Application for the MARBIDCO Pandemic Adjustment Loan Fund

Program Description

The Pandemic Adjustment Loan Fund has been established by MARBIDCO to help Maryland’s food and fiber producers and harvesters obtain funds quickly to make adjustments in their business operations in light of the challenges created by the COVID-19 pandemic. This program makes available low-cost loans to qualified applicants for working capital and equipment purchases under very favorable terms to help keep people working. (Note: the maximum loan amount for tangible equipment is $10,000, and maximum amount for working capital is $3,000. And the total maximum loan amount for all purposes is: $10,000.) Borrowers who make all their payments will receive a 10% grant back at the end.

Working capital includes, but is not limited to, the following: planting materials such as seeds, fertilizers and plastic covers, hand tools, advertising and marketing expenses, and hired labor. Tangible equipment includes equipment with 7 years or more usual lifespan such as: motorized equipment, vehicles, commercial kitchen facilities, engine replacement, refrigeration units, etc.

Eligible applicants must currently be operating their qualifying business enterprises in a substantial manner (e.g., as farmers, loggers and seafood harvesters, or as primary food/fiber processors). Spin-off activities of the main business enterprise are eligible and encouraged, but purely start-up businesses are generally not eligible. As such, all applicants must demonstrate that they are currently, or recently have been, producing, harvesting or processing food or fiber products. Applications can be submitted until June 26th (or until the available funding runs out). Note: MARBIDCO borrowers who are not currently in good standing are not eligible for this program.

Loan Terms and Conditions

Minimum/Maximum Loan Amount: $2,500 / $10,000 (Note: The maximum amount for working capital is $3,000.)

Borrower Equity Requirement: None. However, the applicant business must demonstrate that it currently is in operation as an eligible enterprise (as described above).

Minimum Credit Score: 620 (of the principal business owners).

Interest Rate: 3.75%.

Loan Origination Fee: None.

Loan Terms: Interest-only payments starting on Aug. 1st and running until Dec. 31, 2020. Loan payments will be amortized over a 12- to 36-month period thereafter. Borrowers who make all their payments will receive a 10% grant (of the amount borrowed).

Commercial Lender Involvement: A copy of a recent relevant bank checking statement.

Collateral Security Required: None.

Personal Guarantee: Required. All loans made to a business entity must be personally guaranteed by the owners of the business.

Application Submission Process: All applications must be originated by the applicant. Applications are processed as they are received.

Send Completed Applications to: EMAIL to: Info@marbidco.org or mail to MARBIDCO Pandemic Adjustment Loan Fund, 1410 Forest Drive, Suite 21, Annapolis, MD 21403
SECTION 1: APPLICANT INFORMATION

Business/Operator/Farm Name

Business Address

City

State

Zip Code

County

Contact Person

Title

Work Telephone

E-mail

Home Telephone

Mobile Phone

Additional Industry Information (provide as appropriate):

Forests Products Operators License #: __________

Tidal Fisheries License #: __________

DNRid#: __________

Shellfish Aquaculture Permit #: __________

DNRid#: __________

Other Government Permit #: __________ (Describe: __________)

LOAN REQUEST INFORMATION

Amounts Requested from MARBIDCO:

Working Capital: $ __________

Tangible Equipment: $ __________ *Equipment must be purchased on or after March 15, 2020.

NOTE: Total amount to be borrowed cannot exceed $10,000.

(If additional funding is needed, please check out other MARBIDCO loan programs at: www.marbidco.org.)

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<th>Use of Funds</th>
<th>Amount $</th>
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(Provide detail for more items on a separate sheet, if necessary.)

Repayment Method (Check One): ☐ Monthly ☐ Quarterly

Loan Term Requested After Interest-Only Period in months (Check one):

☐ 12 ☐ 18 ☐ 24 ☐ 30 ☐ 36

Year & State Established/Incorporated ______________________________

Business Structure: ☐ Proprietorship ☐ Corporation ☐ Partnership ☐ LLC

NAICS Code (if known) ________________
SECTION 2: PROJECT INFORMATION

PROJECT TYPE (check all that apply)
☐ Food/Feed Production
☐ Primary/Secondary Wood Processing
☐ Value-Added Food Processing
☐ Agri-Tourism/Rural Recreation
☐ Timber Growing or Harvesting
☐ Biomass/Energy Production
☐ Niche Market Production
☐ Aquaculture/Fishing/Seafood
☐ Other: __________________________

BRIEF DESCRIPTION OF THE PROJECT OR THE USE OF FUNDS
(NOTE: Please see Page 6 for a short list of items that will need to be submitted with your application.)

HOW HAVE THE CURRENT ECONOMIC CONDITIONS AFFECTED YOUR BUSINESS?

OTHER APPLICATIONS FOR EMERGENCY FINANCIAL ASSISTANCE?

Have you submitted, or are you planning to submit, an application to the SBA or Maryland Dept. of Commerce for a loan or grant relating to pandemic relief? YES ☐ NO ☐ NOT SURE ☐

If yes, please explain:

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 _______
### SECTION 3: MANAGEMENT/OWNERSHIP

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<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>% Ownership</th>
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<tr>
<td>Social Security #</td>
<td>Date of Birth</td>
<td>Email</td>
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<td>City</td>
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<tr>
<td>State</td>
<td>Zip Code</td>
<td>Telephone</td>
</tr>
</tbody>
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2. Name                  | Title          | % Ownership |
| Social Security #     | Date of Birth  | Email       |
| Address               | City           |             |
| State                 | Zip Code       | Telephone   |

3. Name                  | Title          | % Ownership |
| Social Security #     | Date of Birth  | Email       |
| Address               | City           |             |
| State                 | Zip Code       | Telephone   |

4. Name                  | Title          | % Ownership |
| Social Security       | Date of Birth  | Email       |
| Address               | City           |             |
| State                 | Zip Code       | Telephone   |

### PHYSICAL FACILITIES (REAL ESTATE)

**If Owned**

- Size (acres): __________
- Tillable Acres: __________
- Number of Parcels: __________
- Irrigated?: __________
- Location(s): __________
- Type/# of Buildings: __________

**If Leased**

- Size (acres): __________
- Location: __________

### OTHER (COMMERCIAL WORKBOATS)

- Description of Boat: __________
- How Powered: __________
- Approx. Age: __________
- Gear Types: __________
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 ____________________

Signatures provided by facsimile or other electronic means, for example, and not by way of limitation, in Adobe .PDF sent by electronic mail, shall be deemed to be original signatures.
SECTION 5: ATTACHMENTS

ATTACHMENTS CHECKLIST
☐ 1. Written Brief Business Plan for the project (no more than two or three pages, see below for details)*.
☐ 2. Applicant and business operation tax return for the preceding year (latest available, 2018 or 2019).
☐ 3. Copy of recent business bank statement. (Note: if there is no business bank statement you may submit a personal checking account bank statement that shows business income.)
☐ 5. Completed Income Statement for the past year (attachment 2). Available to download from website.

* A Brief Business Plan describes the:
1) History of the applicant enterprise or farm operation,
2) The experience of the principal operators,
3) The existing business operation and the planned continuing, additional or modified business production/harvesting/processing activities,
4) The existing and new labor needs anticipated to be needed for the enterprise,
5) Any currently required or new materials (inputs) and any special equipment that will be needed.
6) The plan should also briefly explain the sales and marketing activities of the business enterprise (current and going forward), and
7) Please provide any expense and sales/revenues projections if they are available.

Except for any financial projections that you might have available and wish to provide, please limit the length of the Brief Business Plan to no more than two or three pages in providing the above requested information. (Note: The required financial documents – Attachments 1 and 2, and prior year tax return(s) – help to supplement the picture provided by the Brief Business Plan.)

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.