Maryland Remote Setting Shellfish Aquaculture Loan Fund

This program provides affordable loan financing to help Maryland watermen and aquaculture businesses start or expand shellfish remote setting operations. The program supports oyster, scallops and clam production in the Chesapeake Bay and Maryland coastal bays while contributing to the seafood industry and water quality improvement.

Remote setting allows growers to produce shellfish seed by placing hatchery larvae in tanks with shell or other setting material. The larvae attach to the material and grow into seed for aquaculture. Systems may include tanks, pumps, piping, valves, blowers, and heaters. Training, design guidance, and business planning assistance are available from University of Maryland Extension.

Program Summary

- **Eligible expenses:** Seed/larvae, shell/substrate, tanks, pumps, blowers, valves, heaters, and other approved items for commercial remote setting aquaculture projects in Maryland.
- **Loan amount:** $5,000 to $30,000.
- **Loan term:** 5 to 6 years, with interest-only payments during the first year.
- **Interest rate:** 5.25%.
- **Application fee:** None.

Basic Eligibility

- Applicants must hold, or have applied for, a Maryland Department of Natural Resources aquaculture nursery permit.
- Applicants must show that shellfish remote setting production will begin within one year.

Borrower Requirements

- **Borrower equity:** Up to 10% of the loan amount may be required as a cash contribution.
- **Credit history:** Borrowers generally need a credit score of at least 620 and no bankruptcy within the last seven years. Borrowers with scores below 620 must have a qualifying co-signer.
- **Guarantees:** Personal guarantees from principal business owners are required. Other guarantees may also be required.

Repayment Assistance

Borrowers make quarterly payments. The first year requires interest-only payments. After that, regular payments are due. Borrowers who remain in good standing and follow their production plans may have the final year of loan payments forgiven, equal to about 22% to 27% of the original loan principal. Borrowers who are not in good standing may lose loan forgiveness.

Project Review

A Shellfish Aquaculture Financing Committee reviews each request. The committee considers borrower creditworthiness, project feasibility, business plans, production plans, and financial projections. Projects without sufficient plans or financial projections that show the loan can be repaid will not be approved but may be revised and resubmitted.

How to Apply

Send the completed and signed application, including all required attachments, to:
MARBIDCO Remote Setting Shellfish Aquaculture Loan Program
c/o Brittany Rawlings
1410 Forest Drive, Suite 21
Annapolis, MD 21403
Email: brawlings@marbidco.org

Maryland Remote Setting Shellfish Aquaculture Financing Fund

Applicant Information

Business/Farm Name: ____

Business Address: ____

City: ______________________________ County: ______________________________

State: ______________________________ ZIP: ______________________________

Contact Person: ______________________________ Title: ______________________________

Phone: ______________________________ Email: _____________________________

Remote Setting Nursery Permit

Check which one applies:

☐Applicant holds an aquaculture nursery permit from DNR currently. Permit number: ___________

☐Applicant has applied for an aquaculture permit from DNR on (date): ___________________

Business Structure

Year Established: ____________ State: ____________

NAICS Code: ________________

☐Corporation ☐Proprietorship ☐Partnership ☐LLC

Management/Ownership

If there are more than 2 owners, provide the information for all owners and attach to application.

Management/Ownership (Owner 1)

Name: ____

Title: ________________________________ Ownership %: ________________________

SSN: ________________________________ Date of Birth: ________________________

Address: ____

City, State, Zip: ____

Phone: ____________________________ Email: ______________________________

Tidal Fisheries License Number: ________________ Date of Most Recent Surcharge Paid: ___________

Are you a “beginner shellfish aquaculture farmer” (defined as not operating a lease for more than 10 years):
☐Yes ☐ No

Management/Ownership (Owner 2)

Name: ____

Title: ______________________________ Ownership %: ______________________

SSN: ______________________________ Date of Birth: ______________________

Address: ____

City, State, Zip: ____

Phone: __________________________ Email: ____________________________

Tidal Fisheries License Number: _______________ Date of Most Recent Surcharge Paid: ___________

Are you a "beginner shellfish aquaculture farmer" (defined as not operating a lease for more than 10 years):
☐Yes ☐ No

Loan Request Information

Loan Amount Requested: _______________

Requested Term (number of years): _________________

Use of Funds

Use of Funds	Amount

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

Source	Amount

Production Assets:

(List major shellfish production assets that are currently owned by you, including workboats, upwellers, etc.)

Description	Value	Lien Holder	Amount Owed

Project Information

Employment Data

Category	Number
Current Full-Time	
New Full-Time within 36 months	
Current Part-Time	
New Part-Time within 36 months	

Project Advisor (If applicable)

Advisor Name: ____

Title: ____

Institution Firm: ____

Phone: _______________________________ Email: _____________________________

Land-Based Facilities

If Owned

Size(acres) _________________

Location _

No. of Buildings: ________________________

Type of Structure(s): ____

If Leased

Size(acres) _________________

Location ____

No. of Buildings: ________________________

Type of Structure(s): ____

Attachments Checklist

All applicable items must be submitted with the application for MARBIDCO to consider the application complete and ready to begin reviewing.

☐Project description demonstrates that the proposed shellfish remote setting aquaculture production will begin within the year, as well as what will be purchased with the funds.

☐Description and history of the applicant individual or company

☐Copy of the DNR nursery permit

☐Production and Business plan for the project to receive financing

☐Applicant *and* farm operation tax returns for the two preceding years

☐*Completed Balance Sheet

☐*Completed Income Statement for the past 2 years

☐*Completed Pro Forma Income Statement and 3 years of financial projections
☐*Completed Debt Repayment Schedule
Templates for the Balance Sheets, Income Statements and Debt Repayment Schedules are available on MARBIDCO's website.

Note: MARBIDCO agrees to hold the 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.

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
6. Have any managers or owners received a natural resources violation? ☐ Yes ☐ No

Conflict of Interest and Ethics Certification

The applicant certifies compliance with the Maryland Public Ethics Law. The applicant affirms that to the best of their knowledge, no State official or employee—nor any qualifying relative (spouse, parent, child, brother, or sister) of a State official or employee—is employed by or has a financial interest in the applicant's business. Furthermore, no State official or employee has a financial interest in the proceeds of this loan or a financial interest in an entity that is negotiating or has entered a contract with the governmental unit.

Equal Credit Opportunity Act (15 U.S.C. 1691)

MARBIDCO does not discriminate in its lending practices. The Federal Equal Credit Opportunity Act (ECOA) and the laws of the State of Maryland strictly prohibit creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), physical or mental disability, sexual orientation, gender identity, 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 the federal law concerning this creditor is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

Authority to Collect Personal Information

This notice is provided pursuant to § 4-501 of the General Provisions Article of the Maryland Code. The personal information requested on this application is intended to be used in processing your loan request. Failure to provide the information requested may result in your application not being processed or receiving full consideration. You have the right to inspect, amend, or correct this form.

MARBIDCO is a public agency and is subject to the Maryland Public Information Act. Please be advised that information contained in this form may be made available on the Internet via the agency's website and is subject to inspection or copying, in whole or in part, by the public and other governmental agencies, unless the information is explicitly protected from disclosure by federal or State law.

I authorize the disclosure of all information submitted in connection with this application to the financial institution agreeing to participate in the project financing.

I waive all claims against any financial institution agreeing to participate in the project financing or MARBIDCO.

I waive all claims against either MARBIDCO or the State of Maryland.

I realize that if I do not comply with the aforementioned Certification, my loan can be called, terminated or repayments accelerated.

I authorize MARBIDCO to obtain any additional financial information concerning me 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 certify under penalty of perjury under the laws of the State of Maryland that the information provided in this application, including all statements, representations, and accompanying documents, is true, accurate, and complete to the best of my knowledge.

I understand and acknowledge that submitting false, misleading, or intentionally incomplete information is a violation of State law. I agree that any such misrepresentation may result in the immediate denial of this application, the immediate acceleration and demand for repayment of any loan funds already disbursed, and referral to the appropriate authorities for criminal prosecution for fraud and/or perjury.

Signatures

Applicant Name: ____

Signature: ____

Date: __________________

Applicant Name: ____

Signature: ____

Date: __________________

Electronic signatures, including PDF or emailed signatures, are considered original.

How did you hear about this MARBIDCO financial program?

☐Search Engine (Google, Bing, etc.)
☐Social media
☐Recommended by a friend
☐Event table or exhibit
☐MARBIDCO newsletter
☐Advertisement
☐Other (specify): ________________________

☐Referred by: [Enter name/organization/state agency]: ___________________________