

Sec. 32-9q-4. Loan application and agreement

(a) Application for a loan shall be submitted on forms provided by the department. No application shall be considered unless the exhibits required by such forms are furnished.

(b) Upon approval by the commissioner and the authority, the borrower shall enter into a loan agreement which shall set forth the terms and conditions required by these regulations and any other terms and conditions applicable to the particular loan, which may be set by the commissioner or the authority.

(c) Each loan agreement shall be effective only upon execution by the commissioner and the borrower.

(d) Such loan agreement shall provide, without limitation, that the borrower agrees:

(1) To provide the Department with such financial and other information as the commissioner may in his discretion require from time to time;

(2) To notify the department promptly of any material adverse change in the financial condition or business prospects of the borrower;

(3) To represent and warrant that it has the power and authority to enter into the loan agreement and to incur the obligations therein provided for, and that all documents and agreements executed and delivered in connection with the loan will be valid and binding upon the borrower in accordance with their respective terms;

(4) To provide such security for the loan as the commissioner may require pursuant to section 32-9q-5 of these regulations and to execute and deliver all documents in connection therewith;

(5) That the funds provided will not be used otherwise than in connection with the development and operation of the industrial project for which the loan was approved.

(Effective August 5, 1980)