

## INSTRUCTIONS TO APPLY FOR FISHING VESSEL CAPITAL CONSTRUCTION FUND AGREEMENT

### ► APPLICATION FORM

**Social Security/Employer Identification Number:** If you are a sole proprietor of your business or a partner in a partnership and you are applying as an individual taxpayer, enter your Social Security number. If you are applying as a corporation or partnership taxpayer, enter the Employer Identification number.

**Estimated CCF Deposit:** Enter the estimated amount of your initial CCF deposit attributable to your Schedule A eligible vessel(s) from sale or insurance proceeds, fishing income, and or/depreciation.

**CCF Depository:** Provide the **name and address** of each FDIC or SIPC insured bank, savings and loan, brokerage firm, etc., where you plan to set up your CCF account. All CCF assets must be kept separate and apart from any general operating or personal funds, and you must notify us of any change in depositories prior to making the change. Any investment of the account shall be made in accordance with Article VII of the Agreement and Sec. 607(c) of the Act.

### **Evidence of Ownership or Lease for Schedule A Vessels:**

For each vessel you **own or lease** submit a copy (back and front) of the current Coast Guard Form 1270, "Certificate of Documentation;" or, if the vessel is 2 - 5 net tons, submit a copy of the current Certificate of Number for an undocumented vessel.

For each vessel you **lease**, submit a copy of the current Lease Agreement.

If you **sold** the eligible Schedule A vessel during the year, submit a copy of Coast Guard Form 1332, "Abstract of Title," or a fully executed Bill of Sale copy. You must provide acceptable evidence of your ownership immediately prior to the sale of the vessel.

**Proof of U.S. Citizenship:** If the Schedule A vessel is Coast Guard documented in your name, no additional proof is necessary. If the vessel is undocumented or leased, provide a copy of your birth certificate, naturalization certificate, current passport, or a notarized affidavit. Corporations or partnerships must be U.S. citizens within the meaning of 46 U.S.C. 802. Complete the attached forms for corporations or partnerships.

► **FISHING VESSEL CCF APPLICATION FORM** - continued

**Federal Income Tax Return Copies:** Submit complete and signed copies of your Federal returns as filed with IRS for the previous 2 years, i.e., if this application is for taxable year ending December 31, 1997, submit copies of your 1995 and 1996 Federal returns; or if this application is for fiscal year ending March 31, 1997, submit copies of your FY 1994 and FY 1995 Federal returns.

**Federal Tax Extension Notice Copy:** If, at the time you are applying for this Agreement, you are on automatic extension for filing your tax return, you must include a **signed and dated** copy of the IRS Automatic Extension form as filed with IRS. If, in fact, you are on an additional extension, you must include a copy of the **IRS approved** Additional Extension form.

► **SCHEDULE A "ELIGIBLE" VESSEL AND SCHEDULE B "QUALIFIED" VESSEL FORMS**

The terms "eligible" and "qualified" vessel mean any vessel 2 net tons and over, and (a) constructed in the United States, and if reconstructed, reconstructed in the U.S.; (b) documented for fishery under the laws of the U.S.; and, (c) operated in the fisheries of the U.S.

On both Schedule A and Schedule B forms, under:

"Vessel Type", the term 'Charter' means a vessel which will carry fishing parties for hire.

"Fishery of Operation," list in order of importance the common name of the species of fish and shellfish each vessel does or will catch, process, or transport.

"Area of Operation," list the geographical areas where each vessel does or will operate, i.e., Alaska, East Coast, Gulf of Mexico, West Coast, etc.

► **SCHEDULE A ELIGIBLE VESSEL FORM**

Complete a Schedule A form for each eligible (income producing) vessel you owned or leased during all or a portion of the first taxable year for which you are applying.

## ► SCHEDULE B QUALIFIED VESSEL FORMS

Complete a Schedule B form for each qualified vessel project reflecting actual or anticipated plans for construction, acquisition, or reconstruction. **PLEASE NOTE-- give your best estimate completing all blanks because the project(s) must be a firm representation of your actual intentions.** Your first objective should commence within 10 years after entering the CCF Agreement. If your original plans change, your Schedule B objective(s) may be amended (subject to regulations) by mutual consent.

### ● CONSTRUCTION, ACQUISITION AND/OR MORTGAGE PAYMENTS

**Construction** of a new vessel must take place in the U.S. and must be completed within 18 months, unless otherwise consented to.

In order to **acquire a used** vessel, you must agree to accomplish a second objective. If you do not complete the second objective, all previous withdrawals for acquisition of the used vessel may be considered nonqualified.

**Acquisition** requirements are:

(a) if the vessel to be acquired is not more than 5 years old, you must accomplish either construction of a new vessel within 10 years, or reconstruction of a vessel within 7 years from the date of purchase; or,

(b) if the vessel is more than 5 years old, that same vessel's reconstruction must be accomplished within 7 years from the date of purchase. You must include this additional required Schedule B objective form with your application. See reconstruction requirements below.

**Principal Mortgage Payments.** If you do not use the CCF to initially acquire a used vessel and wish to have as your Schedule B objective in your Agreement to make the principal mortgage payments on the vessel, you must agree to the same requirements for acquisition of a used vessel. The vessel must also have enough remaining basis for depreciation to reduce for the amount of the payments to be paid with CCF. You must provide evidence of this related debt, such as, copies of mortgage or promissory note.

► **SCHEDULE B QUALIFIED VESSEL FORMS** - Continued

● **RECONSTRUCTION**

The reconstruction work must take place in the U.S.

Time Allowed: Once started, the reconstruction project must be completed within 18 months, unless otherwise consented to.

Minimum Cost Requirement: Each reconstruction must equal at least 20 percent of the original acquisition cost, or \$100,000, whichever is less.

Type of Improvements: A reconstruction may include rebuilding, replacing, reconditioning, converting and/or improving any portion of a vessel. The improvements must prolong the useful life of the reconstructed vessel, increase its value, or adapt it to a different commercial use in the fishing trade or industry.

► **NOAA FORM 88-14, INTERIM CAPITAL CONSTRUCTION FUND AGREEMENT**

Important--Complete only the last page of both CCF Agreement forms.

All applicants print or type your name(s) and Social Security Number or Employer Identification Number next to the word "Party" (on lower right side of page).

Directly below "Party," the applicant's signature(s) must appear on the "By" line, and below your signature enter your title, i.e., Owner, Lessee, President. The signature(s) may be witnessed on the "By" line (on left side of page).

If signature is by an attorney-in-fact, provide a signed original Power of Attorney authorizing same.

Corporations. The authorized officer's signature must be attested to by the corporate secretary (on left side of page).

In addition, a corporate resolution to enter the Agreement, or the enclosed Certificate of Corporate Secretary form must accompany all corporation applications.

Partnerships. All partners must sign, unless a managing owner or other party has been directed to carry on all CCF activities. A document evidencing this must be provided with the application.

► **GENERAL INFORMATION**

Upon approval of your CCF application, you will receive:

- An approval letter
- Your copy of the executed CCF Agreement with approved Schedule A and Schedule B forms
- A letter authorizing withdrawals if the objective has commenced or is scheduled to commence within two years
- Annual Deposit/Withdrawal Report forms, instructions, and reporting requirements
- Investment Guide