



REAP Loan Guarantee Resources and Applications

Guarantee Loan:

- [Application Checklist](#)
- Application Documents
 - [Form 4280-3A](#) – Only for Total Project Cost of \$80,000 or less
 - [Form 4280-3B](#) – Only for Total Project Cost less than \$200,000, but more than \$80,000
 - [Form 4280-3C](#) – Only for Total Project Cost of \$200,000 or greater
 - [Form 4279-14](#) – Guarantor Form
 - [Loan Agreement](#)
 - [Form RD 4279-1A](#) – Loan Guarantee Application for projects \$600,000 or less
 - [Form RD 4279-1](#) – Loan Guarantee Application for projects more than \$600,000
 - [Form AD 3030](#)
 - [Priority Point Certification](#)
 - [Feasibility Study Guide](#)
 - [Score Sheet](#)

Supporting Documents:

- To complete an application for this program, you must be pre-registered with the [System for Award Management \(SAM\)](#) (*not required for Loan only applications*) and also have a [Data Universal Number System \(DUNS\)](#) number (*required for all applicants*). Neither of these applications cost money, but they can take time so be sure to get this taken care of right away. If you are already registered with these systems, you do not need to do it again.
- Energy Audit or Energy Assessment
- Matching Fund Documentation
- Financial Information / Annual Receipts / Number of Employees
- Financial Statements
- Professional Engineer Design Certification

For more information contact the Wisconsin Rural Energy Coordinator:

Judy Clendenning

Rural Energy Coordinator

5417 Clem's Way, Stevens Point, WI 54482

Phone: 715-345-7642

E-mail: Judy.Clendenning@wi.usda.gov

Fax: 855-731-0161

Rural Energy for America Program Guaranteed Loan Application Guide

IN PACKET	APPLICATION REQUIREMENT
	Rural Energy for America Program Application for Renewable Energy Systems and Energy Efficiency Improvement Projects Form RD 4280-3A total project costs of \$80,000 or less Form RD 4280-3B total project costs of > \$80,000 but < \$200,000 Form RD 4280-3C total project costs of \$200,000 or greater
	Application for Loan Guarantee Form RD 4279-1A (applications \$600,000 or less) Form RD 4279-1 (applications over \$600,000) DUNS Number of the Applicant
	Representations Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants AD 3030
	Priority Point Certification
	Financial Information Annual Receipts for Size Determination Financial Statements/Tax Returns/# of Employees
	Financial Statements 3 years historical income & balance sheet statements, current income/balance sheet statements , pro forma balance sheets and cash flow with list of assumptions Historical and current statements GAAP or format acceptable to commercial agriculture lenders
	Lenders Analysis
	Proposed Loan Agreement including 14 program loan covenants
	Matching Fund Documentation (examples; bank loan, cash, focus on energy grant)
	Evaluation Criteria Scoring Guide – recommended but not required
	Business-Level Feasibility Study Renewable Energy Projects > \$200,000 only
	Appraisal
The following items should be on file with the lender for applications of \$600,000 or less OR submitted with application for projects over \$600,000:	
	Personal Credit Report
	Commercial Credit Report, if applicable
	Personal and Corporate Financial Statements of Guarantors & Form RD 4279-14

U.S. DEPARTMENT OF AGRICULTURE
Rural Development – Rural Business-Cooperative Service
RURAL ENERGY FOR AMERICA PROGRAM
APPLICATION FOR RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENT PROJECTS
TOTAL PROJECT COSTS OF \$80,000 OR LESS

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Act of 1995, as amended. The authority for requesting the following information is Section 9001 of the Agricultural Act of 2014 (Public Law 113-79). This information may be provided to other agencies, Internal Revenue Service, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 1001; 1014, 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.

SUBMIT THIS COMPLETED FORM TO THE USDA RURAL DEVELOPMENT OFFICE IN THE STATE IN WHICH THE PROJECT IS LOCATED.

Attached to this form are detailed instructions, the Forms Manual Insert (FMI), for each section. Please refer to the FMI when completing this form for guidance. Use attachments as necessary.

I. A. Applicant Legal Name (Block 8a of SF 424):

<p>** The purpose of these questions is to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing the application or when determining eligibility to participate in this program. The answers provided are voluntary and are not required to be considered a complete application. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. The information will be kept private to the extent permitted by law.</p>	<p>**I. B. What is Applicant's race (check all that apply)?</p> <p style="padding-left: 20px;">American Indian or Alaska Native</p> <p style="padding-left: 20px;">Asian</p> <p style="padding-left: 20px;">Black or African American</p> <p style="padding-left: 20px;">Native Hawaiian or Other Pacific Islander</p> <p style="padding-left: 20px;">White</p>	<p>**I. C. What is Applicant's Gender?</p> <p style="padding-left: 20px;">Male</p> <p style="padding-left: 20px;">Female</p> <hr/> <p>**I. D. What is Applicant's Ethnicity?</p> <p style="padding-left: 20px;">Hispanic or Latino</p> <p style="padding-left: 20px;">Not Hispanic or Latino</p>
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II. Project Title (Block 15 of SF 424):

III. System for Awards Management (SAM) Commercial and Government Entity (CAGE) (N/A Loan Only)
Code: _____ Expiration Date: _____

IV. Type of Applicant (check one): Rural Small Business (Complete part A of this Block)
Agricultural Producer (Complete part B of this Block)
Rural Small Business or Ag Production Operation Description:

<p>A. Rural Small Businesses:</p> <p>1. Provide Annual Receipts for business from 3 most recent tax years: (Attach documentation, such as tax returns).</p> <p style="padding-left: 40px;">Annual Receipts: 20 \$ 20 \$ 20 \$</p> <p>2. Is the business a franchise? Yes No</p> <p>3. Does the business have any affiliates? Yes No</p> <p style="padding-left: 40px;">If yes, list name(s) of affiliated businesses and describe the affiliation:</p>	<p>Annual Average</p> <p>\$</p>
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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 0570-0067. The time required to complete this information collection is estimated to average 21.1 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.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

<p>4. Provide the average number of employees for the business over the last 12 months (Attach documentation):</p>																																					
<p>5. (a) Provide primary North American Industry Classification System (NAICS) code: NAICS Code: Corresponding NAICS size limitation: —OR If using alternative size standard:</p> <p>(b) The maximum tangible net worth of the Applicant and its Affiliates is not more than \$15,000,000 <input type="checkbox"/> Yes <input type="checkbox"/> No and Average net income (after federal income taxes) for the preceeding two years, is not in excess of \$5,000,000 <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Attach Documentation: 20 \$ 20 \$ Average: \$</p>																																					
<p>B. Agricultural Producers, provide agricultural income data from 3 most recent tax years:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">1. Income directly related to agricultural products:</td> <td style="width: 15%;">20</td> <td style="width: 10%;">\$</td> <td style="width: 15%;">20</td> <td style="width: 10%;">\$</td> <td style="width: 15%;">20</td> <td style="width: 10%;">\$</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: center;">Annual Average</td> </tr> <tr> <td>2. Total Income: (Includes W-2, Schedule C, & Non-ag income)</td> <td>20</td> <td>\$</td> <td>20</td> <td>\$</td> <td>20</td> <td>\$</td> <td></td> <td style="text-align: center;">\$</td> </tr> <tr> <td>3. Percent Agricultural Income (Line 1 ÷ Line 2):</td> <td colspan="7"></td> <td style="text-align: center;">%</td> </tr> <tr> <td>4. NAICS Code:</td> <td colspan="8"></td> </tr> </table>	1. Income directly related to agricultural products:	20	\$	20	\$	20	\$		Annual Average	2. Total Income: (Includes W-2, Schedule C, & Non-ag income)	20	\$	20	\$	20	\$		\$	3. Percent Agricultural Income (Line 1 ÷ Line 2):								%	4. NAICS Code:									
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3. Percent Agricultural Income (Line 1 ÷ Line 2):								%																													
4. NAICS Code:																																					

<p>V. Technical Report - Type of Project (check one): (See FMI for descriptions.)</p> <p>Renewable Energy System <input type="checkbox"/> (Complete Block VI) which is either an Energy Generation System <input type="checkbox"/> or Energy Replacement System <input type="checkbox"/> OR</p> <p>Energy Efficiency Improvement <input type="checkbox"/> (Complete Block VII):</p>
<p>A. Project Description. Provide a detailed description of the technology and project:</p>
<p>B. Location and description of the project site:</p>
<p>C. Commercially Available. A system that meets the requirements of either C or D: (D is for Renewable Energy Systems only.) (The Agency reserves the right to request additional information to substantiate statements.)</p> <p>Proposed domestic or foreign system.</p> <p>1. Has, for at least 1 year, both a proven and reliable operating history and proven performance data: <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>2. Is based on established design and installation procedures and practices and is replicable: <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>3. Has professional service providers, trades, large construction equipment providers, and labor who are familiar with installation procedures and practices: <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>4. Has proprietary and balance of system equipment that are readily available and available spare parts: <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>5. Has services that are readily available to properly maintain and operate the system; <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>6. Has an existing established warranty that is valid in the United States for major parts or labor: <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>OR</p>
<p>D. A domestic or foreign Renewable Energy System that has been certified by a recognized industry organization whose certification standards are acceptable to the Rural Business-Cooperative Service. <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(Name of recognized industry organization):</p>

E. Project Economic Assessment:

1. Project Cost Breakdown:	
Construction Item: <i>(list itemized costs or attach bids):</i>	Cost
	\$
	\$
	\$
	\$
	\$
	\$
a. Total Project Costs: <i>(Total Project Costs should be the same as in Form SF-424C, "Budget Information-Construction Programs.")</i>	\$
b. Eligible Project Costs: <i>(See FMI to determine eligible project costs.)</i>	\$

2. Estimated Project Energy Generation or Savings:	
a. For Renewable Energy Systems:	
i. Annual amount of renewable energy to be generated and unit of energy:	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>
ii. If applicable, historical annual average energy used and unit of measure: The Agency may request additional information to substantiate the above numbers.	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>
iii. Annual percentage of energy being replaced: If the above number exceeds 100 percent and the system is connected to the grid, the amount of energy above 100 percent will be used in 4c. below. If the amount of energy exceeds 150 percent and the system is connected to the grid, the entire amount of energy generated will be entered in 4c below.	$(i \div ii \times 100) =$ %
b. For Energy Efficiency Improvement projects: (Complete Block VII first with data from the Energy Audit or Energy Assessment.) Annual amount of energy to be saved and unit of measure:	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>

3. Cost of Energy:	
a. Price per unit of energy paid in prior year: <i>(This is the retail cost of energy for Renewable Energy System replacement projects and Energy Efficiency Improvement projects.)</i>	\$
b. Price per energy unit to be sold to the grid: <i>(This is the price the utility will pay for energy put onto the grid.)</i>	\$

4. Energy Value: (See FMI for guidance.)	
a. Value of energy to be replaced via renewable system (if applicable): (2.a. x 3.a.):	\$
b. Value of energy to be saved via efficiency improvement (if applicable): (2.b. x 3.a.):	\$
c. Value of energy to be generated and sold to the grid (if applicable): (2.a. x 3.b.):	\$
d. Total value of energy replaced/saved/generated: 4a. + 4b. + 4c. = 4d:	\$

**Energy Efficiency Improvement projects can proceed to Number 9.
Renewable Energy System projects continue to next table.**

5. Other annual revenue: (List below, i.e. sale of byproducts)

(Do NOT include renewable energy credits, Government or utility incentives, or other incentives.)		
Source:	Price/Unit:	Total:
	\$	\$
	\$	\$
Total other annual revenue:		\$

6. Annual Revenue: (4.d. + 5):	\$
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7. Annual Operating and Maintenance Costs:	\$
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8. Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA): (6-7):	\$
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9. Estimate Simple Payback:			
a. Energy replacement and Energy Efficiency Improvement projects: (1. b. ÷ 4.d.):	\$	÷ \$	=
		years	
b. Energy generation projects: (1. b. ÷ 8):	\$	÷ \$	=
		years	

F. Qualifications of Service Providers (Include information personnel and companies that will be working to construct and install the project, such as: Energy Auditor, site assessor, contractor, installer, electrician, etc.)

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			
<hr/>			
Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

VI. Renewable Energy System Projects - Technical Requirements: *(For Energy Efficiency Improvement Projects Complete Block VII.)* *If Hybrid project, submit specific technical information for each technology.

A. Project Information:

1. Will project be interconnected with electric utility grid? Yes No If yes, name of utility:
2. Will the proposed system be connected to a meter that is also connected to a residence? Yes No
 - a. If yes, will 51 percent or more of the energy to be generated from the proposed system be used by the business operation of the Rural Small Business or the Agricultural Producer? Yes No
 Amount of energy and unit of measure to be used by the business operation in a typical year?
 kWh or BTU
 - b. If the answer to question 2a. is no, the Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. Yes No
 - c. If the answer to question 2b. is no, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid will be required.

B. Renewable Resource Potential: (Additional information may be requested by the Agency to determine resource feasibility.)

1. Check which type of Renewable Energy System is being proposed. Ensure multiple types are checked for hybrid applications:
 Wind Solar Bioenergy Geothermal Electric Generation Geothermal Direct Generation
 Anaerobic Digester Hydrogen Hydroelectric/Ocean Energy Projects
2. An Agency approved Renewable Energy Site Assessment may be used to provide the Project Description, Resource Assessment, and Project Economic Assessment. In such instances, the technical report would consist of Section D and the Renewable Energy Site Assessment. If a renewable energy site assessment is provided, sections 3 and 4 do not need to be completed. If the site assessment does not include all this information, complete the portion of this form with the narratives below to supplement the assessment.

Agency-approved Site Assessment Completed:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Site Assessor Name:	
Site Assessor Qualifications:	

3. Provide adequate and appropriate data to demonstrate the amount of renewable resource available. For hybrid projects each technology being proposed must be address. Describe the quality, availability, and seasonality (if applicable) of the renewable energy resource:

4. Basis of determination:

There are several methods to determine resource potential on the site, describe below as applicable and attach as necessary:

Online Estimating Tool:	<input type="checkbox"/> Yes; List name of Tool: <input type="checkbox"/> No
Resource References (Wind Roses, Thematic Maps, etc.):	<input type="checkbox"/> Yes; List Resource Reference: <input type="checkbox"/> No
Site-Specific Evaluation Devices or Site Surveys:	<input type="checkbox"/> Yes; List device: <input type="checkbox"/> No
Photographs of Site:	<input type="checkbox"/> Yes; Attached to application. <input type="checkbox"/> No
Other:	Attach documentation if applicable.

VII. Energy Efficiency Improvement Projects - Technical Requirements: *(If project is a Renewable Energy System, go to Block VIII.)*

A. Existing usage as per Energy Assessment or Energy Audit:

	Energy Used <i>(converting to BTU)</i>	Cost
Electricity (kWh)	x 3,412 btu/kWh=	\$
Propane/LP (gal)	x 91,502 btu/gal=	\$
Natural Gas (therm)	x 100,000 btu/therm=	\$
Diesel (gal)	x 139,000 btu/gal=	\$
Other	x =	\$
Total BTU Existing:		Total Existing Energy Cost: \$

B. Proposed (estimated) usage following completion of the project as per Energy Assessment or Energy Audit:

	Energy Used <i>(converting to BTU)</i>	Cost
Electricity (kWh)	x 3,412 btu/kWh=	\$
Propane/LP (gal)	x 91,502 btu/gal=	\$
Natural Gas (therm)	x 100,000 btu/therm=	\$
Diesel (gal)	x 139,000 btu/gal=	\$
Other	x =	\$
Total BTU Proposed:		Total Proposed Energy Cost: \$

Percent Energy Savings: (Total BTU Existing — Total BTU Proposed) ÷ Total BTU Existing: = %

Dollar Savings: Total Existing Energy Cost \$ — Total Proposed Energy Cost: \$ = \$ Dollars Saved

VIII. Describe how the proposed project will have a positive effect on:

A. Resource Conservation (e.g. water, soil, forest):
 Will the project save or replace fossil fuel consumption from finite resources? Yes No
 Will the project reduce water consumption? Yes No
 List additional resource conservation measures if applicable:

B. Public Health (e.g. potable water, improve air quality):
 Will the project decrease or replace fossil fuel consumption decreasing emissions leading to better air quality? Yes No
 List additional public health measures if applicable:

C. Environment (e.g. compliance with the U.S. Environmental Protection Agency (EPA) Renewable Fuel Standard (RFS), greenhouse gases, emissions, particulate matter):
 Will the project save or replace fossil fuel consumption reducing greenhouse gas emissions creating a healthier environment? Yes No
 List additional environmental measures if applicable:

IX. Commitment of Funds: Documentation is required to be attached for points under the commitment of funds scoring criteria.

Source:	Amount:\$	Attached: <input type="checkbox"/>
Source:	Amount:\$	Attached: <input type="checkbox"/>
Source:	Amount:\$	Attached: <input type="checkbox"/>
Source:	Amount:\$	Attached: <input type="checkbox"/>

X: Relationship:

This is to certify that I, as the Applicant, have a known or no known relationship or association with a Rural Development employee.

If there is a known relationship, please indicate the name of the Rural Development employee:

XI. Previous Funding:

I, the Applicant, have or have not, received any grants and/or guaranteed loans under the REAP program.

If grants or guaranteed loans have been received, identify each grant and/or guaranteed loan and describe the progress that has made on each project, including projected schedules and actual completions dates, if applicable:

XII. Good Standing:

I, the Applicant, being a legal entity, am or am not in good standing and operating in accordance with the laws of the State(s) or Tribe where I, the Applicant, have a place of business.

Not applicable, I am applying as a sole proprietor.

XIII. Certifications:

The Applicant certifies to each of the following: *(Check all that are applicable.)*

- A. The Applicant meets each of the Applicant eligibility criteria found in RD Instruction 4280.112.
- B. The proposed project meets each of the project eligibility requirements found in RD Instruction 4280.113(a), (b), (d), and (e).
- C. Per RD Instruction 4280.113(f), the Applicant acknowledges caution against taking any actions or incurring any obligations prior to the Agency's environmental review that limits the range of alternatives or has an adverse effect on the environment, such initiation of construction. If taken, it could result in project ineligibility.
- D. The Applicant meets the criteria for submitting an application for projects with Total Project Costs of \$80,000 or less.
- E. The Applicant or the Applicant's prime contractor assumes all risk and responsibilities of project development, including interim financing, including during construction. The Applicant is solely responsible for the execution of all contracts.
- F. Construction planning and performing development will be performed in compliance with RD Instruction 4280.119(c).
- G. The Applicant agrees not to request reimbursement from funds obligated under this program until after the project has been completed and is operating in accordance with the information provided in the application for the project.
- H. The Applicant will maintain insurance coverage as required under RD Instruction 4280.122(b).
- I. The design, engineering, testing, and monitoring will be sufficient to demonstrate that the proposed project will meet its intended purpose.
- J. The equipment required for the project is available, can be procured and delivered within the proposed project development schedule, and will be installed in conformance with manufacturer's specifications and design requirements. This would not be applicable when equipment is not part of the project.
- K. The project will be constructed in accordance with applicable laws, regulations, agreements, permits, codes, and standards.
- L. The Applicant will abide by the open and free competition requirements in compliance with RD Instruction 4280.124(a)(1).
- M. For bioenergy projects, that any and all woody biomass feedstock from National Forest System land or public lands cannot be used as a higher value wood-based product. (Check if applicable.)
- N. The Applicant will abide by the equal employment opportunity requirements in compliance with RD Instruction 4280.124(a)(2).
- O. The Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. (Check if applicable.)

XIV. Attach the following if not already submitted:

- Form SF 424.
- Form SF-424C, "Budget Information-Construction Programs".
- Form SF-424D, "Assurances-Construction Programs".
- Form RD 1940-20 with documentation.
- Energy Audit or Energy Assessment.
- Matching funds documentation.
- Other. Describe:

XV. Certification of Documentation and Acceptance:**CERTIFICATION AND ACCEPTANCE**

I certify that, to the best of my knowledge and belief, the information included with this Application, including all attachments, are true and correct, and that I certify to each of the conditions specified in Section X-XIII of this application.

AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS

Signature (AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS NAME)

By: _____ (Officer, Member, Partner, Proprietor)

Title: _____

Date: _____

INSTRUCTIONS FOR FORM RD 4280-3A

The following information is based on the programmatic requirements for the Rural Energy for America Program (REAP) found in RD Instruction 4280 part B. If there are differences between the information found in this form and RD Instruction 4280 part B, RD Instruction 4280 part B will take precedence.

Block I. A. Self Explanatory.

Block I B, C, and D. The purpose of these questions are to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing the application or determining eligibility to participate in this program. The answers provided are voluntary and are not required to be considered a complete application. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. Information will be kept private to the extent permitted by law.

Block II. Self-Explanatory.

Block III. Each Applicant must have a Dun and Bradstreet Data Universal Number System (DUNS) number corresponding to their tax identification/social security number as provided on the SF424 form. Except for loan only requests, the DUNS number must be registered in the System for Award Management (SAM) (www.sam.gov). Upon successful registration, a Commercial and Government Entity (CAGE) code is assigned. Enter the assigned CAGE code and expiration date.

Block IV. Eligible Applicants must be either an Agricultural Producer or a Rural Small Business. Indicate under which category the applicant is applying. (An Agricultural Producer may apply as a Rural Small Business if they meet the size and Rural Area requirements identified below.)

Provide a description of the operation. This will assist the Agency in evaluating Applicant eligibility and identifying the appropriate North American Industry Classification System (NAICS) code, if unknown by the Applicant

The following definitions will assist in completing this Block.

Agricultural Producer. An individual or entity directly engaged in the production of agricultural products, including crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture, whereby 50 percent or greater of their gross income is derived from those products.

Rural Small Business. A Small Business that is located in a Rural Area or that can demonstrate the proposed project for which assistance is being applied for under this subpart is located in a Rural Area.

Small Business. An entity or utility, as applicable, that meets the Small Business Administration's (SBA) definition of small business as found in 15 U.S.C. 632 (13 CFR part 121.301 (a) or (b)) and as further defined in RD Instruction 4280.103.

Rural or Rural Area. Any area of a State not in a city or town that has a population of more than 50,000 inhabitants as further defined in RD Instruction 4280.103.

Affiliates. Defined in 13 CFR 121.103, an affiliation exists when one individual or entity controls or has the power to control another or when a third party or parties control or have the power to control both. Factors such as ownership, management's previous relationships with or ties to another entity, and contractual relationships are considered when determining whether affiliation exists. An "affiliate" includes but not limited to: (1) a parent company; (2) subsidiaries and other companies that are owned or controlled by the applicant; (3) companies in which an officer, director, general partner, managing member, or party owning 20 percent or more is also an officer, director, general partner, managing member, or 20 percent or greater owner of the Applicant; (4) companies or individuals with unexercised options to own 50 percent or more of the applicant's stock; and (5) companies that have entered into agreements to merge with the Applicant.

Annual Receipts. Annual Receipts as defined in 13 CFR 121.104. In general, Annual Receipts includes "total income" (or in the case of a sole proprietorship, "gross income") plus "cost of goods sold" as these terms are defined and reported on Internal Revenue Service tax return forms. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts.

Employees. The number of employees is the average number of persons employed for each pay period over the latest 12 calendar months.

Block IV. A. A Rural Small Business Applicant may qualify under either the industry size standards found in 13 CFR 121.301(a) or the alternative size standards found in 13 CFR 121.301(b)(2) which are described below. Attach documentation for the business such as tax returns and payroll records to verify income or employee numbers. If the business has affiliates, the Agency reserves the right to request additional information on annual receipts or number of employees for affiliates, in order to determine program eligibility.

Provide the NAICS code, if known, applicable to the Rural Small Business. (www.naics.com)

To qualify under the alternative size standard, the Rural Small Business Applicant, including any Affiliates, must meet the following:

- (1) Have a maximum tangible net worth for the Applicant and its Affiliates is not more than \$15,000,000; and
- (2) Have average net income after Federal income taxes (excluding any carry-over losses) for the Applicant and its affiliates, for the 2 full fiscal years before the date of the application, of not more than \$5,000,000.

Block IV. B. To qualify as an Agricultural Producer the Applicant must be engaged in agricultural production including the growing, raising labor, management, and field operations associated with the agricultural production. Fifty percent or more of Applicant's income must come from the production and raising of agricultural products. Agricultural production income includes: sale of crops, livestock, fish and seafood, and payments related to crops or livestock production, such as insurance and commodity payments. Agricultural income does not include purchase and resale of agricultural products, custom hire income, or conservation and land trust payments made to keep land out of production. Attach documentation such as tax returns. The Agency will use information from 3 most recent years to calculate and verify eligibility as an Agricultural Producer.

Block IV. B. 1. Income directly related to agricultural products. Examples include: income (less cost of goods sold) received from the sale of crops, livestock, timber, fish and seafood; crop insurance; and commodity payments. The Agency will average agricultural production income over the 3 most recent years.

Block IV. B. 2. Include all income sources W-2 income, Schedule C, and non-ag income. Include custom hire, cooperative dividends, payments received for taking land out of production such as conservation and land trust payments. The Agency will average total income over the 3 most recent years.

Block IV. B. 3. Average of 3 years agricultural production income (B.1) ÷ Average of 3 years total income (B.2).

Block IV. B. 4. Provide the NAICS code, if known, applicable to the agricultural production operation. (www.naics.com)

Block V. Indicate the type of project: Renewable Energy System or Energy Efficiency Improvement. For Renewable Energy System projects, the information for this section may be contained in an Agency approve Renewable Energy Site Assessment.

A Renewable Energy System is a system that produces usable energy from a renewable energy source (wind, solar, renewable biomass, ocean, geothermal, hydroelectric, or hydrogen derived from one of these renewable energy resources).

An Energy Efficiency Improvement is an improvement to or replacement of an existing building and/or equipment that reduces energy consumption on an annual basis. *Note: an Applicant proposing to install a Renewable Energy System may file an Energy Efficiency Improvement application, if an energy audit or energy assessment has been completed and indicates that there will be energy savings.*

Block V. A. Project description should include: Size of the project, projected energy generation (including energy generated for sale if applicable), intended purpose, (i.e. new facility and the energy produced by the Renewable Energy System will be used by the new facility for on-site use or replacing an existing fossil fuel energy source with a Renewable Energy System for on-site use and includes net metering agreement for any excess energy produced). Name of equipment and model numbers (as applicable) should be noted in detailed description.

Block V. B. Provide the location of the project site and a description of the site. Location can be an address or legal description. Include information about whether site is wooded, open, industrial park, or farm land. Is the project close to buildings, etc.

Block V. C.- D. For commercially available complete either part C or part D, as appropriate, for Renewable Energy Systems.

A Renewable Energy System can demonstrate commercial availability, if it has been certified by a recognized industry organization whose certification standards are acceptable to the Agency. Examples of recognized industry organization whose certification standards are acceptable to the Agency include, but are not limited to: *Small Wind Certification Council, Certified Wind Turbines*, <http://smallwindcertification.org/certified-small-turbines/>; Solar Rating and Certification Corporation (SRCC) <http://www.solar-rating.org/index.html>; *Florida Solar Energy Center*, <http://www.fsec.ucf.edu/en/>. A full list can be found in RD Instruction 4280.103.

Complete commercially available Block V. C. for Energy Efficiency Improvements.

Block V. E. Describe the projected financial performance of the proposed project. For Renewable Energy System projects, the information for this section may be contained in an Agency approve Renewable Energy Site Assessment. The description shall address total project costs and eligible project costs; energy replacement/savings; and revenues from energy sold to the grid and revenues from byproducts. Do not include any investment and other production incentives. Revenues to be considered shall accrue from the sale of energy, replacement (offset) or savings in energy costs, and sale of byproducts.

Block V. E. 1. Total Project Costs. The sum of all costs associated with a completed project known at time of application submittal. Total Project Cost shall include all costs directly related to the purchase, installation, and construction of the Renewable Energy System or Energy Efficiency Improvement project that are known and planned to be incurred for the project. Total project costs do not include construction or equipment costs that would be incurred regardless of the installation of the Renewable Energy System or Energy Efficiency Improvement project. For example, the foundation for a building where a Renewable Energy System is being installed, storage only grain bins connected to drying systems, and roofing of a building where solar panels are being attached.

Eligible Project Costs. The total project costs that are eligible to be paid or guaranteed with REAP funds.

Eligible Project Costs for grants are identified in 4280.114 (c) and described below, are **only those costs incurred after a Complete Application has been received by the Agency** and are directly related to and its use and purpose is limited to the Renewable Energy System or Energy Efficiency Improvement:

- (1) Purchase and installation of new or refurbished equipment.
- (2) Construction, retrofitting, replacement, and improvements.
- (3) Energy Efficiency Improvement(s) identified in the applicable Energy Assessment or Energy Audit.
- (4) Fees for construction permits and licenses.
- (5) Professional service fees for Qualified Consultants, contractors, installers, and other third-party services.
- (6) For an eligible Renewable Energy System in which a residence is closely associated with the Rural Small Business or agricultural operation the installation of a second meter to separate the residence from the portion of the project that benefits the Rural Small Business or agricultural operation, as applicable.

For guaranteed loans eligible project cost can also include:

- (1) Working capital.
- (2) Land, building, and equipment acquisition.
- (3) Routine lender fees.
- (4) Energy Assessments, Energy Audits, technical reports, business plans, and Feasibility Studies, except if any portion was financed by any other Federal or State grant or payment assistance.
- (5) Refinancing outstanding debt.

For a complete list of eligible costs and funding restrictions for guaranteed loans see RD Instruction 4280.129(e).

Block V. E. 2. a. Identify the amount of renewable energy to be generated through the deployment of the proposed system.

If applicable, identify the existing energy system and type(s) of fuel used, including historical annual energy consumption at the facility for energy replacement projects, based upon previous 12 months of energy consumption. Note only energy used by the eligible Rural Small Business or agricultural production facility should be included. Any historical residential usage must be deducted.

If applicable, calculate the percentage of energy being replaced by the proposed system. Percent energy replaced is calculated by dividing the annual amount of renewable energy to be generated by the historical annual energy usage of the business operation then multiplying by 100.

If the percentage exceeds 100 percent, there are special instructions for calculating the energy revenue for the proposed system in the Block V. E. 2. a. iii.

If the amount of energy exceeds 150 percent, the project will be treated as an energy generation project. Ensure like units (British Thermal Units (BTU), kilowatt hours (kWh), etc.) are used when making the calculation.

Please identify the units of measure for the energy that is being used: kWh or BTU. Information must be provided to allow the calculation of Simple Payback as defined below and in RD Instruction 4280.103.

Block V. E. 3. Enter the average energy retail price paid over the most recent 12 months in E. 3. a. Enter the rate the utility will be paying for energy produced from the Renewable Energy System in E. 3. b.

Block V. E. 4. Energy replacement projects (Renewable Energy System projects that will offset current energy usage of the Applicant), replacing less than or equal to 100 percent of the Applicant's current energy usage will use line E. 4. a. to determine value of energy, using the total amount of energy identified in E. 2.a. i.

Energy replacement projects that replace over 100 percent but less than 150 percent will complete both lines E. 4. a., and E. 4. c. Line E. 4. a. will be the value of the amount of energy replaced or line E. 2. a. ii. multiplied by E. 3. a. For the energy that exceeds 100 percent of replacement energy or (E. 2. a. i. - E. 2. a. ii.), will be multiplied by E. 3. b., which is the energy rate received from the utility for the power being sold onto the grid.

For projects that are energy generation projects, including those energy replacement projects that replace over 150 percent, should complete line E. 4. c. Line E. 4. c. will be the amount of energy generated, which was identified in line E. 2. a. i., multiplied by the value in line E. 3. b.

Energy Efficiency Improvement project (energy saving project) should use the amount of energy identified in E. 2. b. multiplied by the retail cost of energy identified in E. 3. a.

E. 4. d. should total the value of all energy, including the value of the energy replaced and the value of the energy sold to the grid or the value of the energy saved.

- Block V. E. 5. For energy generation projects only, all energy-related revenue streams and all revenue from byproducts expected to be produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises should be listed here.
- Block V. E. 6. Self-Explanatory.
- Block V. E. 7. Self-Explanatory.
- Block V. E. 8. Self-Explanatory.
- Block V. E. 9. Self-Explanatory.
- Block V. E.8.-9. Definitions.

Simple Payback. The estimated Simple Payback of a project funded under this subpart is calculated using paragraph (1) or (2) as applicable:

- (1) **For projects that generate energy for use onsite**, Simple Payback is calculated as follows:
- (i) Simple Payback = (Eligible Project Costs) ÷ (typical years earnings before interest, taxes, depreciation, and amortization (EBITDA) for the project only).
 - (ii) EBITDA is based on:
 - (A) All energy-related revenue streams and all revenue from byproducts produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises.
 - (B) Income remaining after all project obligations are paid (operating and maintenance).
 - (C) The Agency's review and acceptance of the project's typical year income (which is after the project is operating and stabilized) projections at the time of application submittal.
 - (D) Does not include any tax credits, carbon credits, renewable energy credits, and one-time construction and investment-related benefits.
- (2) **For projects that reduce (save) or replace onsite energy use**, (e.g., Energy Efficiency Improvement projects that reduce and Renewable Energy System projects that replace onsite energy use), Simple Payback is calculated as follows:
- (i) Simple Payback = (Eligible Project Costs) ÷ (Dollar Value of Energy reduced or replaced):
 - (ii) Dollar Value of Energy reduced or replaced incorporates the following:
 - (A) Energy reduced or replaced will be calculated on the quantity of energy saved or replaced as determined by subtracting the result obtained under paragraph (A)(2) from the result obtained under paragraph (A)(1) of this definition, and converting to a monetary value using a constant value or price of energy (as determined under paragraph (A)(3) of this definition).
 - (1) Actual energy used in the original building and/or equipment, as applicable, prior to the Renewable Energy System or Energy Efficiency Improvement project, must be based on the actual average annual total energy used in BTU over the most recent 12, 24, 36, 48, or 60 consecutive months of operation.
 - (2) Projected energy use if the proposed Renewable Energy System or Energy Efficiency Improvement project had been in place for the original building and/or equipment, as applicable, for the same time period used to determine that actual energy use under paragraph (2)(ii)(A)(1) of this definition.
 - (3) Value or price of energy must be the actual average price paid over the same time period used to calculate the actual energy used under paragraph (2)(ii)(A)(1) of this definition. Renewable Energy System projects that will replace 100 percent of an Applicant's energy use will be required to use the actual average price paid for the energy replaced and the projected revenue received from energy sold in a typical year.
 - (B) Does not allow Energy Efficiency Improvements to monetize benefits other than the dollar amount of the energy savings the Agricultural Producer or Rural Small Business realizes as a result of the improvement.
 - (C) Does not include any tax credits, carbon credits, renewable energy credits, and one-time construction and investment-related benefits.

Block V.F. Describe the key service providers for the project, including the number of similar systems installed and/or manufactured, professional credentials, licenses, and relevant experience. When specific numbers are not available for similar systems, estimations will be acceptable. Attach additional pages if required.

Block VI. Complete this Block for Renewable Energy System projects only. Energy Efficiency Improvement projects should complete Block VII. Hybrid projects are a combination of two or more Renewable Energy System technologies that

are incorporated into a unified system to support a single project. *Projects which propose two or more different Renewable Energy System technologies at two or more locations (a different technology at each site) are not eligible.*

Block VI. A. 1. Self-Explanatory.

Block VI. A. 2. An application for installation of a Renewable Energy System to serve a residence only is not eligible. For an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the application is eligible if one of the following options is met.

- (1) Demonstration that 51 percent or greater of the energy to be generated will benefit the Rural Small Business or agricultural operation; (In this scenario the eligible project cost will be determined based on the actual percentage of energy determined to benefit the Rural Small Business or agricultural operation.) (Ex. If 56 percent of the energy from the project is going to benefit the business operation 56 percent of the total project cost will be considered eligible for REAP assistance);
- (2) The Applicant certifies in the application that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes; or
- (3) If the project cannot meet either of the above criteria, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage will be required.

Block VI. B. Provide information which allows the Agency to determine that an adequate renewable energy resource is available at the project site. Cite the source used in making the determination that an adequate resource exists.

Examples of online estimating tools may include, but are not limited to: PVWatts, National Renewable Energy Laboratory (NREL) solar and wind maps, etc.

Examples of site specific monitoring devices may include, but are not limited to: Solar pathfinder or anemometer (wind) installations, etc.

Other tools may include, but are not limited to: GeoExcel or similar design software used in geothermal analysis, airport wind roses, Geographic Information Systems (GIS), energy calculators (EIA.gov), United States Geological Survey maps and images, Global Positioning System (GPS) receivers, etc.

An Agency approved Site Assessment may be used to provide information on Project Description, Resource Assessment, and Project Economic Assessment. In such instances, the technical report would consist of Section D and the Renewable Energy Site Assessment. If a site assessment was completed for the project that does not provide Project Description, Resource Assessment, and Project Economic Assessment, the site assessment can still be used, but the information missing will need to be provided to the Agency in this form.

Block VII. This Block is for Energy Efficiency Improvement projects only. Renewable Energy Systems can go to Block VIII to continue with the application process.

Provide the information relating to the Energy Efficiency Improvement as documented in an Energy Assessment or Energy Audit. Convert energy to BTU by use of the noted conversion factors. ATTACH THE ENERGY ASSESSMENT OR ENERGY AUDIT TO THIS FORM.

Definitions

Energy Assessment. Defined in RD Instruction 4280.103, an Agency-approved report assessing energy use, cost, and efficiency by analyzing the energy bills and surveying the target building and/or equipment sufficiently to provide an Agency-approved assessment.

The assessment may be conducted by an Energy Auditor or an Energy Assessor or an individual supervised by either an Energy Assessor or Energy Auditor. The final Energy Assessment must be validated and signed by the author. OR

For projects with Total Project Cost is \$80,000 or less, the Energy Assessment may be completed by an individual or entity that has at least 3 years of experience and completed at least five energy assessments or energy audits on similar type projects.

Energy Assessor. A Qualified Consultant who has at least 3 years of experience and completed at least five energy assessments or energy audits on similar type projects and who adheres to generally recognized engineering principles and practices.

Qualified Consultant. An independent third-party individual or entity possessing the knowledge, expertise, and experience to perform the specific task required.

Energy Audit. As further defined in RD Instruction 4280.103 a comprehensive report meeting Agency approval approved by an Energy Auditor an individual supervised by an Energy auditor that documents current energy usage; recommended potential improvements and their costs; energy savings from the improvements; dollars saved per year; and Simple Payback. The methodology of the Energy Audit must meet professional and industry standards. The final Energy Audit must be validated and signed by the author.

Energy Auditor. A Qualified Consultant that meets one of the following criteria:

- (1) A Certified Energy Auditor certified by the Association of Energy Engineers;
- (2) A Certified Energy Manager certified by the Association of Energy Engineers;
- (3) A Licensed Professional Engineer in the state in which the audit is conducted with at least 1 year experience and who has completed at least two similar type energy audits; or
- (4) An individual with a 4-year engineering or architectural degree with at least 3 years of experience and who has completed at least five similar type energy audits.

Block VIII. An application will be scored on environmental benefits and will receive a maximum of 5 points if the Applicant has documented in the application that the proposed project will have a positive effect on any of the three impact areas: resource conservation (e.g., water, soil, forest), public health (e.g., potable water, air quality), and the environment (e.g., compliance with EPA(s) RFS(s), greenhouse gases, emissions, particulate matter). Points will be awarded as follows:

- (1) If the proposed project has a positive impact on any one of the three impact areas, 1 point will be awarded.
- (2) If the proposed project has a positive impact on any two of the three impact areas, 3 points will be awarded.
- (3) If the proposed project has a positive impact on all three impact areas, 5 points will be awarded.

Block IX. Describe sources and amount of all funds that will be used to complete the project. In order to receive points under the readiness scoring criteria written commitments must be attached. Attach written commitments (e.g. Letter of Commitment, bank statement) from each source that is providing funds. Third party commitment letters must be signed by the authorized party, be specific to the project and identify the dollar amount and any applicable rates and terms. Letter of intent, pre-qualification, subject to bank approval, or other underwriting requirements are NOT acceptable. Conditionalizing on receipt of REAP funds or appraisal is acceptable.

Block X. Self Explanatory.

Block XI. Self Explanatory.

Block XII. Self Explanatory.

Block XIII A. Applicant eligibility requirements as defined in RD Instruction 4280.112 include:

The Applicant must be an agricultural producer or rural small business, as defined in RD Instruction 4280.103.

The Applicant must (1) own or be the prospective owner of the project; and (2) own or control the site for the project described in the application at the time of application and, if an award is made, for the useful life of the project as described in the grant agreement.

The Applicant must have available at the time of application satisfactory sources of revenue in an amount sufficient to provide for the operation, management, maintenance, and any debt service of the project for the useful life of the project. In addition, the Applicant must control the revenues and expenses of the project, including its operation and maintenance, for which the assistance is sought. Notwithstanding the provisions of this paragraph, the Applicant may employ a qualified consultant under contract to the owner to manage revenues and expenses of the project and its operation and/or maintenance.

Block XIII. B. Project eligibility requirements as defined in RD Instruction 4280.113 include:

- (1) Be for the purchase of a new or refurbished Renewable Energy System, the retrofitting of an existing Renewable Energy System, or making Energy Efficiency Improvements that will use less energy on an annual basis than the original building and/or equipment that it will improve or replace as per an energy assessment or energy audit. Types of improvements include, but are not limited to:
 - (i) Efficiency improvements to existing Renewable Energy Systems.
 - (ii) Construction of a new energy efficiency building only when the building is used for the same purpose as the existing building, and, based on an energy assessment or energy audit, as applicable, it will be more cost effective to construct a new building and will use less energy on an annual basis than improving the existing building.
 - (iii) Subsequent improvements such as those that replace or duplicate improvements previously funded under this subpart may or may not be eligible for funding:
 - (A) If the replacement is prior to the end of the existing funded equipment's useful life, then the proposed improvement even if more energy efficient is ineligible.
 - (B) If the replacement is at or after the end of the existing funded equipment's useful life, then it is eligible for funding provided it is more energy efficient than the previously funded improvement.
- (2) Be for a commercially available and replicable technology;
- (3) Have technical merit as defined in RD Instruction 4280.116;
- (4) Be located in a rural area in a State if the type of Applicant is a rural small business, or in a rural or non-rural area in a State if the type of Applicant is an agricultural producer. If the agricultural producer's facility is in a

non-rural area, then the application can only be for Renewable Energy Systems or Energy Efficiency Improvements on integral components of or that are directly related to the facility, such as vertically integrated operations, and other value added components of the agricultural production operation, and are part of and co-located with the agriculture production operation.

- Block XIII. C. Self Explanatory.
- Block XIII. D. Self Explanatory.
- Block XIII. E. Self Explanatory.
- Block XIII. F. As defined in RD Instruction 4280.119(c), the Applicant is solely responsible for the execution of all contracts and Agency review and approval are not required.
- Upon completion of the project, if awarded, the grantee must submit to the Agency a copy of the contractor's certification of final completion for the project and a statement that the grantee accepts the work completed. At its discretion, the Agency may require the Applicant to have an Inspector certify that the project is constructed and installed correctly.
- The Renewable Energy System or Energy Efficiency Improvement must be constructed, installed, and operating as described in the technical report prior to disbursement of funds. Renewable Energy Systems must be operating at the noted steady state operating level for a period of not less than 30 days prior to disbursement of funds.
- Executed contracting forms as outlined by the Agency in the Letter of Conditions will be required by all persons who furnished materials and labor in connection with the contract.
- Block XIII. G. Projects as proposed, must be completed in their entirety prior to requesting reimbursement of funds.
- Block XIII. H. Required insurance identified in RD Instruction 4280.122(b) is:
- Agency approved insurance coverage must be maintained for 3 years after the Agency has approved the final performance report unless this requirement is waived or modified by the Agency in writing. Insurance coverage shall include, but is not limited to:
- (1) Property insurance, such as fire and extended coverage, will normally be maintained on all structures and equipment.
 - (2) Liability.
 - (3) National flood insurance is required in accordance with 7 CFR part 1806, subpart B, of this title, if applicable.
- Block XIII. I. The Agency is not getting detail information on system design and how the different components will work together to provide the desired outcome. Therefore the applicant must certify that the design, engineering, testing, and monitoring will be sufficient to demonstrate that the proposed project will meet its intended purpose.
- Block XIII. J. Self Explanatory.
- Block XIII. K. Self Explanatory.
- Block XIII. L. Open and free competition requirements require applicants to solicit prices from multiple sources before deciding on one vendor.
- All procurement transactions, regardless of procurement method and dollar value, must be conducted in a manner that provides maximum open and free competition. Procurement procedures must not restrict or eliminate competition. Competitive restriction examples include, but are not limited to, the following: placing unreasonable requirements on firms in order for them to qualify to do business; noncompetitive practices between firms; organizational conflicts of interest; and unnecessary experience or excessive bonding requirements. In specifying material(s), the grantee and its consultant will consider all materials normally suitable for the project commensurate with sound engineering practices and project requirements. The Agency will consider any recommendation made by the grantee's consultant concerning the technical design and choice of materials to be used for such a project. If the Agency determines that a design or material, other than those that were recommended, should be considered by including them in the procurement process as an acceptable design or material in the project, the Agency will provide such Applicant or grantee with a comprehensive justification for such a determination. The justification will be documented in writing.
- Block XIII. M. This certification is required for bioenergy projects that proposed to use woody biomass from a National Forest System or public lands, as a feedstock. The applicant must certify that any and all woody biomass that comes from a National Forest System land or public lands cannot be used as a higher value wood-based product. For bioenergy projects that use woody biomass from private land, this certification is not required.
- Block XIII. N. Self Explanatory.
- Block XIII. O. For a project that involves an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the applicant must either:
- (1) demonstrate that 51 percent or more of the energy will benefit the Rural Small Business or agricultural operation,

- (2) install a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid, or
- (3) provide the certification identified.

Block XIV.

Self Explanatory

Block XV.

Original signature in blue ink required. Agency reserves the right to ask for additional information to verify certifications made or to determine project and Applicant eligibility.

U.S. DEPARTMENT OF AGRICULTURE
 Rural Development – Rural Business-Cooperative Service
RURAL ENERGY FOR AMERICA PROGRAM
APPLICATION FOR RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENT PROJECTS
TOTAL PROJECT COSTS OF LESS THAN \$200,000, BUT MORE THAN \$80,000

NOTE: *The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Act of 1995, as amended. The authority for requesting the following information is Section 9001 of the Agricultural Act of 2014 (Public Law 113-79). This information may be provided to other agencies, Internal Revenue Service, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 1001; 1014, 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.*

SUBMIT THIS COMPLETED FORM TO THE USDA RURAL DEVELOPMENT OFFICE IN THE STATE IN WHICH THE PROJECT IS LOCATED.

Attached to this form are detailed instructions, the Forms Manual Insert (FMI), for each section. Please refer to the FMI when completing this form for guidance. Use attachments as necessary.

I. A. Applicant Legal Name (Block 8a of SF 424):

**** The purpose of these questions is to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing the application or when determining eligibility to participate in this program. The answers provided are voluntary and are not required for the application to be considered a complete. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. The information will be kept private to the extent permitted by law.**

****I.B. What is Applicant's race (check all that apply)?**

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

****I.C. What is Applicant's Gender?**

- Male
- Female

****I.D. What is Applicant's Ethnicity?**

- Hispanic or Latino
- Not Hispanic or Latino

II. Project Title (Block 15 of SF 424):

III. System for Awards Management (SAM) Commercial and Government Entity (CAGE) (N/A Loan Only)

Code: _____ Expiration Date: _____

IV. Type of Applicant (check one): Rural Small Business *(Complete part A of this Block)*

Agricultural Producer *(Complete part B of this Block)*

Rural Small Business or Ag Production Operation Description:

A. Rural Small Businesses:

1. Provide Annual Receipts for business from 3 most recent tax years (Attach documentation, such as tax returns):

Annual Receipts: 20 \$ 20 \$ 20 \$

2. Is the business a franchise? Yes No

3. Does the business have any affiliates? Yes No

If yes, list name(s) of affiliated businesses and describe the affiliation:

4. Provide the average number of employees for the business over the last 12 months (Attach documentation):

Annual Average

\$

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 0570-0067. The time required to complete this information collection is estimated to average 35.6 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.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

5. a. Provide primary North American Industry Classification System (NAICS) code:
 NAICS Code: _____ Corresponding NAICS size limitation: _____
 If using alternative size standard:

b. The maximum tangible net worth of the Applicant and its Affiliates is not more than \$15,000,000 Yes No and
 Average net income (after federal income taxes) for the preceeding two years is not in excess of \$5,000,000
 Yes No

Attach Documentation: 20 \$ 20 \$ Average: \$

B. Agricultural Producers, provide agricultural income data from 3 most recent tax years:						Annual Average
1. Income directly related to agricultural products:	20	\$	20	\$	20	\$
2. Total Income: (Includes W-2, Schedule C, & Non-ag income)	20	\$	20	\$	20	\$
3. Percent Agricultural Income (Line 1 ÷ Line 2):						%
4. NAICS Code:						

V. Technical Report - Type of Project (check one): (See FMI for descriptions.)

Renewable Energy System (Complete Block VI) which is either an Energy Generation System or Energy Replacement System **OR**
 Energy Efficiency Improvement (Complete Block VII):

A. Project Description. Provide a detailed description of the technology, project location, and of the project site:

B. Project Construction and Equipment Information. Describe how the design, engineering, testing, and monitoring are sufficient to demonstrate that the proposed project will meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards. Describe how all equipment required for the Renewable Energy System is available and able to be procured and delivered within the proposed project development schedule.

C. Commercially Available. A system that meets the requirements of either C or D: (D is for Renewable Energy Systems only.)
 Proposed domestic or foreign system.

1. Has, for at least 1 year, both a proven and reliable operating history and proven performance data: Yes No
 Describe how the technology and project meet this criterion. (Attach documentation if necessary.)

2. Is based on established design and installation procedures and practices and is replicable: Yes No
 Describe how the technology and project meet this criterion. (Attach documentation if necessary.)

3. Has professional service providers, trades, large construction equipment providers, and labor who are familiar with installation procedures and practices: Yes No

Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

4. Has proprietary and balance of system equipment that are readily available and available spare parts: Yes No

Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

5. Has services that are readily available to properly maintain and operate the system: Yes No

Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

6. Has an existing established warranty that is valid in the United States for major parts or labor: Yes No

Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

OR

- D. A domestic or foreign Renewable Energy System that has been certified by a recognized industry organization whose certification standards are acceptable to the Rural Business-Cooperative Service. Yes No

(Name of recognized industry organization):

E. Project Economic Assessment:

1. Project Cost Breakdown:	
Construction Item: <i>(list itemized costs or attach bids):</i>	Cost
	\$
	\$
	\$
	\$
	\$
a. Total Project Costs: <i>(Total Project Costs should be the same as in Form SF-424C, "Budget Information-Construction Programs.")</i>	\$
b. Eligible Project Costs: <i>(See FMI to determine eligible project costs.)</i>	\$

2. Estimated Project Energy Generation or Savings:	
a. For Renewable Energy Systems:	
i. Annual amount of renewable energy to be generated and unit of energy:	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>
ii. If applicable, historical annual average energy used and unit of measure: The Agency may request additional information to substantiate the above numbers.	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>
iii. Annual percentage of energy being replaced: If the above number exceeds 100 percent and the system is connected to the grid, the amount of energy above 100 percent will be used in 4c. below. If the amount of energy exceeds 150 percent and the system is connected to the grid, the entire amount of energy generated will be entered in 4c below.	$(i \div ii \times 100) =$ %

b. For Energy Efficiency Improvement projects: (Complete Block VII first with data from the Energy Audit or Energy Assessment.) Annual amount of energy to be saved and unit of measure:	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>
--	--

3. Cost of Energy:	
a. Price per unit of energy paid in prior year: <i>(This is the retail cost of energy for Renewable Energy System replacement projects and Energy Efficiency Improvement projects.)</i>	\$
b. Price per energy unit to be sold to the grid: <i>(This is the price the utility will pay for energy put onto the grid.)</i>	\$

4. Energy Value: (See FMI for guidance.)	
a. Value of energy to be replaced via renewable system (if applicable): (2.a. x 3.a.):	\$
b. Value of energy to be saved via efficiency improvement (if applicable): (2.b. x 3.a.):	\$
c. Value of energy to be generated and sold to the grid (if applicable): (2.a. x 3.b.):	\$
d. Total value of energy replaced/saved/generated: 4a. + 4b. + 4c. = 4d:	\$

**Energy efficiency Improvement projects can proceed to Number 9.
Renewable Energy System projects continue to next table.**

5. Other annual revenue: (List below. <i>Such as, sale of byproducts.</i>) (Do NOT include renewable energy credits, Government or utility incentives, or other incentives.)		
Source:	Price/Unit:	Total:
	\$	\$
	\$	\$
Total other annual revenue:		\$

6. Annual Revenue: (4.d. + 5):	\$
--------------------------------	----

7. Annual Operating and Maintenance Costs:	\$
--	----

8. Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA): (6-7):	\$
---	----

9. Estimate Simple Payback:		
a. Energy replacement and Energy Efficiency Improvement projects: (1. b. ÷ 4.d.):	\$	÷ \$
	=	years
b. Energy generation projects: (1. b. ÷ 8):	\$	÷ \$
	=	years

F. Qualifications of Service Providers (Include information personnel and companies that will be working to construct and install the project, such as: Energy Auditor, site assessor, contractor, installer, electrician, etc.)

Project Role:			
Company Name:			
Individual's Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	

Qualifications (Either attach a resume or complete below):

Number performed on a similar system as proposed:	
Years of Relevant experience:	
Professional credentials (include training and/or education related to work, certificates, etc.):	
Licenses:	

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	

Qualifications (Either attach a resume or complete below):

Number performed on a similar system as proposed:	
Years of Relevant experience:	
Professional credentials (include training and/or education related to work, certificates, etc.):	
Licenses:	

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	

Qualifications (Either attach a resume or complete below):

Number performed on a similar system as proposed:	
Years of Relevant experience:	
Professional credentials (include training and/or education related to work, certificates, etc.):	
Licenses:	

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	

Qualifications (Either attach a resume or complete below):

Number performed on a similar system as proposed:	
Years of Relevant experience:	
Professional credentials (include training and/or education related to work, certificates, etc.):	
Licenses:	

VI. Renewable Energy System Projects - Technical Requirements: *(For Energy Efficiency Improvement Projects Complete Block VII.)* *If Hybrid project, submit specific technical information for each technology.

A. Project Information:

1. Will project be interconnected with electric utility grid? Yes No If yes, name of utility:
2. Will the proposed system be connected to a meter that is also connected to a residence? Yes No
 - a. If yes, will 51 percent or more of the energy to be generated from the proposed system be used by the business operation of the Rural Small Business or the Agricultural Producer? Yes No
 Amount of energy and unit of measure to be used by the business operation in a typical year?
 kWh or BTU
 - b. If the answer to question 2a. is no, the Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. Yes No
 - c. If the answer to question 2b. is no, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid will be required.

B. Renewable Resource Potential: *(Additional information may be requested by the Agency to determine resource feasibility.)*

1. Check which type of Renewable Energy System is being proposed. Ensure multiple types are checked for hybrid applications:
 Wind Solar Bioenergy Geothermal Electric Generation Geothermal Direct Generation
 Anaerobic Digester Hydrogen Hydroelectric/Ocean Energy Projects
2. An Agency approved Renewable Energy Site Assessment may be used to provide the Project Description, Resource Assessment, and Project Economic Assessment. In such instances, the technical report would consist of Section D and the Renewable Energy Site Assessment. If a renewable energy site assessment is provided, sections 3 and 4 do not need to be completed. If the site assessment does not include all this information, complete the portion of this form with the narratives below to supplement the assessment.

Agency-approved Site Assessment Completed:	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Site Assessor Name:		
Site Assessor Qualifications:		

3. Provide adequate and appropriate data to demonstrate the amount of renewable resource available. For hybrid projects each technology being proposed must be address. Describe the quality, availability, and seasonality (if applicable) of the renewable energy resource:
4. Basis of determination:

There are several methods to determine resource potential on the site, describe below as applicable and attach as necessary:

Online Estimating Tool:	<input type="checkbox"/> Yes; List name of Tool: <input type="checkbox"/> No
Resource References (Wind Roses, Thematic Maps, etc.):	<input type="checkbox"/> Yes; List Resource Reference: <input type="checkbox"/> No
Site-Specific Evaluation Devices or Site Surveys:	<input type="checkbox"/> Yes; List device: <input type="checkbox"/> No
Photographs of Site:	<input type="checkbox"/> Yes; Attached to application. <input type="checkbox"/> No
Other:	Attach documentation if applicable.

VII. Energy Efficiency Improvement Projects - Technical Requirements: (If project is a Renewable Energy System, go to Block VIII.)

A. Existing usage as per Energy Assessment or Energy Audit:

	Energy Used (converting to BTU)	Cost
Electricity (kWh)	x 3,412 btu/kWh=	\$
Propane/LP (gal)	x 91,502 btu/gal=	\$
Natural Gas (therm)	x 100,000 btu/therm=	\$
Diesel (gal)	x 139,000 btu/gal=	\$
Other	x =	\$
	Total BTU Existing:	Total Existing Energy Cost: \$

B. Proposed (estimated) usage following completion of the project as per Energy Assessment or Energy Audit:

	Energy Used (converting to BTU)	Cost
Electricity (kWh)	x 3,412 btu/kWh=	\$
Propane/LP (gal)	x 91,502 btu/gal=	\$
Natural Gas (therm)	x 100,000 btu/therm=	\$
Diesel (gal)	x 139,000 btu/gal=	\$
Other	x =	\$
	Total BTU Proposed:	Total Proposed Energy Cost:\$

Percent Energy Savings: (Total BTU Existing - Total BTU Proposed) ÷ Total BTU Existing: = %

Dollar Savings: Total Existing Energy Cost \$ - Total Proposed Energy Cost \$ = \$ Dollars Saved

VIII. Describe how the proposed project will have a positive effect on:
A. Resource Conservation (e.g. water, soil, forest):

Will the project save or replace fossil fuel consumption from finite resources? Yes No

Will the project reduce water consumption? Yes No

List additional resource conservation measures if applicable:

B. Public Health (e.g. potable water, improve air quality):

Will the project decrease or replace fossil fuel consumption decreasing emissions leading to better air quality? Yes No

List additional public health measures if applicable:

C. Environment (e.g. compliance with the U.S. Environmental Protection Agency (EPA) Renewable Fuel Standard (RFS), greenhouse gases, emissions, particulate matter):

Will the project save or replace fossil fuel consumption reducing greenhouse gas emissions creating a healthier environment? Yes No

List additional environmental measures if applicable:

IX. Commitment of Funds: Documentation is required to be attached for points under the commitment of funds scoring criteria.

Source:	Amount:\$	Attached: <input type="checkbox"/>
Source:	Amount:\$	Attached: <input type="checkbox"/>
Source:	Amount:\$	Attached: <input type="checkbox"/>
Source:	Amount:\$	Attached: <input type="checkbox"/>

X: Relationship:

This is to certify that I, as the Applicant, have a known or no known relationship or association with a Rural Development employee.

If there is a known relationship, please indicate the name of the Rural Development employee:

XI. Previous Funding:

I, the Applicant, have or have not, received any grants and/or guaranteed loans under the REAP program.

If grants or guaranteed loans have been received, identify each grant and/or guaranteed loan and describe the progress that has made on each project, including projected schedules and actual completions dates, if applicable:

XII. Good Standing:

I, the Applicant, being a legal entity, am or am not in good standing and operating in accordance with the laws of the State(s) or Tribe where I, the Applicant, have a place of business.

Not applicable, I am applying as a sole proprietor.

XIII. Certifications:

The Applicant certifies to each of the following: *(Check all that are applicable.)*

- A. The Applicant meets each of the Applicant eligibility criteria found in RD Instruction 4280.112.
- B. The proposed project meets each of the project eligibility requirements found in RD Instruction 4280.113(a), (b), (d), and (e).
- C. Per RD Instruction 4280.113(f), the Applicant acknowledges caution against taking any actions or incurring any obligations prior to the Agency's environmental review that limits the range of alternatives or has an adverse effect on the environment, such initiation of construction. If taken, it could result in project ineligibility.
- D. The Applicant meets the criteria for submitting an application for projects with Total Project Costs of less than \$200,000, but more than \$80,000.
- E. The Applicant or the Applicant's prime contractor assumes all risk and responsibilities of project development, including interim financing, including during construction. The Applicant is solely responsible for the execution of all contracts.
- F. Construction planning and performing development will be performed in compliance with RD Instruction 4280.118(c).
- G. The Applicant agrees not to request reimbursement from funds obligated under this program until after the project has been completed and is operating in accordance with the information provided in the application for the project.
- H. The Applicant will maintain insurance coverage as required under RD Instruction 4280.122(b).
- I. The equipment required for the project is available, can be procured and delivered within the proposed project development schedule, and will be installed in conformance with manufacturer's specifications and design requirements. This would not be applicable when equipment is not part of the project.
- J. The project will be constructed in accordance with applicable laws, regulations, agreements, permits, codes, and standards.
- K. The Applicant will abide by the open and free competition requirements in compliance with RD Instruction 4280.124(a)(1).
- L. For bioenergy projects, that any and all woody biomass feedstock from National Forest System land or public lands cannot be used as a higher value wood-based product. (Check if applicable.)
- M. The Applicant will abide by the equal employment opportunity requirements in compliance with RD Instruction 4280.124(a)(2).
- N. The Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. (Check if applicable.)

XIV. Attach the following if not already submitted:

- Form SF 424.
- Form SF-424C, "Budget Information-Construction Programs".
- Form SF-424D, "Assurances-Construction Programs".
- Form RD 1940-20 with documentation.
- Energy Audit or Energy Assessment.
- Matching funds documentation.
- Other. Describe:

XV. Certification of Documentation and Acceptance:**CERTIFICATION AND ACCEPTANCE**

I certify that, to the best of my knowledge and belief, the information included with this Application, including all attachments, are true and correct, and that I certify to each of the conditions specified in Section X-XIII of this application.

AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS

Signature (AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS NAME)

By: _____ (Officer, Member, Partner, Proprietor)

Title: _____

Date: _____

INSTRUCTIONS FOR FORM RD 4280-3B

The following information is based on the programmatic requirements for the Rural Energy for America Program (REAP) found in RD Instruction 4280 part B. If there are differences between the information found in this form and RD Instruction 4280 part B, RD Instruction 4280 part B will take precedence.

Block I. A. Self Explanatory.

Block I B, C, and D. The purpose of these questions are to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing the application or when determining eligibility to participate in this program. The answers provided are voluntary and are not required for the application to be considered complete. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. Information will be kept private to the extent permitted by law.

Block II. Self-Explanatory.

Block III. Each Applicant must have a Dun and Bradstreet Data Universal Number System (DUNS) number corresponding to their tax identification/social security number as provided on the SF424 form. Except for loan only requests, the DUNS number must be registered in the System for Award Management (SAM) (www.sam.gov). Upon successful registration, a Commercial and Government Entity (CAGE) code is assigned. Enter the assigned CAGE code and expiration date.

Block IV. Eligible Applicants must be either an Agricultural Producer or a Rural Small Business. Indicate under which category the applicant is applying. (An Agricultural Producer may apply as a Rural Small Business if they meet the size and Rural Area requirements identified below.)

Provide a description of the operation. This will assist the Agency in evaluating Applicant eligibility and identifying the appropriate North American Industry Classification System (NAICS) code, if unknown by the Applicant.

The following definitions will assist in completing this Block.

Agricultural Producer. An individual or entity directly engaged in the production of agricultural products, including crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture, whereby 50 percent or greater of their gross income is derived from those products.

Rural Small Business. A Small Business that is located in a Rural Area or that can demonstrate the proposed project for which assistance is being applied for under this subpart is located in a Rural Area.

Small Business. An entity or utility, as applicable, that meets the Small Business Administration's (SBA) definition of small business as found in 15 U.S.C. 632 (13 CFR part 121.301 (a) or (b)) and as further defined in RD Instruction 4280.103.

Rural or Rural Area. Any area of a State not in a city or town that has a population of more than 50,000 inhabitants as further defined in RD Instruction 4280.103.

Affiliates. Defined in 13 CFR 121.103, an affiliation exists when one individual or entity controls or has the power to control another or when a third party or parties control or have the power to control both. Factors such as ownership, management's previous relationships with or ties to another entity, and contractual relationships are considered when determining whether affiliation exists. An "affiliate" includes but not limited to: (1) a parent company; (2) subsidiaries and other companies that are owned or controlled by the applicant; (3) companies in which an officer, director, general partner, managing member, or party owning 20 percent or more is also an officer, director, general partner, managing member, or 20 percent or greater owner of the Applicant; (4) companies or individuals with unexercised options to own 50 percent or more of the applicant's stock; and (5) companies that have entered into agreements to merge with the Applicant.

Annual Receipts. Annual Receipts as defined in 13 CFR 121.104. In general, Annual Receipts includes "total income" (or in the case of a sole proprietorship, "gross income") plus "cost of goods sold" as these terms are defined and reported on Internal Revenue Service tax return forms. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts.

Employees. The number of employees is the average number of persons employed for each pay period over the latest 12 calendar months.

Block IV. A. A Rural Small Business Applicant may qualify under either the industry size standards found in 13 CFR 121.301(a) or the alternative size standards found in 13 CFR 121.301(b)(2) which are described below. Attach documentation for the business such as tax returns and payroll records to verify income or employee numbers. If the business has affiliates, the Agency reserves the right to request additional information on annual receipts or number of employees for affiliates, in order to determine program eligibility.

Provide the NAICS code, if known, applicable to the Rural Small Business. (www.naics.com)

To qualify under the alternative size standard, the Rural Small Business Applicant, including any Affiliates, must meet the following:

- (1) Have a maximum tangible net worth for the Applicant and its Affiliates is not more than \$15,000,000; and
- (2) Have average net income after Federal income taxes (excluding any carry-over losses) for the Applicant and its affiliates, for the 2 full fiscal years before the date of the application, of not more than \$5,000,000.

Block IV. B. To qualify as an Agricultural Producer the Applicant must be engaged in agricultural production including the growing, raising labor, management, and field operations associated with the agricultural production. Fifty percent or more of Applicant's income must come from the production and raising of agricultural products. Agricultural production income includes: sale of crops, livestock, fish and seafood, and payments related to crops or livestock production, such as insurance and commodity payments. Agricultural income does not include purchase and resale of agricultural products, custom hire income, or conservation and land trust payments made to keep land out of production. Attach documentation, such as tax returns. The Agency will use information from 3 most recent years to calculate and verify eligibility as an Agricultural Producer.

Block IV. B. 1. Income directly related to agricultural products. Examples include: income (less cost of goods sold) received from the sale of crops, livestock, timber, fish and seafood; crop insurance; and commodity payments. The Agency will average agricultural production income over the 3 most recent years.

Block IV. B. 2. Include all income sources W-2 income, Schedule C, and non-ag income. Include custom hire, cooperative dividends, payments received for taking land out of production such as conservation and land trust payments. The Agency will average total income over the 3 most recent years.

Block IV. B. 3. Average of 3 years agricultural production income (B.1) ÷ Average of 3 years total income (B.2).

Block IV. B. 4. Provide the NAICS code, if known, applicable to Applicant's agricultural production operation. (www.naics.com)

Block V. Indicate the type of project: Renewable Energy System or Energy Efficiency Improvement. For Renewable Energy System projects, the information for this section may be contained in an Agency approve Renewable Energy Site Assessment.

A Renewable Energy System is a system that produces usable energy from a renewable energy source (wind, solar, renewable biomass, ocean, geothermal, hydroelectric, or hydrogen derived from one of these renewable energy resources).

An Energy Efficiency Improvement is an improvement to or replacement of an existing building and/or equipment that reduces energy consumption on an annual basis. *Note: an Applicant proposing to install a Renewable Energy System may file an Energy Efficiency Improvement application, if an energy audit or energy assessment has been completed and indicates that there will be energy savings.*

Block V. A. Project description should include: Size of the project, projected energy generation (including energy generated for sale if applicable), intended purpose, (i.e. new facility and the energy produced by the Renewable Energy System will be used by the new facility for on-site use or replacing an existing fossil fuel energy source with a Renewable Energy System for on-site use and includes net metering agreement for any excess energy produced). Name of equipment and model numbers (as applicable) should be noted in detailed description.

Provide the location of the project site and a description of the site. Location can be an address or legal description. Include information about whether site is wooded, open, industrial park, or farm land. Is the project close to buildings, etc.

Block V. B. Describe how the design, engineering, testing, and monitoring are sufficient to demonstrate that the proposed project will meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards. Describe how all equipment required for the RES is available and able to be procured and delivered within the proposed project development schedule.

Block V. C.- D. For commercially available complete either part C or part D, as appropriate, for Renewable Energy Systems.

A Renewable Energy System can demonstrate commercial availability if it has been certified by a recognized industry organization whose certification standards are acceptable to the Agency. Examples of recognized industry organization whose certification standards are acceptable to the Agency include, but are not limited to: *Small Wind Certification Council, Certified Wind Turbines, <http://smallwindcertification.org/certified-small-turbines/>; Solar Rating and Certification Corporation (SRCC) <http://www.solar-rating.org/index.html>; Florida Solar Energy Center, <http://www.fsec.ucf.edu/en/>. A full list can be found in RD Instruction 4280.103.*

Complete commercially available Block V. C. for Energy Efficiency Improvements.

Include discussion on how the projects technology meets the commercially available definition and identify what the warranties are for the major components.

Block V. E. Describe the projected financial performance of the proposed project. For Renewable Energy System projects, the information for this section may be contained in an Agency approve Renewable Energy Site Assessment. The description shall address total project costs and eligible project costs; energy replacement/savings; and revenues from energy sold to the grid and revenues from byproducts. Do not include any investment and other production incentives Revenues to be considered shall accrue from the sale of energy, replacement (offset) or savings in energy costs, and sale of byproducts.

Block V. E. 1. Total Project Costs. The sum of all costs associated with a completed project known at time of application submittal. Total Project Cost shall include all costs directly related to the purchase, installation, and construction of the Renewable Energy System or Energy Efficiency Improvement project that are known and planned to be incurred for the project. Total project costs do not include construction or equipment costs that would be incurred regardless of the installation of the Renewable Energy System or Energy Efficiency Improvement project. For example, the foundation for a building where a Renewable Energy System is being installed, storage only grain bins connected to drying systems, and roofing of a building where solar panels are being attached.

Eligible Project Costs. The total project costs that are eligible to be paid or guaranteed with REAP funds.

Eligible Project Costs for grants are identified in RD Instruction 4280.114 (c) and described below, are **only those costs incurred after a Complete Application has been received by the Agency** and are directly related to and its use and purpose is limited to the Renewable Energy System or Energy Efficiency Improvement:

- (1) Purchase and installation of new or refurbished equipment.
- (2) Construction, retrofitting, replacement, and improvements.
- (3) Energy Efficiency Improvement(s) identified in the applicable Energy Assessment or Energy Audit.
- (4) Fees for construction permits and licenses.
- (5) Professional service fees for Qualified Consultants, contractors, installers, and other third-party services.
- (6) For an eligible Renewable Energy System in which a residence is closely associated with the Rural Small Business or agricultural operation the installation of a second meter to separate the residence from the portion of the project that benefits the Rural Small Business or agricultural operation, as applicable.

For guaranteed loans eligible project cost can also include:

- (1) Working capital.
- (2) Land, building, and equipment acquisition.
- (3) Routine lender fees.
- (4) Energy Assessments, Energy Audits, technical reports, business plans, and Feasibility Studies, except if any portion was financed by any other Federal or State grant or payment assistance.
- (5) Refinancing outstanding debt.

For a complete list of eligible costs and funding restrictions for guaranteed loans see RD Instruction 4280.129(e).

Block V. E. 2. a. Identify the amount of renewable energy to be generated through the deployment of the proposed system.

If applicable, identify the existing energy system and type(s) of fuel used, including historical annual energy consumption at the facility for energy replacement projects, based upon previous 12 months of energy consumption. Note only energy used by the eligible Rural Small Business or agricultural production facility should be included. Any historical residential usage must be deducted.

If applicable, calculate the percentage of energy being replaced by the proposed system. Percent energy replaced is calculated by dividing the annual amount of renewable energy to be generated by the historical annual energy usage of the business operation then multiplying by 100.

If the percentage exceeds 100 percent, there are special instructions for calculating the energy revenue for the proposed system in the Block VI. E. 2. a. iii.

If the amount of energy exceeds 150 percent the project will be treated as an energy generation project. Ensure like units (British Thermal Units (BTU), kilowatt hours (kWh), etc.) are used when making the calculation.

Please identify the units of measure for the energy that is being used: kWh or BTU. Information must be provided to allow the calculation of Simple Payback as defined below and in RD Instruction 4280.103.

Block V. E. 3. Enter the average energy retail price paid over the most recent 12 months in E. 3. a. Enter the rate the utility will be paying for energy produced from the Renewable Energy System in E. 3. b.

Block V. E. 4. Energy replacement projects (Renewable Energy System projects that will offset current energy usage of the Applicant), replacing less than or equal to 100 percent of the Applicant's current energy usage will use line E. 4. a. to determine value of energy, using the total amount of energy identified in E. 2.a. i.

Energy replacement projects that replace over 100 percent but less than 150 percent will complete both lines E. 4. a., and E. 4. c. Line E. 4. a. will be the value of the amount of energy replaced or line E. 2. a. ii. multiplied by E. 3. a. For the energy that exceeds 100 percent of replacement energy or (E. 2. a. i. - E. 2. a. ii.), will be multiplied by E. 3. b., which is the energy rate received from the utility for the power being sold onto the grid.

For projects that are energy generation projects, including those energy replacement projects that replace over 150 percent, should complete line E. 4. c. Line E. 4. c. will be the amount of energy generated, which was identified in line E. 2. a. i., multiplied by the value in line E. 3. b.

Energy Efficiency Improvement project (energy saving project) should use the amount of energy identified in E. 2. b. multiplied by the retail cost of energy identified in E. 3. a.

E. 4. d. should total the value of all energy, including the value of the energy replaced and the value of the energy sold to the grid or the value of the energy saved.

- Block V. E. 5. For energy generation projects only, all energy-related revenue streams and all revenue from byproducts expected to be produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises should be listed here.
- Block V. E. 6. Self-Explanatory.
- Block V. E. 7. Self-Explanatory.
- Block V. E. 8. Self-Explanatory.
- Block V. E. 9. Self-Explanatory.
- Block V. E.8.-9. Definitions.

Simple Payback. The estimated Simple Payback of a project funded under this subpart is calculated using paragraph (1) or (2) as applicable:

- (1) **For projects that generate energy for use onsite**, Simple Payback is calculated as follows:
- (i) Simple Payback = (Eligible Project Costs) ÷ (typical years earnings before interest, taxes, depreciation, and amortization (EBITDA) for the project only).
 - (ii) EBITDA is based on:
 - (A) All energy-related revenue streams and all revenue from byproducts produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises.
 - (B) Income remaining after all project obligations are paid (operating and maintenance).
 - (C) The Agency's review and acceptance of the project's typical year income (which is after the project is operating and stabilized) projections at the time of application submittal.
 - (D) Does not include any tax credits, carbon credits, renewable energy credits, and one-time construction and investment-related benefits.
- (2) **For projects that reduce (save) or replace onsite energy use**, (e.g., Energy Efficiency Improvement projects that reduce and Renewable Energy System projects that replace onsite energy use), Simple Payback is calculated as follows:
- (i) Simple Payback = (Eligible Project Costs) ÷ (Dollar Value of Energy reduced or replaced):
 - (ii) Dollar Value of Energy reduced or replaced incorporates the following:
 - (A) Energy reduced or replaced will be calculated on the quantity of energy saved or replaced as determined by subtracting the result obtained under paragraph (A)(2) from the result obtained under paragraph (A)(1) of this definition, and converting to a monetary value using a constant value or price of energy (as determined under paragraph (A)(3) of this definition).
 - (1) Actual energy used in the original building and/or equipment, as applicable, prior to the Renewable Energy System or Energy Efficiency Improvement project, must be based on the actual average annual total energy used in BTU over the most recent 12, 24, 36, 48, or 60 consecutive months of operation.
 - (2) Projected energy use if the proposed Renewable Energy System or Energy Efficiency Improvement project had been in place for the original building and/or equipment, as applicable, for the same time period used to determine that actual energy use under paragraph (2)(ii)(A)(1) of this definition.
 - (3) Value or price of energy must be the actual average price paid over the same time period used to calculate the actual energy used under paragraph (2)(ii)(A)(1) of this definition. Renewable Energy System projects that will replace 100 percent of an Applicant's energy use will be required to use the actual average price paid for the energy replaced and the projected revenue received from energy sold in a typical year.
 - (B) Does not allow Energy Efficiency Improvements to monetize benefits other than the dollar amount of the energy savings the Agricultural Producer or Rural Small Business realizes as a result of the improvement.
 - (C) Does not include any tax credits, carbon credits, renewable energy credits, and one-time construction and investment-related benefits.

- Block V.F. Describe the key service providers for the project, including the number of similar systems installed and/or manufactured, professional credentials, licenses, and relevant experience. When specific numbers are not available for similar systems, estimations will be acceptable. Attach additional pages if required.
- Block VI. Complete this Block for Renewable Energy System projects only. Energy Efficiency Improvement projects should complete Block VII. Hybrid projects are a combination of two or more Renewable Energy System technologies that are incorporated into a unified system to support a single project. *Projects which propose two or more different Renewable Energy System technologies at two or more locations (a different technology at each site) are not eligible.*
- Block VI. A. 1. Self-Explanatory.
- Block VI. A. 2. An application for installation of a Renewable Energy System to serve a residence only is not eligible. For an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the application is eligible if one of the following options is met.
- (1) Demonstration that 51 percent or greater of the energy to be generated will benefit the Rural Small Business or agricultural operation; (In this scenario the eligible project cost will be determined based on the actual percentage of energy determined to benefit the Rural Small Business or agricultural operation.) (Example. If 56 percent of the energy from the project is going to benefit the business operation 56 percent of the total project cost will be considered eligible for REAP assistance);
 - (2) The Applicant certifies in the application that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes; or
 - (3) If the project cannot meet either of the above criteria, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage will be required.
- Block VI. B. Provide information which allows the Agency to determine that an adequate renewable energy resource is available at the project site. Cite the source used in making the determination that an adequate resource exists.
- Examples of online estimating tools may include, but are not limited to: PVWatts, National Renewable Energy Laboratory (NREL) solar and wind maps, etc.
- Examples of site specific monitoring devices may include, but are not limited to: Solar pathfinder or anemometer (wind) installations, etc.
- Other tools may include, but are not limited to: GeoExcel or similar design software used in geothermal analysis, airport wind roses, Geographic Information System (GIS), energy calculators (EIA.gov), United States Geological Survey (USGS) maps and images, Global Positioning System (GPS) receivers, etc.
- An Agency approved Site Assessment may be used to provide information on Project Description, Resource Assessment, and Project Economic Assessment. In such instances, the technical report would consist of Section D and the Renewable Energy Site Assessment. If a site assessment was completed for the project that does not provide Project Description, Resource Assessment, and Project Economic Assessment, the site assessment can still be used, but the information missing will need to be provided to the Agency in this form.
- Block VII. This Block is for Energy Efficiency Improvement projects only. Renewable Energy Systems can go to Block VIII to continue with the application process.
- Provide the information relating to the Energy Efficiency Improvement as documented in an Energy Assessment or Energy Audit. Convert energy to BTU by use of the noted conversion factors. ATTACH THE ENERGY ASSESSMENT OR ENERGY AUDIT TO THIS FORM.
- Definitions
- Energy Assessment. Defined in RD Instruction 4280.103, an Agency-approved report assessing energy use, cost, and efficiency by analyzing the energy bills and surveying the target building and/or equipment sufficiently to provide an Agency-approved assessment.
- The assessment may be conducted by an Energy Auditor or an Energy Assessor or an individual supervised by either an Energy Assessor or Energy Auditor. The final Energy Assessment must be validated and signed by the author. OR
- Energy Assessor. A Qualified Consultant who has at least 3 years of experience and completed at least five energy assessments or energy audits on similar type projects and who adheres to generally recognized engineering principles and practices.
- Qualified Consultant. An independent third-party individual or entity possessing the knowledge, expertise, and experience to perform the specific task required.
- Energy Audit. As further defined in RD Instruction 4280.103 a comprehensive report meeting Agency approval approved by an Energy Auditor an individual supervised by an Energy auditor that documents current energy usage; recommended potential improvements and their costs; energy savings from the improvements; dollars saved per

year; and Simple Payback. The methodology of the Energy Audit must meet professional and industry standards. The final Energy Audit must be validated and signed by the author.

Energy Auditor. A Qualified Consultant that meets one of the following criteria:

- (1) A Certified Energy Auditor certified by the Association of Energy Engineers;
- (2) A Certified Energy Manager certified by the Association of Energy Engineers;
- (3) A Licensed Professional Engineer in the state in which the audit is conducted with at least 1 year experience and who has completed at least two similar type energy audits; or
- (4) An individual with a 4-year engineering or architectural degree with at least 3 years of experience and who has completed at least five similar type energy audits.

Block VII. B. Self explanatory

Block VIII. An application will be scored on environmental benefits and will receive a maximum of 5 points if the Applicant has documented in the application that the proposed project will have a positive effect on any of the three impact areas: resource conservation (e.g., water, soil, forest), public health (e.g., potable water, air quality), and the environment (e.g., compliance with EPA(s) RFS(s), greenhouse gases, emissions, particulate matter). Points will be awarded as follows:

- (1) If the proposed project has a positive impact on any one of the three impact areas, 1 point will be awarded.
- (2) If the proposed project has a positive impact on any two of the three impact areas, 3 points will be awarded.
- (3) If the proposed project has a positive impact on all three impact areas, 5 points will be awarded.

Block IX. Describe sources and amount of all funds that will be used to complete the project. In order to receive points under the readiness scoring criteria written commitments must be attached. Attach written commitments (e.g. Letter of Commitment, bank statement) from each source that is providing funds. Third party commitment letters must be signed by the authorized party, be specific to the project and identify the dollar amount and any applicable rates and terms. Letter of intent, pre-qualification, subject to bank approval, or other underwriting requirements are NOT acceptable. Conditionalizing on receipt of REAP funds or appraisal is acceptable.

Block X. Self Explanatory.

Block XI. Self Explanatory.

Block XII. Self Explanatory.

Block XIII A. Applicant eligibility requirements as defined in RD Instruction 4280.112 include:

The Applicant must be an agricultural producer or rural small business, as defined in RD Instruction 4280.103.

The Applicant must (1) own or be the prospective owner of the project; and (2) own or control the site for the project described in the application at the time of application and, if an award is made, for the useful life of the project as described in the grant agreement.

The Applicant must have available at the time of application satisfactory sources of revenue in an amount sufficient to provide for the operation, management, maintenance, and any debt service of the project for the useful life of the project. In addition, the Applicant must control the revenues and expenses of the project, including its operation and maintenance, for which the assistance is sought. Notwithstanding the provisions of this paragraph, the Applicant may employ a qualified consultant under contract to the owner to manage revenues and expenses of the project and its operation and/or maintenance.

Block XIII. B. Project eligibility requirements as defined in RD Instruction 4280.113 include:

- (1) Be for the purchase of a new or refurbished Renewable Energy System, the retrofitting of an existing Renewable Energy System, or making Energy Efficiency Improvements that will use less energy on an annual basis than the original building and/or equipment that it will improve or replace as per an energy assessment or energy audit. Types of improvements include, but are not limited to:
 - (i) Efficiency improvements to existing Renewable Energy Systems.
 - (ii) Construction of a new energy efficiency building only when the building is used for the same purpose as the existing building, and, based on an energy assessment or energy audit, as applicable, it will be more cost effective to construct a new building and will use less energy on an annual basis than improving the existing building.
 - (iii) Subsequent improvements such as those that replace or duplicate improvements previously funded under this subpart may or may not be eligible for funding:
 - (A) If the replacement is prior to the end of the existing funded equipment's useful life, then the proposed improvement even if more energy efficient is ineligible.

(B) If the replacement is at or after the end of the existing funded equipment's useful life, then it is eligible for funding provided it is more energy efficient than the previously funded improvement.

- (2) Be for a commercially available and replicable technology;
- (3) Have technical merit as defined in RD Instruction 4280.116;
- (4) Be located in a rural area in a State if the type of Applicant is a rural small business, or in a rural or non-rural area in a State if the type of Applicant is an agricultural producer. If the agricultural producer's facility is in a non-rural area, then the application can only be for Renewable Energy Systems or Energy Efficiency Improvements on integral components of or that are directly related to the facility, such as vertically integrated operations, and other value added components of the agricultural production operation, and are part of and co-located with the agriculture production operation.

Block XIII. C. Self Explanatory.

Block XIII. D. Self Explanatory.

Block XIII. E. Self Explanatory.

Block XIII. F. As defined in RD Instruction 4280.118(c), the Applicant is solely responsible for the execution of all contracts and Agency review and approval are not required.

Upon completion of the project, if awarded, the grantee must submit to the Agency a copy of the contractor's certification of final completion for the project and a statement that the grantee accepts the work completed. At its discretion, the Agency may require the Applicant to have an Inspector certify that the project is constructed and installed correctly.

The Renewable Energy System or Energy Efficiency Improvement must be constructed, installed, and operating as described in the technical report prior to disbursement of funds. Renewable Energy Systems must be operating at the noted steady state operating level for a period of not less than 30 days prior to disbursement of funds.

Executed contracting forms as outlined by the Agency in the Letter of Conditions will be required by all persons who furnished materials and labor in connection with the contract.

Block XIII. G. Projects as proposed, must be completed in their entirety prior to requesting reimbursement of funds.

Block XIII. H. Required insurance identified in RD Instruction 4280.122(b) is:

Agency approved insurance coverage must be maintained for 3 years after the Agency has approved the final performance report unless this requirement is waived or modified by the Agency in writing. Insurance coverage shall include, but is not limited to:

- (1) Property insurance, such as fire and extended coverage, will normally be maintained on all structures and equipment.
- (2) Liability.
- (3) National flood insurance is required in accordance with 7 CFR part 1806, subpart B, of this title, if applicable.

Block XIII. I. Self Explanatory.

Block XIII. J. Self Explanatory.

Block XIII. K. Open and Free competition requirements require applicants to solicit prices from multiple sources before deciding on one vendor.

All procurement transactions, regardless of procurement method and dollar value, must be conducted in a manner that provides maximum open and free competition. Procurement procedures must not restrict or eliminate competition. Competitive restriction examples include, but are not limited to, the following: placing unreasonable requirements on firms in order for them to qualify to do business; noncompetitive practices between firms; organizational conflicts of interest; and unnecessary experience or excessive bonding requirements. In specifying material(s), the grantee and its consultant will consider all materials normally suitable for the project commensurate with sound engineering practices and project requirements. The Agency will consider any recommendation made by the grantee's consultant concerning the technical design and choice of materials to be used for such a project. If the Agency determines that a design or material, other than those that were recommended, should be considered by including them in the procurement process as an acceptable design or material in the project, the Agency will provide such Applicant or grantee with a comprehensive justification for such a determination. The justification will be documented in writing.

Block XIII. L. This certification is required for bioenergy projects that proposed to use woody biomass from a National Forest System or public lands, as a feedstock. The applicant must certify that any and all woody biomass that comes from a National Forest System land or public lands cannot be used as a higher value wood-based product. For bioenergy projects that use woody biomass from private land, this certification is not required.

Block XIII. M. Self Explanatory.

- Block XIII. N. For a project that involves an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the applicant must either:
- (A) demonstrate that 51 percent or more of the energy will benefit the Rural Small Business or agricultural operation,
 - (B) install a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid, or
 - (C) provide the certification identified.
- Block XIV. Self Explanatory.
- Block XV. Original signature in blue ink required. Agency reserves the right to ask for additional information to verify certifications made or to determine project and Applicant eligibility.

U.S. DEPARTMENT OF AGRICULTURE

Rural Development – Rural Business-Cooperative Service

RURAL ENERGY FOR AMERICA PROGRAM

APPLICATION FOR RENEWABLE ENERGY SYSTEMS AND ENERGY EFFICIENCY IMPROVEMENT PROJECTS

TOTAL PROJECT COSTS OF \$200,000 AND GREATER

NOTE: The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a) and the Paperwork Act of 1995, as amended. The authority for requesting the following information is Section 9001 of the Agricultural Act of 2014 (Public Law 113-79). This information may be provided to other agencies, Internal Revenue Service, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 1001; 1014, 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.

SUBMIT THIS COMPLETED FORM TO THE USDA RURAL DEVELOPMENT OFFICE IN THE STATE IN WHICH THE PROJECT IS LOCATED.

Attached to this form are detailed instructions, the Forms Manual Insert (FMI), for each section. Please refer to the FMI when completing this form for guidance. Use attachments as necessary.

I. A. Applicant Legal Name (Block 8a of SF 424):

**** The purpose of these questions is to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing the application or when determining eligibility to participate in this program. The answers provided are voluntary and are not required for the application to be considered a complete. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. The information will be kept private to the extent permitted by law.**

****I.B. What is Applicant's race (check all that apply)?**

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

****I. C. What is Applicant's Gender?**

- Male
- Female

****I. D. What is Applicant's Ethnicity?**

- Hispanic or Latino
- Not Hispanic or Latino

II. Project Title (Block 15 of SF 424):

III. System for Awards Management (SAM) Commercial and Government Entity (CAGE) (N/A Loan Only)

Code: Expiration Date:

IV. Type of Applicant (check one): Rural Small Business (Complete part A of this Block)

Agricultural Producer (Complete part B of this Block)

Rural Small Business or Ag Production Operation Description:

A. Rural Small Businesses:

1. Provide Annual Receipts for business from 3 most recent tax years (Attach documentation, such as tax returns):

Annual Receipts: 20 \$ 20 \$ 20 \$

2. Is your business a franchise? Yes No

3. Does your business have any affiliates? Yes No

If yes, list name(s) of affiliated businesses and describe the affiliation:

Annual Average

\$

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 0570-0067. The time required to complete this information collection is estimated to average 50.53 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.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.

<p>4. Provide the average number of employees for the business over the last 12 months (Attach documentation) :</p>																																	
<p>5. a. Provide primary North American Industry Classification System (NAICS) code: NAICS Code: Corresponding NAICS size limitation: If using alternative size standard:</p> <p>b. The maximum tangible net worth of the Applicant and its Affiliates is not more than \$15,000,000 <input type="checkbox"/> Yes <input type="checkbox"/> No and Average net income (after federal taxes) for the preceeding 2 years, is not in excess of \$5,000,000 <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Attach Documentation: 20 \$ 20 \$ Average: \$</p>																																	
<p>B. Agricultural Producers, provide agricultural income data from 3 most recent tax years:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">1. Income directly related to agricultural products:</td> <td style="width: 15%;">20</td> <td style="width: 10%;">\$</td> <td style="width: 15%;">20</td> <td style="width: 10%;">\$</td> <td style="width: 10%;">20</td> <td style="width: 10%;">\$</td> <td rowspan="4" style="width: 10%; text-align: center; vertical-align: middle;">Annual Average</td> </tr> <tr> <td>2. Total Income: (Includes W-2, Schedule C, & Non-ag income)</td> <td>20</td> <td>\$</td> <td>20</td> <td>\$</td> <td>20</td> <td>\$</td> <td style="text-align: center;">\$</td> </tr> <tr> <td>3. Percent Agricultural Income (Line 1 ÷ Line 2):</td> <td colspan="6"></td> <td style="text-align: center;">%</td> </tr> <tr> <td>4. NAICS Code:</td> <td colspan="6"></td> <td></td> </tr> </table>	1. Income directly related to agricultural products:	20	\$	20	\$	20	\$	Annual Average	2. Total Income: (Includes W-2, Schedule C, & Non-ag income)	20	\$	20	\$	20	\$	\$	3. Percent Agricultural Income (Line 1 ÷ Line 2):							%	4. NAICS Code:								
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3. Percent Agricultural Income (Line 1 ÷ Line 2):									%																								
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<p>C. Financial Information.</p> <p>1. Historical Financial Statements for the past three years:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Income Statement -Year:</td> <td style="width: 15%;">Attached: <input type="checkbox"/></td> <td style="width: 15%;">Balance Sheet – Date:</td> <td style="width: 10%;">Attached: <input type="checkbox"/></td> </tr> <tr> <td>Income Statement -Year:</td> <td>Attached: <input type="checkbox"/></td> <td>Balance Sheet – Date:</td> <td>Attached: <input type="checkbox"/></td> </tr> <tr> <td>Income Statement -Year:</td> <td>Attached: <input type="checkbox"/></td> <td>Balance Sheet – Date:</td> <td>Attached: <input type="checkbox"/></td> </tr> </table> <p>2. Current Financial Statements:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Income Statement -Year:</td> <td style="width: 15%;">Attached: <input type="checkbox"/></td> </tr> <tr> <td>Balance Sheet – Date:</td> <td>Attached: <input type="checkbox"/></td> </tr> </table> <p>3. Pro Forma Financial Statements (include assumptions):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Pro Forma Balance Sheet at Start-up of Operation (include grant award or loan proceeds):</td> <td style="width: 10%;">Date:</td> <td style="width: 20%;">Attached: <input type="checkbox"/></td> </tr> <tr> <td>Year 1 Pro-Forma Balance Sheet: Date:</td> <td>, Income Statement:Year:</td> <td>, Cash Flow: Year: Attached: <input type="checkbox"/></td> </tr> <tr> <td>Year 2 Pro-Forma Balance Sheet: Date:</td> <td>, Income Statement:Year:</td> <td>, Cash Flow: Year: Attached: <input type="checkbox"/></td> </tr> <tr> <td>Year 3 Pro-Forma Balance Sheet: Date:</td> <td>, Income Statement:Year:</td> <td>, Cash Flow: Year: Attached: <input type="checkbox"/></td> </tr> </table>		Income Statement -Year:	Attached: <input type="checkbox"/>	Balance Sheet – Date:	Attached: <input type="checkbox"/>	Income Statement -Year:	Attached: <input type="checkbox"/>	Balance Sheet – Date:	Attached: <input type="checkbox"/>	Income Statement -Year:	Attached: <input type="checkbox"/>	Balance Sheet – Date:	Attached: <input type="checkbox"/>	Income Statement -Year:	Attached: <input type="checkbox"/>	Balance Sheet – Date:	Attached: <input type="checkbox"/>	Pro Forma Balance Sheet at Start-up of Operation (include grant award or loan proceeds):	Date:	Attached: <input type="checkbox"/>	Year 1 Pro-Forma Balance Sheet: Date:	, Income Statement:Year:	, Cash Flow: Year: Attached: <input type="checkbox"/>	Year 2 Pro-Forma Balance Sheet: Date:	, Income Statement:Year:	, Cash Flow: Year: Attached: <input type="checkbox"/>	Year 3 Pro-Forma Balance Sheet: Date:	, Income Statement:Year:	, Cash Flow: Year: Attached: <input type="checkbox"/>				
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<p>V. Technical Report - Type of Project (check one): (See FMI for descriptions.)</p> <p>Renewable Energy System <input type="checkbox"/> (Complete Block VI) which is either an Energy Generation System <input type="checkbox"/> or Energy Replacement System <input type="checkbox"/> OR</p> <p>Energy Efficiency Improvement <input type="checkbox"/> (Complete Block VII):</p>																																	
<p>A. Project Description. Provide a detailed description of the technology, project location, and of the project site:</p>																																	

- B. Project Construction and Equipment Information. Describe how the design, engineering, testing, and monitoring are sufficient to demonstrate that the proposed project will meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards. Describe how all equipment required for the Renewable Energy System is available and able to be procured and delivered within the proposed project development schedule.

- C. Commercially Available. A system that meets the requirements of either C or D : (D is for Renewable Energy Systems only)

Proposed domestic or foreign system.

1. Has, for at least 1 year, both a proven and reliable operating history and proven performance data: Yes No
Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

2. Is based on established design and installation procedures and practices and is replicable: Yes No
Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

3. Has professional service providers, trades, large construction equipment providers, and labor who are familiar with installation procedures and practices: Yes No
Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

4. Has proprietary and balance of system equipment that are readily available and available spare parts:
 Yes No
Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

5. Has services that are readily available to properly maintain and operate the system: Yes No
Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

6. Has an existing established warranty that is valid in the United States for major parts or labor: Yes No
Describe how the technology and project meet this criterion. *(Attach documentation if necessary.)*

OR

D. A domestic or foreign Renewable Energy System that has been certified by a recognized industry organization whose certification standards are acceptable to the Rural Business-Cooperative Service. Yes No

(Name of recognized industry organization):

E. Project Economic Assessment:

1. Project Cost Breakdown:	
Construction Item: <i>(list itemized costs or attach bids):</i>	Cost
	\$
	\$
	\$
	\$
	\$
	\$
	\$
a. Total Project Costs: <i>(Total Project Costs should be the same as in Form SF-424C, "Budget Information-Construction Programs.")</i>	\$
b. Eligible Project Costs: <i>(See FMI to determine eligible project costs.)</i>	\$

2. Estimated Project Energy Generation or Savings:	
a. For Renewable Energy Systems:	
i. Annual amount of renewable energy to be generated and unit of energy:	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>
ii. If applicable, historical annual average energy used and unit of measure: The Agency may request additional information to substantiate the above numbers.	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>
iii. Annual percentage of energy being replaced: <i>If the above number exceeds 100 percent and the system is connected to the grid, the amount of energy above 100 percent will be used in 4c. below. If the amount of energy exceeds 150 percent and the system is connected to the grid, the entire amount of energy generated will be entered in 4c below.</i>	$(i \div ii \times 100) =$ %
b. For Energy Efficiency Improvement projects: (Complete Block VII first with data from the Energy Audit or Energy Assessment.) Annual amount of energy to be saved and unit of measure:	
	kWh <input type="checkbox"/> or BTU <input type="checkbox"/>

3. Cost of Energy:	
a. Price per unit of energy paid in prior year: <i>(This is the retail cost of energy for Renewable Energy System replacement projects and Energy Efficiency Improvement projects.)</i>	\$
b. Price per energy unit to be sold to the grid: <i>(This is the price the utility will pay for energy put onto the grid.)</i>	\$

4. Energy Value: (See FMI for guidance.)	
a. Value of energy to be replaced via renewable system (if applicable): (2.a. x 3.a.):	\$
b. Value of energy to be saved via efficiency improvement (if applicable): (2.b. x 3.a.):	\$
c. Value of energy to be generated and sold to the grid (if applicable): (2.a. x 3.b.):	\$
d. Total value of energy replaced/saved/generated: 4a. + 4b. + 4c. = 4d:	\$

**Energy Efficiency Improvement projects can proceed to Number 9.
Renewable Energy System projects continue to next table.**

5. Other annual revenue: (List below. <i>Such as, sale of byproducts.</i>) (Do NOT include renewable energy credits, Government or utility incentives, or other incentives.)		
Source:	Price/Unit:	Total:
	\$	\$
	\$	\$
Total other annual revenue:		\$

6. Annual Revenue: (4.d. + 5):	\$
--------------------------------	----

7. Annual Operating and Maintenance Costs:	\$
--	----

8. Earnings before Interest, Taxes, Depreciation, and Amortization (EBITDA): (6-7):	\$
---	----

9. Estimate Simple Payback:		
a. Energy replacement and Energy Efficiency Improvement projects: (1. b. ÷ 4.d.):	\$	÷ \$
	=	years
b. Energy generation projects: (1. b. ÷ 8):	\$	÷ \$
	=	years

F. Qualifications of Service Providers (Include information personnel and companies that will be working to construct and install the project, such as: Energy Auditor, site assessor, contractor, installer, electrician, etc.)

Project Role:			
Company Name:			
Individual's Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			
<hr/>			
Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			
Project Role:			
Company Name:			
Name:		Title:	
Address:			
City/State/Zip Code:		Phone:	
Qualifications (Either attach a resume or complete below):			
Number performed on a similar system as proposed:			
Years of Relevant experience:			
Professional credentials (include training and/or education related to work, certificates, etc.):			
Licenses:			

VI. Renewable Energy System Projects - Technical Requirements: (For Energy Efficiency Improvement Projects Complete Block VII.) *If Hybrid project, submit specific technical information for each technology.

A. Project Information

1. Will project be interconnected with electric utility grid? Yes No If yes, name of utility:
2. Will the proposed system be connected to a meter that is also connected to a residence? Yes No
 - a. If yes, will 51 percent or more of the energy to be generated from the proposed system be used by the business operation of the Rural Small Business or the Agricultural Producer? Yes No
 Amount of energy and unit of measure to be used by the business operation in a typical year?
 kWh or BTU
 - b. If the answer to question 2a. is no, the Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. Yes No
 - c. If the answer to question 2b. is no, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid will be required.

B. Renewable Resource Potential: (This information should be part of the feasibility study. Additional information may be requested by the Agency to determine feasibility.)

1. Check which type of renewable energy system is being proposed. Ensure multiple types are checked for hybrid applications:

 Wind Solar Bioenergy Geothermal Electric Generation Geothermal Direct Generation
 Anaerobic Digester Hydrogen Hydroelectric/Ocean Energy Projects

2. Provide adequate and appropriate data to demonstrate the amount of renewable resource available. For hybrid projects you must address each technology being proposed. Describe the quality, availability and seasonality (if applicable) of the renewable energy resource:

3. Basis of determination:

There are several methods to determine resource potential on the site, describe below as applicable and attach as necessary:

Online Estimating Tool:	<input type="checkbox"/> Yes; List name of Tool: <input type="checkbox"/> No
Resource References (Wind Roses, Thematic Maps, etc.):	<input type="checkbox"/> Yes; List Resource Reference: <input type="checkbox"/> No
Site-Specific Evaluation Devices or Site Surveys:	<input type="checkbox"/> Yes; List device: <input type="checkbox"/> No
Photographs of Site:	<input type="checkbox"/> Yes; Attached to application. <input type="checkbox"/> No
Other:	Attach documentation if applicable.

4. Agreements and Permits. Describe the necessary agreements and permits (including any for local zoning requirements) required for the project and the anticipated schedule for securing those agreements and permits:

5. Project Development Schedule. Describe the overall project development method, including the key project development activities and the proposed schedule:

Development Activity:

Proposed start date: Proposed end date:

6. Equipment Procurement and Installation.

a. Describe the availability of the equipment required by the system, including its procurement and delivery schedules:

b. Describe the plan for site development and system installation, including any special equipment requirements:

7. Operations and Maintenance.

a. Describe the operations and maintenance requirements of the system, including major rebuilds and component replacements necessary over system's useful life:

b. Warranties provide protection against both breakdown and degradation of performance: Yes No

c. Describe how the system will be monitored for performance:

VII. Energy Efficiency Improvement Projects - Technical Requirements: *(If project is a Renewable Energy System, go to Block VIII.)*

A. Existing usage as per the Energy Audit:

	Energy Used <i>(converting to BTU)</i>	Cost
Electricity (kWh)	x 3,412 btu/kWh=	\$
Propane/LP (gal)	x 91,502 btu/gal=	\$
Natural Gas (therm)	x 100,000 btu/therm=	\$
Diesel (gal)	x 139,000 btu/gal=	\$
Other		\$
	Total BTU Existing:	Total Existing Energy Cost:\$

B. Proposed (estimated) usage following completion of the project as per the Energy Audit:

	Energy Used <i>(converting to BTU)</i>	Cost
Electricity (kWh)	x 3,412 btu/kWh=	\$
Propane/LP (gal)	x 91,502 btu/gal=	\$
Natural Gas (therm)	x 100,000 btu/therm=	\$
Diesel (gal)	x 139,000 btu/gal=	\$
Other		\$
	Total BTU Proposed:	Total Proposed Energy Cost:\$

Percent Energy Savings: (Total BTU Existing - Total BTU Proposed) ÷ Total BTU Existing: = %

Dollar Savings: Total Existing Energy Cost \$ - Total Proposed Energy Cost \$ = \$ Dollars Saved

VIII. Describe how the proposed project will have a positive effect on:

A. Resource Conservation (e.g. water, soil, forest):

Will the project save or replace fossil fuel consumption from finite resources? Yes No

Will the project reduce water consumption? Yes No

List additional resource conservation measures if applicable:

B. Public Health (e.g. potable water, improve air quality):

Will the project decrease or replace fossil fuel consumption decreasing emissions leading to better air quality? Yes No

List additional public health measures if applicable:

C. Environment (e.g. compliance with the U.S. Environmental Protection Agency (EPA) Renewable Fuel Standard (RFS), greenhouse gases, emissions, particulate matter):

Will the project save or replace fossil fuel consumption reducing greenhouse gas emissions creating a healthier environment? Yes No

List additional environmental measures if applicable:

IX. Commitment of Funds: Documentation is required to be attached for points under the commitment of funds scoring criteria.

Source:

Amount:\$

Attached:

Source:

Amount:\$

Attached:

Source:

Amount:\$

Attached:

Source:

Amount:\$

Attached:

X: Relationship:

This is to certify that I, as the Applicant, have a known or no known relationship or association with a Rural Development employee.

If there is a known relationship, please indicate the name of the Rural Development employee:

XI. Previous Funding:

I, the Applicant, have or have not, received any grants and/or guaranteed loans under the REAP program.

If grants or guaranteed loans have been received, identify each grant and/or guaranteed loan and describe the progress that has made on each project, including projected schedules and actual completions dates, if applicable:

XII. Good Standing:

I, the Applicant, being a legal entity, am or am not in good standing and operating in accordance with the laws of the State(s) or Tribe where I, the Applicant, have a place of business.

Not applicable, I am applying as a sole proprietor.

XIII. Certifications:

The Applicant certifies to each of the following: *(Check all that are applicable.)*

- A. The Applicant meets each of the Applicant eligibility criteria found in RD Instruction 4280.112.
- B. The proposed project meets each of the project eligibility requirements found in RD Instruction 4280.113(a), (b), (d), and (e).
- C. Per RD Instruction 4280.113(f), the Applicant acknowledges caution against taking any actions or incurring any obligations prior to the Agency's environmental review that limits the range of alternatives or has an adverse effect on the environment, such initiation of construction. If taken, it could result in project ineligibility.
- D. Construction planning and performing development will be performed in compliance with RD Instruction 4280.124.
- E. The Applicant will maintain insurance coverage as required under RD Instruction 4280.122(b).
- F. The equipment required for the project is available, can be procured and delivered within the proposed project development schedule, and will be installed in conformance with manufacturer's specifications and design requirements. This would not be applicable when equipment is not part of the project.
- G. The project will be constructed in accordance with applicable laws, regulations, agreements, permits, codes, and standards.
- H. For bioenergy projects, that any and all woody biomass feedstock from National Forest System land or public lands cannot be used as a higher value wood-based product. (Check if applicable.)
- I. The Applicant certifies that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes. (Check if applicable.)

XIV. Attach the following if not already submitted:

- Form SF 424.
- Form SF-424C, "Budget Information-Construction Programs".
- Form SF-424D, "Assurances-Construction Programs".
- Form RD 1940-20 with documentation.
- Energy Audit. *(An Energy Audit is required for energy efficiency projects over \$200,000 Total Project Costs)*
- Matching funds documentation.
- Feasibility Study, for Renewable Energy System projects over \$200,000 Total Project Cost.
- Financial Statements, for projects with Total Project Costs over \$200,000.
- Other. Describe:

XV. Certification of Documentation and Acceptance:

CERTIFICATION AND ACCEPTANCE

I certify that, to the best of my knowledge and belief, the information included with this Application, including all attachments, are true and correct, and that I certify to each of the conditions specified in Section X-XIII of this application.

AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS

Signature (AGRICULTURAL PRODUCER \ RURAL SMALL BUSINESS NAME)

By: _____ (Officer, Member, Partner, Proprietor)

Title: _____

Date: _____

INSTRUCTIONS FOR FORM RD 4280-3C

The following information is based on the programmatic requirements for the Rural Energy for America Program (REAP) found in RD Instruction 4280 part B. If there are differences between the information found in this form and RD Instruction 4280 part B, RD Instruction 4280 part B will take precedence.

Block I. A. Self Explanatory.

Block I B, C, and D. The purpose of these questions are to gather race, ethnicity, and gender information about persons who apply and participate in this USDA program. The information provided will not be used when reviewing applications or determining eligibility to participate in this program. The answers are voluntary and are not required for the application to be considered complete. The information provided will be used to improve the operation of this program, to help USDA design additional opportunities for program participation, and to monitor enforcement of laws that require equal access to this program for eligible persons. For entities, check all that apply. The information will be kept private to the extent permitted by law.

Block II. Self-Explanatory.

Block III. Each Applicant must have a Dun and Bradstreet Data Universal Number System (DUNS) number corresponding to their tax identification/social security number as provided on the SF424 form. Except for loan only request, the DUNS number must be registered in the System for Award Management (SAM) (www.sam.gov). Upon successful registration, a Commercial and Government Entity (CAGE) code is assigned. Enter the assigned CAGE code and expiration date.

Block IV. Eligible Applicants must be either an Agricultural Producer or a Rural Small Business. Indicate under which category you are applying. (An Agricultural Producer may apply as a Rural Small Business if they meet the size and Rural Area requirements identified below.)

Provide a description of your operation; this will assist the Agency in evaluating Applicant eligibility and identifying the appropriate North American Industry Classification System (NAICS) code, if unknown by the Applicant.

The following definitions will assist you in completing this Block.

Agricultural Producer. An individual or entity directly engaged in the production of agricultural products, including crops (including farming); livestock (including ranching); forestry products; hydroponics; nursery stock; or aquaculture, whereby 50 percent or greater of their gross income is derived from those products.

Rural Small Business. A Small Business that is located in a Rural Area or that can demonstrate the proposed project for which assistance is being applied for under this subpart is located in a Rural Area.

Small Business. An entity or utility, as applicable, that meets the Small Business Administration's (SBA) definition of small business as found in 15 U.S.C. 632 (13 CFR part 121.301 (a) or (b)) and as further defined in RD Instruction 4280.103.

Rural or Rural Area. Any area of a State not in a city or town that has a population of more than 50,000 inhabitants as further defined in RD Instruction 4280.103.

Affiliates. Defined in 13 CFR 121.103, an affiliation exists when one individual or entity controls or has the power to control another or when a third party or parties control or have the power to control both. Factors such as ownership, management's previous relationships with or ties to another entity, and contractual relationships are considered when determining whether affiliation exists. An "affiliate" includes but not limited to: (1) a parent company; (2) subsidiaries and other companies that are owned or controlled by the applicant; (3) companies in which an officer, director, general partner, managing member or party owning 20 percent or more is also an officer, director, general partner, managing member or 20 percent or greater owner of the Applicant; (4) companies or individuals with unexercised options to own 50 percent or more of the applicant's stock; and (5) companies that have entered into agreements to merge with the Applicant.

Annual Receipts. Annual Receipts as defined in 13 CFR 121.104. In general, Annual Receipts includes "total income" (or in the case of a sole proprietorship, "gross income") plus "cost of goods sold" as these terms are defined and reported on Internal Revenue Service tax return forms. Receipts are averaged over a concern's latest three (3) completed fiscal years to determine its average annual receipts.

Employees. The number of employees is the average number of persons employed for each pay period over the latest 12 calendar months.

Block IV. A. A Rural Small Business Applicant may qualify under either the industry size standards found in 13 CFR 121.301(a) or the alternative size standards found in 13 CFR 121.301(b)(2) and described below. Attach documentation for the business such as tax returns and payroll records to verify income or employee numbers. If the business has affiliates, the Agency reserves the right to request additional information on annual receipts or number of employees for affiliates, in order to determine program eligibility.

Provide the NAICS code, if known, applicable to the agricultural production operation or Rural Small Business. (www.naics.com)

To qualify under the alternative size standard, the Rural Small Business Applicant, including any Affiliates, must meet the following:

- (1) Have a maximum tangible net worth for the Applicant and its Affiliates is not more than \$15,000,000; and
- (2) Have average net income after Federal income taxes (excluding any carry-over losses) for the Applicant and its affiliates, for the 2 full fiscal years before the date of the application, of not more than \$5,000,000.

- Block IV. B. To qualify as an Agricultural Producer the Applicant must be engaged in agricultural production including the growing, raising labor, management, and field operations associated with the agricultural production. Fifty percent or more of Applicant's income must come from the production and raising of agricultural products. Agricultural production income includes: sale of crops, livestock, fish and seafood, and payments related to crops or livestock production, such as insurance and commodity payments. Agricultural income does not include purchase and resale of agricultural products, custom hire income, or conservation and land trust payments made to keep land out of production. Attach documentation, such as tax returns. The Agency will use information from 3 most recent years to calculate and verify eligibility as an Agricultural Producer.
- Block IV. B. 1. Income directly related to agricultural products. Examples include: income (less cost of goods sold) received from the sale of crops, livestock, timber, fish and seafood; crop insurance; and commodity payments. The Agency will average agricultural production income over the 3 most recent years.
- Block IV. B. 2. Include all income sources W-2 income, Schedule C, and non-ag income. Include custom hire, cooperative dividends, payments received for taking land out of production such as conservation and land trust payments. The Agency will average total income over the 3 most recent years.
- Block IV. B. 3. $\text{Average of 3 years agricultural production income (B.1)} \div \text{Average of 3 years total income (B.2)}$.
- Block IV. B. 4. Provide the NAICS code, if known, applicable to Applicant's agricultural production operation. (www.naics.com)
- Block IV. C. Provide the past 3 years financial statements, a current financial statement which is less than 60 days old, and 3 years proforma financial statements. Also include a proforma balance sheet for project for when the project is operational. This information may be part of the feasibility Study. Income tax forms, either Federal or State, cannot be used as substitute to the financial statement requirement.
- Block V. Indicate the type of project you are applying for: Renewable Energy System or Energy Efficiency Improvement.
- A Renewable Energy System is a system that produces usable energy from a renewable energy source (wind, solar, renewable biomass, ocean, geothermal, hydroelectric, or hydrogen derived from one of these renewable energy resources).
- An Energy Efficiency Improvement is an improvement to or replacement of an existing building and/or equipment that reduces energy consumption on an annual basis. *Note: an Applicant proposing to install a Renewable Energy System may file an Energy Efficiency Improvement application, if an energy audit or energy assessment has been completed and indicates that there will be energy savings.*
- Block V. A. Project description should include: Size of the project, projected energy generation (including energy generated for sale if applicable), intended purpose, (i.e. new facility and the energy produced by the Renewable Energy System will be used by the new facility for on-site use or replacing an existing fossil fuel energy source with a Renewable Energy System for on-site use and includes net metering agreement for any excess energy produced). Name of equipment and model numbers (as applicable) should be noted in detailed description.
- Provide the location of the project site and a description of the site. Location can be an address or legal description. Include information about whether site is wooded, open, industrial park, or farm land. Is the project close to buildings, etc.
- Block V. B. Describe how the design, engineering, testing, and monitoring are sufficient to demonstrate that the proposed project will meet its intended purpose, ensure public safety, and comply with applicable laws, regulations, agreements, permits, codes, and standards. Describe how all equipment required for the RES is available and able to be procured and delivered within the proposed project development schedule.
- Block V. C.- D. For commercially available complete either part C or part D, as appropriate, for Renewable Energy Systems.
- A Renewable Energy System can demonstrate commercial availability, if it has been certified by a recognized industry organization whose certification standards are acceptable to the Agency. Examples of recognized industry organization whose certification standards are acceptable to the Agency include, but are not limited to: *Small Wind Certification Council, Certified Wind Turbines*, <http://smallwindcertification.org/certified-small-turbines/>; Solar Rating and Certification Corporation (SRCC) <http://www.solar-rating.org/index.html>; Florida Solar Energy Center, <http://www.fsec.ucf.edu/en/>. A full list can be found in RD Instruction 4280.103.
- Complete commercially available Block V. C. for Energy Efficiency Improvements.
- Include discussion on how the projects technology meets the commercially available definition and identify what the warranties are for the major components.
- Block V. E. Describe the projected financial performance of the proposed project. The description shall address total project costs and eligible project costs; energy replacement/savings; and revenues from energy sold to the grid and revenues from byproducts. Do not include any investment and other production incentives Revenues to be

considered shall accrue from the sale of energy, replacement (offset) or savings in energy costs, and sale of byproducts.

Block V. E. 1. Total Project Costs. The sum of all costs associated with a completed project known at time of application submittal. Total Project Cost shall include all costs directly related to the purchase, installation, and construction of the Renewable Energy System or Energy Efficiency Improvement project that are known and planned to be incurred for the project. Total project costs do not include construction or equipment costs that would be incurred regardless of the installation of the Renewable Energy System or Energy Efficiency Improvement project. For example, the foundation for a building where a Renewable Energy System is being installed, storage only grain bins connected to drying systems, and roofing of a building where solar panels are being attached.;

Eligible Project Costs. The total project costs that are eligible to be paid or guaranteed with REAP funds.

Eligible Project Costs for grants are identified in RD Instruction 4280.114 (c) and described below, are **only those costs incurred after a Complete Application has been received by the Agency** and are directly related to and its use and purpose is limited to the Renewable Energy System or Energy Efficiency Improvement:

- (1) Purchase and installation of new or refurbished equipment.
- (2) Construction, retrofitting, replacement, and improvements.
- (3) Energy Efficiency Improvement(s) identified in the Energy Audit.
- (4) Fees for construction permits and licenses.
- (5) Professional service fees for Qualified Consultants, contractors, installers, and other third-party services.
- (6) For an eligible Renewable Energy System in which a residence is closely associated with the Rural Small Business or agricultural operation the installation of a second meter to separate the residence from the portion of the project that benefits the Rural Small Business or agricultural operation, as applicable.

For guaranteed loans eligible project cost can also include:

- (1) Working capital.
- (2) Land, building, and equipment acquisition.
- (3) Routine lender fees.
- (4) Energy Assessments, Energy Audits, technical reports, business plans, and Feasibility Studies, except if any portion was financed by any other Federal or State grant or payment assistance.
- (5) Refinancing outstanding debt.

For a complete list of eligible costs and funding restrictions for guaranteed loans see RD Instruction 4280.129(e).

Block V. E. 2. a. Identify the amount of renewable energy to be generated through the deployment of the proposed system.

If applicable, identify the existing energy system and type(s) of fuel used, including historical annual energy consumption at the facility for energy replacement projects, based upon previous 12 months of energy consumption. Note only energy used by the eligible Rural Small Business or agricultural production facility should be included. Any historical residential usage must be deducted.

If applicable, calculate the percentage of energy being replaced by the proposed system. Percent energy replaced is calculated by dividing the annual amount of renewable energy to be generated by the historical annual energy usage of the business operation then multiplying by 100.

If the percentage exceeds 100 percent, there are special instructions for calculating the energy revenue for the proposed system in the Block V E 2 a iii.

If the amount of energy exceeds 150 percent the project will be treated as an energy generation project. Ensure like units (BTU, kWh, etc) are used when making the calculation.

Please identify the units of measure for the energy that is being used: kilowatt hours (kWh) or British Thermal Units (BTU). Information must be provided to allow the calculation of Simple Payback as defined below and in RD Instruction 4280.103.

Block V. E. 3. Enter the average energy retail price paid over the most recent 12 months in E. 3. a. Enter the rate the utility will be paying for energy produced from the Renewable Energy System in E. 3. b.

Block V. E. 4. Energy replacement projects (Renewable Energy System projects that will offset current energy usage of the Applicant), replacing less than or equal to 100 percent of the Applicant's current energy usage will use line E. 4. a. to determine value of energy, using the total amount of energy identified in E. 2.a. i.

Energy replacement projects that replace over 100 percent but less than 150 percent will complete both lines E. 4. a., and E. 4. c. Line E. 4. a. will be the value of the amount of energy replaced or line E. 2. a. ii. multiplied by E. 3. a. For the energy that exceeds 100 percent of replacement energy or (E. 2. a. i. - E. 2. a. ii.), will be multiplied by E. 3. b., which is the energy rate received from the utility for the power being sold onto the grid.

For projects that are energy generation projects, including those energy replacement projects that replace over 150 percent, should complete line E. 4. c. Line E. 4. c. will be the amount of energy generated, which was identified in line E. 2. a. i., multiplied by E. 3. b.

Energy Efficiency Improvement project (energy saving project) should use the amount of energy identified in E. 2. b. multiplied by the retail cost of energy identified in E. 3. a.

E. 4. d. should total the value of all energy, including the value of the energy replaced and the value of the energy sold to the grid or the value of the energy saved.

- Block V. E. 5. For energy generation projects only, all energy-related revenue streams and all revenue from byproducts expected to be produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises should be listed here.
- Block V. E. 6. Self-Explanatory.
- Block V. E. 7. Self-Explanatory.
- Block V. E. 8. Self-Explanatory.
- Block V. E. 9. Self-Explanatory.
- Block V. E.8.-9. Definitions.

Simple Payback. The estimated Simple Payback of a project funded under this subpart is calculated using paragraph (1) or (2) as applicable:

- (1) **For projects that generate energy for use onsite**, Simple Payback is calculated as follows:
- (i) Simple Payback = (Eligible Project Costs) ÷ (typical years earnings before interest, taxes, depreciation, and amortization (EBITDA) for the project only).
 - (ii) EBITDA is based on:
 - (A) All energy-related revenue streams and all revenue from byproducts produced by the energy system for a typical year including the fair market value of byproducts produced by and used in the project or related enterprises.
 - (B) Income remaining after all project obligations are paid (operating and maintenance).
 - (C) The Agency's review and acceptance of the project's typical year income (which is after the project is operating and stabilized) projections at the time of application submittal.
 - (D) Does not include any tax credits, carbon credits, renewable energy credits, and one-time construction and investment-related benefits.
- (2) **For projects that reduce (save) or replace onsite energy use**, (e.g., Energy Efficiency Improvement projects that reduce and Renewable Energy System projects that replace onsite energy use), Simple Payback is calculated as follows:
- (i) Simple Payback = (Eligible Project Costs) ÷ (Dollar Value of Energy reduced or replaced):
 - (ii) Dollar Value of Energy reduced or replaced incorporates the following:
 - (A) Energy reduced or replaced will be calculated on the quantity of energy saved or replaced as determined by subtracting the result obtained under paragraph (A)(2) from the result obtained under paragraph (A)(1) of this definition, and converting to a monetary value using a constant value or price of energy (as determined under paragraph (A)(3) of this definition).
 - (1) Actual energy used in the original building and/or equipment, as applicable, prior to the Renewable Energy System or Energy Efficiency Improvement project, must be based on the actual average annual total energy used in BTU over the most recent 12, 24, 36, 48, or 60 consecutive months of operation.
 - (2) Projected energy use if the proposed Renewable Energy System or Energy Efficiency Improvement project had been in place for the original building and/or equipment, as applicable, for the same time period used to determine that actual energy use under paragraph (2)(ii)(A)(1) of this definition.
 - (3) Value or price of energy must be the actual average price paid over the same time period used to calculate the actual energy used under paragraph (2)(ii)(A)(1) of this definition. Renewable Energy System projects that will replace 100 percent of an Applicant's energy use will be required to use the actual average price paid for the energy replaced and the projected revenue received from energy sold in a typical year.
 - (B) Does not allow Energy Efficiency Improvements to monetize benefits other than the dollar amount of the energy savings the Agricultural Producer or Rural Small Business realizes as a result of the improvement.

(C) Does not include any tax credits, carbon credits, renewable energy credits, and one-time construction and investment-related benefits.

- Block V.F. Describe the key service providers for the project, including the number of similar systems installed and/or manufactured, professional credentials, licenses, and relevant experience. When specific numbers are not available for similar systems, estimations will be acceptable. Attach additional pages if required.
- Block VI. Complete this Block for Renewable Energy System projects only. Energy Efficiency Improvement projects should complete Block VII. Hybrid projects are a combination of two or more Renewable Energy System technologies that are incorporated into a unified system to support a single project. *Projects which propose two or more different Renewable Energy System technologies at two or more locations (a different technology at each site) are not eligible.*
- Block VI. A. 1. Self-Explanatory.
- Block VI. A. 2. An application for installation of a Renewable Energy System to serve a residence only is not eligible. For an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the application is eligible if one of the following options is met.
- (1) Demonstration that 51 percent or greater of the energy to be generated will benefit the Rural Small Business or agricultural operation; (In this scenario the eligible project cost will be determined based on the actual percentage of energy determined to benefit the Rural Small Business or agricultural operation. (Ex. If 56 percent of the energy from the project is going to benefit the business operation 56 percent of the total project cost will be considered eligible for REAP assistance);
 - (2) The Applicant certifies in the application that any excess power generated by the Renewable Energy System will be sold to the grid and will not be used by the Applicant for residential purposes; or
 - (3) If the project cannot meet either of the above criteria, installation of a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage will be required.
- Block VI. B. 1. Through 3. Provide information which allows the Agency to determine that an adequate renewable energy resource is available at the project site. Cite the source used in making the determination that an adequate resource exists. This information should be part of the feasibility study.
- Examples of online estimating tools may include, but are not limited to: PVWatts, National Renewable Energy Laboratory (NREL) solar and wind maps, etc.
- Examples of site specific monitoring devices may include, but are not limited to: Solar pathfinder or anemometer (wind) installations, etc.
- Other tools may include, but are not limited to: GeoExcel or similar design software used in geothermal analysis, airport wind roses, Geographic Information System (GIS), energy calculators (EIA.gov), United States Geological Survey (USGS) maps and images, Global Positioning System (GPS) receivers, etc.
- Block VI. B. 4. Agreements and Permits. Describe the necessary agreements and permits (including any for local zoning requirements) required for the project and the anticipated schedule for securing those agreements and permits.
- Block VI. B. 5. Project Development Schedule. Describe the overall project development method, including the key project development activities and the proposed schedule:
- Block VI. B. 6. Equipment Procurement and Installation. Describe the availability of the equipment required by the system, including its procurement and delivery schedules. Describe the plan for site development and system installation, including any special equipment requirements.
- Block VI. B. 7. Operations and Maintenance. Describe the operations and maintenance requirements of the system, including major rebuilds and component replacements necessary over system's useful life. Indicate if the warranties provide protection against both breakdown and degradation of performance. Describe how the system will be monitored for performance.
- Block VII. This Block is for Energy Efficiency Improvement projects only. Renewable Energy Systems can go to Block VIII to continue with the application process.
- Block VII. A. Provide the information relating to your Energy Efficiency Improvement as documented in an Energy Assessment or Energy Audit. Convert energy to BTU by use of the noted conversion factors. ATTACH THE ENERGY ASSESSMENT OR ENERGY AUDIT TO THIS FORM.
- Block VII. A. Definitions
- Qualified Consultant. An independent third-party individual or entity possessing the knowledge, expertise, and experience to perform the specific task required.
- Energy Audit. As further defined in RD Instruction 4280.103 a comprehensive report meeting Agency approval approved by an Energy Auditor an individual supervised by an Energy auditor that documents current energy usage; recommended potential improvements and their costs; energy savings from the improvements; dollars saved per year; and Simple Payback. The methodology of the Energy Audit must meet professional and industry standards. The final Energy Audit must be validated and signed by the author.

Energy Auditor. A Qualified Consultant that meets one of the following criteria:

- (1) A Certified Energy Auditor certified by the Association of Energy Engineers;
- (2) A Certified Energy Manager certified by the Association of Energy Engineers;
- (3) A Licensed Professional Engineer in the state in which the audit is conducted with at least 1 year experience and who has completed at least two similar type energy audits; or
- (4) An individual with a 4-year engineering or architectural degree with at least 3 years of experience and who has completed at least five similar type energy audits.

Block VII. B. Self explanatory.

Block VIII. An application will be scored on environmental benefits and will receive a maximum of 5 points if the Applicant has documented in the application that the proposed project will have a positive effect on any of the three impact areas: resource conservation (e.g., water, soil, forest), public health (e.g., potable water, air quality), and the environment (e.g., compliance with EPA's RFS(s), greenhouse gases, emissions, particulate matter). Points will be awarded as follows:

- (1) If the proposed project has a positive impact on any one of the three impact areas, 1 point will be awarded.
- (2) If the proposed project has a positive impact on any two of the three impact areas, 3 points will be awarded.
- (3) If the proposed project has a positive impact on all three impact areas, 5 points will be awarded.

Block IX. Describe sources and amount of all funds that will be used to complete the project. In order to receive points under the readiness scoring criteria written commitments must be attached. Attach written commitments (e.g. Letter of Commitment, bank statement) from each source that is providing funds. Third party commitment letters must be signed by the authorized party, be specific to the project and identify the dollar amount and any applicable rates and terms. Letter of intent, pre-qualification, subject to bank approval, or other underwriting requirements are NOT acceptable. Conditionalizing on receipt of REAP funds or appraisal is acceptable.

Block X. Self Explanatory.

Block XI. Self Explanatory.

Block XII. Self Explanatory.

Block XIII A. Applicant eligibility requirements as defined in RD Instruction 4280.112 include:

The Applicant must be an agricultural producer or rural small business, as defined in RD Instruction §4280.103.

The Applicant must (1) own or be the prospective owner of the project; and (2) own or control the site for the project described in the application at the time of application and, if an award is made, for the useful life of the project as described in the grant agreement.

The Applicant must have available at the time of application satisfactory sources of revenue in an amount sufficient to provide for the operation, management, maintenance, and any debt service of the project for the useful life of the project. In addition, the Applicant must control the revenues and expenses of the project, including its operation and maintenance, for which the assistance is sought. Notwithstanding the provisions of this paragraph, the Applicant may employ a qualified consultant under contract to the owner to manage revenues and expenses of the project and its operation and/or maintenance.

Block XIII. B. Project eligibility requirements as defined in RD Instruction 4280.113 include:

- (1) Be for the purchase of a new or refurbished Renewable Energy System, the retrofitting of an existing Renewable Energy System, or making Energy Efficiency Improvements that will use less energy on an annual basis than the original building and/or equipment that it will improve or replace as per an energy assessment or energy audit. Types of improvements include, but are not limited to:
 - (i) Efficiency improvements to existing Renewable Energy Systems.
 - (ii) Construction of a new energy efficiency building only when the building is used for the same purpose as the existing building, and, based on an energy assessment or energy audit, as applicable, it will be more cost effective to construct a new building and will use less energy on an annual basis than improving the existing building.
 - (iii) Subsequent improvements such as those that replace or duplicate improvements previously funded under this subpart may or may not be eligible for funding:
 - (A) If the replacement is prior to the end of the existing funded equipment's useful life, then the proposed improvement even if more energy efficient is ineligible.
 - (B) If the replacement is at or after the end of the existing funded equipment's useful life, then it is eligible for funding provided it is more energy efficient than the previously funded improvement.
- (2) Be for a commercially available and replicable technology;

- (3) Have technical merit as defined in RD Instruction 4280.116;
- (4) Be located in a rural area in a State if the type of Applicant is a rural small business, or in a rural or non-rural area in a State if the type of Applicant is an agricultural producer. If the agricultural producer's facility is in a non-rural area, then the application can only be for Renewable Energy Systems or Energy Efficiency Improvements on integral components of or that are directly related to the facility, such as vertically integrated operations, and other value added components of the agricultural production operation, and are part of and co-located with the agriculture production operation.

Block XIII. C. Self Explanatory.

Block XIII. D. RD Instruction 4280.124 identifies the construction and procurement process that grantees with total project costs of \$200,000 and greater will use.

Block XIII. E. Required insurance identified in RD Instruction 4280.122(b) is:

Agency approved insurance coverage must be maintained for 3 years after the Agency has approved the final performance report unless this requirement is waived or modified by the Agency in writing. Insurance coverage shall include, but is not limited to:

- (1) Property insurance, such as fire and extended coverage, will normally be maintained on all structures and equipment.
- (2) Liability.
- (3) National flood insurance is required in accordance with 7 CFR part 1806, subpart B, of this title, if applicable.
- (4) Business interruption insurance for projects with Total Project Costs of more than \$200,000.

Block XIII. F. Self Explanatory.

Block XIII. G. Self Explanatory.

Block XIII. H. This certification is required for bioenergy projects that proposed to use woody biomass from a National Forest System or public lands, as a feedstock. The applicant must certify that any and all woody biomass that comes from a National Forest System land or public lands cannot be used as a higher value wood-based product. For bioenergy projects that use woody biomass from private land, this certification is not required.

Block XIII. I. For a project that involves an installation of Renewable Energy System that is closely associated with and shares an energy metering device with the Rural Small Business or agricultural operation, the applicant must either:

- (1) Demonstrate that 51 percent or more of the energy will benefit the Rural Small Business or agricultural operation,
- (2) Install a second meter (or similar device) that results in all of the energy generated being used for non-residential energy usage or sold to the grid, or
- (3) Provide the certification identified.

Block XIV. Self Explanatory.

Block XV. Original signature in blue ink required. Agency reserves the right to ask for additional information to verify certifications made or to determine project and Applicant eligibility.

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

UNCONDITIONAL GUARANTEE
BUSINESS AND INDUSTRY GUARANTEED LOAN PROGRAM

RBS Loan #	
RBS Loan Name	
Borrower	
Guarantor	
Lender	
Date	
Note Amount	

1. GUARANTEE

Guarantor unconditionally guarantees payment to Lender of _____ % of all amounts owing under the Note including any costs, due under the Note when Lender makes written demand upon Guarantor. Lender is not required to seek payment from any other source before demanding payment from Guarantor. This Guarantee remains in effect until the Note is paid in full.

2. NOTE

The "Note" is the promissory note dated _____ in the principal amount of _____ Dollars, from Borrower to Lender, including any assumptions, renewals, substitutions, or replacements of the note. The term "Note," also includes any notes issued under the multi-note system and any assumptions, renewals, substitutions, or replacements of the notes.

Guarantor Initial: _____

3. DEFINITIONS

"Collateral" means any property taken as security for payment of the Note or any guarantee of the Note, whether tangible or intangible, including life insurance policies, inventory, and contract rights.

"Guarantor" also includes single and multiple Guarantors who sign this Guarantee.

"Loan" means the loan evidenced by the Note.

"Loan Documents" means the documents related to the Loan signed by Borrower, Guarantor, or any other guarantor, or anyone who pledges Collateral.

"RBS" means Rural Business Cooperative Service, an Agency of the United States Department of Agriculture, Rural Development.

4. LENDER'S GENERAL POWERS

With RBS prior written consent, Lender may take any of the following actions at any time, without notice to the Guarantor, without Guarantor's consent and without making demand upon Guarantor.

- A. Modify the terms of the Note or any other Loan Document except to increase the amounts due under the Note;
- B. Refrain from taking any action on the Note, the collateral, or any guarantee;
- C. Compromise or settle with the Borrower or any guarantor of the Note;
- D. Release any Borrower or any guarantor of the Note;
- E. Substitute or release any of the Collateral, whether or not Lender receives anything in return;
- F. Foreclose upon or otherwise obtain, and dispose of, any Collateral at public or private sale, with or without advertisement;
- G. Bid or buy at any sale of Collateral by Lender or any other lien holder, at any price Lender chooses; and
- H. Exercise any rights it has, including those in the Note and other Loan Documents.

These actions will not release or reduce the obligations of Guarantor or create any rights or claims against Lender.

5. FEDERAL LAW

When RBS is the holder, the Note and this Guarantee will be construed and enforced under Federal law, including RBS regulations. Lender or RBS may use state or local procedures for filing papers, recording documents, giving notice, foreclosing liens, and other purposes,

Guarantor Initial: _____

for filing papers, recording documents, giving notice, foreclosing liens, and other purposes. By using such procedures, RBS does not waive any federal immunity from state or local control, penalty, tax, or liability. As to this Guarantee, Guarantor may not claim or assert any local or state law against RBS to deny any obligation, defeat any claim of RBS, or preempt federal law.

6. RIGHTS, NOTICES, AND DEFENSES THAT GUARANTOR WAIVES

To the extent permitted by law,

A. Guarantor waives all rights to:

- 1) Require presentment, protest, or demand upon Borrower;
- 2) Redeem any Collateral before or after Lender disposes of it;
- 3) Have any disposition of Collateral advertised; and
- 4) Require a valuation of Collateral before or after Lender disposes of it.

B. Guarantor waives any notice of:

- 1) Any default under the Note;
- 2) Presentment, dishonor, protest, or demand;
- 3) Execution of the Note;
- 4) Any action or inaction on the Note or Collateral, such as disbursements, payment, nonpayment, acceleration, intent to accelerate, assignment, collection activity, and incurring enforcement expenses;
- 5) Any change in the financial condition or business operations of Borrower or any guarantor;
- 6) Any changes in the terms of the Note or other Loan Documents, except increases in the amounts due under the Note; and
- 7) The time or place of any sale of other disposition of Collateral.

C. Guarantor waives defenses based upon any claim that:

- 1) Lender failed to obtain any guarantee;
- 2) Lender failed to obtain, perfect, or maintain a security interest in any property offered or taken as Collateral;
- 3) Lender or others improperly valued or inspected the Collateral;
- 4) The Collateral changed in value, or was neglected, lost, destroyed or underinsured;
- 5) Lender impaired the Collateral;
- 6) Lender did not dispose of any of the Collateral;
- 7) Lender did not conduct a commercially reasonable sale;
- 8) Lender did not obtain the fair market value of the Collateral;
- 9) Lender did not make or perfect a claim upon the death or disability of Borrower or any guarantor of the Note;

Guarantor Initial: _____

- 10) Lender made errors or omissions in Loan Documents or administration of the Loan;
- 11) The financial condition of Borrower or any guarantor was overstated or has adversely changed;
- 12) Lender did not seek payment from the Borrower, any other guarantors, or any Collateral before demanding payment from Guarantor;
- 13) Lender impaired Guarantor's suretyship rights;
- 14) Lender modified the Note terms, other than to increase amounts due under the Note. If Lender modifies the Note to increase the amounts due under the Note without Guarantor's consent, Guarantor will not be liable for the increased amounts and related interest and expenses, but remains liable for all other amounts;
- 15) Borrower has avoided liability on the Note; or
- 16) Lender has taken an action allowed under the Note, this Guarantee, or other Loan Documents.

7. DUTIES AS TO COLLATERAL

Guarantor will preserve the Collateral pledged by Guarantor to secure this Guarantee. Lender has no duty to preserve or dispose of any Collateral.

8. SUCCESSORS AND ASSIGNS

Under this Guarantee, Guarantor includes heirs and successors, and Lender includes its successors and assigns.

9. GENERAL PROVISIONS

- A. ENFORCEMENT EXPENSES. Guarantor promises to pay all expenses Lender incurs to enforce this Guarantee, including, but not limited to, attorney's fees and costs.
- B. RBS NOT A CO-GUARANTOR. Guarantor's liability will continue even if RBS pays Lender. RBS is not a co-guarantor with Guarantor. Guarantor has no right of contribution from RBS.
- C. SUBROGATION RIGHTS. Guarantor has no subrogation rights as to the Note or the Collateral until the Note is paid in full.
- D. JOINT AND SEVERAL LIABILITY. All individuals and entities signing as Guarantor are jointly and severally liable.
- E. DOCUMENT SIGNING. Guarantor must sign all documents necessary at any time to comply with the Loan Documents and to enable Lender to acquire, perfect, or maintain Lender's liens on Collateral.

Guarantor Initial: _____

- F. FINANCIAL STATEMENTS. Guarantor must give Lender financial statements or other information requested by the Lender. Failure by the Guarantor to submit the requested information can result in the Lender taking appropriate action consistent with applicable State law.
- G. LENDER'S RIGHTS CUMULATIVE, NOT WAIVED. Lender may exercise any of its rights separately or together, as many times as it chooses. Lender may delay or forgo enforcing any of its rights without losing or impairing any of them.
- H. ORAL STATEMENTS NOT BINDING. Guarantor may not use an oral statement to contradict or alter the written terms of the Note or this Guarantee, or to raise a defense to this Guarantee.
- I. SEVERABILITY. If any part of this Guarantee is found to be unenforceable, all other parts will remain in effect.
- J. CONSIDERATION. The consideration for this Guarantee is the Loan or any accommodation by Lender as to the Loan.

10. STATE-SPECIFIC PROVISIONS

11. GUARANTOR ACKNOWLEDGMENT OF TERMS

Guarantor acknowledges that Guarantor has read and understands the significance of all terms of the Note and this Guarantee, including all waivers.

12. GUARANTOR ACKNOWLEDGEMENT OF FEDERAL DEBT

Guarantor acknowledges and agrees that any loss claim paid by the Agency on the Note shall be a Federal Debt owed by Guarantor up to the amount in paragraph 1. Guarantor agrees to immediately reimburse RBS for the loss claim. RBS may use all remedies available to it, including those under the Debt Collection Improvement Act, to recover the Federal Debt from the Guarantor. RBS's right to collect from the Guarantor is independent of the Lender's rights to collect under the Note and will not be affected by any release by the Lender. Any RBS collection under this paragraph does not need to be shared with the Lender.

13. SIGNATURE(S)

By signing below, each individual or entity becomes obligated as Guarantor under this Guarantee.

Signature

Date

RD Instruction 4280-B

§ 4280.128(b)(2)(xii) A proposed Loan Agreement or a sample Loan Agreement with an attached list of the proposed Loan Agreement provisions. The following requirements must be addressed in the proposed or sample Loan Agreement:

- (A) Prohibition against assuming liabilities or obligations of others;
- (B) Restriction on dividend payments;
- (C) Limitation on the purchase or sale of equipment and fixed assets;
- (D) Limitation on compensation of officers and owners;
- (E) Minimum working capital or current ratio requirement;
- (F) Maximum debt-to-net worth ratio;
- (G) Restrictions concerning consolidations, mergers, or other circumstances;
- (H) Limitations on selling the business without the concurrence of the lender;
- (I) Repayment and amortization of the loan;
- (J) List of collateral and lien priority for the loan, including a list of persons and corporations guaranteeing the loan with a schedule for providing the lender with personal and corporate financial statements. Financial statements for corporate and personal guarantors must be updated at least annually once the guarantee is provided;
- (K) Type and frequency of financial statements to be required from the borrower for the duration of the loan;
- (L) The addition of any requirements imposed by the Agency in Form RD 4279-3;
- (M) A reserved section for any Agency environmental requirements; and
- (N) A provision for the lender or the Agency to have reasonable access to the project and its performance information during its useful life or the term of the loan, whichever is longer, including the periodic inspection of the project by a representative of the lender or the Agency.

**UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT**

APPLICATION FOR LOAN GUARANTEE
(Business and Industry Short Form- One-Doc and Section 9006 Program)

This form may be used for loan applications in accordance with 7 CFR 4279-B, §4279.161 (c) and with 7 CFR 4280-B, § 4280.128(c).

Section 1001 of Title 18, United States Code provides: "Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry shall be fined under this title or imprisoned for not more than five years or both."

CERTIFICATION: Information contained below and in attached exhibits is true and complete to the best knowledge. Misrepresentation of material facts may be the basis for denial of credit by the United States Department of Agriculture (USDA).

PART I: Completed by Applicant

A. Applicant Business Information			Shaded area for USDA use only.	
1. Tax ID#/Social Security #	2. Applicant Name	3. Loan Amount Requested	Eligible amount?	OK
4. Contact Person	5. Mailing Address	6. Project Street Address	Population?	_____
7. Contact phone number	8. City	9. County	Rural?	OK
10. DUNS number	11. State	12. Zip Code	Targeted area?	_____
13. Borrower Type (e.g., corp.)	14. Nature of Business	15. NAICS Code	Congress District?	_____
16. If Individual, Veteran? Y / N	17. Loan Purpose(s)	18. Business in operation since:	Eligible Purpose?	OK
19. # Full-Time-Equivalent Jobs to be Retained	20. # Full-Time-Equivalent Jobs to be Created	21. Average wage rate of employees after loan \$ _____ per hour	Jobs benefit?	OK
22. If purpose of loan is a transfer of ownership or debt refinance, explain how this will save or create jobs.			Justified.	OK

B. Ownership Information

23. List all owners in order of ownership interest:									USDA use
Owner Name	Race *	Ethnicity *	Sex *	% owned	US Citizen or Perm. Resident	Position in Company	Personal Guaranty?	Outside Net Worth	
			M / F	%	Y / N		Y / N	\$	OK
			M / F	%	Y / N		Y / N	\$	OK
			M / F	%	Y / N		Y / N	\$	OK
			M / F	%	Y / N		Y / N	\$	OK
			M / F	%	Y / N		Y / N	\$	OK
			M / F	%	Y / N		Y / N	\$	OK

**This information is requested in order to monitor the Lender's compliance with the Equal Credit Opportunity Act. You are not required to furnish this information but are encouraged to do so. However, if you choose not to furnish it, the Lender is required to note race and sex on the basis of visual observation or surname under Federal regulations.*

Shaded area for USDA use only.
CAIVRS check? OK

By my signature, I certify that I have read the General Borrower Certifications contained in this application. My signature represents my agreement to comply with the limitations outlined in the General Borrower Certifications.

CORPORATE SEAL

APPLICANT SIGNATURE

ATTEST _____
TITLE _____

BY _____
TITLE _____
DATE _____

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 0570-0017 and 0570-0050. The time required to complete this information collection is estimated to average 3 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.

GENERAL BORROWER CERTIFICATIONS

(1) ENVIRONMENTAL CERTIFICATION

The applicant business certifies that it is in compliance with all local, state, and federal environmental laws and regulations and will continue to comply with these laws and regulations. In addition, the applicant business certifies it has no knowledge of any environmental contamination of any real or personal property to be pledged as collateral for the loan which violates any such laws and regulations (other than as disclosed on Form RD 1940-20, "Request for Environmental Information," submitted in connection with this application).

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

"Recipient" herein hereby assures the U.S. Department of Agriculture (USDA) that Recipient 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 CFR part 15, and USDA regulations promulgated hereunder, including 7 CFR §1901.202. In accordance with that Act and the regulations referred to above, Recipient agrees that in connection with any program or activity for which Recipient receives Federal financial assistance (as such term is defined in 7 CFR 15.2) no person in the United States shall, on the grounds of race, color, or national origin, or sexual orientation be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination.

- A. Recipient agrees that any transfer of any aided facility, other than personal property, by sale, lease, or other conveyance of contract, shall be, and shall be made expressly, subject to the obligations of this agreement and transferee's assumption thereof.
- B. The Recipient 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 employees of the USDA 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 such information regarding the provisions of this agreement and the regulations, and in such manner as the USDA finds necessary to inform such persons of the protection assured them against discrimination.
- 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 Recipient 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 Recipient 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.
- 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.

(3) EQUAL OPPORTUNITY AGREEMENT (EXECUTIVE ORDER 11246, AS AMENDED)

"Recipient" (whether one or more) and USDA, pursuant to the rules and regulations of the Secretary of Labor ("Secretary") issued under the authority of Executive Order 11246, as amended, agree:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary issued pursuant to section 204 of Executive Order 11246 of September 4, 1965:

GENERAL BORROWER CERTIFICATIONS (continued)

A. To 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" is required:

"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, sexual orientation 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, sexual orientation 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, sexual orientation 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 required by this Equal Opportunity clause pursuant to section 202(3) of Executive Order 11246, 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 of all rules, regulations and relevant orders of the Secretary of Labor and of any prior authority which remain in effect.
- (5) The contractor will furnish all information and reports required by Executive Order 11246, rules, regulations, and orders, or pursuant thereto, and will permit access to the contractor's books, records, and accounts by USDA, Office of Civil Rights, and the Secretary for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the Equal opportunity (Federally Assisted Construction) clause or with any of the said rules, regulations, or orders, this contract may be canceled, 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 the provisions of this Equal Opportunity (Federally Assisted Construction) 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 such 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: Provided, however, that 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. To be bound by the provisions of the Equal Opportunity clause in construction work performed by Recipient and paid for in whole or in part with the aid of such financial assistance.

C. To notify all prospective contractors to file the required Form RD 400-6, "Compliance Statement," with their bids.

D. Form AD-425, "Contractor's Affirmative Action Plan for Equal Employment Opportunity," will accompany the notice of award of the contract. Bid conditions for all nonexempt Federal and Federally assisted construction contracts 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. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the provisions of the Equal Opportunity clause and the said rules, regulations, and orders, to obtain and furnish to USDA and the Secretary, Form AD-560, "Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as required and such other information as may be required for the supervision of such compliance, and to otherwise assist USDA in the discharge of its primary responsibilities for securing compliance.

GENERAL BORROWER CERTIFICATIONS (continued)

- F. To refrain from entering into any contract, or extension or other modification of a contract, subject to such Executive Order with a contractor debarred from Government contracts or Federally assisted construction contracts pursuant to part 11, subpart D, of such Executive Order or to prior authority; and to carry out such sanctions and penalties for violation of the provisions of the Equal Opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary pursuant to such subpart D.
- G. That if Recipient fails or refuses to comply with these undertakings, USDA may take any or all of the following actions: (a) cancel, terminate, or suspend said financial assistance in whole or in part; (b) refrain from extending any further assistance under the program involved until satisfactory assurance of future compliance has been received from Recipient; and (c) refer the case to the USDA Office of Civil Rights Enforcement and Adjudications Program Complaint and Adjudication Division, U.S. Department of Agriculture, for appropriate action.

(4) FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

- A. The recipient (borrower) certifies, acknowledges and agrees that any loss claim(s) paid by the Government to the Lender on account of any guarantee made pursuant to this application will be a Federal debt owed to the Government by the recipient. In such a case, the Government may use all legal collection remedies, including those under the Debt Collection Improvement Act. The Government's right to collect this Federal debt will not be affected by any release provided to the recipient by the Lender. Lender agrees that any collection by the Government of this Federal debt will not be shared with the Lender.
- B. The Federal Government is authorized by law to take any and all actions listed below in the event your loan payments become delinquent or you default on your loan:
 - 1 Report your name and account information to a credit reporting agency.
 - 1 Assess interest and penalty charges for the period of time that payment is not made.
 - 1 Assess charges to cover additional administrative costs incurred by the Government to service your account.
 - 1 Offset amounts to be paid to you under other Federal programs.
 - 1 Refer your account to a private collection agency to collect the amount due.
 - 1 Foreclosure on any security you have given for the loan.
 - 1 Pursue legal action to collect through the courts.
 - 1 Report any written off debt to the Internal Revenue Service as taxable income.
 - 1 If you are a current or retired Federal employee, take action to offset your salary or civil service retirement benefits.
 - 1 Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the Executive Branch of the Federal Government for a period of debarment or suspension.

(5) STATEMENT REQUIRED BY THE PRIVACY ACT

USDA is authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 *et seq.*) or other Acts administered by USDA to solicit the information requested on USDA application forms.

Disclosure of information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Number or Federal Identification Number, will result in the rejection of your application.

The principal purposes for collecting the requested information are to determine eligibility for USDA credit or other financial assistance, for the servicing of your loan, and for statistical analysis. Information provided may be used outside of USDA for the following:

- 1 To provide the basis for borrower success stories in USDA news releases.
- 1 Referral to the appropriate law enforcement agency as required by 40 FR 38924 (1975).
- 1 Referral to employees, businesses, landlords, creditors, or others to determine repayment ability and eligibility for USDA programs-
- 1 Referral to a contractor providing services to USDA in connection with your loan.
- 1 Referral to a credit reporting agency.

- 1 Referral to a person or organization when USDA decides such referral is appropriate to assist in the collection or servicing of the loans.
- 1 Referral to the Treasury Department pursuant to the Debt Collection Improvement Act..
- 1 Referral to a Federal Records Center for storage.

Every effort will be made to protect the privacy of applicants and borrowers.

GENERAL BORROWER CERTIFICATIONS (continued)

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 provisions of the Freedom of Information Act (5 U.S.C. 522).

Much information not clearly marked "Confidential" may routinely be released if a request is received for same. 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 be likely to 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.

(6) FEDERAL EQUAL CREDIT OPPORTUNITY ACT STATEMENT

Federal law does not allow discrimination of any kind. You cannot be denied a loan because of your race, color, religion, national origin, sex, marital status, disability, or age (if you can legally sign a contract). You cannot be denied a loan because all or part of your income is from a public assistance program. If you believe that you have been discriminated against for any of these reasons, you can write the Secretary of Agriculture, Washington, D.C. 20250. You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for seeing this law is obeyed is the Federal Trade Commission, Washington, D.C. 20580.

(7) FEDERAL DEBT COLLECTION IMPROVEMENT ACT CERTIFICATION

The loan applicant certifies that the applicant is not delinquent on any Federal debt. The applicant further certifies that no party with a 20 percent or more ownership interest in the applicant is delinquent on any Federal debt. The loan applicant certifies and acknowledges that any amounts paid by USDA on account of the liabilities of the guaranteed loan will constitute a Federal debt owed to USDA by the guaranteed loan borrower. In such case, USDA may use all remedies available to it to collect the debt from the borrower.

(8) AMERICANS WITH DISABILITIES ACT STATEMENT

All areas of public accommodation must be accessible to persons with disabilities in accordance with Americans with Disabilities Act of 1990.

PART II: Completed by Lender

C. Lender Information

1. Lender Tax ID #	2. Lender Name	3. Contact Loan Officer	Shaded area for USDA use only Lender type? (e.g. bank, S&L, _____ non-traditional, etc.) Date of Lender's Agreement _____
4. Contact phone number	5. Contact fax number	6. Contact e-mail address	
7. Loan Processing Office Street Address	8. Mailing Address (if different)	9. Loan Servicing Office Mailing Address	
10. City	11. City	12. City	
13. State	14. State	15. State	
16. Zip Code	17. Zip Code	18. Zip Code	

D. Loan Information (include guaranteed and unguaranteed portions, if different)

19. Loan Amount	20. Interest Rate Formula	21. Term	22. % guarantee requested %	Shaded area for USDA use only. Eligible amount? OK Reasonable rates & terms? OK
23. Current Int. Rate based on formula	24. Fixed or Variable	25. If variable, reset period	26. Installment period (e.g., monthly, semiannual, annual)	

28. E. Source & Use of Funds

Purpose	Borrower Contribution	B&I Loan		Total	Shaded area for USDA use only <50% of purpose? OK
Business Acquisition	\$	\$	\$	\$	
Land	\$	\$	\$	\$	
RE Improvements	\$	\$	\$	\$	
Contingency	\$	\$	\$	\$	
M&E	\$	\$	\$	\$	
Working capital	\$	\$	\$	\$	
Refinance other debt	\$	\$	\$	\$	
Refinance lender debt	\$	\$	\$	\$	
Rolling stock	\$	\$	\$	\$	
FF&E	\$	\$	\$	\$	
Coop. stock purchase	\$	\$	\$	\$	
Origination fee	\$	\$	\$	\$	
Guarantee fee	\$	\$	\$	\$	
Other fees & costs	\$	\$	\$	\$	
Other	\$	\$	\$	\$	
Total	\$	\$	\$	\$	
Percent contribution	%	%	%	%	

29. F. B&I Tangible Balance Sheet Equity

Section 9006 Program

The pro forma balance sheet below is an accurate presentation of the post-closing balance sheet of the business-reflecting only business assets and liabilities, including all proposed financing connected with this B&I loan and any assets acquired with it. Equity cannot include appraisal surplus or subordinated debt.

Cash equity injection or fair market value of equity in real property that is to be pledged as collateral for the loan.

	Pro Forma Balance Sheet	Cash equity:	\$
Total Assets	\$	Equity in real property:	\$
Less Intangible Assets	\$	TOTAL EQUITY:	\$
Tangible Assets (= Total Assets - Intangible Assets)	\$		
Total Liabilities	\$	Total Eligible Project Cost	\$
Tangible Balance Sheet Equity (= Tangible Assets - Total Liabilities)	\$	Equity percentage (= Total Equity/Total Project Cost)	%
Tangible B.S. Equity Ratio (= Tangible Equity/TangibleAssets)	%	NA	NA

Shaded area for USDA use only

≥ 10% for existing business:	OK	15% Equity if loan ≤ \$600 000	OK
≥ 20% for new business:	OK	25% Equity if loan > \$600 000	OK

30. G. Collateral and Insurance

Collateral Schedule

Type	Description	Source of Value	Documented Value	Discount	Prior Liens	Collateral Value	Shaded area for USDA use only
RE		*	\$	%	\$	\$	
RE		*	\$	%	\$	\$	
M&E		*	\$	%	\$	\$	
M&E		*	\$	%	\$	\$	
Inventory		*	\$	%	\$	\$	
A/R		*	\$	%	\$	\$	
Other		*	\$	%	\$	\$	
Other		*	\$	%	\$	\$	
	Total		\$		\$	\$	
							Adequate? OK

*Appraisal/Orderly Liquidation Value (OLV)/ Cost

Proposed Insurance Coverage - with lender assignment

Type of Insurance	Insurance on:	Insurance amount	Shaded area for USDA use only	
Hazard		\$		Adequate? OK
Key person life		\$		Adequate? OK
Business Interruption (9006 only)		\$		Adequate? OK

Attachments:*

- 31. Lender's complete written analysis, including spreadsheets of the balance sheets and income statements for the 3 previous years (for existing businesses), pro forma balance sheet at startup, and 2 years projected yearend balance sheets and income statements, with appropriate ratios and comparisons with industrial standards (such as Dun & Bradstreet or Robert Morris Associates). All data must be shown in total dollars and also in common size form, obtained by expressing all balance sheet items as a percentage of assets and all income and expense items as a percentage of sales. The lender's credit analysis must address the borrower's management, repayment ability including a cash-flow analysis, history of debt repayment, necessity of any debt refinancing, and the credit reports of the borrower, its principals, and any parent, affiliate, or subsidiary. The Section 9006 Program requires 3 years of projected financial statements.
- 32. Lender's proposed loan agreement. *(Please refer to 7 CFR 4279-B, §4279.161(b)(11), for guidance on minimum required content.) For the Section 9006 Program, see § 4280.128(b)(2)(xii).*
- 33. Applicant's current (not more than 90 days old) business balance sheet.
- 34. Form RD 1940-20, "Request for Environmental Information," and attachments, unless the project is categorically excluded under Agency environmental regulations. *(Please contact USDA for assistance in determining what environmental information will be needed.)*
- 35. Intergovernmental consultation comments in accordance with RD Instruction 1940-J and 7 CFR part 3015, subpart V. *(Please contact USDA for assistance in meeting your state requirements.)*
- 36. Technical Report *(Section 9006 Program only, see § 4280.128(b)(1)(vi) or § 4280.128(c)(1)(ii), as applicable.)*

* USDA may request additional information.

Lender certifies that it has reviewed the Lender Certifications contained in this application. Lender's signature represents the lending institution's certification and agreement to these certifications.

Lender certifies that it meets all criteria to be considered an eligible Lender.

Lender certifies that it has completed a comprehensive analysis of the proposal, the proposed borrower is eligible, the loan is for authorized purposes, and there is reasonable assurance of repayment ability based on the proposed borrower's history, projections, equity, and the collateral to be obtained.

Lender's Name

Date

Officer's Signature

Officer's Title

LENDER CERTIFICATIONS

(1) LOAN PROCEEDS TO AN OWNER OR CLOSE RELATIVE OF OWNER

Lender certifies that no loan proceeds will be paid to an owner or close relative of an owner, unless the party being paid is being completely bought out in connection with the B&I or Section 9006 Program loan and will retain no ownership interest.

(2) DEBT REFINANCING OF LOANS OTHER THAN THOSE OWED TO THE LENDER (B&I Only)

Lender certifies that the refinancing will result in improved cash flow or job creation or retention at the borrower's business.

(3) DEBT REFINANCING OF LENDER'S OWN LOANS

Lender certifies that either (a) no loans owed to the lender are being refinanced; or (b) if loans owed to the lender are being refinanced, such loans have been current for at least the past 12 months not due to debt restructuring, the lender is providing better rates and/or terms, and the refinance is a secondary part of the loan.

(4) CERTIFICATION OF COMPLETE APPLICATION ON FILE WITH LENDER

Lender certifies that all documentation required by 7 CFR 4279-B, §4279.161 (for Section 9006 Program, § 4280.128), has been obtained and supports the data presented in this application.

(5) LENDER'S CREDIT ANALYSIS

Lender certifies that, after completing appropriate due diligence, it has analyzed the proposed credit and found it to be sound. A complete copy of the lender's credit analysis is being provided to USDA in connection with this application.

(6) BUSINESS REPUTATION & CREDIT HISTORY

Lender certifies that it has obtained a current commercial credit report on the business to be financed and its parent, affiliates, or subsidiaries and current credit reports on all of the owners with a 20% or greater interest. The credit reports reflect good credit and indicate a history of meeting obligations as agreed. Any exceptions are in the lender's credit analysis and sufficiently addressed to eliminate concerns about creditworthiness.

(7) ADEQUACY OF FINANCIAL POSITION

Lender certifies that it has (a) analyzed the applicant's balance sheets and has determined that the business has adequate solvency necessary to succeed and to accomplish its proposed business plan; (b) analyzed the liquidity and cash flow projections of the borrower's proposed operation, and there is adequate working capital available to meet the needs of the business; and (c) analyzed the applicant's historical and projected income statements and determined that the business projections are reasonable and attainable; and (d) determined that the business has the ability to repay the proposed B&I or Section 9006 Program loan.

(8) ADEQUACY OF MANAGEMENT

Lender certifies that it has assessed the qualifications, experience, and background of the applicant's management team. The management ability is sufficient to successfully operate the business.

(9) ADEQUACY OF COLLATERAL

Lender certifies that it has obtained appraised values and/or confirmed cost information to document that there is adequate collateral to fully secure the proposed loan. The collateral schedule in this application is an accurate representation of the proposed collateral for the proposed B&I Section 9006 Program loan.

(10) ADEQUACY OF INSURANCE

Lender certifies that the proposed insurance is adequate in accordance with 7 CFR 4279-B, §4279.143 and for Section 9006 Program, §4280.150.

(11) NO SIGNIFICANT ENVIRONMENTAL CONCERN

Lender certifies that it has completed environmental due diligence on the security property and the proposed activity to be financed. Based on this analysis, there are no significant environmental concerns associated with the proposed loan that are not addressed on Form RD 1940-20, "Request for Environmental Information."

(12) CONFLICT OF INTEREST

Lender certifies that no officer, director, stockholder or employee of the lender has a financial interest in the borrower or vice versa.

(13) RESTRICTIONS AND DISCLOSURE OF LOBBYING ACTIVITIES

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 a loan, the undersigned shall complete and submit SF-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

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 the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

LENDER CERTIFICATIONS (continued)

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

This certification is required by the regulations implementing Executive Order 12649, Debarment and Suspension, 7 CFR 3017.510, "Participants' responsibilities." Copies of the regulations may be obtained by contacting the Department Of Agriculture agency offering the proposed covered transaction.

The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

The certification in this clause is a material representation of fact upon which reliance was placed when the department or 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 department, or 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 set out in Definitions and Coverage sections of rules implementing Executive Order 12649. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

The prospective primary participant 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 department or agency entering into this transaction.

The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tiered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

The participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it 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 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.

Except for transactions authorized under paragraph 5 of this part, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department, or agency may terminate this transaction for cause or default.

A. The prospective primary participant certifies to the best of its knowledge and belief, 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 three year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of a fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, 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 three-year period preceding this application or proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

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 proposal.

20. PROVIDE INFORMATION BELOW ON KEY PEOPLE (PROPRIETOR, PARTNERS, OFFICERS, DIRECTORS, KEYS EMPLOYEES AND STOCKHOLDERS WITH 20% OR MORE INTEREST IN THE BUSINESS). ALSO INCLUDE PERSONS OR CORPORATION THAT WILL GUARANTEE LOAN. (*Optional, used for monitoring purposes only.)

NAME AND POSITION	RACE *	SEX *	U.S. CITIZEN YES OR NO	ANNUAL COMPENSATION	% OF OWNERSHIP	OUTSIDE NET WORTH	PERSONAL/ CORPORATE GUARANTEE YES OR NO

ATTACH THE FOLLOWING IF NOT ALREADY SUBMITTED:

- 21. ATTACH BUSINESS PLAN that should as a minimum include description of business or project, management experience, products or services, proposed use of funds, community benefits, type and number of jobs, availability of labor or raw materials or supplies, names of any corporate parents, affiliates, subsidiaries and describe relationship, including products, ownership between borrower, parent, affiliates, etc..
- 22. "Certification of Non-Relocation and Market Capacity Information Report," Form 4279-2. (*Not applicable to Section 9006 Program*).
- 23. State Clearinghouse comments or recommendations.
- 24. For companies listed on major stock exchanges and or subject to the Securities and Exchange Commission regulations, a copy of Form 10-K; Annual Report Pursuant to Section 13 or 15D of the Act of 1934."
- 25. "Request for Environmental Information," Form RD 1940-20, and attachments. (*If applicable*)
- 26. Independent Feasibility Study. (*if applicable, see RD Instruction 4279-B, for Section 9006 Program, see §4280.128(b)(1)(vii).*)
- 27. Architectural or Engineering Plans. (*if applicable*)
- 28. Cost estimates and forecasts of contingency funds to cover cost increases or project changes.
- 29. Financial Statements; a) At least 3 years historical income statements and balance sheets (if an existing business), including parents, affiliate and subsidiary firms, Annual Audits if available; b) Current (not more than 90 days old) balance sheet and profit and loss statement (if an existing business); c) Pro-forma balance sheet (at startup); d) 2 years of projections: income statements, balance sheets and cash flow statements supported by a list of assumptions (monthly first year, quarterly for 2nd year). For the Section 9006 program, instead of complying with this item, comply with the requirements in §4280.128.
- 30. Record of any pending or final regulatory or legal (civil or criminal) action against the business, parent, affiliate, proposal guarantors, subsidiaries, principal stockholders, officers and directors.
- 31. If a health care facility, a "Certificate of Need" (*if required by state law*).
- 32. Current personal (not more than 60 days old) and corporate (not more than 90 days old) financial statements on guarantors in Item 20, above.
- 33. Technical Report (Section 9006 Program only; see §4280.128(b)(1)(vi) or §4280.128(c)(1)(ii), as applicable.

By my signature, I certify that I have read the General Borrower Certifications contained in this application. My signature represents my agreement to comply with the limitations outlined in the General Borrower Certifications.

CORPORATE SEAL

BORROWER SIGNATURE

ATTEST _____

BY _____

TITLE _____

TITLE _____

DATE _____

GENERAL BORROWER CERTIFICATIONS

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

"Recipient" herein hereby assures the United States Department of Agriculture that Recipient 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 USDA regulations promulgated hereunder, 7 C.F.R. § 1901.202 of subpart E of part 190.1. In accordance with that Act and the regulations referred to above, Recipient agrees that in connection with any program or activity for which Recipient 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 ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination.

A. Recipient agrees that any transfer of any aided facility, other than personal property, by sale, lease or other conveyance of contract, shall be, and shall be made expressly, subject to the obligations of this agreement and transferee's assumption thereof

B. Recipient 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 employees of the USDA 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 such information regarding the provisions of this agreement and the regulations, and in such manner as the USDA finds necessary to inform such persons of the protection assured them against discrimination.

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 recipient 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 Recipient 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.

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.

(2) EQUAL OPPORTUNITY AGREEMENT (EXECUTIVE ORDER 11246, AS AMENDED)

"Recipient" (whether one or more) and the USDA, pursuant to the rules and regulations of the Secretary of Labor ("Secretary") issued under the authority of Executive Order 11246, as amended, agree:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 unless exempted by rules, regulations or orders of the Secretary issued pursuant to section 204 of Executive Order 11246 of September 4, 1965.

A. To 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" :

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 equally 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 the 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 the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement as required pursuant to section 202(3) of Executive Order 11246, 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 of all rules, regulations and relevant orders of the Secretary of Labor and of any prior authority which remain in effect.
 - (5) The contractor shall furnish all information and reports required by Executive Order 11246, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA, Office of Civil Rights, and the Secretary for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
 - (6) In the event of the contractor's noncompliance with the Equal Opportunity (Federally Assisted Construction) 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 on accordance with procedures authorized in Executive Order No. 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 No.
 - (7) The contractor will include the provisions of this Equal Opportunity (Federally Assisted Construction) clause in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each such 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 non compliance: Provided, however, that in the event the contractor becomes involved in or is threatened with litigation with a subcontractor or vendor as a result such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.
- B. To be bound by the provisions of the Equal Opportunity Clause in construction work performed by Recipient and paid for in whole or in part with the aid of such financial assistance.
 - C. To notify all prospective contractors to file the required "Compliance Statement," Form RD 400-6, with their bids.
 - D. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt Federal and Federally assisted construction contracts 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. To assist and cooperate actively with the USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the provisions of the Equal Opportunity Clause and the said rules, regulations, and orders, to obtain and furnish to the USDA and the Secretary, Form AD-560, "Certification of Nonsegregated Facilities", to submit the Monthly Employment Utilization Report, Form CC-257, as required and such other information as may be required for the supervision of such compliance, and to otherwise assist the USDA in the discharge of its primary responsibility for securing compliance.

- F. To refrain from entering into any contract, or extension or other modification of a contract, subject to such Executive Order with a contractor debarred from Government contracts or Federally assisted construction contracts pursuant to part 11, subpart D, of such Executive Order or to prior authority; and to carry out such sanctions and penalties for violation of the provisions of the Equal Opportunity Clause as may be imposed upon contractors and subcontractors by the USDA or the Secretary pursuant to such subpart D.
- G. That if Recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: (a) cancel, terminate, or suspend said financial assistance in whole or in part; (b) refrain from extending any further assistance under the program involved until satisfactory assurance of future compliance has been received from Recipient; and (c) refer the case to the USDA Office of Civil Rights Enforcement and Adjudications Program Complaint and Adjudication Division, U. S. Department of Agriculture for appropriate action.

(3) FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

- A. The Recipient (Borrower) certifies, acknowledges and agrees that any loss claim(s) paid by the Government to the Lender on account of any guarantee made pursuant to this application will be a Federal debt owed to the Government by the Recipient. In such a case, the Government may use all legal collection remedies, including those under the Debt Collection Improvement Act. The Government's right to collect this Federal debt will not be affected by any release provided to the Recipient by the Lender. Lender agrees that any collection by the Government of this Federal debt will not be shared with the Lender.
- B. The Federal Government is authorized by law to take any and all actions in the event your loan payments become delinquent or you default on your loan:
- Report your name and account information to a credit reporting agency.
 - Assess interest and penalty charges for the period of time that payment is not made.
 - Assess charges to cover additional administrative costs incurred by the Government to service your account.
 - Offset amounts to be paid to you under other Federal programs.
 - Refer your account to a private collection agency to collect the amount due.
 - Foreclosure on any security you have given for the loan.
 - Pursue legal action to collect through the courts.
 - Report any written off debt to the Internal Revenue Service as taxable income.
 - If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
 - Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the Executive Branch of the Federal Government for a period of debarment or suspension.

(4) STATEMENT REQUIRED BY THE PRIVACY ACT

The USDA is authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et. seq.) or other Acts administered by USDA to solicit the information requested on USDA application forms.

Disclosure of information requested is voluntary. However, failure to disclose certain items of information requested, including your Social Security Account or Federal Identification Number, will result in the rejection of your application.

The principal purposes for collecting the requested information are to determine eligibility for USDA credit or other financial assistance, the need for interest credit or other servicing actions, for the servicing of your loan, and for statistical analysis. Information provided may be used outside of the Department of Agriculture for the following purposes:

- To provide the basis for borrower success stories in USDA news releases.
- Referral to the appropriate law enforcement agency as required by 40 FR 38924 (1975).
- Referral to employees, business, landlords, creditors or others to determine repayment ability and eligibility for USDA programs.
- Referral to a contractor providing services to USDA in connection with your loan.

- Referral to a credit reporting agency.
- Referral to a person or organization when USDA decides such referral is appropriate to assist in the collection or servicing of the loans.
- Referral to a Federal Records Center for storage.

Every effort will be made to protect the privacy of applicants and borrowers.

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 a request is received for same. 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 be likely to 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 maybe made available to the public during the time it is held in Government files regardless of the action taken by USDA on your application.

FEDERAL EQUAL CREDIT OPPORTUNITY ACT STATEMENT

Federal law does not allow discrimination of any kind. You cannot be denied a loan because of your race, color, religion, national origin, sex, marital status, handicap, or age (if you can legally sign a contract). You cannot be denied a loan because all or part of your income is from a public assistance program. If you believe that you have been discriminated against for any of these reasons, you can write the secretary of Agriculture, Washington, D. C. 20250. You cannot be denied a loan because you exercised your rights under the Consumer Credit Protection Act. You must have exercised these rights in good faith. The Federal Agency responsible for seeing this law is obeyed is the Federal Trade Commission, Washington, D.C. 20580.

PART B: Completed By Lender

1. NAME OF LENDER		2. ADDRESS (Include Zip Code)	
3. LENDER TAX ID NUMBER	4. CONTACT PERSON	5. TELEPHONE NUMBER (Include Area Code)	
6. IS LOAN WITHIN LENDER'S LEGAL LENDING LIMIT? <input type="checkbox"/> Yes <input type="checkbox"/> No	7. GUARANTEE PERCENT REQUESTED? _____ %	8. WHY IS GUARANTEE NEEDED? _____	

9. LIST ANY OFFICER, DIRECTOR, STOCKHOLDER OR EMPLOYEE WHO HAS A FINANCIAL INTEREST IN THE BORROWER, OR VICE VERSA AND DESCRIBE THE RELATIONSHIP AND INTEREST:

10. LIST ALL FEES LENDER WILL CHARGE FOR THE LOAN, INCLUDING THE USDA GUARANTEE FEE:

11. LENDER'S SERVICING PLAN (FIELD INSPECTIONS, INTERIM STATEMENTS, ANNUAL AUDITS CREDIT ANALYSIS, ETC.):

12. LIST ANY OTHER USDA GUARANTEED BUSINESS AND INDUSTRY LOANS MADE BY LENDER:

Borrower Name	Program Type	Total Loan Amount	Guaranteed Loan Amount	Closing Date

13. PROPOSED KEY EMPLOYEE LIFE INSURANCE, EMPLOYEE NAME(S) AND AMOUNT(S)

	Assigned to Guaranteed Loan?
	Assigned to Guaranteed Loan?
	Assigned to Guaranteed Loan?

14. COLLATERAL AVAILABLE FOR THE USDA GUARANTEED LOAN:

Presently Owned or to be Acquired	Value	Value Type	Discount Factor	Prior Liens *	Net Collateral Value
Accounts Receivable					
Inventory					
Office Furniture and Equipment					
Automotive Equipment					
Machinery and Equipment					
Building					
Land					
Other:					
TOTALS					

* Indicate by asterisk liens to be paid off with USDA guaranteed loan funds

15.	Project Purpose and Funding	Borrower Contribution	USDA Guaranteed Loan	Other Funds	Total
	Working Capital				
	Office Furniture and Equipment				
	Automotive Equipment				
	Machinery and Equipment				
	Real Estate				
	Debt Restructuring				
	Fees: Professional, USDA Guarantee				
	Other				
	TOTAL				

16.	Proposed Financing	Loan Amount	Interest Rate "V" variable	Base Rate As of Today	Interest Rate Tied To	Days Interest Computed On	Term "Y" - "Mo"	Monthly Payments
	TOTAL							

17.	B & I	Section 9006 Program
	Tangible book equity cannot include appraisal surplus or subordinated debt. May include Proprietorship, Partnership, or other forms of Net Worth.	Cash equity injection or fair market value of equity in real property that is to be pledged as collateral for the loan.
	When Loan Note Guarantee is Issued:	Cash equity: \$
	Common Stock	Equity in real property: \$
	Preferred Stock	TOTAL EQUITY: \$
	Retained Earnings	
	Capital Surplus	Total Eligible Project Cost: \$
	Other *	Equity percentage: (=Total Equity/Total Project Cost) %
	TOTAL	USDA use: 15% Equity if loan <= \$600,000 <input type="checkbox"/> OK 25% Equity if loan > \$600,000 <input type="checkbox"/> OK

ATTACH THE FOLLOWING IF NOT ALREADY SUBMITTED:

- 18. Intergovernmental Review Clearance (*If applicable*).
- 19. Credit reports on the borrower, its principles, and any parent, affiliate or subsidiary firms.
- 20. Proposed term Loan Agreement between lender and borrower (*See subpart B to 4279, section 4279.161 (b)(11) for minimum requirements*). *For the Section 9006 Program, see §4279.128(b)(2)(xii)*
- 21. Appraisal reports (*Submit as soon as available*).
- 22. Lender's analysis including: spreadsheets of the balance sheets and income statements for 3 years historical, proforma balance sheet at start up, 2 years projected yearend balance sheets and income statements with appropriate ratios and comparison with industrial standards (such as D&B, RMA). All data must be shown in total dollars and also in common size form, obtained by expressing all balance sheet items as a percentage of assets, and all income and expenses as a percentage of sales. The lender's credit analysis must address the borrower's management, repayment ability, history of debt repayment, necessity for any debt refinancing, and the credit reports on the borrower, its principals, and any parent, affiliate or subsidiary firms.

GENERAL LENDER CERTIFICATION

Lender certifies that it has reviewed the General Lender Certifications contained in this application. Lender's signature represents the lending institution's agreement to comply with the limitations outlined in the General Lender Certifications.

Lender institution certifies that it meets all criteria to be considered as an Eligible Lender.

Lender certifies that it has completed a comprehensive analysis of the proposal, the proposed borrower is eligible, the loan is for authorize purposes, and there is reasonable assurance of repayment ability based on the proposed borrower's history, projections, equity, and the collateral to be obtained.

Lender's Name

Date

By: _____
Officer Signature

Officer Title

GENERAL LENDER CERTIFICATIONS

LENDER _____

(1) RESTRICTIONS AND DISCLOSURE OF LOBBYING ACTIVITIES

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 a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by §3017.510, Participants' responsibilities. The regulations were published as part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.

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

This certification is required by the regulations implementing Executive Order 12649, Debarment and Suspension, 7 C.F.R. §3017.510, Participants' responsibilities. The regulations were published as part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.

The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

The certification in this clause is a material representation of fact upon which reliance was placed when the department or 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 department or 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 set out in Definitions and Coverage sections of rules implementing Executive Order 12649. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

The prospective primary participant 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 department or agency entering into this transaction.

The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tiered Transactions, provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for 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 is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it 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 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.

Except for transactions authorized under paragraph 5 of this section, 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 department or agency may terminate this transaction for cause or default.

- (A) The prospective primary participant certifies to the best of its knowledge and belief, 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 three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of a fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal, or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property;
 - (3) are not presently indicated 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 three-year period preceding this application or proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
- (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 proposal.

AD-3030 **U.S. DEPARTMENT OF AGRICULTURE**

**REPRESENTATIONS REGARDING FELONY CONVICTION
 AND TAX DELINQUENT STATUS FOR CORPORATE APPLICANTS**

Note: You only need to complete this form if you are a corporation. A corporation includes, but is not limited to, any entity that has filed articles of incorporation in one of the 50 States, the District of Columbia, or the various territories of the United States including American Samoa, Federated States of Micronesia, Guam, Midway Islands, Northern Mariana Islands, Puerto Rico, Republic of Palau, Republic of the Marshall Islands, or the U.S. Virgin Islands. Corporations include both for profit and non-profit entities.

The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552(a), as amended). The authority for requesting the following information for U.S. Department of Agriculture (USDA) Agencies and staff offices is in §745 and 746 of the Consolidated Appropriations Act, 2016, Pub. L. 114-113, as amended and/or subsequently enacted. The information will be used to confirm applicant status concerning entity conviction of a felony criminal violation, and/or unpaid Federal tax liability status.

According to the Paperwork Reduction Act of 1985 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 0505-0025. The time required to complete this information collection is estimated to average 15 minutes 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.

1. APPLICANT'S NAME	2. APPLICANT'S ADDRESS (Including Zip Code)	3. TAX ID NO. (Last 4 digits)
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- 4A. Has the Applicant been convicted of a felony criminal violation under any Federal law in the 24 months preceding the date of application? YES NO
- 4B. Does the Applicant have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability? YES NO

Providing the requested information is voluntary. However, failure to furnish the requested information will make the applicant ineligible to enter into a contract, memorandum of understanding, grant, loan, loan guarantee, or cooperative agreement with USDA.

PART B SIGNATURE		
5A. APPLICANT'S SIGNATURE (BY)	5B. TITLE/RELATIONSHIP OF THE INDIVIDUAL IF SIGNING IN A REPRESENTATIVE CAPACITY	5C. DATE SIGNED (MM-DD-YYYY)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

Rural Energy for America Program (REAP)
Priority Point Certification (4280.120(g); FY17 REAP NOSA)

A State Director, for its State Allocation of funds, or the Administrator for making awards from the National Office reserve, may award up to 10 points to an application based upon the conditions listed below.

1. The application is for an under-represented technology.
2. Selecting the application helps achieve geographic diversity.
3. The Applicant is a member of an unserved or under-served population.
4. Selecting the application helps further a Presidential initiative or a Secretary of Agriculture priority.
5. The proposed project is located in an impoverished area, has experienced long-term population decline, or loss of employment.

With regards to Applicants who are members of an unserved or under-served populations, applicants must provide RESNO data on their application in order to be considered for these points. If the applicant meets the criteria of a veteran as defined below, the following certification must be executed.

- (a) *Owned by a veteran, including but not limited to individuals as sole proprietors, members, partners, stockholders, etc., of not less than 20 percent.*

_____ I hereby certify to meeting the criteria of veteran as noted above.

Applicant Signature

Printed Applicant Name

Date



Rural Energy for America Program

Guide for Completion of Feasibility Studies

REAP requires a business level feasibility study for Renewable Energy System applications with total project costs greater than \$200,000. The feasibility study must be completed by a Qualified Consultant. Elements in an acceptable feasibility study include, but are not necessarily limited to, the elements specified in Sections A through F, as applicable, of this Appendix. Both a technical report for the project and an economic analysis of the project are required as part of a feasibility study

<p><u>Section A</u> Executive Summary</p>	<ul style="list-style-type: none"> • Provide an introduction and overview of the project. In the overview, describe the nature and scope of the proposed project, including purpose, project location, design features, capacity, and estimated total capital cost. • Include a summary of the determinations of Sections B through G.
<p><u>Section B</u> Economic Feasibility</p>	<ul style="list-style-type: none"> • Provide information regarding project site; the availability of trained or trainable labor; and the availability of infrastructure, including utilities, and rail, air and road service to the site. • Discuss feedstock source management, including feedstock collection, pre-treatment, transportation, and storage, and provide estimates of feedstock volumes and costs. • Discuss the proposed project’s potential impacts on existing manufacturing plants or other facilities that use similar feedstock if the proposed technology is adopted. • Provide projected impacts of the proposed project on resource conservation, public health, and the environment. • Provide an overall economic impact of the project including any additional markets created (e.g., for agricultural and forestry products and agricultural waste material) and potential for rural economic development. Provide feasibility/plans of project to work with producer associations or cooperatives including estimated amount of annual feedstock and biofuel and byproduct dollars from producer associations and cooperatives.
<p><u>Section C</u> Market Feasibility</p>	<ul style="list-style-type: none"> • Provide information on the sales organization and management. • Discuss the nature and extent of market and market area and provide marketing plans for sale of projected output, including both the principal products and the by-products. • Discuss the extent of competition including other similar facilities in the market area. • Provide projected total supply of and projected competitive demand for raw materials. • Describe the procurement plan, including projected procurement costs and the form of commitment of raw materials (e.g., marketing agreements, etc.). • Identify commitments from customers or brokers for both the principal products and the by-products. • Discuss all risks related to the industry, including industry status.



<p>Section D Technical Feasibility</p>	<ul style="list-style-type: none"> • The technical feasibility report shall be based upon verifiable data and contain sufficient information and analysis so that a determination may be made on the technical feasibility of achieving the levels of income or production that are projected in the financial statements. The project engineer or architect is considered an independent party provided neither the principals of the firm nor any individual of the firm who participates in the technical feasibility report has a financial interest in the project. If no other individual or firm with the expertise necessary to make such a determination is reasonably available to perform the function, an individual or firm that is not independent may be used. • <ol style="list-style-type: none"> (1) Identify any constraints or limitations in the financial projections and any other facility or design-related factors that might affect the success of the enterprise. Identify and estimate project operation and development costs and specify the level of accuracy of these estimates and the assumptions on which these estimates have been based. (2) Discuss all risks related to construction of the project and regulation and governmental action as they affect the technical feasibility of the project.
<p>Section E Financial Feasibility</p>	<ul style="list-style-type: none"> • Discuss the reliability of the financial projections and assumptions on which the financial statements are based including all sources of project capital both private and public, such as Federal funds. • Provide 3 years (minimum) projected Balance Sheets and Income Statements and cash flow projections for the life of the project. • Discuss the ability of the business to achieve the projected income and cash flow. • Provide an assessment of the cost accounting system. • Discuss the availability of short-term credit or other means to meet reasonable business costs and the adequacy of raw materials and supplies. Provide a sensitivity analysis, including feedstock and energy costs. • Discuss all risks related to the project, financing plan, the operational units, and tax issues.
<p>Section F Management Feasibility</p>	<ul style="list-style-type: none"> • Discuss the continuity and adequacy of management. • Identify applicant and/or management’s previous experience concerning the receipt of federal financial assistance, including amount of funding, date received, purpose, and outcome. • Discuss all risks related to the applicant as a company (e.g., applicant is at the Development-Stage) and conflicts of interest, including appearances of conflicts of interest.
<p>Section G Recommendation</p>	<ul style="list-style-type: none"> • The feasibility study should include the proposed loan/grant and should be concluded with an opinion and recommendation presented by the consultant.
<p>Section H Qualifications</p>	<ul style="list-style-type: none"> • Provide a resume or statement of qualifications of the author of the feasibility study, including prior experience.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual’s income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 7202600 (voice and TDD).

To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Ave. SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider, employer, and lender.

How to register your entity to be eligible for GRANTS in SAM:

Before you register, you need to know the following:

What is an Entity?

In SAM, your company/business/organization is now referred to as an "Entity."

- **REGISTERING IN SAM IS FREE.**
- If you were registered in CCR, your company's information is already in SAM. You just need to set up a SAM account. See the "Migrating Roles" Quick Start Guide.

Your Entity's DUNS Number

You need a DUNS to register your entity in SAM.

- If you do not have a DUNS number, you can request a DUNS number for free by visiting D&B at <http://fedgov.dnb.com/webform>
- It takes 1-2 business days to obtain a DUNS.

Your Entity's Taxpayer Identification Number (TIN)

You need your entity's Tax ID Number (TIN) and taxpayer name (as it appears on your last tax return). Foreign entities that do not pay employees within the U.S. do not need to provide a TIN.

- A TIN is an Employer Identification Number (EIN) assigned by the Internal Revenue Service (IRS).
- Sole proprietors may use their Social Security Number (SSN) assigned by the Social Security Administration (SSA) if they do not have a TIN, but please be advised it will not be treated as privacy act data in SAM.
- To obtain an EIN visit:
www.irs.gov/businesses/small/article/0,,id=102767,00.html
- Activating a new EIN with the IRS takes 2-5 weeks.

Steps For Registering Your Entity in SAM

1. Go to www.sam.gov
2. Create a Personal Account and Login
3. Click "Register New Entity" under "Manage Entity" on your "My SAM" page
4. Select your type of Entity
5. Select "No" to "Do you wish to bid on contracts?"
6. Select "Yes" to "Do you want to be eligible for grants and other federal assistance?"
7. Complete "Core Data"
 - ✓ Validate your DUNS information
 - ✓ Enter Business Information (TIN, etc.)
 - ✓ Enter CAGE code if you have one. If not, one will be assigned to you after your registration is completed. Foreign registrants must enter NCAGE code.
 - ✓ Enter General Information (business types, organization structure, etc)
 - ✓ Financial Information (Electronic Funds Transfer (EFT) Information)
 - ✓ Executive Compensation
 - ✓ Proceedings Details
8. Complete "Points of Contact"
9. Your entity registration will become active after 3-5 days when the IRS validates your TIN information.

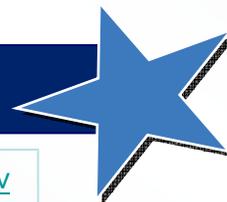
How do I get more information? Take a look at the SAM User Guide.



Go to Our Website: www.sam.gov



Contact the SAM Help Desk: www.fsd.gov



Obtaining a Data Universal Numbering System number (DUNS)

We request that your organization obtain a DUNS number as preparation for doing business electronically with the Federal Government.

The DUNS number is a unique nine-character identification number provided by the commercial company Dun & Bradstreet (D&B). You may call D&B at 1-866-705-5711 to register and obtain a DUNS number. The process to request a DUNS number takes about 10 minutes and is free of charge. Please use the following instructions to navigate through the voice prompts:

1. Enter "4 (grant recipient) or 5 (loan recipient)" to register as a government loan/grant applicant and obtain a DUNS number
2. Enter "1" to at this point be connected with a service representative will answer, and suggest that you buy the Credit Builder Service. This is not necessary to do business with the Government. If you want to do business with other vendors outside the government, this is an optional service that allows you to do business using a line of credit.
3. You will likely be requested for the CFDA number of the program you are applying for. This can be obtained from your Rural Development office. You will be asked a series of questions similar to the following:
 - a) Name of business
 - b) Business address
 - c) Local phone number
 - d) Name of the CEO/business owner
 - e) Legal structure of the business (corporation, partnership, proprietorship)
 - f) Year business started
 - g) Primary line of business
 - h) Total number of employees (full and part time)

You may also register for your DUNS number at Dun & Bradstreet's web site:
<http://fedgov.dnb.com/webform>

Follow the instructions on line. Please note that registration via the web site may take up to 14 business days to complete.