



Coastal Alabama Fisheries Fund Application for Oyster Catchers

Program Overview/ Purpose

An increased production of oysters in Mobile and Baldwin counties of Alabama will be a key contributor to expanding the region's seafood industry. The Mobile Bay National Estuary Program is working to help make loan financing available to commercial watermen and others interested in expanding the number/size of shellfish aquaculture operations. Auburn University Extension is also contributing to this important effort by making training and business planning assistance available to current and prospective commercial shellfish growers.

The Coastal Alabama Fisheries Fund is a revolving loan fund to support local fisheries and fishing communities with an initial focus on the oyster industry. This low-interest loan fund allows oyster farmers and tongers in Mobile and Baldwin counties to easily access small amounts of capital to support their businesses, create jobs, and harvest oysters.

General Requirements

1. The borrower must be a resident of Alabama proposing the establishment, development, or maintenance of an oyster aquaculture operation in waters conditionally approved by the Alabama Department of Public Health.

Eligibility Criteria

1. An applicant must have or obtain a Commercial Oyster Catcher's License and Oyster Dredge License if applicable.
2. An applicant must demonstrate that the proposed use of funds for shellfish harvest will begin within 12 months of loan approval.
3. An applicant must demonstrate technical knowledge of oyster tonging through professional, educational, or developmental experience.
4. A credit report will be pulled for this application process. A credit bureau score of at least 640 and no bankruptcy within the last five years will be preferred. For borrowers with credit scores of less than 640, mitigating circumstances will be taken into consideration. Borrowers will be the guarantors of these loans.
5. Equity of at least 10% of loan amount (as a cash contribution used to implement the project -- however, ownership of a commercial workboat or other equipment could help to satisfy this requirement).
6. All applicants must have business plans that demonstrate the financial feasibility of the planned activity, along with various other required attachments and any fees outlined in this application.

Lending Limits

- \$2,000 to \$10,000

Loan Terms/Costs

- Capital Equipment – maximum of 4 years (1-2 years interest-only and 2 years P&I)

Interest Rate

- 3.00% - 5.25%

The rate is lower during the first one to three years of the term of the loan depending on the length of the interest-only period that is needed.

Uses of Funding

This fund is for oyster tonging and harvesting projects, with approved business plans, to extract oysters from the waters of the Mobile and Baldwin counties. For this funding, all of the requested loan proceeds would be used to purchase:

- capital equipment directly related to the harvest of wild oysters.

The purchase of motor vehicles, including boats and trucks, is not an eligible expense under this program.

Collateral Security

- None

These loans do not require traditional collateral security. Only the personal guarantees of all borrowers will be required.

Loan Review and Approval Process/Timeline

Week one

- Application Received

Week two

- Review and Approval

Week three

- Disbursement

Timeline is typical based on receiving a completed application.

The goal of this program is to help fund applications that have the best chance of success in terms of financial viability and getting shellfish to market. A Coastal Alabama Fisheries Fund Financing Committee will evaluate the credit worthiness of the prospective borrower(s), as well as the viability of the proposed project and business plan (including the financial projections) that are required to be submitted with the application for financial assistance. Projects with insufficient business plans and future projections of positive cash flows will not be approved; however, these may be revised and resubmitted in the future.

Loan Disbursement

Loan amounts will be dispersed to the borrower either via direct deposit if they choose to open an account CAFF Financial Partner or by check.

Resources

Laws, regulations, and requirements for oyster harvesting, as well as information on harvest areas, can be found online at outdooralabama.com.

Submission

All applications to the Coastal Alabama Fisheries Fund (including any required attachments) should be submitted as soon as completed as loans will be processed in the order they are received. Additional information about the Coastal Alabama Fisheries Fund is provided below. A project financing submission checklist is included at the end of the application form which should be reviewed carefully.

Send a completed and signed original application form, including all the required attachments, to:

**Coastal Alabama Fisheries Fund
118 N Royal St Suite 601
Mobile, AL 36602**

SECTION 1: APPLICANT INFORMATION

Business/Individual Name _____

Business Address _____ County _____

City _____ State _____ Zip Code _____

Contact Person _____ Title _____

Work Telephone _____ E-mail _____

Home Telephone _____ Mobile Phone _____

SHELLFISH TONGING LOAN REQUEST INFORMATION

Commercial Oyster Catcher's License Number _____

Oyster Dredge License Number (if applicable) _____

Total Amount of Funds Requested: \$ _____ **Term Requested: _____ years**

| Use of Funds | Amount |
|--------------|--------|
| | \$ |
| | \$ |
| | \$ |
| | \$ |
| | \$ |

Sources of Borrower Equity (or Cash) to Help Pay for the Project:

| Source | Amount |
|--------|--------|
| | \$ |
| | \$ |
| Total | \$ |

Capital Assets:

(List major capital assets that are currently owned by you including workboats, freezers, etc.)

| Production Assets | Est. Value | Lien Holders (bank. etc.) | Amount Owed |
|-------------------|------------|---------------------------|-------------|
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |
| | \$ | | \$ |

BUSINESS STRUCTURE

Year & State Established/Incorporated _____

Corporation Partnership Proprietorship Agricultural Cooperative LLC

SECTION 2: PROJECT INFORMATION

BRIEF DESCRIPTION OF PROJECT

In addition to briefly describing your project, please be sure to explain how the funds from this loan will aid in the harvest of wild shellfish. Also, please include specific information about what will be purchased with these funds.

Where are you going to purchase capital equipment from?

What will you pay for the equipment? \$_____ (Delivery included: Y / N)

EMPLOYMENT DATA RELATED TO THE WILD HARVEST 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 _____

PROJECT ADVISOR(S) (If Applicable)

1-Name _____ Title _____

Institution/Firm _____

Work Telephone _____ E-mail _____

2-Name _____ Title _____

Institution/Firm _____

Work Telephone _____ E-mail _____

SECTION 3: MANAGEMENT/OWNERSHIP

1-Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

Commercial Oyster Catcher's License Number _____ Email _____

Oyster Dredge License Number _____

2- Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

Commercial Oyster Catcher's License Number _____ Email _____

Oyster Dredge License Number _____

3- Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

Commercial Oyster Catcher's License Number _____ Email _____

Oyster Dredge License Number _____

4- Name _____ Title _____

Social Security # _____ Date of Birth _____ % Ownership _____

Address _____ City _____

State _____ Zip Code _____ Telephone _____

Commercial Oyster Catcher's License Number _____ Email _____

Oyster Dredge License Number _____

(Please attach additional sheets if necessary)

LAND-BASED FACILITIES (if any)

If Owned

Size(acres) _____ Location _____

If Leased

Size(acres) _____ Location _____

Type and # of buildings/structures _____

DECLARATIONS

If answering "yes" to any of these questions, please provide an explanation on a separate sheet and attach. (Note: Answering "yes" to any question is not necessarily disqualifying.)

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

6. Have any managers or owners received a natural resources violation?

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 Coastal Alabama Fisheries Fund.

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 Coastal Alabama Fisheries Fund to obtain any additional financial information concerning me/us from any source which Coastal Alabama Fisheries Fund 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 that Coastal Alabama Fisheries Fund and its 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 CHECKLIST

PLEASE REVIEW THIS CAREFULLY TO MAKE SURE THE FOLLOWING INFORMATION IS INCLUDED WITH YOUR SUBMISSION

1. Description and history of the applicant individual or company.
2. Business plan for the project to receive financing (including 3 years of financial projections).
3. Applicant *and* business operation tax return(s) for the preceding year (please include all schedules).
4. Completed Balance Sheet (attachment 1).
5. Completed Pro Forma Income Statement (attachment 2 – 6 pages).
6. Completed Debt Repayment Schedule (attachment 3).
7. A signed original application and all attachments.

Any questions or concerns a borrower has in providing this information should be directed to the Coastal Alabama Fisheries Fund through Henry Perkins. The CAFF will identify or provide resources to help develop these documents to a reasonable extent.

Henry Perkins can be contacted via email at hperkins@mobilebaynep.com or via phone at 251-380-6455.

Note: Coastal Alabama Fisheries Fund agrees to hold Recipient's Application and Financial Reports in confidence to the extent reasonably permitted by Alabama financial law. Notwithstanding the foregoing, Coastal Alabama Fisheries Fund shall not be obligated to maintain in confidence any information: 1) which was already known to Coastal Alabama Fisheries Fund; or, 2) which is or comes into the public domain through no fault of Coastal Alabama Fisheries Fund; or, 3) which is independently developed by Coastal Alabama Fisheries Fund; or, 4) which comes to Coastal Alabama Fisheries Fund from a third party which is not in violation of any obligation of confidentiality to Applicant or Coastal Alabama Fisheries Fund.

Balance Sheet

(Please fill out a separate balance sheet for each guarantor and the business, when applicable.)

Balance Sheet Date: _____

Assets

Liabilities

Current Assets

Current Liabilities

Cash _____
 Accounts Receivable _____
 Notes Receivable _____
 Savings Accounts _____

Accounts Payable _____
 Credit Cards (specify): _____

Other Current Assets _____

Notes Payable (specify): _____

Current Assets

Other Liabilities _____

Current Liabilities

Commercial Workboat _____
 Automobiles and Trucks _____
 Machinery & Equipment _____
 Shops & Supplies _____
 Other _____

IRA/401K Retirement Accts _____
 Waterfront Land _____
 Acres _____
 Farmland _____
 Acres _____
 Acres _____
 Forest Land _____
 Acres _____
 Acres _____
 Residence _____
 Other Real Estate (specify): _____

Current Portion of Long-Term Debt* _____

 Mortgages (specify) _____

Car & Workboat Loans (specify): _____

Other long-term Loans (specify): _____

Non-Current Assets

Non-Current Liabilities

Total Assets

Total Liabilities

Total Liabilities

Income Statement

(Revenue and expense projections for the **Current Year**)

Business Income and Expenses

Income

| | |
|------------------------------|--|
| Sales of: | |
| | |
| | |
| | |
| Rental Income | |
| Fishing Income | |
| Other Income (Specify) | |
| _____ | |
| _____ | |
| Less Cost of Equipment | |
| Gross Business Income | |

Expenses

| | |
|----------------------------------|--|
| Advertising | |
| Workboat Expenses | |
| Car/Truck Expenses | |
| Salaries & Wages | |
| Labor Hired | |
| Consultants | |
| Consumable Equipment | |
| Repairs, Maintenance | |
| Freight, Trucking | |
| Gasoline, Fuel, Oil | |
| Insurance | |
| Rent of Machinery & Equip | |
| Rent of Farm, Pasture | |
| Storage, Warehousing | |
| Utilities | |
| Miscellaneous Expenses (Specify) | |
| _____ | |
| _____ | |
| _____ | |
| _____ | |
| Total Business Expenses | |
| Net Business Income | |

Income Statement

(Revenue and expense projections for **Year 1** of the project)

Business Income and Expenses

Income

Sales of:

| | |
|--|--|
| | |
| | |
| | |

Rental Income _____

Fishing Income _____

Other Income (specify) _____

| | |
|--|--|
| | |
|--|--|

| | |
|--|--|
| | |
|--|--|

Less Cost of Equipment _____

Gross Business Income _____

Expenses

Advertising _____

Workboat Expenses _____

Car/Truck Expenses _____

Salaries & Wages _____

Labor Hired _____

Consultants _____

Consumable Equipment _____

Repairs, Maintenance _____

Freight, Trucking _____

Gasoline, Fuel, Oil _____

Insurance _____

Rent of Machinery & Equip _____

Rent of Farm, Pasture _____

Storage, Warehousing _____

Utilities _____

Miscellaneous Expenses (Specify) _____

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Total Business Expenses _____

Net Business Income _____

Income Statement

(Revenue and expense projections for **Year 2** of the project)

Business Income and Expenses

Income

Sales of:

| | |
|------------------------|--|
| | |
| | |
| | |
| Rental Income | |
| Fishing Income | |
| Other Income (specify) | |
| | |
| | |
| Less Cost of Equipment | |
| Gross Business Income | |

Expenses

| | |
|----------------------------------|--|
| Advertising | |
| Workboat Expenses | |
| Car/Truck Expenses | |
| Salaries & Wages | |
| Labor Hired | |
| Consultants | |
| Consumable Equipment | |
| Repairs, Maintenance | |
| Freight, Trucking | |
| Gasoline, Fuel, Oil | |
| Insurance | |
| Rent of Machinery & Equip | |
| Rent of Farm, Pasture | |
| Storage, Warehousing | |
| Utilities | |
| Miscellaneous Expenses (Specify) | |
| | |
| | |
| | |
| | |
| Total Business Expenses | |
| Net Business Income | |

Income Statement

(Revenue and expense projections for **Year 3** of the project)

Business Income and Expenses

Income

| | |
|------------------------|-------|
| Sales of: | |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| Rental Income | _____ |
| Fishing Income | _____ |
| Other Income (specify) | _____ |
| _____ | _____ |
| _____ | _____ |
| Less Cost of Equipment | _____ |
| Gross Business Income | _____ |

Expenses

| | |
|----------------------------------|-------|
| Advertising | _____ |
| Workboat Expenses | _____ |
| Car/Truck Expenses | _____ |
| Salaries & Wages | _____ |
| Labor Hired | _____ |
| Consultants | _____ |
| Consumable Equipment | _____ |
| Repairs, Maintenance | _____ |
| Freight, Trucking | _____ |
| Gasoline, Fuel, Oil | _____ |
| Insurance | _____ |
| Rent of Machinery & Equip | _____ |
| Rent of Farm, Pasture | _____ |
| Storage, Warehousing | _____ |
| Utilities | _____ |
| Miscellaneous Expenses (Specify) | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| _____ | _____ |
| Total Business Expenses | _____ |
| Net Business Income | _____ |

Business Debt Repayment Schedule

Date: _____

| Lender and Loan Number | Original Amount | Date Incurred | Interest Rate | Payments Per Year | Amount of Periodic Payment | Loan Balance |
|------------------------|-----------------|---------------|---------------|-------------------|----------------------------|--------------|
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| Annual Totals | | | | | | |