

Form RD 3575-1 (6-00) UNITED STATES DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT Form Approved OMB No. 0575-0137

APPLICATION FOR LOAN AND GUARANTEE
 Community Facilities Program Water and Waste Disposal Programs

PART A - Guarantee Request:
 Loan Amount \$ _____ Percent of Guarantee Requested _____ % Repayment Term _____ Yrs.
 Proposed Interest Rate _____ % Variable or Fixed? _____ If Rate is Variable, Provide Index and Frequency of Adjustments _____

PART B - Lender Information:
 Name: _____ Address: _____ Zip _____ Contact Person: _____
 Tax ID Number: _____ Date organized: _____ Phone: () _____ Fax: _____ Contact's Extension: _____

PART C - Organization Information:
 Name: _____ Address: _____ Zip _____ Contact Person: _____
 Tax ID Number: _____ Date organized: _____ Phone: () _____ Fax: _____ Contact's Extension: _____

Part D - Facility Information:
 Name: _____ Address: _____ Zip _____ Contact Person: _____
 NAICS CODE (RHS only): _____ County: _____ Date Established: _____ Phone: () _____ Fax: _____ Contact's Extension: _____ Population Served: _____

PART E - Project Purposes & Funding

	Project Budget	Guaranteed Loan	Owner Funds	Other Funding
Purchase Land				
Real Estate Improvements				
Furnishings				
Equipment				
Debt Restructuring				
Initial O&M				
Professional Fees				
Lender & Guarantee Fees				
Working Capital				
Other				
TOTAL PROJECT				

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0137. The time required to complete this information collection is estimated to average 10 hours 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.

Used by a lender to apply for a loan guarantee. The agreements and certifications contained in the form meet other requirements in regulation as specified on the form.

(see reverse)

PROCEDURE FOR PREPARATION : RD Instruction 3575-A or RUS Transferred Instructions 1980-A and 1980-I.

PREPARED BY : Proposed lender.

NUMBER OF COPIES : Original and two copies.

SIGNATURE REQUIRED : Proposed lender and its loan applicant's representative (Organization).

DISTRIBUTION OF COPIES : The lender submits the original with attachments to the Rural Development field office, retains a copy, and provides a copy to the organization who applied for the loan for which the guarantee is requested.

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PART F - Attachments

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The Lender must attach the following supporting documentation:

1. Current and previous year's financial and income statement.
2. Operating budget for current operating cycle.
3. Narrative statement describing organization's services, scope of operation, and geographical area served, including any proposed management agreements or leases.
4. Financial feasibility analysis and projected budgets.
5. Preliminary construction plans and cost estimates (including contingency fund).
6. Intergovernmental review and State clearinghouse comments or recommendations (when available).
7. For Community Programs loans - Form RD 1940-20, "Request for Environmental Information," with attachments. When applicable, FEMA Form 81-93, "Standard Flood Hazard Determination."
8. For Water and Waste Disposal Programs - Submit an environmental report consistent with 7 CFR part 1794 and RUS Bulletin 1794A-602. If applicable, attach FEMA Form 81-93.
9. Record of any pending litigation or regulatory action.
10. Provide a "Certificate of Need" for facilities when required by State law.
11. Lender's credit evaluation.
12. Proposed loan agreement.
13. Security available for loan.
14. Copies of organizational documents (nonprofit organizations).
15. Evidence of community support.
16. Other documents used by lender that are material to making a credit decision.

PART G - Signatures

LENDER'S CERTIFICATION AND AGREEMENT

Lender hereby certifies that it has reviewed the Lender Agreement and Certification contained in this application. Lender further certifies that it has completed a comprehensive analysis of the proposal and has determined its loan applicant is eligible, the loan is for authorized purposes, and there is reasonable assurance of repayment based on its loan applicant's history, projections, and community support for the facility. Lender also certifies that it has no undisclosed conflicts of interest.

The signature of lender's representative is the lending institution's agreement to comply with the terms, agreements, and limitations outlined in the Lender Agreement and Certification and the applicable regulations

 (Date)

Name: _____
 By: _____
 Title: _____

ORGANIZATION'S CERTIFICATION AND AGREEMENT

The organization certifies that its representative has read the Organization Agreement contained in this application. The organization, by its representative's signature, agrees to comply with conditions and requirements outlined in the Organization Agreement and applicable regulations

I certify as the organization's representative, that the organization applying for this loan and its members, or those controlling or controlled by the organization applying for the loan, do not have any judgments against them by the United States and are not presently delinquent on any non-tax Federal debt. I further certify that information entered or attached to this application is correct or is a true copy of original documents contained in the organization records.

 (Date)

Name: _____
 By: _____
 Title: _____

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LENDER AGREEMENT AND CERTIFICATION

The lender representative's signature on this application shall satisfy regulatory requirements for completion of Form AD-1047, and compliance with 18 U.S.C. § 1913, 31 U.S.C. § 1352, and 42 U.S.C. § 3601 et seq.

(I) RESTRICTIONS AND DISCLOSURE OF LOBBYING ACTIVITIES - AGREEMENT APPLICABLE TO LOAN EXCEEDING \$150,000

The lender agrees to complete and submit Form SF LLL, "Disclosure of Lobbying Activities," in accordance with the form's instructions if any funds have been or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to guarantee this loan.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file Form SF LLL is subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(II) COMPLIANCE WITH FAIR HOUSING ACT

If this loan finances a housing-related facility such as a nursing home, group home, or assisted living facility, the lender agrees to monitor its borrower for compliance with Fair Housing Act requirements including approving and having a Form HUD 935.2, "Affirmative Fair Housing Marketing Plan," in effect at all times.

(III) CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS

The following certification is required by 7 C.F.R. § 3017.510, copies of which may be obtained from USDA.

(A) The prospective lender certifies that it and its principals:

- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (2) Have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for (i) commission of a fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; (ii) violation of Federal or State antitrust statutes; or (iii) commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making a false statement, or receiving stolen property;
- (3) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph A.2. of this certification; and
- (4) Have not within a 3-year period preceding this application or proposal had one or more public transactions (Federal, State, or local) terminated for cause.

(B) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this application.

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The inability of a lender to provide this certification will not necessarily result in denial of participation in this covered transaction. The prospective lender shall submit an explanation of why it cannot provide this certification. The certification or explanation will be considered in connection with the agency's determination whether to enter into this transaction. However, failure of the prospective lender to furnish either a certification or an explanation will disqualify such lender from participation in this transaction.

The certification in this clause is a material representation of fact upon which reliance was placed when the agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the agency may terminate this transaction for cause.

The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," and "voluntarily excluded," as used in this clause, have the meanings contained in 7 C.F.R. part 3017.

The prospective lender agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into a lower tier covered transaction with a person who is debarred, suspended, ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the agency entering into this transaction.

The prospective lender further agrees by signing this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Transactions," provided by the USDA, without modification, in all lower tier covered transactions.

A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless the participant knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the non-procurement debarment list.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings. If a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the agency may terminate this transaction for cause.

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ORGANIZATION AGREEMENT

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The organization representative's signature on this application shall satisfy regulatory requirements for signatures on Form RD 400-1, Form RD 400-4, and Form RD 410-9 and compliance with 18 U.S.C. § 1913 and 31 U.S.C. § 1352.

(I) COMPLIANCE WITH FAIR HOUSING ACT

If this loan finances a housing-related facility such as a nursing home, group home, or assisted living facility, the organization agrees to comply with Fair Housing Act requirements and have an approved Form HUD 935.2, "Affirmative Fair Housing Marketing Plan" in effect at all times.

(II) ASSURANCE AGREEMENT (TITLE VI, CIVIL RIGHTS ACT OF 1964)

The organization assures the U. S. Department of Agriculture (USDA) that it is in compliance with and will continue to comply with title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq.), 7 C.F.R. part 15, and 7 C.F.R. § 1901.202. In accordance with that Act and the regulations referred to above, the organization agrees that in connection with any program or activity for which the organization receives Federal financial assistance (as such term is defined in 7 C.F.R. § 15.2) no person in the United States shall, on the basis of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination.

- (A) The organization agrees that any transfer of any aided facility, other than personal property, by sale, lease, or other conveyance, shall be, and shall be made expressly, subject to the obligations of this agreement and transferee's assumption thereof.
- (B) The organization shall:
- (1) Keep such records and submit to the Government such timely, complete, and accurate information as the Government may determine to be necessary to ascertain compliance with this agreement and the regulations.
 - (2) Permit access by authorized USDA employees or their representatives during normal business hours to such books, records, accounts, and other sources of information and its facilities as may be pertinent to ascertaining such compliance.
 - (3) Make available to users, participants, beneficiaries, and other interested persons information regarding the provisions of this agreement and related regulations in such manner as USDA finds necessary to inform such persons of their rights.
- (C) The obligations of this agreement shall continue:
- (1) As to any real property, including any structure, acquired or improved with the aid of the Federal financial assistance, so long as such real property is used for the purpose for which the Federal financial assistance is made or for another purpose which affords similar services or benefits, or for as long as the organization retains ownership or possession of the property, whichever is longer.
 - (2) As to any personal property acquired or improved with the aid of the Federal financial assistance, so long as organization retains ownership or possession of the property.
 - (3) As to any other aided facility or activity, until the last advance of funds under the loan or grant has been made.

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(D) Upon any breach or violation of this agreement the Government may, at its option:

- (1) Terminate or refuse to render or continue financial assistance for the aid of the property, facility, project, service, or activity.
- (2) Enforce this agreement by suit for specific performance or by any other available remedy under the laws of the United States or the State in which the breach or violation occurs. Rights and remedies provided for under this agreement shall be cumulative.

(III) EQUAL OPPORTUNITY AGREEMENT (EXECUTIVE ORDER 11246)

Unless the Secretary of Labor (Secretary) issues an exemption by rule, regulation, or order pursuant to section 204 of Executive Order 11246, the organization (whether one or more) and USDA, agree that when construction costs exceed \$10,000, the organization will:

- (A) Incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary, or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

Equal Opportunity Clause

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by USDA setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246, and with all rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246, rules, regulations, and orders, and will permit access to the contractor's books, records, and accounts by USDA, Office of Civil Rights, and the Secretary, or their representatives for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

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- (6) In the event of the contractor's noncompliance with the Equal Opportunity Clause or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary, or as provided by law.
- (7) The contractor will include this Equal Opportunity Clause in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance. However, in the event the contractor becomes involved in or is threatened with litigation with a subcontractor or vendor as a result of such direction by USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.
- (B) Except for public bodies and federally recognized Indian tribes, be bound by the provisions of the Equal Opportunity Clause with respect to its own employment when it participates in federally assisted construction work.
- (C) Notify all prospective contractors to file the required "Compliance Statement," Form RD 400-6, with their bids.
- (D) Impose bid conditions for all nonexempt Federal and federally assisted construction contracts that require inclusion of the appropriate "hometown" or "imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
- (E) Assist and cooperate with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the provisions of the Equal Opportunity Clause and the rules, regulations, and orders. The organization will furnish USDA and the Secretary information as they may require for supervision of compliance. Such information may include Form AD 560, "Certification of Nonsegregated Facilities," and Form CC-257, "Monthly Employment Utilization Report."
- (F) Refrain from entering into any contract, or contract modification, subject to Executive Order 11246 with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order. The organization will carry out such sanctions and penalties for violation of the Equal Opportunity Clause as may be imposed upon contractors and subcontractors by USDA or the Secretary pursuant to part II, subpart D, of the Executive Order.
- (G) Be subject to USDA refusing to extend additional assistance to the organization under the program or taking any other appropriate legal action, including referring the case to the Department of Justice, if the organization fails to comply with this agreement.

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(IV) FEDERAL EQUAL CREDIT OPPORTUNITY ACT NOTICE

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning USDA is the Federal Trade Commission, Washington, D.C. 20580. If a person believes he or she was denied assistance in violation of this law, they should contact the Federal Trade Commission, Washington, D.C. 20580.

WARNING

All information supplied to USDA by you or your agents in connection with your loan application may be released to interested third parties, including competitors, without your knowledge or consent under the provision of the Freedom of Information Act (5 U.S.C. 522).

Much information not clearly marked "Confidential" may routinely be released if requested. Further, if we receive a request for information marked "Confidential," the Federal Government will release the information unless you can demonstrate to our satisfaction that release of the information would likely produce substantial competitive harm to your business or would constitute a clearly unwarranted invasion of personal privacy. Also, forms, consultant reports, etc., cannot be considered confidential in their entirety if confidential material contained therein can reasonably be segregated from other information.

Information submitted may be made available to the public during the time it is held in Government files regardless of the action taken by USDA on your application.