

§ 101.25

will accompany the request for advance.

(f) Loan funds will be advanced only as needed to pay obligations incurred under approved contracts for expert assistance. The funds will be deposited in a separate account, shall not be commingled with other funds of the borrower, and shall not be disbursed for any other purpose.

(g) Loans shall bear interest at the rate of 5½ percent per annum from the date funds are advanced until the loan is repaid.

(h) The principal amount of the loan advanced plus interest shall be repayable from the proceeds of any judgment received by the borrower at the time funds from the award become available to make the payment.

(77 Stat. 301 (25 U.S.C. 70n-1 to 70n-7))

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§ 101.25 Information collection.

(a) The collections of information contained in §§101.3, 101.4, 101.12, and 101.25 have been approved by the Office of Management and Budget under 44 U.S.C. 3501 *et seq.* and assigned clearance number 1076-0020. The information will be used to rate applicants in accordance with the terms and conditions set forth in section 103 of the Indian Financing Act, as amended. Response is required to obtain a benefit in accordance with 25 U.S.C. 1451.

(b) Public reporting burden for this information is estimated to vary from 15 minutes to 3 hours per response, with an average of one hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspects of this collection of information, including suggestions for reducing the burden, to the Information Collection Clearance Officer, Bureau of Indian Affairs, Mailstop 337-SIB, 18th and C Streets NW., Washington, DC 20240; and the Paperwork Reduction Project

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PART 103—LOAN GUARANTY, INSURANCE, AND INTEREST SUBSIDY

Subpart A—General Provisions

Sec.

- 103.1 What does this part do?
- 103.2 Who does the Program help?
- 103.3 Who administers the Program?
- 103.4 What kinds of loans will BIA guarantee or insure?
- 103.5 What size loan will BIA guarantee or insure?
- 103.6 To what extent will BIA guarantee or insure a loan?
- 103.7 Must the borrower have equity in the business being financed?
- 103.8 Is there any cost for a BIA guaranty or insurance coverage?

Subpart B—How a Lender Obtains a Loan Guaranty or Insurance Coverage

- 103.9 Who applies to BIA under the Program?
- 103.10 What lenders are eligible under the Program?
- 103.11 How does BIA approve lenders for the Program?
- 103.12 How does a lender apply for a loan guaranty?
- 103.13 How does a lender apply for loan insurance coverage?
- 103.14 Can BIA request additional information?
- 103.15 Are there any prohibited loan terms?
- 103.16 How does BIA approve or reject a loan guaranty or insurance application?
- 103.17 Must the lender follow any special procedures to close the loan?
- 103.18 How does BIA issue a loan guaranty or confirm loan insurance?
- 103.19 When must the lender pay BIA the loan guaranty or insurance premium?

Subpart C—Interest Subsidy

- 103.20 What is interest subsidy?
- 103.21 Who applies for interest subsidy payments, and what is the application procedure?
- 103.22 How does BIA determine the amount of interest subsidy?
- 103.23 How does BIA make interest subsidy payments?
- 103.24 How long will BIA make interest subsidy payments?

Bureau of Indian Affairs, Interior

§ 103.4

Subpart D—Provisions Relating to Borrowers

- 103.25 What kind of borrower is eligible under the Program?
- 103.26 What must the borrower supply the lender in its loan application?
- 103.27 Can the borrower get help preparing its loan application or putting its loan funds to use?

Subpart E—Loan Transfers

- 103.28 What if the lender transfers part of the loan to another person?
- 103.29 What if the lender transfers the entire loan?

Subpart F—Loan Servicing Requirements

- 103.30 What standard of care must a lender meet?
- 103.31 What loan servicing requirements apply to BIA?
- 103.32 What sort of loan documentation does BIA expect the lender to maintain?
- 103.33 Are there reporting requirements?
- 103.34 What if the lender and borrower decide to change the terms of the loan?

Subpart G—Default and Payment by BIA

- 103.35 What must the lender do if the borrower defaults on the loan?
- 103.36 What options and remedies does the lender have if the borrower defaults on the loan?
- 103.37 What must the lender do to collect payment under its loan guaranty certificate or loan insurance coverage?
- 103.38 Is there anything else for BIA or the lender to do after BIA makes payment?
- 103.39 When will BIA refuse to pay all or part of a lender's claim?
- 103.40 Will BIA make exceptions to its criteria for denying payment?
- 103.41 What happens if a lender violates provisions of this part?
- 103.42 How long must a lender comply with Program requirements?
- 103.43 What must the lender do after repayment in full?

Subpart H—Definitions and Miscellaneous Provisions

- 103.44 What certain terms mean in this part.
- 103.45 Information collection.

AUTHORITY: 25 U.S.C. 1498, 1511.

SOURCE: 66 FR 3867, Jan. 17, 2001, unless otherwise noted.

Subpart A—General Provisions

§ 103.1 What does this part do?

This part explains how to obtain and use a BIA loan guaranty or loan insurance agreement under the Program, and who may do so. It also describes how to obtain and use interest subsidy payments under the Program, and who may do so.

§ 103.2 Who does the Program help?

The purpose of the Program is to encourage eligible borrowers to develop viable Indian businesses through conventional lender financing. The direct function of the Program is to help lenders reduce excessive risks on loans they make. That function in turn helps borrowers secure conventional financing that might otherwise be unavailable.

§ 103.3 Who administers the Program?

Authority for administering the Program ultimately rests with the Secretary, who may exercise that authority directly at any time. Absent a direct exercise of authority, however, the Secretary delegates Program authority to BIA officials through the U.S. Department of Interior Departmental Manual. A lender should submit all applications and correspondence to the BIA office serving the borrower's location.

§ 103.4 What kinds of loans will BIA guarantee or insure?

In general, BIA may guarantee or insure any loan made by an eligible lender to an eligible borrower to conduct a lawful business organized for profit. There are several important exceptions:

(a) The business must contribute to the economy of an Indian reservation or tribal service area recognized by BIA;

(b) The borrower may not use the loan for relending purposes;

(c) If any portion of the loan is used to refinance an existing loan, the borrower must be current on the existing loan; and

(d) BIA may not guarantee or insure a loan if it believes the lender would be