

Loan Guaranty Agreement

This Loan Guaranty Agreement (“Agreement”) is entered into between the United States Department of the Interior, acting through the Bureau of Indian Affairs (“BIA”), and _____ - _____ (“Lender”), as of the date established below. The Agreement governs the Lender’s use of loan guarantees obtained from BIA under BIA’s Loan Guaranty, Insurance, and Interest Subsidy Program, 25 U.S.C. §§ 1481 *et seq.* and 1511 *et seq.*, and 25 CFR Part 103 (the “Program”).

1. Except as specified by statutes or regulations governing the Program, or as otherwise specified in this Agreement, BIA will guarantee payment of the Lender’s loss on any loan made to a qualified Borrower, to the extent reflected on a valid BIA Loan Guaranty Certificate.
2. The Lender must comply at all times with statutes and regulations governing the Program, and with the terms of this Agreement (collectively, the “Program Terms”). The Federal Government may change the Program Terms from time to time, but if it does, the Lender will remain responsible for complying only with those Program Terms in effect on the date of the BIA Loan Guaranty Certificate under which the Lender may or does make a loss claim. The Lender also must comply at all times with the Conditions of Approval attached to the BIA Loan Guaranty Certificate for each specific loan.
3. BIA may approve the Lender under any of three different classifications, depending on factors such as the number of loans the Lender makes under the Program, the total principal balance of the Lender’s Program loans, the number of years the Lender stays involved with the Program, the relative benefits and opportunities the Lender gives to Indian business efforts through the Program, and the Lender’s overall compliance with Program requirements. A Lender approved by BIA under this Agreement may designate itself a “BIA Approved Lender.” Upon completing three years with an average outstanding principal balance of \$1,000,000 in Program-guaranteed loans, a Lender with a satisfactory record of Program compliance may request approval from BIA for the designation “BIA Preferred Lender.” After five years maintaining a minimum outstanding balance of \$1,000,000 in Program-guaranteed loans and/or a superior record of enhancing economic opportunities for Indian businesses, a BIA Preferred Lender with a satisfactory record of Program compliance may request approval from BIA for the designation “BIA Performance Lender.” BIA’s approval of a Lender extends only to the distinct legal entity of the Lender seeking approval, and does not extend to any parent entities, subsidiaries, or affiliates of the Lender. Execution of this Agreement does not authorize the Lender to issue loans insured under the Program; insured loans are subject to a separate Loan Insurance Agreement.
4. In the event the Lender undergoes (a) a change in corporate structure; (b) a merger with any other entity; or (c) any legal proceeding in which substantially all of its assets may be subject to disposition through laws governing bankruptcy, insolvency, or receivership, this Agreement will be deemed suspended as of the date of change or the commencement of the legal proceeding. The Lender, or its successor in interest, must enter into a new Agreement with BIA in order to secure new BIA loan guarantees on loans it makes.

5. During the term of this Agreement, and for such time thereafter as the Lender may hold one or more Loan Guaranty Certificates under the Program, the Lender agrees to allow representatives of BIA to inspect the Lender's records concerning any and all loans guaranteed under the Program at any reasonable time, including any time during the Lender's normal business hours. The Lender agrees to supply whatever information BIA may request, as long as it reasonably relates to any BIA-guaranteed loan or the Lender's participation in the Program. For example, BIA may ask for copies of all organizational documents of the Lender, including amendments, since those documents may bear upon the Lender's qualification to continue participating in the Program.
6. Except as otherwise specified in the Conditions of Approval for a specific loan, the Lender must submit loan transaction history reports quarterly, within 30 days after March 31, June 30, September 30, and December 31 of each year.
7. BIA usually will prepare a Loan Guaranty Certificate for delivery to the Lender on the date that a loan that has been approved for a guarantee under the Program is to close. However, in some cases BIA may issue and deliver a Loan Guaranty Certificate either before or after the loan closes. Absent a specific written agreement to the contrary, a Loan Guaranty Certificate issued before the loan closing becomes void if closing does not occur before 60 days after the date of the Loan Guaranty Certificate.
8. Except as expressly indicated in writing by a duly authorized BIA official, BIA bears no responsibility for any failure of the Lender to comply with Program Terms or any applicable Conditions of Approval, regardless of the circumstances.
9. Except as expressly indicated by Program Terms or any applicable Conditions of Approval, the Lender should direct all correspondence with BIA under the Program to the BIA _____ office serving the area in which the Borrower's business is located. In particular, the Lender must direct the following requests and notifications to the appropriate BIA _____ office: (a) all requests for loan guaranty (25 CFR § 103.12); (b) all loan guaranty premium payments (25 CFR § 103.19); (c) all requests for loan modification approval (25 CFR § 103.34); (d) all loan transfer notifications (25 CFR §§ 103.28, 103.29); (e) all notices of Borrower default (25 CFR §§ 103.35); (f) all notices electing a remedy under the Program (25 CFR §§ 103.36); and (g) all claims for loss (25 CFR §§ 103.37). The Lender may seek assistance from the BIA field office serving the Borrower's business area with respect to finalizing a loan application under the Program, and with respect to meeting the requirements of Federal law outside the scope of the Program.
10. This Agreement remains in effect unless and until otherwise indicated under the Program Terms, or until either party provides the other with written notice that it wishes to withdraw from this Agreement as of a stated future date. BIA may terminate this Agreement for cause at any time, without prior notice to the Lender. Termination of this Agreement will not, in and of itself, affect the validity of any Loan Guaranty Certificate held by the Lender.
11. By executing this Agreement, the Lender represents to BIA that it meets or exceeds the basic

requirements for making guaranteed loans under the Program, including without limitation the requirements specified at 25 CFR § 103.10.

This Agreement is effective as of the latest of the dates specified by the signature lines below:

Date: _____, 20__

Lender: _____

ABA No.: _____

Tax ID No.: _____

By: _____

Title: _____

Date: _____, 20__

United States Department of the Interior
Bureau of Indian Affairs

By: _____

Title: _____

Paperwork Reduction Act Statement: This form is covered by the Paperwork Reduction Act. It is used to calculate and request subsidy payments from the Federal government. The information is provided by respondents to obtain or retain a benefit. In compliance with the Paperwork Reduction Act of 1995, as amended, the collection has been reviewed by the Office of Management and Budget and assigned a number and an expiration date. The number and expiration date are at the top right corner of the form. An agency may not sponsor or conduct, and a person is not required to respond to, a request for information collection unless it displays a currently valid OMB Control Number.

Burden Estimate: The public reporting burden is estimated to average *2 hours per respondent*. This includes the time needed to understand the requirements, gather the information, complete the form, and submit it to BIA. Comments regarding the burden or other aspects of the form may be directed to the Information Collection Control Officer, Bureau of Indian Affairs, 1849 C Street NW, MS - 4603 MIB, Washington, DC 20240. Note: comments, names and addresses of commentators are available for public review during regular business hours. If you wish us to withhold this information, you must state that prominently at the beginning of your comment. We will honor your request to the extent allowable by law.

Privacy Act Statement (5 U.S.C. 552(a)): The authority for collecting this information is 25 U.S.C. 1511. The information will be used to administer the interest subsidy provisions relating to the Loan Guaranty and Insurance Program, 25 U.S.C. 1481 *et seq.* Disclosures of this information may be made to consumer reporting agencies; Federal, State, or local governments; law enforcement personnel responsible for investigating or prosecuting violations of, or for enforcing or implementing, statutes, rules, regulations, orders, or licenses; the U.S. Department of Justice; courts of law or adjudicative bodies; Members of Congress; the U.S. Department of the Treasury; and other Federal agencies responsible for collecting debts or detecting and eliminating fraud.