Small Business Administration

§ 120.398 America’s Recovery Capital (Business Stabilization) Loan Program—ARC Loan Program

(a) Purpose. The purpose of the ARC Loan Program is to enable SBA to guarantee certain loans to viable small businesses that are experiencing immediate financial hardship. Loans made under this loan program are referred to as ARC Loans and are subject to the requirements set forth in this Part for 7(a) loans except as noted in this section.

(b) Definitions.

(1) (i) Eligible Borrower is a small business concern as defined in Section 3 of the Small Business Act and § 120.100. Eligible Borrower does not include:

(A) Ineligible small businesses as listed in § 120.110; and

(B) Small business concerns with the following primary industry North American Industry Classification System (NAICS) codes:

(1) 713210 (Casinos (Except Casino Hotels));
(2) 721120 (Casino Hotels);
(3) 713910 (Golf Courses and Country Clubs); and
(4) 712130 (Zoos and Botanical Gardens).

(ii) Applications submitted by small business concerns with a primary industry NAICS code of 713940 (Fitness and Recreational Sports Centers) will be identified and reviewed by SBA to determine eligibility in accordance with the statutory restriction on assistance to swimming pools.

(b) Definitions.

(1) Going Concern is a small business concern actively engaging in business with the expectation of indefinite continuance.

(2) Qualifying Small Business Loan is a loan previously made to an Eligible Borrower for any of the purposes set forth in § 120.130 or 120.160(d). Qualifying Small Business Loans may include credit card obligations, capital leases for major equipment and vehicles, notes payable to vendors or suppliers, loans in the first...