



*“Promoting Innovation in Maryland Agricultural and  
Resource-Based Business”*

**Application for the Rural Business Equipment and Working Capital Loan Fund**

**Program Description**

The Rural Business Equipment and Working Capital Loan Fund has been established by MARBIDCO to help meet the unique financing needs of Maryland’s rural businesses that are not otherwise able to obtain commercial financing for working capital and equipment purchases from traditional commercial lenders (e.g., banks or Farm Credit Associations). This program makes available moderate-cost loans to qualified applicants for working capital and equipment purchases (only). A major aim of this program is to help rural businesses to innovate, diversify, and exploit emerging market opportunities. Another important objective of this program is to complement the financial services of another public sector lending agency by working jointly to fund a food/fiber production or processing project that involves one (or more) Maryland resource-based businesses. (Note: public sector agencies can include: the USDA–Farm Service Agency, a county or regional revolving loan fund, a Small, Minority and Women-Owned Business Account/Video Lottery Terminal fund manager, etc.)

MARBIDCO may finance the activities of agricultural or resource-based businesses located anywhere in the State of Maryland (up to a maximum of \$75,000). It should be noted that MARBIDCO will not provide financing in an amount greater than another participating public lender. MARBIDCO will also take a senior lien position on any collateral security that is pledged to that of another public sector lender participating in the project financing. (However, it is possible that MARBIDCO may consent to be in a subordinate lien position to that of a regulated commercial bank or Farm Credit Association pertaining to additional needed collateral security, under circumstances that are appropriate to conclude a transaction.)

**Loan Terms and Conditions**

- Minimum/Maximum Loan Amount: \$10,000/\$75,000
- Equity Requirement: Typically 10% of a project’s total cost.
- MARBIDCO Interest Rate: 5.75% APR (Fixed rate.)
- Loan Origination Fee: 1% of the loan amount (This fee, plus any applicable closing charges, will be collected at loan settlement.)
- Loan Terms: Equipment: 3 to 7 years. Operating Line: 1 to 2 years.
- Public Sector Lender Participation: A public sector commercial lender must participate in the application process by both committing to a certain level of matching financing, and by completing a form which is included in this application packet.
- Commercial Lender Involvement: A commercial lender must provide a denial letter or complete the commercial lender referral form included in this application packet.
- 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 and the partnering lending organization. Cooperative extension agents, county agricultural marketing officials, and other business professionals may assist in the development of applications. Applications are processed as they are received.
- Send Completed Applications to: MARBIDCO Loan Programs, 1410 Forest Drive, Suite 21, Annapolis, MD 21403

**SECTION 1: APPLICANT INFORMATION**

Business/Farm Name \_\_\_\_\_

Business Address \_\_\_\_\_ County \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Contact Person \_\_\_\_\_ Title \_\_\_\_\_

Work Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

Home Telephone \_\_\_\_\_ Mobile Phone \_\_\_\_\_

**LOAN REQUEST INFORMATION**

**Total Amount Requested from MARBIDCO:** \_\_\_\_\_ **Term Requested:** \_\_\_\_\_

**Repayment Method (circle one):** monthly      quarterly      annually

Use of Funds	Amount
	\$
	\$
	\$
	\$
	\$

**Other Sources of Equity and/or Matching Funds:**

Source	Amount
	\$
	\$
Total	\$

**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
	\$		\$
	\$		\$
	\$		\$
	\$		\$

**BUSINESS STRUCTURE**

Year & State Established/Incorporated \_\_\_\_\_

Corporation    Partnership    Proprietorship    LLC      SIC/NAICS Code \_\_\_\_\_

**SECTION 2: PROJECT INFORMATION**

**PROJECT TYPE**

*(Check any that may apply.)*

- Value-Added Food Processing
- Agri-Tourism/Rural Recreation
- Timber Growing or Harvesting
- Primary/Secondary Wood Processing
- Environmental/Water Quality
- Biomass/Energy Production
- Niche Market Production
- Aquaculture/Fishing/Seafood
- Other: \_\_\_\_\_

**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.)*

**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 \_\_\_\_\_

**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 \_\_\_\_\_ % Ownership \_\_\_\_\_

Social Security # \_\_\_\_\_ Date of Birth \_\_\_\_\_ Email \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_

State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone \_\_\_\_\_

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**

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 \_\_\_\_\_

**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**

### **ATTACHMENTS CHECKLIST**

1.  Description and history of the applicant company or farm operation.
2.  Business plan for the project to receive financing.
3.  Resume(s) or working history of principal business owner(s) and/or farm manager(s).
4.  Applicant and farm operation tax returns for the two preceding years.
5.  Completed & signed Partnering Public Sector Lender Form (page 7).
6.  Signed Commercial Lender Denial Letter or Completed Commercial Lender Referral Form (page 9).
7.  Completed Balance Sheet (attachment 1).
8.  Completed Income Statement for the past 2 years (attachment 2a).
9.  Completed Pro Forma Income Statement (attachment 2b).
10.  Completed Debt Repayment Schedule (attachment 3).
11.  If offering real estate as collateral, a copy of the most recent appraisal.

**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.

**PARTNERING PUBLIC SECTOR LENDER FORM**  
**MARBIDCO RURAL BUSINESS EQUIPMENT AND WORKING CAPITAL LOAN FUND APPLICATION**  
*(To be completed by the Partnering Public Sector Lender)*

An applicant is in the process of requesting a Rural Business Equipment and Working Capital Loan from MARBIDCO, and would need the participation of your agency or organization as well for this financing to proceed. Please provide the information requested below in order for MARBIDCO to process this application.

Name of Applicant/Borrower\_\_\_\_\_

Business Project/Activity\_\_\_\_\_

Project Location\_\_\_\_\_

**PUBLIC SECTOR LENDER INFORMATION:**

Lending Agency Name\_\_\_\_\_

Business Address\_\_\_\_\_ City\_\_\_\_\_

State\_\_\_\_\_ Zip Code\_\_\_\_\_ County/Region Served\_\_\_\_\_

Loan Officer Name\_\_\_\_\_ Title\_\_\_\_\_

Office Telephone\_\_\_\_\_ Mobile Telephone\_\_\_\_\_

E-mail\_\_\_\_\_

Description of Your Proposed Loan\_\_\_\_\_

Amount\_\_\_\_\_ Term\_\_\_\_\_ Conditions\_\_\_\_\_

Repayment Method\_\_\_\_\_

Collateral Description (Please be advised that public lenders will be in the junior lien position behind MARBIDCO)

\_\_\_\_\_  
\_\_\_\_\_

**ADDITIONAL INFORMATION:**

Please briefly describe the project proposed in this application:

(Continue on Next Page)

Please briefly describe the relationship you have with this applicant and your agency’s involvement in financing the proposed project:

Please briefly how this project will “cash flow” to repay both loans:

Please briefly describe any loans (current or past), terms and conditions, collateral, and business relationship you have with this applicant. *(Loan history: payments, defaults, etc.)*

Please fill in the following pertaining the applicant’s current debt situation as best to your understanding. (Note: you may want to also refer to “Attachment 3” if that is available to you.):

Applicant’s Current Loans (if any):

DESCRIPTION OF CURRENT LOANS	LOAN TERM	COLLATERAL	AMOUNT BORROWED	AMOUNT OUTSTANDING
			\$	\$
			\$	\$
			\$	\$
			\$	\$
			\$	\$

Please provide any other comments here:

Officer Signature \_\_\_\_\_ Date \_\_\_\_\_



**COMMERCIAL LENDER REFERRAL FORM**

**MARBIDCO RURAL BUSINESS EQUIPMENT AND WORKING CAPITAL LOAN FUND APPLICATION**

*(To be completed by the Referring Commercial Lender)*

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 Working Capital 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 \_\_\_\_\_

## Balance Sheet

Balance Sheet Date: \_\_\_\_\_

**Assets**

**Liabilities**

**Current Assets**

**Current Liabilities**

Cash \_\_\_\_\_  
 Accounts Receivable \_\_\_\_\_  
 Notes Receivable \_\_\_\_\_

Accounts Payable \_\_\_\_\_  
 Credit Cards (specify): \_\_\_\_\_

Crops Held for Resale \_\_\_\_\_  
 Inventory \_\_\_\_\_  
 Savings Account \_\_\_\_\_  
 Other Current Assets \_\_\_\_\_

Notes Payable (specify): \_\_\_\_\_  
 \_\_\_\_\_

**Current Assets**

Other Liabilities \_\_\_\_\_  
**Current Liabilities**

Automobile/Trucks/Boats \_\_\_\_\_  
 Machinery & Equipment \_\_\_\_\_  
 Shops & Supplies \_\_\_\_\_  
 Dairy Livestock \_\_\_\_\_  
 Other Breeding Livestock \_\_\_\_\_

Current Portion of Long Term Debt\* \_\_\_\_\_

IRA/401K Retirement Accts \_\_\_\_\_  
 Farm Land \_\_\_\_\_

Mortgages (specify) \_\_\_\_\_  
 \_\_\_\_\_

Acres \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Acres \_\_\_\_\_

Car Loans (specify) \_\_\_\_\_  
 \_\_\_\_\_

Forest Land \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Acres \_\_\_\_\_  
 Acres \_\_\_\_\_

Other long-term Loans (specify) \_\_\_\_\_  
 \_\_\_\_\_

Residence \_\_\_\_\_  
 Other Real Estate (specify) \_\_\_\_\_

**Non Current Liabilities**  
**Total Liabilities**

**Non Current Assets**

**Total Assets**

**Total Liabilities**

*\*Current portion of long term debt represents the total amount of long-term debt that must be paid within the next year.*

## Income Statement

(Revenue and expense for the past 2 years)  
Date: \_\_\_\_\_

### Farm/Business Income and Expenses

Income	
Sales of:	
_____	_____
_____	_____
_____	_____
Rental Income	_____
Ag Program Payments	_____
Other Income (specify)	_____
_____	_____
_____	_____
Less Cost of Goods Sold	_____
<b>Gross Farm/Business Income</b>	_____

Expenses	
Advertising	_____
Car & Truck Expenses	_____
Chemicals	_____
Salaries & Wages	_____
Labor Hired	_____
Custom Hire/Consultants	_____
Feed Purchased	_____
Fertilizer	_____
Freight, Trucking	_____
Gasoline, Fuel, Oil	_____
Insurance	_____
Rent of Machinery & Equip	_____
Rent of Farm, Pasture	_____
Repairs, Maintenance	_____
Seeds, Plants Purchased	_____
Storage, Warehousing	_____
Utilities	_____
Veterinary, Medicine, Breeding	_____
Miscellaneous Expenses (specify)	_____
_____	_____
_____	_____
_____	_____
_____	_____
<b>Total Farm/Business Expenses</b>	_____
<b>Net Farm/Business Income</b>	_____

### Other Income and Expenses

Income	
Salaries & Wages	_____
Interest & Dividends	_____
Non Farm Rental	_____
Pension/Social Security	_____
Alimony/Child Support	_____
Other Income (specify)	_____
_____	_____
_____	_____
<b>Gross Other Income</b>	_____

Expenses	
Social Security Withholding	_____
Self-Employment Taxes	_____
Income Taxes (State & Federal)	_____
Alimony/Child Support	_____
Other Expenses (specify)	_____
_____	_____
_____	_____
<b>Total Other Expenses</b>	_____
<b>Net Other Income</b>	_____

## Income Statement

(Revenue and expense for the past 2 years)  
Date: \_\_\_\_\_

### Farm/Business Income and Expenses

Income	
Sales of:	
_____	_____
_____	_____
_____	_____
Rental Income	_____
Ag Program Payments	_____
Other Income (specify)	_____
_____	_____
_____	_____
Less Cost of Goods Sold	_____
<b>Gross Farm/Business Income</b>	_____

Expenses	
Advertising	_____
Car & Truck Expenses	_____
Chemicals	_____
Salaries & Wages	_____
Labor Hired	_____
Custom Hire/Consultants	_____
Feed Purchased	_____
Fertilizer	_____
Freight, Trucking	_____
Gasoline, Fuel, Oil	_____
Insurance	_____
Rent of Machinery & Equip	_____
Rent of Farm, Pasture	_____
Repairs, Maintenance	_____
Seeds, Plants Purchased	_____
Storage, Warehousing	_____
Utilities	_____
Veterinary, Medicine, Breeding	_____
Miscellaneous Expenses (specify)	_____
_____	_____
_____	_____
_____	_____
_____	_____
<b>Total Farm/Business Expenses</b>	_____
<b>Net Farm/Business Income</b>	_____

### Other Income and Expenses

Income	
Salaries & Wages	_____
Interest & Dividends	_____
Non Farm Rental	_____
Pension/Social Security	_____
Alimony/Child Support	_____
Other Income (specify)	_____
_____	_____
_____	_____
<b>Gross Other Income</b>	_____
Expenses	
Social Security Withholding	_____
Self-Employment Taxes	_____
Income Taxes (State & Federal)	_____
Alimony/Child Support	_____
Other Expenses (specify)	_____
_____	_____
_____	_____
<b>Total Other Expenses</b>	_____
<b>Net Other Income</b>	_____

## Pro Forma Income Statement

(Revenue and expense projections for the upcoming year)  
Date: \_\_\_\_\_

### Farm/Business Income and Expenses

<b>Income</b>	
Sales of:	
_____	_____
_____	_____
_____	_____
Rental Income	_____
Ag Program Payments	_____
Other Income (specify)	_____
_____	_____
_____	_____
Less Cost of Goods Sold	_____
<b>Gross Farm/Business Income</b>	_____

### Other Income and Expenses

<b>Income</b>	
Salaries & Wages	_____
Interest & Dividends	_____
Non Farm Rental	_____
Pension/Social Security	_____
Alimony/Child Support	_____
Other Income (specify)	_____
_____	_____
_____	_____
<b>Gross Other Income</b>	_____

<b>Expenses</b>	
Advertising	_____
Car & Truck Expenses	_____
Chemicals	_____
Salaries & Wages	_____
Labor Hired	_____
Custom Hire/Consultants	_____
Feed Purchased	_____
Fertilizer	_____
Freight, Trucking	_____
Gasoline, Fuel, Oil	_____
Insurance	_____
Rent of Machinery & Equip	_____
Rent of Farm, Pasture	_____
Repairs, Maintenance	_____
Seeds, Plants Purchased	_____
Storage, Warehousing	_____
Utilities	_____
Veterinary, Medicine, Breeding	_____
Miscellaneous Expenses (specify)	_____
_____	_____
_____	_____
_____	_____
<b>Total Farm/Business Expenses</b>	_____

<b>Expenses</b>	
Social Security Withholding	_____
Self-Employment Taxes	_____
Income Taxes (State & Federal)	_____
Alimony/Child Support	_____
Other Expenses (specify)	_____
_____	_____
_____	_____
<b>Total Other Expenses</b>	_____
<b>Net Other Income</b>	_____

