

Commercial Fishing Revolving Loan Fund

AS 16.10.300 – AS 16.10.370 3AAC 80.010 – 3 AAC 80.900

Loan Purpose

To provide long-term, low interest loans to Community Quota Entities for the purchase of halibut and sable fish quota shares through the National Marine Fisheries Service program, and then lease the quota back to local resident fishermen.

Contact Information

Mail Applications To: DIVISION OF INVESTMENTS
DCCED
P.O. Box 110802 Juneau, AK
99811-0802

By Telephone: (800) 478-LOAN (5626) Toll Free within Alaska
(907) 465-5437 TTD

By Email: investments@alaska.gov

In Person:	Juneau Office	Anchorage Office
	State Office Building 333 Willoughby Ave. 9th Floor Juneau, Alaska (907) 465-2510 Office (907) 465-2103 Fax	Robert B. Atwood Building 550 W. 7th Ave., Suite 1850 Anchorage, Alaska (907) 269-8150 Office (907) 269-8147 Fax

Website: www.commerce.alaska.gov/web/inv

General Requirements

- Community Quota Entity (CQE) is certified by National Marine Fisheries Service (NMFS) and is eligible to hold Quota Shares.
- CQE is in good standing with the State and Federal Government.
- CQE is not eligible for financing from other recognized commercial lending institutions.

Program Requirements

- Purchases – Loans are available to CQEs for the purchase of Quota Shares and reimbursement of Quota Share purchases less than 12 months from the date the application is received.
- Collateral – The item being financed will be held as the collateral for the loan, and generally, a priority lien must be obtained. The maximum loan amount for a loan secured by Quota Shares is 80% of the purchase price. Other types of collateral may also be offered to reduce the down payment requirement.

Terms and Conditions

- Maximum loan amount is \$2 million for each eligible community. The total outstanding balances on all loans made to a community under Section E of the Commercial Fishing Loan Program is \$2 million.
- Maximum loan term is 15 years.
- Interest rate will be fixed at the time of loan approval, contact us for current rate.

Fees

- A \$100 application fee (non-refundable) must accompany all applications, if you have located the shares you wish to purchase.
- A \$200 pre-qualification application fee must accompany all applications, if you have not located Quota Shares to purchase, but wish to obtain conditional approval by submitting a pre-qualification application. The following are some advantages of pre-qualification:
 - You know your loan limit;
 - Seller is assured of a qualified buyer;
 - Faster loan processing after finding the quota shares; and
 - Pre-qualification approval is valid for 60 days.
- A 1% origination fee is due at closing.
- Borrower is responsible for all direct costs incurred in processing an application including surveys, inspections, appraisals, title insurance, etc.

DIVISION OF INVESTMENTS
 Department of Commerce, Community, and Economic Development
 Community Quota Entity Loan Application

PURCHASE OF COMMUNITY QUOTA ENTITY SHARES				
Loan Amount Requested:	Amount: \$	Loan Term Requested:	Years:	
Pre-Qualification Loan:	Fishery:	# of Pounds:	Area:	Vessel Size:
CHECK-OFF LIST				
<p>The following information is required in order to process your application. Please use the list to make sure all information is submitted. Retain a copy of this application for your records. The department may require additional information or documentation, as it deems necessary in order to verify eligibility or other requirements of the program.</p>				
	Application for Community Quota Entity Revolving Loan Fund: Be sure all forms have been completed and signed. (Page 2)			
	Non-refundable Application Fee: You must include a check or money order for \$100 if you have located the shares you wish to purchase. OR Non-refundable Pre-qualification Application Fee: You must include a check or money order for \$200 if you have not located the shares you wish to purchase.			
	Financial Statement: Required from all individual applicants. (Page 3)			
	Current Bank Statement: Provide copies of current bank statements verifying Cash Accounts as shown on Financial Statement. (Page 3)			
	Actual Profit & Loss Statement: (Page 5)			
	Projected Profit & Loss Statement: (Page 6)			
	Corporate Resolution: (Page 7)			
	Authorization to Obtain Credit and/or Release Information: Must be signed by all parties or entities. (Page 8)			
	Oath: Must be signed by all parties or entities. (Page 9)			
	Federal Tax Returns for Past Three Years: Include complete, signed copies of Federal Tax Returns (including all schedules).			
	Letter of Denial from a Recognized Quota Share Lender.			
	Copy of NMFS Application and all Attachments.			
	List of Key Personnel, Directors, and Officers.			
	Copy of By-Laws and Articles of Incorporation.			
	Verification of Availability of Down Payment.			
	Copy of Proposed Agreement for Fishermen who will Fish Quota Shares being Purchased.			
	Copy of Purchase Agreement and Down Payment Receipt: Including: serial numbers of shares (copy of certificate); seller's name, address, social security number, and date of birth; and signatures of both seller and purchaser (this requirement does not apply to pre-qualification applications).			
	Additional Information: Provide explanations or copies of supporting documentation that may help clarify your application.			
	Additional Collateral: If you are offering additional collateral, you will need to provide the following: <ul style="list-style-type: none"> • Quota Shares – Verification of quota shares owned • Real Estate – Copy of tax assessment or other proof of value • Other – Description of other collateral 			

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APPLICATION FOR COMMUNITY QUOTA ENTITY REVOLVING LOAN FUND

Eligible Community:	Name of Non-Profit/CQE:
Mailing Address: (Street/PO Box, City, State, Zip Code)	Tax ID No. <u>or</u> Employee ID No.:
Physical Address: (Street, City, State, Zip Code)	Phone Number:
Contact Person: (Last, First, M.I.)	Fax Number:
Title:	NMFS – CQE ID No.:
Office Hours:	Email Address:

BOARD OF DIRECTORS INFORMATION

(Please list all current members of the Board of Directors, title, and date individual terms expire.)

Board Member	Title	Date Term Ends

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FINANCIAL STATEMENT				
Eligible Community/Name of CQE:		Tax ID/EIN:		Date:
Mailing Address (Street/PO Box):		City:	State:	Zip Code:
The undersigned makes the following statement of financial condition as of _____ day of _____, 20__.				
ASSETS		LIABILITIES		
Asset	Amount	Liability	Monthly Payment	Balance Owning
Cash on Hand	\$	Employer Taxes Payable	\$	\$
Cash in Banks	\$	Owing to Processor	\$	\$
Securities (Attach Statement)	\$	Notes Payable (Schedule 5)	\$	\$
Due from Processor	\$	Real Estate Mortgages (Schedule 2)	\$	\$
Notes/Accounts Receivable (Schedule 1)	\$	Vessel Mortgages (Schedule 3)	\$	\$
Real Estate Owned (Schedule 2)	\$	Loans on Quota Shares (Schedule 4)	\$	\$
Vessels Owned (Schedule 3)	\$	Vehicles/Airplanes/RVs/Equipment	\$	\$
Quota Shares Owned (Schedule 4)	\$	Other Liabilities (Itemize)		
Vehicles/Airplanes/RVs/Equipment	\$	1)	\$	\$
Other Assets (Itemize)		2)	\$	\$
1)	\$	3)	\$	\$
2)	\$	Credit Cards (Itemize)		
3)	\$	1)	\$	\$
4)	\$	2)	\$	\$
TOTAL ASSETS	\$	TOTAL LIABILITIES	\$	\$
CONTINGENT LIABILITIES				
<input type="checkbox"/>	Yes	Are you a co-maker, endorser, or guarantor on any loan or contract?	If "yes," to whom?	Amount:
<input type="checkbox"/>	No			\$
<input type="checkbox"/>	Yes	Are there any unsatisfied judgments or collections against you?	If "yes," attach letter of explanation.	Amount:
<input type="checkbox"/>	No			\$
<input type="checkbox"/>	Yes	Have you filed for bankruptcy in the last 10 years?	If "yes," attach letter of explanation.	Year:
<input type="checkbox"/>	No			
Other Expenses and Other Obligations			Amount	
			\$	
			\$	
			\$	
			\$	

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FINANCIAL STATEMENT
 SCHEDULES 1-5

SCHEDULE 1: NOTES RECEIVABLE, ACCOUNTS RECEIVABLE, MORTGAGES & CONTRACTS OWNED

Description	Name of Debtor	Original Balance	Present Balance	Monthly Payment	Amount Past Due
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$

SCHEDULE 2: REAL ESTATE OWNED

Property Address (Street, City, State)	Year Acquired	Cost	Current Assessed Value	Mortgages			
				Lienholder Name	Original Balance	Present Balance	Monthly Payment
		\$	\$		\$	\$	\$
		\$	\$		\$	\$	\$
		\$	\$		\$	\$	\$

Is any real estate being purchased on a contract of sale? Yes No

If YES, which one and from whom:

SCHEDULE 3: VESSELS OWNED

Vessel Description	Year Acquired	Cost	Current Assessed Value	Liens			
				Lienholder Name	Original Balance	Present Balance	Monthly Payment
		\$	\$		\$	\$	\$
		\$	\$		\$	\$	\$
		\$	\$		\$	\$	\$

Are any vessels being purchased on a contract of sale? Yes No

If YES, which one and from whom:

SCHEDULE 4: QUOTA SHARES

Quota Share Description	Year Acquired	Cost	Current Assessed Value	Liens			
				Lienholder Name	Original Balance	Present Balance	Monthly Payment
		\$	\$		\$	\$	\$
		\$	\$		\$	\$	\$
		\$	\$		\$	\$	\$

Are any quota shares being purchased on a contract of sale? Yes No

If YES, which one and from whom:

SCHEDULE 5: NOTES PAYABLE (Do not include mortgages listed in Schedule 2)

Lienholder Name	Collateral	Year Acquired	Original Balance	Present Balance	When Due	Monthly Payment
			\$	\$		\$
			\$	\$		\$
			\$	\$		\$

Have you had previous loans from the CQE Revolving Loan Fund? Yes No If yes, please complete the following:

Loan Number	Loan Type	Date Received	Paid in Full	
			Yes	No
			Yes	No

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ACTUAL PROFIT & LOSS STATEMENT	
(Must be within last 12 months)	
Eligible Community/Name of CQE:	SSN/EIN:
For Period Beginning:	And Ending:
Fishing Income	
Gross Sales	
Halibut/Sablefish	\$
Other Fisheries (Itemize)	
	\$
	\$
Other (Itemize)	
	\$
	\$
Fishing Income Total	\$
Non-Fishing Income	
Gross Receipts	\$
Expenses	
Crew Shares	\$
Fuel/Groceries/Bait/Ice	\$
Gear/Equipment Purchase	\$
Quota Shares Payment	\$
Vessel/Gear Repair	\$
Vessel Insurance	\$
Vessel Payment, Lease, or Rent	\$
Other (Itemize)	
	\$
	\$
Total Expenses	(-)
Other Expenses	
Employee Expenses	\$
Mortgage or Rent	\$
Salaries	\$
Taxes	\$
Utilities	\$
Other (Itemize)	
	\$
	\$
Total Other Expenses	(-)
Net Income	
TOTAL NET INCOME	\$

You may be requested to provide documentation of your income, e.g.:

- Fish Tickets
- Processor Statement
- Affidavit from your skipper(s) for shares or agreement(s)

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PROJECTED PROFIT & LOSS STATEMENT					
(Estimate all income and expenses for the 12 month period after receiving loan.)					
Eligible Community/Name of CQE:			SSN/EIN:		
For Period Beginning:			And Ending:		
Fishing Income					
Gross Sales					
Halibut/Sablefish				\$	
Other Fisheries (Itemize)				\$	
				\$	
				\$	
Other (Itemize)				\$	
				\$	
				\$	
Fishing Income Total				\$	
Non-Fishing Income					
Gross Receipts					
				\$	
Expenses					
Crew Shares				\$	
Fuel/Groceries/Bait/Ice				\$	
Gear/Equipment Purchase				\$	
Quota Shares Payment				\$	
Vessel/Gear Repair				\$	
Vessel Insurance				\$	
Vessel Payment, Lease, or Rent				\$	
Other (Itemize)				\$	
				\$	
				\$	
Total Expenses				(-)	
Other Expenses					
Employee Expenses				\$	
Mortgage or Rent				\$	
Salaries				\$	
Taxes				\$	
Utilities				\$	
Other (Itemize)				\$	
				\$	
				\$	
Total Other Expenses				(-)	
Net Income					
TOTAL NET INCOME				\$	
Gross Sales Estimates					
Type of Fishery	Season (Year)	# of Days Fished	Pound/Tons	Unit Price	Value

DIVISION OF INVESTMENTS
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CORPORATE RESOLUTION

I certify that at a meeting of the Board of Directors _____
(Corporate Name)

duly and regularly called and held on the _____ day of _____, _____,

at which a quorum was present and voting, the following resolutions were unanimously adopted:

BE IT RESOLVED, that _____, acting for and on behalf of this corporation and as its act and deed, is authorized and empowered to apply to the Division of Investments, Department of Commerce, Community, and Economic Development, to borrow the amount of \$_____ to be repaid in _____ years and to be used for the purpose outlined in this application. BE IT FURTHER RESOLVED, that this resolution shall remain in full force and effect until written notice of the revocation shall have been delivered to and received by the Division.

IN TESTIMONY WHEREOF, I have set my hand and affixed the seal of the corporation this

_____ day of _____, _____.

Board Member Signature Title

(CORPORATE SEAL)

Witness Signature

CORPORATE ACKNOWLEDGEMENT

STATE OF ALASKA)
)ss.
_____ JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, _____

by (name) _____ (title) _____

of _____ a(n) _____

corporation, on behalf of the corporation.

Notary Public, State of Alaska
My commission expires _____

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AUTHORIZATION TO OBTAIN CREDIT AND/OR RELEASE INFORMATION

I authorize the Division of Investments to obtain information from, or release any information contained in my loan application and attachments to the following agencies:

U.S. National Marine Fisheries Service

I further authorize any individual or institution to release credit information concerning me to the Division of Investments. This authorization is given to enable the Division of Investments to evaluate my loan request. Verification may be obtained from any source named in this application and from any credit-reporting agency. I understand additional information may be requested as part of the quality control program at any time during the lending process.

It is understood that a photocopy of this form will serve as authorization.

Name of Corporation (Please Print):

Tax ID Number or EIN:

Authorized Signature and Title:

Date:

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OATH

I understand and agree that if I submit any false, inaccurate, or incomplete information in this application and attachments, I will be subject to the following:

- My application will be denied.
- If I receive a loan based on the false, inaccurate, or incomplete information, and this information is disclosed in the future, the loan will be canceled and immediately payable.
- I will no longer be eligible for future benefits under the Commercial Fishing Revolving Loan Fund.

I certify under penalty of perjury that all the information provided in this application and attachments is true, accurate and complete. I am aware that the maximum penalty for perjury, a Class B felony under AS 11.56.200(c), is a fine of up to \$50,000 (AS 12.55.035(b)(2)) and imprisonment for up to 10 years (AS 12.55.125(d)).

Applicant Signature:	Printed Name:
Title:	Name of CQE:
	Date:

Corporate Acknowledgment

STATE OF ALASKA)
) ss.
 _____ JUDICIAL DISTRICT)

The foregoing instrument was acknowledged before me this _____ day of _____, 2012, by _____ of _____, an Alaskan corporation, on behalf of the corporation.

 Notary Public, State of Alaska

My Commission Expires: _____

If you become aware of inaccurate or incomplete information which is contained in your application, you should submit a written request to the Director of the Division of Investments which contains the following information:

- A description of the challenged information
- Changes necessary to make the information accurate or complete
- Your name and address