



“Helping to Sustain Maryland’s Food and Fiber Future”

MARBIDCO

Application for the Maryland Livestock Processing Loan Fund
Program Description

The Maryland Livestock Processing Loan Fund has been established by MARBIDCO, as a complement to USDA’s Meat and Poultry Intermediary Lending Program opportunity, to assist with the expansion of livestock processing capacity in Maryland. This program offers loans to eligible applicants to help start-up or expand small- and medium-sized USDA-inspected facilities in Maryland to increase the processing of meat, poultry and catfish. (Large meat and poultry processing companies are not eligible to participate in this program.)

Loan amounts can range from a minimum of \$250,000 up to a maximum of \$2,500,000. Loan proceeds can be used to purchase real estate, construct a new or expand an existing processing facility and purchase livestock processing equipment. Priority will be given to the construction of new facilities, especially in underserved parts of Maryland.

MARBIDCO will also match the equity contribution of an approved applicant on a dollar-for-dollar basis up to 10% of the project costs, with the maximum equity grant award amount capped at \$250,000.

This program can offer standalone financing or can work in conjunction with other commercial lenders. The loan proceeds for this program will be derived from the USDA Meat and Poultry Intermediary Lending Program Grant, with matching funds provided by MARBIDCO. MARBIDCO must submit all projects to USDA for approval before MARBIDCO can disburse funds. The equity grant match funding is coming from special funds appropriated to MARBIDCO to help enhance livestock processing capacity in Maryland.

Loan Terms and Conditions

Minimum/Maximum Loan Amount:	\$250,000 / \$2,500,000
Equity Requirement and Match:	At least 7.5% of a project’s total cost must be provided by the borrower as an equity contribution. MARBIDCO will match on a dollar-for-dollar basis the equity contribution up to 10% of the project cost (with a cap of \$250,000).
Working Capital Requirement:	Applicants constructing a new facility must demonstrate that they have a minimum level of working capital available of at least 10% of the project cost (either in cash or through a bank line of credit).
MARBIDCO Interest Rate:	4.00% (fixed).
Loan Origination Fee:	0.25% of the loan amount (up to a maximum of \$5,000).
Loan Terms/ Collateral:	The length of the term of a loan will correspond to the useful life of the assets being financed, following an initial interest-only period (of up to 12 months). Other conditions will apply including the pledging of appropriate collateral security.
Personal Guarantee(s):	Required. Owners of business entities (e.g., an LLC) must also provide guarantees. Personal Guarantee requirement will be waived with a 20% equity contribution including MARBIDCO’s equity grant.
Application Submission Process:	All applications must be originated by the applicants. Applications will be processed in the order received and subject to funds availability.
Send Completed Applications to:	MARBIDCO Loan Programs, 1410 Forest Drive, Suite 21, Annapolis, MD 21403

SECTION 1: APPLICANT INFORMATION

Applicant Type (select one): Business Entity Individual(s)

Business Entity

Business Type: Proprietorship Partnership Agricultural Cooperative LLC Corporation

Year Established/Incorporated: _____ EIN # _____

Business Name _____

Business Address _____ County _____

City _____ State _____ Zip Code _____

Contact Person _____ Title _____

Work Telephone _____ E-mail _____

Home Telephone _____ Mobile Phone _____

Individual(s) No. of Individual(s) _____
(If Business Entity, complete individual information for each owner.)

1. Name _____ % Ownership _____

Social Security # _____ Date of Birth _____

Address _____ County _____

City _____ State _____ Zip Code _____

Phone _____ Email address _____

2. Name _____ % Ownership _____

Social Security # _____ Date of Birth _____

Address _____ County _____

City _____ State _____ Zip Code _____

Phone _____ Email address _____

3. Name _____ % Ownership _____

Social Security # _____ Date of Birth _____

Address _____ County _____

City _____ State _____ Zip Code _____

Phone _____ Email address _____

For additional applicants, please copy this page and attach it to the application.

SECTION 2: LOAN REQUEST INFORMATION

Total Amount Requested from MARBIDCO: _____ Term Requested: _____

Repayment Method (circle one): monthly quarterly annually

Interest-Only Period Requested: _____ months

Funding Sources (MARBIDCO Funds, Equity and/or Other Commercial Loan Funds):

Source	Amount
	\$
	\$
	\$
	\$
	\$
	\$
Total	\$

***Use of Funds must be submitted as an attachment and include details of description of the project/item and costs.**

COLLATERAL

(List all collateral that can be used as security for the loan and any other lien holders on each item of collateral.)

Collateral	Value	Lien Holders	Amount Owed
	\$		\$
	\$		\$
	\$		\$
	\$		\$

VETERAN STATUS (Home Town Heroes Interest Rate Reduction Incentive)

1. Are you a U.S. military veteran who has received an “Honorable” or “General (Under Honorable Conditions)” discharge; OR are you an active duty military personnel currently serving in any branch of the United States military? YES | NO
2. Do you have at least 50% ownership and management control of the agribusiness and/or farming operation? YES | NO

If yes to both questions above please provide evidence, either by providing a letter of support from your commanding officer or designated representative attesting to your characterization of service, OR by submitting a Department of Defense Form DD-214, to receive the Home Town Hero Interest Rate Reduction of 0.25% (25 basis points).

SECTION 3: MEAT PROCESSING PROJECT INFORMATION

Type of Meat Processing Business for Project (check one):

Note: Large-scale meat and poultry processors are not eligible.

- Currently Operating USDA-Inspected Facility Planned USDA-Inspected Facility

If Currently Operating USDA-Inspected Facility, please include the following information:

Federal Tax ID: _____ State Tax ID: _____

Unique Entity ID (SAMS): _____ NAICS Code: _____

Other Government Issued Permits (specify type and include ID # below):

Type of Meat to be Processed (please check all that apply):

- Cattle/Beef Hogs/Pigs Poultry
 Sheep/Goats Blue Catfish Other (please specify):

Will Real Estate Need to be Purchased: YES NO Very briefly explain below:

Employment Data Related to the Livestock Processing Business

of full-time jobs current _____ # of NEW full-time jobs projected within 36 months _____

of part-time jobs current _____ # of NEW part-time jobs projected within 36 months _____

Average Wage of Employees (excluding owners): \$ _____

Current Number of Farmers Served as of Application Date: _____

of Farmers Served Wholesale: _____ # of Farmers Served Retail: _____

of Other Customers Served (please specify): _____

of Jobs (including Owners) to be created as a result of the loan: _____

Financial Data Related to the Processing Business

Annual Revenue: _____ Net Worth: _____

BRIEF DESCRIPTION OF PROJECT, INCLUDING THE JUSTIFICATION FOR MARBIDCO FINANCING

(Include details on any land or equipment to be purchased and any labor that will likely be needed.)

Please provide or attach a brief description of the project, including a description of the Applicant's need for meat processing equipment and facilities and how the operation will increase meat processing capacity in Maryland.

PROJECT ADVISOR(S) *(If Applicable)*

1-Name _____ Title _____

Institution/Firm _____

Work Telephone _____ E-mail _____

2-Name _____ Title _____

Institution/Firm _____

Work Telephone _____ E-mail _____

PHYSICAL FACILITIES (REAL ESTATE)

If Owned Currently #1

Address _____

Annual Mortgage Payment _____ Term of Mortgage _____

Mortgage Balance _____ Appraised Value _____

Size(acres) _____ Local Zoning Classification of the Property _____

Type/# of Buildings _____

If Owned Currently #2

Address _____

Annual Mortgage Payment _____ Term of Mortgage _____

Mortgage Balance _____ Appraised Value _____

Size(acres) _____ Local Zoning Classification of the Property _____

Type/# of Buildings _____

If Leased Currently

Address _____

Annual Rental Expense _____ Lease From _____

Size(acres) _____ Location _____

Phone Number of Owner/Leasing Agent _____

Real Estate to be Purchased for the Livestock Processing Facility (if applicable)

Address _____

Est. Annual Mortgage Payment _____ Term of Mortgage _____

Size(acres) _____ Appraised Value _____

Type/# of Existing Buildings _____

Square Footage of Existing Buildings _____

If New Construction is Planned, Please Explain _____

Square Footage of New Building _____

Additional Noteworthy Aspects of the Meat Processing Facility

DECLARATIONS

If answering "yes" to any of these questions, please provide an explanation on a separate sheet and attach.

- 1. Is the business or any of the top management personnel an endorser, guarantor or co-signer for obligations not listed on its/their financial statements? Yes No
- 2. Is the business or any of the top management personnel a party to any claim or lawsuit? Yes No
- 3. Has the business or any of the top management personnel ever declared bankruptcy? Yes No
- 4. Does the business or any of the management personnel owe any taxes for prior years? Yes No
- 5. Have any managers or owners received a felony conviction? Yes No

SECTION 4: SIGNATURES

EQUAL CREDIT OPPORTUNITY ACT (15 U.S.C. 1691)

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status or age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

AUTHORITY TO COLLECT PERSONAL INFORMATION

This information is provided pursuant to Public Law 93-579 (Privacy Act of 1974). Effect of Non-Disclosure: Omission of an item means your application might not receive full consideration.

I/We authorize disclosure of all information submitted in connection with this application to the financial institution agreeing to participate in the project financing. I/We waive all claims against any financial institution agreeing to participate in the project financing or MARBIDCO.

I/We realize that if I/We do not comply with the aforementioned Certification, my/our loan can be called, terminated or repayments accelerated.

I/We authorize MARBIDCO to obtain any additional financial information concerning me/us from any source which MARBIDCO reasonably requires in order to determine whether to make the requested loan, including credit histories, credit reports, and credit scores.

CERTIFICATION

I/We certify all information in this application and the attachments is true and complete to the best of my/our knowledge and is submitted so the MARBIDCO Loan Committee can decide whether to offer financial assistance.

Signature _____ Signature _____

Printed Name _____ Printed Name _____

Date _____ Date _____

Signature _____ Signature _____

Printed Name _____ Printed Name _____

Date _____ Date _____

SECTION 5: ATTACHMENTS

ATTACHMENTS CHECKLIST

1. Project's Use of Funds (detailed list of all project items and costs)
2. Description and history of the applicant company or operation.
3. Resume(s) or working history of principal business owner(s) and/or manager(s).
4. Applicant *and* business operation tax returns for the two preceding years (include W/2's, if available)
5. Completed Balance Sheet for business and each guarantor.
6. Completed Income Statement for the past 2 years for business and each guarantor.
7. Completed Pro Forma Income Statement for business and each guarantor.
8. Completed Debt Repayment Schedule for business and each guarantor.
9. Completed Demographic Information (Attachment 1, optional).
10. If offering real estate as collateral, a copy of the most recent appraisal.
11. If eligible for Home Town Hero veteran status, supporting letter from commanding officers or federal form DD-214.
12. Copy of current business licenses
13. Copy of latest business inspection report
14. Copy of Photo Identification of all applicants
15. Letter of Commitment from other financing with full details
16. Business entity documentation (including Certification of Good Standing, Operating Agreement, etc.)
17. Business Plan, including:
 - a. Facility Information, such as facility size, number of livestock/catfish to be process by week or day, availability of livestock/fish in proximity to the facility (with letters of interest and support from suppliers),
 - b. Marketing Information, such as who the meat will be distributed to (with letters of interest of buyers), competitors (where potential customers are currently taking their livestock/fish and pricing comparison),
 - c. Business Information, such as ownership and management.
 - d. Must also discuss the USDA-inspection details.
18. If new construction/real estate purchase:
 - a. Project details (proof of ownership, survey/plat, blueprints, sworn construction state with bids)
 - b. New facility/site, expansion or acquisition details
 - c. Project timeframe information complete, if project started, please explain.
 - d. Project sources & uses of fund complete
 - e. Certification for contractor complying with all state and federal regulations
 - f. Copy of Purchase agreement
 - g. Appraisal of Property
19. USDA requirements to be completed:
 - a. Assurance Agreement (USDA RD Form 400-4 - [form here](#))
 - b. Equal Opportunity Agreement (USDA RD Form 400-1 - [form here](#))
 - c. Certification Regarding Debarment, Suspension, Ineligibility & Voluntary Exclusion - Lower-Tier Transaction (USDA RD Form AD-1048 - [form here](#))
 - d. Certification Regarding Drug-free Workplace (USDA RD Form AD-1049- [form here](#))
 - e. Intermediary Certification of the following (completed by MARBIDCO):
 - Self-certification, such recipient/business do not hold a top four market share in the meat and poultry processing sector (reference NOSA Section K)
 - Labor standards, such recipient/business certifies to offer or maintain wages, benefits and other opportunities offered to the recipient/business workers (reference NOSA Section K)
 - f. Environmental Assessment (completed by USDA RD State Office, information requested by MARBIDCO, reference NOSA Section G)

Note: MARBIDCO agrees to hold Recipient's Application and Financial Reports in confidence to the extent reasonably permitted by Title 10, Subtitle 6 of the State Government Article of the *Annotated Code of Maryland*. Notwithstanding the foregoing, MARBIDCO shall not be obligated to maintain in confidence any information: 1) which was already known to MARBIDCO; or, 2) which is or comes into the public domain through no fault of MARBIDCO; or, 3) which is independently developed by MARBIDCO; or, 4) which comes to MARBIDCO from a third party which is not in violation of any obligation of confidentiality to Applicant or MARBIDCO.

Demographic Information

Please fill out one attachment for each individual owner and/or guarantor.

Applicant's Full Legal Name: _____

The following information is requested by the Federal Government for certain types of loans and grants, in order to monitor compliance with civil rights laws. You are not required to furnish this information but are encouraged to do so. The law requires program recipient may neither discriminate on the basis of this information nor on whether you choose to furnish it. However, if you choose not to furnish it, under federal regulations, this program is required to note race/ethnicity on the basis of visual observation or surname.

Gender (check one):

- Male Female Not Disclosed

Race (more than one may be selected):

- American Indian/Alaska Native Asian Black/African-American
 Native Hawaiian/Pacific Islander White Not Disclosed

Ethnicity (check one):

- Hispanic/Latino Not Hispanic/Latino Not Disclosed

Veteran:

- Non-Veteran Veteran Service-Disabled Veteran Spouse of Veteran
 Not Disclosed

I do not wish to provide this information – Initial Here: _____