



Application for One-on-one Business Counseling

Free Assistance to Prepare for Low Cost Entry into Groundfishing

The Penobscot East Resource Center (Penobscot East) in collaboration with Coastal Enterprises Inc. (CEI) offers free business planning and consulting as a means for fishermen to become new entrants in the New England groundfish fishery. We seek to help fishermen diversify their fishing operations. We will assist fishermen in becoming part-time, seasonal groundfishermen as an opportunity to augment their existing fishing business. We offer business training to provide the financial skills, and loans to facilitate the purchase of permits and the lease of annual quota. Our goal is for fishermen who are skilled at landing fish, adept at business planning, and savvy at handling money to succeed at building a good business in the rebounding groundfishery. Penobscot East will use this experience to build a model for future new entrant fishermen, and secure access of fishing opportunities for New England's small scale owner-operator fleet.

Program Expectations

We will assist fishermen seeking business success, which will depend on both long-term business stability and resource sustainability. To do this we offer one-on-one business training and counseling to explain the financial implications of groundfishing, and to write a multi-year business plan that predicts a sensible path to making money and acquiring permits and *quota*, also known as Annual Catch Entitlement or "ACE."

Program applicants must be willing to invest time required to develop a business plan. Participation is limited, and we may not be able to work with all interested fishermen. In this application, you will be asked to submit a variety of information

about your business and personal history. This information is needed to help us understand your background and financial history. We pledge to keep confidential anything you write here. We can also offer you assistance to fill out this form.

If you are selected to participate in the business skills program, we will need your commitment to meet periodically with the business counselors, and do the work necessary to develop a personalized business plan involving seasonal groundfishing. We encourage you to offer your feedback about how the program is or is not serving your needs. This information will help us make effective adjustments in the way we work with you and with other applicants.

We reserve the right to terminate training with fishermen who are not doing their fair share of the work. The decision will be at our discretion.

Information that you provide will only be shared with CEI and Penobscot East staff working directly on this project, and will be used only for the purposes of this project. This information will be purged from our records upon completion of the project either returning or destroying the sole copy at your discretion.

CEI business counselors will dedicate the time necessary to complete work with you at your own pace and around your fishing schedule. They will travel to meet with you in your local area; for example at your home, place of business, or other convenient nearby spot.

Qualify for Leased ACE and Financing to Acquire It

Through our close relationship to some community based permit banks that have ACE available for some groundfish species, and with fisheries based lenders who can provide short term lines of credit to lease ACE, we can assist new entrant fishermen who have completed the training and a business plan with financing for the pounds of assigned catch they need to start fishing or to build their business. When you have prepared for the fishing business with a plan, we can help you get it going.

Long Term Permit and Vessel Acquisition Financing

Coastal Enterprises Inc. helps small businesses by providing business counseling and help writing a business plan. We will consider the business plan you develop for loan financing to help you get started putting the plan into action. New entrant fishermen without federal permits or assigned vessels will need to acquire the permits at an affordable cost. Whether starting small with annually leased ACE or wanting to purchase permits and assigned vessels outright, we can tailor the plan to be realistic for you. Our business counselors talk to our fisheries technicians and to our lenders to coordinate the individual business plans for new fishermen.

Eligibility Criteria for Applicants

Fisheries experience- indication of experience in one or more fisheries for at least several years at the minimum.

Financial strength- demonstrates positive personal net worth and adequate annual earnings for the last year.

Violations record- a search of your violations record indicates no serious infractions.

Compliance with state and federal tax obligations- you have no long-standing tax liabilities.

Insurance in good standing (Hull, Liability, and Indemnity)- on a vessel you now own, indicate the policies in place.

Proof of vessel ownership- complete the information about the vessel

Owner on-board- you and not someone else captains the vessel.

Alternative gear- willingness to consider use of hook or trap fishing gear if the business plan indicates that it would be advantageous.

Confidentiality Pledge: The participating organizers and business counselors may only use the information you provide in this application for the internal purposes of the project. We will not share it with any outside persons, agencies, or businesses. We are bound by our employer's confidentiality policies which holds us accountable. A breach of this pledge would jeopardize our continued employment.

Your Personal Information

Date of application: _____

Your name: _____ SS #: _____

Mailing address: _____

Delivery/street address: _____

Home phone: _____ Cell phone: _____

Fax: _____ Email: _____

Your Business Information

Business/Vessel name: _____ IRS Employer #: _____

Business mailing address (if different from home address): _____

Vessel length: _____ Tonnage: _____

Hull age: _____ Home port: _____

Vessel insurance policies in effect _____

If vessel is not wholly owned by you, who else owns a percentage?

	<u>Name</u>	<u>Address</u>	<u>% Ownership</u>
1.	_____	_____	_____
2.	_____	_____	_____

Business structure (Circle one): Sole Proprietor, Partnership, S Corp, C Corp, LLC

Vessel permit #s (include both state and federal licenses and permits): _____

What species do you fish for now? _____

How long have you been fishing?

_____ years/fishery _____ years/fishery _____

_____ Years/fishery _____ years/fishery _____

Is commercial fishing now your primary source of income? Yes _____ No _____

How is your crew compensated (check one)? Net revenue share _____ Daily wage _____

If you are not currently fishing, why not? Please explain _____

Past or pending state or federal fishing violations? Yes _____ No _____ If so, what are they? _____

Are you a party to any criminal proceedings? Yes _____ No _____

In the past ten years, have you been in bankruptcy or insolvency? Yes _____ No _____

If yes, please explain the details _____

Are you under notification of Coast Guard safety violations? Yes _____ No _____
 If yes, please explain the details _____

If your application is approved would you want a family member, relative, or mentor to participate with you? Yes _____ No _____ If so, what is their name, address, and phone number? _____

Your Financial Information

What banks or lenders do you work with for personal and business finances?

- | | <u>Bank/Lender Name</u> | <u>Location</u> | <u>Contact Person</u> | <u>Tel.</u> |
|----|-------------------------|-----------------|-----------------------|-------------|
| 1. | _____ | _____ | _____ | _____ |
| 2. | _____ | _____ | _____ | _____ |
| 3. | _____ | _____ | _____ | _____ |

Personal Financial Statement					
What you own	Amount/value \$	What you owe	Current balance \$	Monthly payment \$	Creditor's name
Cash/checking		Bank loans- 1 year			
Investments		Bank loans- long term			
Retirement accounts		Mortgage			
Vehicles		Home equity loan			
Real estate		Credit cards			
Boat/gear		Car/ truck loans			
Other		Student loans			
		Other			
Total Assets		Total Liabilities			

Note: Please total the columns with \$ signs in the heading.

What is the amount you will report on the latest IRS Form 1040 as your total personal income? Please round to the nearest thousand dollars _____

Your Additional Records Checklist

Please include the following with this application:

- Copy of latest 1040 personal tax return
- Copy of latest business (S Corp, C Corp, Partnership, LLC) tax return- if applicable
- Copies of federal Fishing Permits you hold- if any

Your Authorization and Pledge by Signing

- I understand that by signing this application, I authorize Coastal Enterprises Inc. (CEI) as agent for the organizers to make inquiries to verify the accuracy of the information I have provided, and to determine my credit worthiness. I certify that the information provided for the application is accurate and complete. I understand that CEI reserves the right to request additional information about me from credit reports.
- I understand that by signing this application I pledge to work to complete the business training to the best of my ability.
- I acknowledge reading the *Confidentiality Pledge* that restricts how the information collected on this application may be used.

Applicant's Signature: _____ **Date:** _____

SEND THIS APPLICATION BY MAIL TO:

Dick Clime

Coastal Enterprises Inc.

36 Water Street

P.O. Box 268

Wiscasset, ME 04578

Tel. 207-882-5191

Cell-207-751-9362

Email: rdc@ceimaine.org

Receipt of the completed application will be confirmed to you. If you need assistance in filling out the form, please contact me. I will be pleased to help.