with this application.

The Primary Owner should complete the statement below included in the application format and any additional owners who need to complete a Personal Net Worth Statement, please print the following attachment, complete and upload below.

*Primary Owner: *Percentage of Ownership:
*Are there any Additional Owners: Yes No

Please download and fill out the following [attachment for Additional Owners](#) and upload it below

| *Owner | *Percentage of Ownership | *Schedule of Personal Net Worth |
|----------------------|--------------------------|--|
| <input type="text"/> | <input type="text"/> | <input type="button" value="Click here to attach a file"/> |

Click to add additional owners.

Where additional owners upload Personal Net Worth

If there are any Additional Owners, please click on the "Yes" or "No" radio button.

If "Yes" – a dropdown will appear. Please enter the individual's Name and Percentage of Ownership in corresponding text boxes. If there are three, four, or five and so on, additional owners, click on the blue button "Insert Additional Owners".

Additional Primary Owners need to click on the red text "attachment for Additional Owners", complete the Personal Net Worth Statement, sign, date, and upload where it instructs, "Click here to attach a file" under Schedule of Personal Net Worth.

Throughout the application, if a row was added and needs to be deleted, hover your cursor over the row to be deleted and click on the blue drop down to choose: "Remove owner".

Please download and fill out the following [attachment for Additional Owners](#) and upload it below

| *Owner | *Percentage of Ownership | *Schedule of Personal Net Worth |
|----------------------|--------------------------|--|
| <input type="text"/> | <input type="text"/> | <input type="button" value="Click here to attach a file"/> |
| <input type="text"/> | <input type="text"/> | <input type="button" value="Click here to attach a file"/> |

Insert owners table after [Ctrl+Enter]
Remove owner [Ctrl+Delete]

Assets

#20. Schedule A: Cash, Checking and Savings Accounts, Certificates of Deposit, Money Market Fund, etc.

Enter the total amount of cash on-hand and in your checking accounts, savings accounts, CD's, etc.
****If additional rows are needed, click on the blue box, "Insert another Schedule A".**

Please complete all applicable questions #20-#27. If a Schedule or Question from the Personal Net Worth Worksheet below does not apply, please leave it blank. You will be able to save and complete the application without entering information in every cell.

20. Schedule A - Cash, Checking and Savings Accounts, Certificates of Deposit, Money Market Fund, etc.

| Name of Financial Institution | Type of Account | Owner(s) | Joint | If Pledged, to Whom? | Balance |
|-------------------------------|----------------------|----------------------|--|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input type="text"/> | <input type="text"/> |

Insert another Schedule A

Assets

Name of Financial Institution:

Enter the name of the bank, credit union, etc. A Financial Institution is an establishment that completes and facilitates monetary transactions.

Type of Account:

Enter the type of account the cash on-hand is in, i.e.:

- **Saving Account:** Enter the total amount of cash in all savings accounts.
- **Certificates of Deposit (CD's):** Enter the total amount of cash in all CD's.
- **Money Market Fund:** Enter the total amount of cash in all Money Markets.

Owner(s):

Enter the names of the individuals whose names are on the account(s).

Joint:

If the account is solely in the name of one individual, please select "No". If the account is held in the name of one or more individuals, please select "Yes".

If Pledged, to Whom?

Pledged means if the cash in this account is being secured as collateral for a loan, lease, or another lending scenario. If the cash is in a secured account held by a bank as collateral, please enter the bank's name or if held by an individual, include the individual's name.

Balance:

Enter the amount of cash in the account as of the date the financial statement is completed.

Assets:

This field will auto-populate adding the total of all balances from different accounts entered above.

#21. Schedule B: U.S. Government & Marketable Securities

Marketable securities are financial assets that can be easily bought and sold on a public market, such as common stocks, Treasury bills, bonds, mutual funds, and some money market instruments.

*****If additional rows are needed, click on the blue box, "Insert another Schedule B".**

21. Schedule B - U.S. Government & Marketable Securities

| Number of Shares or Face Value of Bonds | Description | In the Name(s) of | Are these Registered, Pledged, or Held by Others? | Market Value | Exchanges where Traded |
|---|----------------------|----------------------|---|----------------------|------------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Insert another Schedule B

Assets

Number of Shares or Face Value of Bonds:

Enter the number of shares for each account held. The face value of a bond is the amount the issuer promises to pay once the bond reaches maturity. It is also referred to as the redemption value of the bond.

Description:

Enter a description of the accounts held, i.e. stocks, bonds, mutual funds, Treasury bill, etc.

In the Name(s) of:

Enter the name of the people, trust, or entity whose names are on the accounts. Who owns the accounts?

Are these Registered, Pledged, or Held by Others?

Registered security are securities whose ownership is registered with an issuing company or agent. Pledged is when securities are used as collateral and the pledgee/creditor maintains possession of the securities.

Held by Others is if the securities are held by an intermediary, i.e., held by shareholders in a company.

Market Value:

If the stock, bond, or mutual funds were to be traded, please enter here what the current dollar value of those total shares.

Exchanges Where Traded:

Every stock must be listed on an exchange where buyers and sellers meet. Most two common exchanges are New York Stock Exchange (NYSE) and Nasdaq. Enter the exchange where the marketable security is traded.

Assets:

This field will auto-populate, adding the total market value from accounts entered above.

#22. Schedule C – Non-Marketable Securities

Non-Marketable Securities are financial instruments that cannot be easily bought or sold in the open market or trading platform like a public stock exchange due to restrictions or limited demand. Examples include savings bonds, bonds issued by federal governments, some complex derivative products, state and local government securities (treasury notes), shares in Limited Partnership firms, shares in private companies (where ownership is divided into small units owned by private individuals other than company owners) and post office bank accounts.

*****If additional rows are needed, click on the blue box, "Insert another Schedule C".**

22. Schedule C - Non-Marketable Securities

| Number of Shares | Description | In the Name(s) of | Are these Registered, Pledged, or Held by Others? | Value |
|--|-------------|-------------------|---|-------|
| | | | | |
| <input type="checkbox"/> Insert another Schedule C | | | | |
| Assets <input style="width: 100px;" type="text" value="50"/> | | | | |

Number of Shares:

Enter the number of shares held in each account.

Description:

Enter a description of the accounts held, i.e., savings bonds, federal government bonds, derivative product, state, and local government treasury notes, etc.

In the Name of:

Enter the name of the owners of the account, i.e., individual(s), trust, or entity that the non-marketable securities who own the accounts.

Are these Registered, Pledged, or Held by Others?

Registered security are securities whose ownership is registered with an issuing company or agent. Pledged is when securities are used as collateral and the pledgee/creditor maintains possession of the securities.

Held by Others is if the securities are held by an intermediary, i.e., held by shareholders in a company.

Value:

The value of non-marketable securities is more of an intrinsic value or book value and not a market value. Depending on the structure of the security, the intrinsic value of a non-marketable security can be considered as either face value, the amount payable upon maturity or its purchase price plus interest.

Assets:

This field will auto-populate adding the total value from account(s) listed above.

#23. Schedule D – Investments in Real Estate

Enter all real estate assets. **When including primary/personal residence, DO NOT include mortgage equity.** For this program, equity in primary/personal residence is not factored into an individual's total net worth.

*****If additional rows are needed, click on the blue box, "Insert another Schedule D".**

23. Schedule D - Investments in Real Estate

| Description/Location of Real Estate <small>Investment-Do not include Mortgage Equity in Personal Residence</small> | Joint | Date of Original Investment/Amount | % Owned by You | Market Value of Your % of Investment | Present Balance | Monthly Payment | Mortgage Maturity Date | Mortgage Owned to |
|---|---|------------------------------------|----------------------|--------------------------------------|----------------------|----------------------|------------------------|----------------------|
| <input type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | 2/13/2024 <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| <input checked="" type="checkbox"/> Insert another Schedule D | | | | | | | | |
| Assets | | | If Joint with whom | | | | | |
| <input type="text" value="50"/> | | | <input type="text"/> | | | | | |

Description/Location of Real Estate Investment-Do not include Mortgage Equity in Personal Residence

List the type of real estate held and location, i.e., primary residence in Baltimore City, second home in Cumberland, investment real estate in Hanover, etc. Primary residence may be listed here, but do not include equity in the primary residence Market Value.

Joint:

If real estate is solely in the name of one individual, please select "No". If the account is held in the name of one or more individuals, please select "Yes".

Date of Original Investment/Amount:

Either enter the date or use the calendar to the right of the text box to select the date real estate was purchased. Also, add the investment amount or purchase price of the real estate.

% Owned by You:

If real estate is wholly owned by applicant, enter 100%. If ownership is shared with another individual or entity, enter the percentage of ownership applicant claims. For example, if the primary residence is in the name of two individuals and is split evenly, enter 50%.

Market Value of Your % of Investment:

What is the value of applicant's percentage of ownership? If property is wholly owned, then enter the full market value of the real estate. If ownership is divided, enter the percentage of the value of which applicant owns. For example, if you own a parcel of land that is valued at \$100,000 and you own 25%, the market value of your investment would be \$25,000.

*****Please note, if entering market value of primary residence, do not include equity. The equity in a personal residence is excluded from the personal net worth calculation for the CBAF program. When entering for personal primary residence, if there is mortgage on the property, enter the mortgage balance.**

Present Balance:

If the property is encumbered by a loan or mortgage, enter the remaining balance of the loan.

Continued next page:

Monthly Payment:

If the property is encumbered by a loan or mortgage, enter the monthly loan or mortgage payment amount.

Mortgage Maturity Date:

Enter the date or use the calendar to the right to select the month, date, and year the mortgage will be paid off. The actual day of the month is not as important to include as the month and year. For example, if you know the mortgage will be paid off in September 2033, you may enter 09/01/2033.

Mortgage Owed to:

If there is a mortgage or loan for the property, please list the bank, credit union, financial institution or individual(s) who financed the loan.

Assets:

This field will auto-populate, adding total Market Value for each real estate entity entered above.

If Joint with whom:

If "Joint" was selected above, please enter the relationship of the person or entity ownership is shared with, i.e., spouse, brother, aunt, business partner, etc.

#24. Schedule E – Life Insurance Carried, Including Group Insurance

Life Insurance is a contract with an insurer, in exchange for a premium that guarantees payment to an insured’s beneficiaries when the insured dies. Group insurance or also referred to as employer-based coverage is coverage offered as an employee benefit and often comes at a lower cost than individual insurance policies.

*****If additional rows are needed, click on the blue box, “Insert another Schedule E”.**

24. Schedule E - Life Insurance Carried, Including Group Insurance

| Name of Insurance Company | Owner(s) of Policy | Beneficiary / Relationship | Face Amount | Policy Loans | Cash Surrender Value |
|---------------------------|----------------------|----------------------------|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Insert another Schedule E

Assets

Name of Insurance Company:

Enter the name of the insurance company that issued the policy.

Owner(s) of Policy:

What name(s) is the policy under? If only under your name, enter “Self”, or if the policy is in the name of more than one individual, list the names.

Beneficiary/Relationship:

A beneficiary is the person or entity that will receive the money from the policy when the policy holder passes away. Please enter the beneficiary’s name(s) and relationship, i.e., Joe – child.

Face Amount:

The face amount or death benefit of a life insurance policy is the sum of money that an insurance provider guarantees as a payout to the policy’s beneficiaries if the policy holder passes away. It is the maximum amount a beneficiary can claim from the insurance policy.

Policy Loans:

A policy loan is a loan from an insurance company which uses the cash value of a policy as collateral. Enter here if the policy noted in this row is being held as collateral for a loan.

Cash Surrender Value:

Cash surrender value is the amount of money policy holder will receive if policy is canceled/terminated before maturity an act of death.

Assets:

This field will auto-populate, adding the total Cash Surrender Value from each policy listed above.

#25. Schedule F – Business Ventures – “Do not include the ownership interest in the Application.”

Include any businesses in which the applicant is an owner, principal, or partner. Do not include ownership interest in the business applying for the grant.

*****If additional rows are needed, click on the blue box, “Insert another Schedule F”.**

25. Schedule F - Business Ventures - "Do not include the interest ownership in the Application"

| List Name and Address of Any Business Venture in Which You are a Principal or Partner | Your Position/ Title in the Business | Lines of Business | Years in Business | Your % of Ownership | Net Worth of Business | Present Net Value of Your Business |
|---|--------------------------------------|----------------------|----------------------|----------------------|-----------------------|------------------------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Insert another Schedule F

Assets If Joint with whom

List Names and Addresses of Any Business Venture in Which you are a Principal or Partner:

List the name(s) of the business and business address.

Your Position/Title in the Business:

List the position and title applicant holds in the business, i.e., Sole Owner-Managing Member, Investor-Shareholder, Founder-Chairperson.

Lines of Business:

Identity and list the type of business or industry the business relates to, i.e., retail, manufacturing, marketing, e-commerce, graphic design, etc.

Years in Business:

Enter the number of years the business has been operating.

Your % of Ownership:

Enter the percentage of ownership you have in the business, i.e., if wholly owned, enter 100%.

Net Worth of Business:

The net worth of a business is the value of the assets of the business minus any liabilities or debts the business owes. It is the value of what the business **owns** minus what the business **owes**.

Present Net Value of Your Business:

Net Present Value (NPV) is used to determine whether an investment, project or business will be profitable down the line. NPV is how much an investment is worth throughout its lifetime, discounted to today’s value, i.e., the difference between the present value of your cash inflows and the present value of your cash outflows over a given period.

Assets:

This field will auto-populate, adding the total Market Value of each real estate entity entered above.

If Joint with whom:

If the business venture is owned by you and other individuals/entities, include the names of the other owners.

#26. Schedule G – Vested Interest in Deferred Compensation/Profit Sharing Plans-Do not include cash value of any qualified retirement savings plans or individual retirement accounts.

Vesting means to give or earn a right to a present or future payment, asset, or benefit. Vesting in a retirement plan means ownership. Each employee vests or owns a certain percentage of their account each year. A deferred compensation plan withholds a portion of an employee’s pay until a specified date, usually retirement. Examples of deferred compensation plans include pensions, 401k retirement plans and employee stock options. A non-qualified compensation plan is an agreement between an employer and an employee in which part of the employee’s compensation is withheld by the company, invested, and then given to the employee at some future point. A profit-sharing plan gives employees a share in their company’s profits based on its quarterly earnings.

*****If additional rows are needed, click on the blue box, “Insert another Schedule G”.**

26. Schedule G - Vested Interest in Deferred Compensation/Profit Sharing Plans- Do not include cash value of any qualified retirement savings plans or individual retirement accounts.

| % Vested | Company Name | Account Number | Manner of Payout (Annuity, Lump Sum, etc.) | Distribution Date | Beneficiary | Amount |
|----------------------|----------------------|----------------------|--|----------------------|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Insert another Schedule G

Assets \$0

% Vested:

The percentage of benefit an individual has rights to, i.e., if fully vested in a deferred compensation plan means an individual will receive 100% of what is owed. If 80% vested, one will only be able to receive 80% of the total amount of money contributed to the profit-sharing money in their account.

Company Name:

List the name of the company in which the deferred compensation plan or profit-sharing plan is with.

Account Number:

Not a necessary field to complete.

Manner of Payout (Annuity, Lump Sum, etc.):

Deferred Annuity – type of payment that is paid out over a certain period starting on a future date.

Lump Sum – gives immediate access to deferred compensation on a particular date.

Distribution Date:

What is the date of qualifying event which will trigger a deferred compensation or profit-sharing payout?

Beneficiary:

Who will receive the compensation in the event of death?

Amount:

What is the dollar value of the deferred compensation plan or profit-sharing plan?

Assets:

This field will auto-populate, calculating the total dollar amounts listed for each plan.

Liabilities

#27. Schedule H – Loans Owing Banks, Brokers, Finance Companies, and others including credit cards.

Enter the total amount due on all notes payable to banks and others paid on an installment basis. Please be sure to include the total monthly payment amount in the space provided. This should include the amount of any loans from the applicant firm. This should not, however, include any mortgage balances. ****If additional rows are needed, click on the blue box, "Insert another Schedule H".**

27. Schedule H - Loans Owing Banks, Brokers, Finance Companies, and others including credit cards

| Owing to Acct No. | Joint Y/N | Date of Origin Borrowing Amount | Present Balance | Due | Monthly Payment | Date of Final Payment | Secured by |
|----------------------|--|---------------------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|
| <input type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Insert another Schedule H

Owing to Acct No.:

List who the creditor is, i.e., Bank of America, American Express, Macy's, Ford Financing, etc. Please do not list the actual account number.

Joint:

If the debt is solely in the name of one individual, select "No". If the account is held in the name of one or more individuals, select "Yes".

Date of Origin Borrowing Amount:

Select the date the loan, credit card or other credit facility opened.

Present Balance:

Enter the most-current balance of the loan, credit card or other credit facility.

Due:

Enter the day of the month the loan, credit card or other credit facility is due.

Monthly Payment:

Enter the scheduled amount paid to the creditor every month.

Date of Final Payment:

If the debt has a payoff date, please enter the date. If the debt is revolving, such as a credit card or line of credit, please leave this blank.

Secured by:

Enter the type of collateral used for the credit facility. Examples include credit card without collateral – *unsecured*; home equity term loan – *address of real estate*; cash secured credit card – *cash account*; vehicle loan-year and make of vehicle.

Additional Liability Section

List any additional debt, credit facility or bills not listed above.

Joint: click on “Yes” if the debt is shared with someone else or a business entity.

If Joint with whom: if “Yes” enter the individual’s name or business entity the debt is shared with.

| Liabilities (any additional liabilities not listed above) | Joint | If Joint with whom |
|--|--|--|
| Due to brokers <input style="width: 150px;" type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input style="width: 150px;" type="text"/> |
| Enter amount due to brokers. | | |
| Amounts payable to others secured <input style="width: 150px;" type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input style="width: 150px;" type="text"/> |
| Enter the sum of all debts secured by collateral not listed in Schedule “H”. | | |
| Amounts payable to others unsecured <input style="width: 150px;" type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input style="width: 150px;" type="text"/> |
| Enter the sum of all debts not secured by collateral and not listed in Schedule “H”. | | |
| Accounts & bills due <input style="width: 150px;" type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input style="width: 150px;" type="text"/> |
| Enter the amount of monthly bills, i.e. utilities. | | |
| Unpaid income tax <input style="width: 150px;" type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input style="width: 150px;" type="text"/> |
| If income tax has not been paid, enter the amount due. | | |
| Other unpaid taxes & interest <input style="width: 150px;" type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input style="width: 150px;" type="text"/> |
| If you have outstanding taxes & interest due, enter amount here. | | |
| Real estate mortgages payable <input style="width: 150px;" type="text"/> | <input type="radio"/> Yes <input type="radio"/> No | <input style="width: 150px;" type="text"/> |
| List any mortgage amounts not captured in Schedule “D”. | | |

If additional Primary Owners are completing the Personal Net Worth hard copy, totals from each Schedule need to be populated in Section 3.

Section 3 Statement of Financial Condition as of:

| | Owner as of: | Ownership percentage in the business: | Assets | Joint (Y/N) | If Joint with whom | Liabilities | Joint (Y/N) | If Joint with whom |
|---|--------------|---------------------------------------|---------------|-------------|--------------------|--|---------------|--------------------|
| Cash, Check & Savings, CD (do not include the cash value of any qualified retirement savings plans or IRA) Schedule A | | | \$0.00 | | | Notes payable to banks & others Schedule G | \$0.00 | |
| US Gov't & Marketable securities Schedule B | | | \$0.00 | | | Due to brokers | \$0.00 | |
| Non-Marketable Securities Schedule C | | | | | | Amounts payable to others secured | \$0.00 | |
| Investments in Real Estate (do not include equity in primary Mortgage) Schedule D | | | \$0.00 | | | Amounts payable to others unsecured | \$0.00 | |
| Cash surrender value-life insurance Schedule E | | | \$0.00 | | | Accounts & bills due | \$0.00 | |
| Business ventures Schedule F | | | \$0.00 | | | Unpaid income tax | \$0.00 | |
| Other assets/personal property itemize Schedule H | | | \$0.00 | | | Other unpaid taxes & interest | \$0.00 | |
| | | | | | | Real estate mortgages payable | \$0.00 | |
| Total Assets | | | \$0.00 | | | Total Liabilities | \$0.00 | |
| | | | | | | Net Worth | \$0.00 | |
| | | | | | | Total Liabilities and Net Worth | \$0.00 | |

Assets = Liabilities + Equity

To calculate your net worth, you subtract your total liabilities from your total assets.