



Semi-Pelagic Doors & Fuel Flow Meter Purchase and Installation Package Loan Offer Sheet

Introduction: The Gulf of Maine Research Institute (GMRI), Coastal Enterprises Inc. (CEI), the Alex C. Walker Foundation, the Northeast Groundfish Gear Conservation Engineering and Demonstration Network (GEARNET), and NOAA's Northeast Cooperative Research Program are offering an opportunity for all trawl fishermen to purchase and install semi-pelagic doors in combination with a fuel flow meter to reduce fuel costs and seabed impact. A description of the project accompanies this loan information sheet. For fishermen who choose to participate and need convenient affordable financing, CEI offers the following loan terms.

Lender: Coastal Enterprises Inc., 36 Water Street, P.O. Box 268, Wiscasset, ME 04578

Loan Amounts:

- Up to \$25,000 total to cover the cost of semi-pelagic doors, fuel flow meters and their installation.
- Up to \$40,000 total to additionally purchase the acoustic trawl monitoring equipment.

Interest rate: 5-6% APR (5% - Maine residents, 6% - non-Maine residents), *fixed rate*

Terms: 3-5 years, monthly payments equal to or less than the savings predicted by the lowered rate of fuel usage using the semi-pelagic doors (10% per annum), advanced paydown possible with no penalty.

Rebate: A one-time \$2,000 rebate off the invoiced price of the gear and installation for a limited number of fishermen (eligibility determined by receipt of purchase invoice for the semi-pelagic doors and installation invoice of the meter). This rebate is made possible by the generosity of the Alex C. Walker Foundation and GEARNET, funded by NOAA's Northeast Cooperative Research Program.

Conditions: Semi-pelagic doors and fuel flow meter are a joint package unless your diesel engine already has a built-in fuel flow read out. Purchases to be coordinated with Steve Eayrs (GMRI), consideration of collaboration with GMRI to collect door performance data (see attached project proposal), separate loan application required by CEI, and loan principal paid to supplier of semi-pelagic doors and fuel meter upon presentation of invoice(s). The deadline for commencing an application with CEI is May 31st, 2013.

To Apply:

- 1) **Contact Steve Eayrs at (207) 228-1659 or email steve@gmri.org to discuss your semi-pelagic door and fuel flow meter requirements, identify suppliers, and determine approximate required loan amount.**
- 2) Contact suppliers to confirm size and type of semi-pelagic door and fuel flow meter to suit your vessel, and confirm purchase costs.

- 3) Contact one of the CEI contacts listed below to discuss the loan terms.

Coastal Enterprises Inc., 36 Water Street, P.O. Box 268, Wiscasset, ME 04578
Dick Clime ph. (207) 882-5191, email rdc@ceimaine.org
or

Coastal Enterprises Inc., 2 Portland Fish Pier, Suite 206, Portland, Maine 04101
Hugh Cowperthwaite. ph. (207) 535-2920, email hsc@ceimaine.org

- 4) Fill out a CEI Commercial Fisheries loan application found on CEI's website (http://www.ceimaine.org/Apply_for_Financing) or request a copy to be sent to you.
- 5) Mail application to Coastal Enterprises Inc., c/o Dick Clime, P.O. Box 268, Wiscasset, ME 04578. or fax it to (207) 882-7308, attention Dick Clime.
- 6) With your application also submit three years of tax returns - business and personal, a personal financial statement and business balance sheet that's included in the application, proof (a photocopy) of your federal fishing permit, evidence of your fishing activities in the past year, and details of your projected fishing activities for the upcoming year.

Result: We pledge to answer your request within three weeks of receiving all of the required materials. We will cooperate to make the payback terms as reasonable as possible. We will communicate with you and Steve Eayrs to make the purchase of and payment for the gear as smooth as possible.

FAQ:

- Q.** What if I do not save 10% in fuel costs while using these doors? What if I depart the fishery?
- A.** Like any other financing option with a bank or other lender, you need to consider the risk associated with taking on this financing obligation and the potential implication to your business viability. Should the expected fuel saving not be realized or you depart the fishery you will still be required to meet your financial obligation to CEI.
- Q.** Am I required to take a loan with CEI or can I establish finance elsewhere?
- A.** You are free to establish your own financial arrangements elsewhere for purchasing this gear.
- Q.** Can I use this financing option for only semi-pelagic doors? Or just for a fuel meter?
- A.** This financing option is a package that includes both the semi-pelagic doors and fuel flow meter, however if a meter is already installed then the finance option can be used for the doors only.
- Q.** Can I choose who or where I purchase the semi-pelagic doors from?
- A.** Yes.
- Q.** Can I purchase bottom-tending doors instead?
- A.** No, you can only purchase semi-pelagic doors as part of this financing package.
- Q.** Can I use this financing opportunity to purchase acoustic trawl monitoring equipment as well as the semi-pelagic doors and fuel flow meter?
- A.** Yes, providing you satisfy the loan terms negotiated with CEI.
- Q.** I do not have acoustic trawl monitoring equipment so how can I ensure my semi-pelagic doors are working correctly?
- A.** Several fishermen have set up their semi-pelagic doors without the use of acoustic trawl monitoring equipment, however, the use of this equipment is recommended. While fishermen can finance the purchase of this equipment, they can also access this equipment free of charge (for a short time) from GMRI. A GMRI research technician will be required to operate this equipment (at no cost to you) and this can be discussed with Steve Eayrs at GMRI on (207) 228-1659.