

FISHERIES LOAN GUARANTEE PROGRAM



PURPOSE

The Fisheries Loan Guarantee Program supports the development of the province's independent fish harvesting industry by providing a government guarantee on loans through local chartered banks for the construction or purchase of marine vessels and/or to purchase new engines and fishing equipment for the improvement, rebuilding or alteration of existing vessels. Guarantees may also be provided to refinance loans previously obtained from fish processors for fixed asset costs.

AVAILABLE FUNDING

The program offers loan guarantees of up to \$2 million at commercial interest rates (usually the bank prime rate plus 1 per cent or 1.5 per cent, depending on the term of the loan). To qualify for a loan and loan guarantee, borrowers are normally required to provide a down payment of 10 per cent of costs for vessel construction or purchase and 15 per cent of costs for engines, equipment and rebuilding/repairs. Borrowers will also be required to provide adequate security, generally in the form of a promissory note and mortgages, against the vessel or equipment. The repayment period for new vessels is negotiated on an individual basis based on life expectancy with a maximum term of 20 years.

ELIGIBLE APPLICANTS

Individuals, partnerships and incorporated bodies are eligible to apply. To qualify for assistance, applicants (including incorporated bodies) must be a Canadian citizen/entity and a resident of Newfoundland and Labrador. Harvesters must be registered full-time as certified by the Professional Fish Harvesters Certification Board and a registered owner of a commercial fishing vessel with a complement of commercial fishing licenses. Applicants are required to have a favourable credit record and demonstrate commercial viability, including the ability to repay the loan.

HOW TO APPLY

Application forms are available at any chartered bank or at www.gov.nl.ca/ibrd. Formal application is made directly to your local bank. If the bank is satisfied that it meets all eligibility requirements, the application will be forwarded to the department for final approval. For additional information and assistance, call 1-800-563-2299 or the departmental office closest to you.

LABRADOR REGION

Charlottetown	949-0378
Labrador City	944-4046
Happy Valley-Goose Bay	896-2400
Postville	896-2400
Forteau	931-2908

WESTERN REGION

St. Anthony	454-3508/3521
Port Saunders	861-3004/3096
Corner Brook	637-2980
Deer Lake	635-2613
Stephenville	643-2600/1228
Port aux Basques	695-9871

CENTRAL REGION

Springdale	673-3481
Baie Verte	532-4772
Grand Falls-Windsor	292-4450/4451
St. Alban's	538-3796
Gander	256-1484/1486

EASTERN REGION

Clareville	466-4174/4175
Marystown	279-5533/5531

AVALON REGION

Carbonear	596-4109/4116
Placentia	227-1350
St. John's	729-7104/7112
Ferryland	432-3019



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