



Instructions for the Application for a Rural Business Energy Efficiency Improvement Loan

Program Description

The Rural Business Energy Efficiency Improvement Loan Fund has been established by MARBIDCO to help agricultural operations and other resource-based businesses to install equipment or make operational improvements that reduce the consumption of energy. Dairy and poultry operations typically use large amounts of electricity and/or propane in their operations, as do other food and fiber processing enterprises. The goal of this program is to help rural businesses to reduce energy consumption while at the same time to increase profitability. This program facilitates the purchase of equipment or technology related to lowering business-related energy consumption by providing below market rate financing assistance. *A copy of an energy audit or an ag energy management plan report (or an energy savings confirmation letter) provided by a qualified third-party energy auditor is required to be submitted with the application, as well as, a simple commercial lender referral.*

Under this program, agricultural and rural businesses may apply for a loan from MARBIDCO to help finance the cost of purchasing and installing equipment or technology related to lowering business-related energy consumption. Loan amounts can range from \$2,500 to \$30,000, with repayment terms tied the anticipated energy savings of the project. Loan amounts cannot exceed the total project cost, less any grant funding that is provided for the project by the State or Federal Governments, EnSave or MARBIDCO. MARBIDCO will make and service these loans on a funds-available basis.

This program potentially offers a grant subsidy to borrowers to help reduce the debt service expense. Borrowers who are in good standing on making their payments will receive a grant of up to 10% of the loan amount (not to exceed \$1,000) of the cost of purchasing and installing equipment or technology related to lowering business-related energy consumption.

Loan Terms and Conditions

Minimum/Maximum Loan Amount:	\$2,500/\$30,000. Loan advances may not exceed the cost of actually making the Improvements minus any grant incentive funding received for a project.
Grant Incentive:	10% of the loan amount.
Interest Rate:	4% APR (Fixed rate.)
Loan Origination Fee:	\$75 (Paid at closing to MARBIDCO.)
Borrower credit history:	A credit score of at least 650 and no bankruptcy within the last seven years.
Loan Terms:	Loans will be fully amortized with terms not exceeding the anticipated savings payback period. Loan amortizations will be set between two and seven years, and loan payment amounts will substantially correlate to the estimated energy savings payback.
Debt service coverage ratio:	At least 1.0 - 1.0 ratio on the annual energy savings payback.
Collateral security:	None. These loans will be unsecured and only the personal guarantees of the borrowers and/or business owners will be required.

- Commercial Lender Participation:** A commercial lender must participate in the application process by providing a letter of referral. An attachment to be completed by a financial institution describing current or past obligations is found at the end of this application form.
- Personal Guarantee:** Required. All loans made to a business entity must be personally guaranteed by the principal owners of the business.
- Application Submission Process:** All applications must be originated by the applicant. Applications are processed in the order that they are received.
- Send Completed Applications to:** MARBIDCO Loan Programs, 1410 Forest Drive, Suite 26, Annapolis, MD 21403

SECTION 1: LOAN REQUEST/PROJECT INFORMATION

Total Amount of Project Cost: _____

A. Total Loan Amount Requested: _____ Term Requested: _____

Repayment Method (circle one): monthly or quarterly

(Note: The loan terms and repayment amounts established by MARBIDCO will substantially correlate to the estimated energy savings payback from the energy efficiency improvement project.)

B. Amount of grant funding anticipated to be received to help pay for this energy efficiency project:

From EnSave (or MD Energy Administration): \$ _____

From Federal or other sources: \$ _____

Itemized Use of Funds:	Amount:
	\$
	\$
	\$
	\$

BRIEF DESCRIPTION OF PROJECT

(Include details on the equipment that will be needed and an estimate of the cost savings that will likely be realized by the project.)

THIRD-PARTY ENERGY AUDIT or AG ENERGY MANAGEMENT PLAN REPORT (OR ENERGY SAVINGS CONFIRMATION LETTER) PROVIDER

(Note: A copy of an energy audit or ag energy management plan report [or savings confirmation letter] prepared by a qualified third-party must be included with this application.)

Institution/Firm _____

Name _____ Title _____

Work Telephone _____ E-mail _____

WHO PAID FOR THE ENERGY AUDIT OR AG ENERGY MANAGEMENT PLAN (OR ENERGY SAVINGS REVIEW) TO BE CONDUCTED?

Business Owner Other Party

If Other Party, please complete below:

Institution/Firm _____

Name _____ Title _____

Work Telephone _____ E-mail _____

PROJECT ADVISOR(S) *(Only if applicable)*

1-Name _____ Title _____

Institution/Firm _____

Work Telephone _____ E-mail _____

2-Name _____ Title _____

Institution/Firm _____

Work Telephone _____ E-mail _____

SECTION 2: APPLICANT INFORMATION

Business/Farm Name _____

Business Address _____ County _____

City _____ State _____ Zip Code _____

Contact Person _____ Title _____

Work Telephone _____ E-mail _____

Home Telephone _____ Mobile Phone _____

BRIEF DESCRIPTION AND HISTORY OF BUSINESS

(Include details of your farm operation, history of the operation, and experience of principal business owners.)

PHYSICAL FACILITIES (REAL ESTATE)

- If Owned

Annual Mortgage Payment _____ Term of Mortgage _____

Mortgage Balance _____ Appraised Value _____

Size(acres) _____ Tillable Acres _____ Number of Parcels _____ Irrigated? _____

Type/# of Buildings _____

- If Leased

Annual Rental Expense _____ Lease From _____

Size(acres) _____ Location _____

Phone Number of Owner/Leasing Agent _____

SECTION 3: BUSINESS INFORMATION

BUSINESS STRUCTURE

Year & State Established/Incorporated _____

Corporation Partnership Proprietorship LLC (SIC/NAICS Code _____)

EMPLOYMENT DATA

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 _____

MANAGEMENT/OWNERSHIP

1-Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

2- Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

3- Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

4- Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

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 either the sponsoring financial institution 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.

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

ATTACHMENT CHECKLIST

1. Copy of the energy audit report or ag energy management plan (or energy savings confirmation letter) that relates to this application.
2. Commercial lender referral form (see next page).

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.

COMMERCIAL LENDER REFERRAL FORM
RURAL BUSINESS ENERGY EFFICIENCY IMPROVEMENT LOAN FUND APPLICATION

Name of Applicant _____

Address _____

Business Project/Activity _____

I do hereby authorize the release of the following information to MARBIDCO:

Signature of Applicant _____ Date _____

An applicant is requesting a Rural Business Energy Efficiency Improvement Loan from MARBIDCO. Please kindly provide the information requested below in order that MARBIDCO may process this application. It is understood that you are not offering an opinion as to whether or not MARBIDCO should make a loan to the applicant.

Lending Institution Name _____

Business Address _____ City _____

County _____ State _____ Zip Code _____

Bank Officer Name _____ Title _____

Work Telephone _____ E-mail _____

DESCRIPTION OF CURRENT LOANS MADE TO THE APPLICANT	LOAN TERM	COLLATERAL	AMOUNT BORROWED	AMOUNT OUTSTANDING
			\$	\$
			\$	\$
			\$	\$

Please briefly describe the loans (current or past), terms and conditions, collateral, and business relationship you have with the applicant?

Bank Officer Signature _____ Date _____