

Purpose of Background Check

Section 88c(4) of the Michigan Strategic Fund (“MSF”) Act, MCL 125.2088c(4), requires the MSF Board to establish requirements to ensure that money expended under Sections 88d, 88e, 88f, 88g, 88k, 88q and 88r and Chapter 8C of the MSF Act shall not be used for any of the following:

Provision of money to a person who has been convicted of a criminal offense incident to the application for or performance of a state contract or subcontract. 125.2088c(4)(a)

Provision of money to a person who has been convicted of a criminal offense, or held liable in a civil proceeding, that negatively reflects on the person's business integrity, based on a finding of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, violation of state or federal antitrust statutes, or for any additional findings as determined by the fund board. 125.2088c(4)(b)



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

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

Michigan Strategic Fund and Michigan Economic Development Corporation
General Applicant Certification Form

APPLICANT ENTITY LEGAL NAME (business entity to receive incentive) Check if Applicant is a municipality, non-profit organization, _____

APPLICANT ENTITY ADDRESS (include city, state, and zip code) _____ section _____

APPLICANT EMPLOYER TAX ID NUMBER (EIN) _____

APPLICANT KEY INDIVIDUALS
List the Applicant's CEO, CFO, COO, and the person(s) responsible for managing the incentive, or the similarly situated position responsible for those duties associated with each role. Each individual listed must also complete a separate background check disclosure form. All Applicant key individuals must be listed, even if duplicative.

CEO or the similarly situated position in charge of the Applicant's executive operations
Full first, middle, and last name (full middle name mandatory; if none, please indicate) _____

CFO or the similarly situated position in charge of the Applicant's financial affairs
Full first, middle, and last name (full middle name mandatory; if none, please indicate) _____

COO or the similarly situated position in charge of the Applicant's daily affairs
Full first, middle, and last name (full middle name mandatory; if none, please indicate) _____

Person responsible for managing the incentive for the Applicant
Full first, middle, and last name (full middle name mandatory; if none, please indicate) _____

APPLICANT KEY OWNERS
List each individual or entity, if any, who directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise, owns either an actual or financial interest in the Applicant. Each Applicant Key Owner with a 20% or greater interest, either direct or indirect, must also complete a separate Background Check Disclosure Form. Direct AND indirect ownership percentages must each separately total 100%. Attach a separate sheet if necessary.

Owner Full Legal Name	Direct Ownership Percentage	Indirect Ownership Percentage	Check if owner is publicly traded in U.S.

CERTIFICATION
I consent to the release of information contained herein to the MEDC, the Department of Attorney General, MSF, CCO, or any of their designees, or as required by law. I have the authority to submit this form on behalf of the Applicant and authorize the MSF, MEDC, AG, CCO, or any of their designees to perform background checks on the applicant and its Key Individual(s) and Owner(s).

Signature _____ Title _____ Date _____
Updated April 25, 2019

Michigan Strategic Fund and Michigan Economic Development Corporation
Background Check Disclosure Form

A Background Check Disclosure Form must be completed by the Applicant AND each of the Applicant's Owners with a direct or indirect ownership interest of 20% or greater AND each of the Applicant's Key Individuals listed on the Applicant Certification Form. However, if Applicant is publicly traded, the applicable entity listed on its Background Check Disclosure Form must complete this form.

If being completed on behalf of an ENTITY

Entity Name		Employer Tax ID Number (EIN)
Principal Place of Business Address (include city, state, and zip code)	Primary Contact Name	Primary Contact Email

If being completed by an INDIVIDUAL

Full first, middle and last name (full middle name mandatory; if none, please indicate)		Date of Birth
Residence Address, if individual (include city, state, and zip code)	Business Phone	Email

BUSINESS INTEGRITY
Please provide answers to all the following questions below. If being completed as an individual, "you" refers to you. If being completed on behalf of an entity "you" refers to the entity. If any questions are answered "Yes" please attach details on a separate page.

Yes No

Business Integrity. Are you presently, or have you ever been a respondent/defendant in any administrative agency proceedings, civil litigation, or criminal proceedings involving allegations of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, violations of state or federal antitrust statutes, or any other claim that may be a reflection on your business integrity?

Taxes. Do you currently owe past due taxes to any government entity?

Incident to a State Contract. Have you ever been convicted of a criminal offense incident to the application for or performance of a state contract or subcontract?

Tax Haven. If you are an entity, are you incorporated in a tax haven county, including, but not limited to: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the principality of Liechtenstein, the principality of Monaco, or the Republic of the Seychelles?

CERTIFICATION
I consent to the release of information contained herein to the MEDC, the Department of Attorney General, MSF, CCO, or any of their designees, or as required by law. I specifically authorize the MEDC, MSF, or any of their designees, to do a criminal and civil background check on me, or the entity I represent. I certify that the information provided in this statement is complete, true and accurate. If I am completing this form on behalf of an entity, I certify that I have authority to bind that entity.

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Updated April 25, 2019

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

Is the FULL address included?

Michigan Strategic Fund and Michigan Economic Development Corporation
General Applicant Certification Form

APPLICANT ENTITY LEGAL NAME (business entity to receive incentive)

Check if Applicant is a municipality, non-profit organization, or an institution of higher education. If there are no Key Owners, please indicate in the Key Owners section.

APPLICANT ENTITY ADDRESS (include city, state, and zip code)

APPLICANT EMPLOYER TAX ID NUMBER (EIN)

APPLICANT KEY INDIVIDUALS

List the Applicant's CEO, CFO, COO, and the person(s) responsible for managing the incentive, or the similarly situated position responsible for those duties associated with each role. Each individual listed must also complete a separate Background Check Disclosure Form. **All Applicant Key Individuals must be listed, even if duplicative.**

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Owner Full Legal Name	Direct Ownership Percentage	Indirect Ownership Percentage	Check if owner is publicly traded in U.S.	
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>

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Signature _____

Title _____

Date _____

Updated April 25, 2019

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.

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.

Michigan Strategic Fund and Michigan Economic Development Corporation
General Applicant Certification Form

APPLICANT ENTITY LEGAL NAME (business entity to receive incentive)

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APPLICANT ENTITY ADDRESS (include city, state, and zip code)

APPLICANT EMPLOYER TAX ID NUMBER (EIN)

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Signature _____ Title _____ Date _____

Updated April 23, 2019

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

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General Applicant Certification Form

APPLICANT ENTITY LEGAL NAME (business entity to receive incentive)

Check if Applicant is a municipality, non-profit organization, or an institution of higher education.
If there are no Key Owners, please indicate in the Key Owners section.

APPLICANT ENTITY ADDRESS (include city, state, and zip code)

APPLICANT EMPLOYER TAX ID NUMBER (EIN)

APPLICANT KEY INDIVIDUALS

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Owner Full Legal Name	Direct Ownership Percentage	Indirect Ownership Percentage	Check if owner is publicly traded in U.S.

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Signature _____

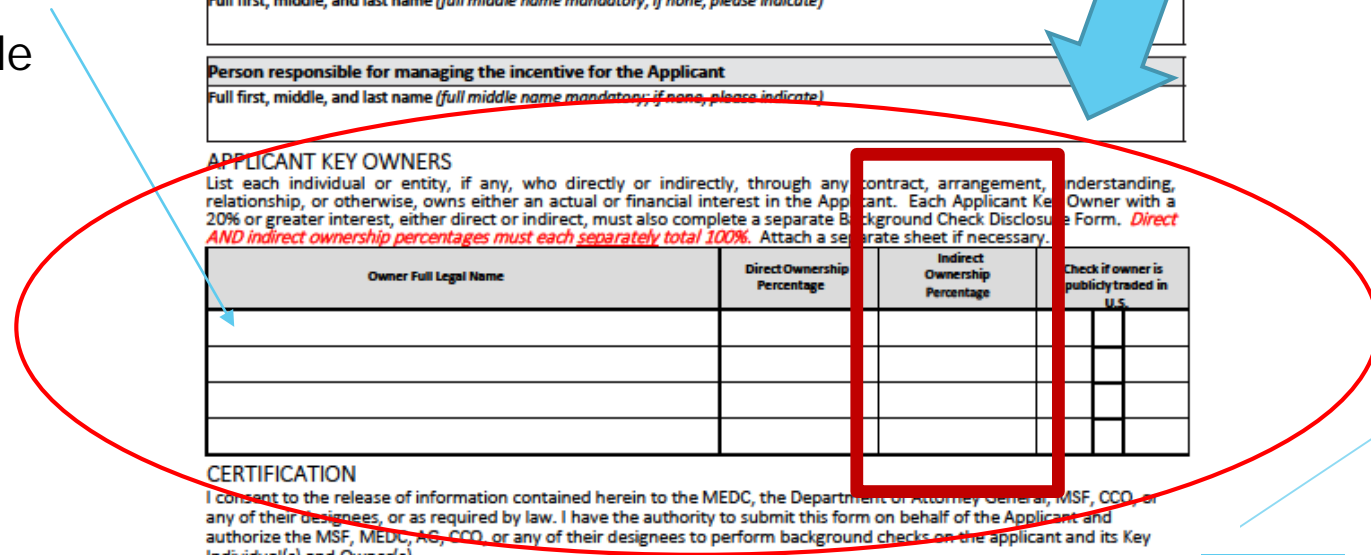
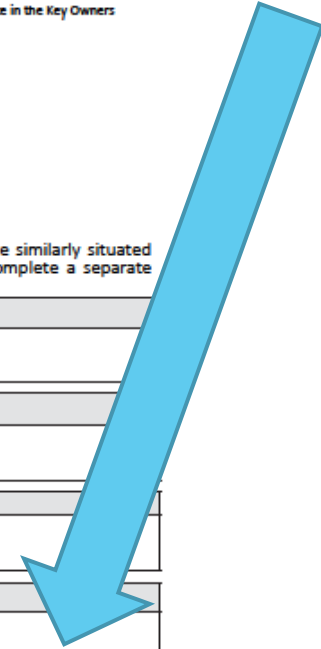
Title _____

Date _____

- 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.

Michigan Strategic Fund and Michigan Economic Development Corporation
Background Check Disclosure Form

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If being completed on behalf of an ENTITY	Entity Name		Employer Tax ID Number (EIN)	
	Principal Place of Business Address (include city, state, and zip code)		Primary Contact Name	Primary Contact Email
Only one box should be completed	Full first, middle and last name (full middle name mandatory; if none, please indicate)		Date of Birth	
	Residence Address, if individual (include city, state, and zip code)		Business Phone	Email

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

BUSINESS INTEGRITY

Please provide answers to all the following questions below. If being completed as an individual, "you" refers to you. If being completed on behalf of an entity "you" refers to the entity. If any questions are answered "Yes" please attach details on a separate page.

Yes	No	
<input type="checkbox"/>	<input type="checkbox"/>	Business Integrity. Are you presently, or have you ever been a respondent/defendant in any administrative agency proceedings, civil litigation, or criminal proceedings involving allegations of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, violations of state or federal antitrust statutes, or any other claim that may be a reflection on your business integrity?
<input type="checkbox"/>	<input type="checkbox"/>	Taxes. Do you currently owe past due taxes to any government entity?
<input type="checkbox"/>	<input type="checkbox"/>	Incident to a State Contract. Have you ever been convicted of a criminal offense incident to the application for or performance of a state contract or subcontract?
<input type="checkbox"/>	<input type="checkbox"/>	Tax Haven. If you are an entity, are you incorporated in a tax haven country, including, but not limited to: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the principality of Liechtenstein, the principality of Monaco, or the Republic of the Seychelles?

The Tax Haven question only applies to an entity. Individuals do not need to complete this question.

CERTIFICATION

I consent to the release of information contained herein to the MEDC, the Department of Attorney General, MSF, CCO, or any of their designees, or as required by law. I specifically authorize the MEDC, MSF, or any of their designees, to do a criminal and civil background check on me, or the entity I represent. I certify that the information provided in this statement is complete, true and accurate. If I am completing this form on behalf of an entity, I certify that I have authority to bind that entity.

Signature _____ Title _____ Date _____

Updated April 25, 2019

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**

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Only one box should be completed

If being completed on behalf of an ENTITY		
Entity Name	Employer Tax ID Number (EIN)	
Principal Place of Business Address (include city, state, and zip code)	Primary Contact Name	Primary Contact Email
If being completed by an INDIVIDUAL		
Full first, middle and last name (full middle name mandatory; if none, please indicate)		Date of Birth
Residence Address, if individual (include city, state, and zip code)	Business Phone	Email

BUSINESS INTEGRITY

Please provide answers to all the following questions below. If being completed as an individual, "you" refers to you. If being completed on behalf of an entity "you" refers to the entity. If any questions are answered "Yes" please attach details on a separate page.

Yes	No
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

Business Integrity. Are you presently, or have you ever been a respondent/defendant in any administrative agency proceedings, civil litigation, or criminal proceedings involving allegations of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, violations of state or federal antitrust statutes, or any other claim that may be a reflection on your business integrity?

Taxes. Do you currently owe past due taxes to any government entity?

Incident to a State Contract. Have you ever been convicted of a criminal offense incident to the application for or performance of a state contract or subcontract?

Tax Haven. If you are an entity, are you incorporated in a tax haven county, including, but not limited to: Barbados, Bermuda, British Virgin Islands, Cayman Islands, Commonwealth of the Bahamas, Cyprus, Gibraltar, Isle of Man, the principality of Liechtenstein, the principality of Monaco, or the Republic of the Seychelles?

CERTIFICATION

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Signature _____ Title _____ Date _____

Updated April 25, 2019

2/6/2020

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

FAQ'S

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%.