

Regional Micro-Enterprise Credential: Online Credit Application Instructions

(Updated: June 12, 2017)

You will have an opportunity to complete a simulated online credit application for one of the fictional small business profiles.

Just as with your Self-Assessment, you will use an Excel spreadsheet that will look and feel like a real Online Credit Application.

This online application is much simpler than applying for a bank loan – exactly as is true in the real world. If you are thinking this activity is easy. . . you are correct! Why? Because it is easy to do in the real world as well! The Online Credit Application has four parts:

- 1) Getting Started Instructions – the first section provides clear instructions for the Online Credit Application. These instructions will show you the inputs each section of the application requires, and how you can enter your information using color-coded input cells and pull-down menus.
- 2) Business Profile – the second section asks you to input a business profile. This section will ask you what your business does, how long you've been in business, how much revenue your business has, and other questions. You should enter the values in the fictional business profile you have selected to use.

As is often true in the real world, you will get an immediate response as to whether or not you have obtained a line of credit. If the online company declined to provide you with credit, you will receive an explanation of why your application was declined.

You must then go back to the Business Profile screen and input new data until you receive an approved line of credit. To do this, you can alter the figures in your fictional business profile – but if you do, keep track of what you've changed so you can tell your teacher what you did and why.

- 3) Apply for Funding – once your credit line is approved the online company will ask you how much money you want to take out as a loan. Your goal is to borrow \$40,000, but you may not be offered this large a line of credit by the online credit provider.

When you determine how much you will take out, the online system will take you to the last part of this exercise.

- 4) Overview – the final page will provide you with an impact statement indicating how much money you have withdrawn, and the financial impact this will have on your small business. *The online system will then ask you to answer three questions about your loan. Please do your best to provide answers that are appropriate for a successful small business owner.*

If instructed to do so by your teacher, please print out this last page and hand it in.

Good luck!