

Date of Application: \_\_\_\_\_



## Section 8. Debt Service on Existing Loans

Farms may have made recent structural investments or taken on equipment loans that, absent PFAS, would likely have enhanced operations and/or increased sales. Examples may include but not be limited to a new high-tunnel, greenhouse, farm store, milking parlor, or barn. Although DACF offers Income Replacement payments, if the anticipated return on investment had not yet been realized when PFAS were discovered, the farm is likely to have difficulty making timely and/or full payments on these notes regardless of receiving Income Replacement assistance.

DACF can review farm finances and other information and, depending on the circumstances, may pay notes directly related to farm infrastructure built and/or installed generally within two to five years prior to the discovery of PFAS contamination.

Questions about debt service on existing loans may be directed to Meagan Hennessey, PFAS Response Director, at [Meagan.Hennessey@maine.gov](mailto:Meagan.Hennessey@maine.gov) or 207-592-3795.

### Required Documentation – Section 8

The following information must be submitted with this Section of the application:

1. Section 1. Applicant General Information with all specified attachments
2. A narrative, one-page or less, which includes the following information:
  1. Date the loan was acquired and for what purpose,
  2. The amount initially borrowed and the outstanding principal balance, and
  3. An explanation of how the discovery of PFAS has impacted the original plan for this investment
3. If requesting a direct reimbursement, provide Proof of Payment
4. Supporting documentation, such as:
  1. The debt agreement, including date incurred and terms; and
  2. Invoice(s) or receipt(s) from the debt service provider from the relevant timeframe including payment date and amount

DACF reserves the right to cap financial assistance at \$50,000 in this category. DACF reserves the right to cap the amount of funding for all requests based on available resources and other factors.

### Additional Information Requested – Section 8

#### A. Payment Options – please check which one is requested:

- Applicant will pay project costs and DACF will reimburse upon proof of purchase.
- DACF contracts with and pays applicant's approved vendors/contractors
- DACF reimburses a nonprofit for payment of approved project costs made on the applicant's behalf

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B. Total amount of support requested in section 8: \$ \_\_\_\_\_

**Application Review – Section 8**

DACF will consider the total cost and whether the debt payment is essential to the viability of the farm. This could include the likelihood of success or other relevant factors.

Other criteria for consideration include: total cost, timing, alternative options, level of risk, producer’s demonstrated lack of available financial capacity, number of other requests for DACF support by other producers.

**Limitations**

The debt must be directly related to farm infrastructure built and/or installed within two to five years prior to the discovery of PFAS contamination.

**Signature Block – Section 8**

I certify that the information given in this Debt Service on Existing Loans application is correct and complete to the best of my knowledge.

I acknowledge that payments may represent reportable income for tax purposes.

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Applicant’s Signature \_\_\_\_\_ Date \_\_\_\_\_

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Applicant’s Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

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Applicant’s Signature \_\_\_\_\_ Date \_\_\_\_\_

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Applicant’s Name (printed) \_\_\_\_\_ Title \_\_\_\_\_

Please complete if someone assisted the applicant to complete this form:

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Preparer Name (If not applicant) \_\_\_\_\_ Preparer’s relationship to applicant \_\_\_\_\_

Permission to discuss application with Preparer:  YES  NO