The guidelines and procedure outlined in this Background Review Policy (the “Policy”) shall be used to satisfy the requirements of Section 88c(4) of the MSF Act and as part of the due diligence process for programs and activities created and operated by the MSF. The Michigan Economic Development Corporation (“MEDC”) will perform the civil and criminal background reviews for the MSF in accordance with this Policy.

A copy of the MSF Background Review Policy is available at www.michiganbusiness.org/background-check
Complete One (1) for each Applicant

Complete One (1) for each entity/individual listed on the Applicant Certification Form

ONLY Each Key Owners that holds 20% or more Direct OR Indirect Interest

Remember: A Background Check Application can have anywhere from 2-10 separate Background Check Disclosure Forms depending on the ownership structure of the Applicant.
Is the FULL address included?  

If ANY Key Individual is left blank or says “none” - the form WILL be rejected. All Key Individuals MUST be listed, even if the same person holds multiple positions. Someone at the Applicant is performing those functions.

Checked this box? Make sure to indicate “No Key Owners” in Applicant Key Owners Section if there are none.

This should be the person managing AFTER the incentive is approved.

Example:
- Consultant assisting with the application process, but an individual from the company will be managing the incentive after approval.
- The individual from the company should be listed in this case.
Before submitting, ensure the form is:
• SIGNED
• TITLE INCLUDED
• DATED

• FULL middle names must be on forms
• Indicate ON form if:
  • Individual only has one letter as middle name
  • Individual doesn’t have a middle name

Signature: _____________________________
Title: _____________________________
Date: _____________________________

Updated: April 23, 2014
• Each column must total 100%.

• When there are multiple owners with small ownership % (i.e. 0.5%, 2.5%, etc..) - it is sufficient to write “X [# of individuals] individuals, none of whom individually hold a 20% or greater interest” and include the aggregate percentage in the percentage column.

INDIRECT OWNERSHIP PERCENTAGE column
• Background Check Application will be rejected if:
  • Left blank
  • Says “0%”

• MUST total 100%.

• Refers to who is receiving the pecuniary (financial or beneficial) benefit of the incentive.

• If no person or entity distinct from the direct owners is receiving a pecuniary interest → By default the direct owners will hold the same percentages of indirect ownership.
Only one (1) of these boxes should be completed per form.

Each business integrity question MUST be answered, even if the entity is publicly traded.

The Tax Haven question only applies to an entity. Individuals do not need to complete this question.
If an Entity is completing:
- Bottom Individual box is left blank
- Legal name of entity
- FULL Principle Place of Business Address
- Primary Contact Name and Email
- EIN Number
  - NOTE: If a Trust is completing this form, the EIN can be left blank.
  - **DO NOT INCLUDE ANY SOCIAL SECURITY NUMBERS IN THE EIN SECTION**

If an Individual is completing:
- Top entity box is left blank
- FULL MIDDLE NAME
  - If none or middle name is one letter, indicate ON the form
- Date of Birth
- FULL Residence Address
- Business Phone
- Email
- DON’T need to complete the Tax Haven Business Integrity question

Make sure to Sign, Title, AND Date
Q: How long does it take to process a background check?

A: 4-6 weeks from fully completed forms being submitted into the background check queue by the business unit. We process background checks on a first in, first out basis to help ensure all background checks are completed within 4-6 weeks.

Q: We’re still waiting on one form. Can you start the background check with the forms you currently have?

A: Unfortunately, no. At any given time, we have between 20-40 background check cases in the queue. To ensure timely results, we do not process background checks until all necessary forms are submitted.

Q: Why do you need my residence address, date of birth, and full middle name?

A: That information helps filter results in the database we use. Even uncommon names can sometimes have hundreds of results. By filtering with this information, we can perform individual background checks faster.
FAQ’s (continued)

Q: I’m a Sole Proprietor. How do I complete the forms?

• A:
  • Sole Proprietor’s who have established an LLC should complete both the Applicant Certification Form and the Background Check Disclosure Form.
  • If you are an individual with no LLC, you only need to complete the Background Check Disclosure Form.

Q: My contact at the MEDC mentioned potential exemptions from a background check. What does that mean?

• A: If the Applicant is a municipality, nonprofit, or institution of higher education, the MSF Background Review Policy may allow for a different process to satisfy the requirements of the Policy. There are procedural steps that need to occur internally at the MEDC in these cases. Your contact will explain what additional forms need to be completed; however a Background Check Disclosure Form for the person responsible for managing the incentive will ALWAYS need to be completed.
**FAQ’s (continued)**

**Q: I don’t have a CFO or COO. How do I complete the Applicant Certification Form?**

- A: Someone at your company is performing the functions of those positions, even if he/she doesn’t have that title. It’s acceptable to have the same person listed for multiple positions. **Your application WILL be rejected if that spot is left blank or says “None.”**

**Q: Our Applicant doesn’t have any indirect owners. How do I complete the Applicant Certification Form?**

- A: If your company only has “direct” owners, then by default all “direct” owners would hold the same percentages of “indirect” ownership. The ownership percentages in both the direct and indirect columns would match. **EACH column MUST total 100%**. Make sure the indirect column isn’t left blank and doesn’t say 0%.