**Section 293.90 Terms and Conditions of Loan Agreement**

An approved loan application with OSFM and the Authority is subject to the following terms:

a) Loan proceeds under this program shall be used exclusively for the purposes listed in Section 293.30 and shall be expended in accordance with the approved application and the applicant's policies and procedures related to the expenditures.

b) Orders for payment will be submitted to the Office of the Comptroller by the Authority.

c) Loan proceeds shall be spent no later than six months following the receipt of the loan.

d) Use of loan proceeds shall be accounted for in accordance with standard accounting practices. Loan recipients shall submit to OSFM a report detailing and accounting for how the loan proceeds were spent. This expenditure report, to be submitted on a form supplied by OSFM, shall attach invoices and other documentation necessary to prove payment and shall be due no later than nine months following receipt of the loan.

e) In the event that the loan proceeds are not expended in the manner approved, the recipient, upon written notification from the Authority, shall be required to submit, by the next payment due date, payment of the outstanding principal and interest of the loan.

f) Loan proceeds shall be included in the institution's budget.

g) In the event of default that is not cured within 90 calendar days, the Authority shall notify the Office of the Comptroller to deduct the amount owed from any payments from other State agencies, and the institution shall be ineligible for additional loans until good standing has been restored. In addition, OSFM and/or the Authority may avail itself of all remedies, rights and provisions of law applicable in the circumstances, and the failure to exercise or exert any rights or remedies provided by law may not be raised as defense by the institution in default.

h) The institution agrees to pay the Authority a processing fee of up to $5,000, upon approval of the loan, separate from the loan proceeds, to defray the costs of the loan to the Authority.