



Telecom Portfolio Management and Risk Assessment Branch (PMRA) POST AWARD WORKSHOP JUNE 2023



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Portfolio Management and Risk Assessment “PMRA” Branch Overview

Deputy Assistant Administrator: Peter Aimable

Financial Operations Branch

Portfolio Management Financial Operations Branch Chief: Tim Brooks

Post Loan Servicing Financial Operations Branch Chief: Chris Adamchak

Engineering Branch

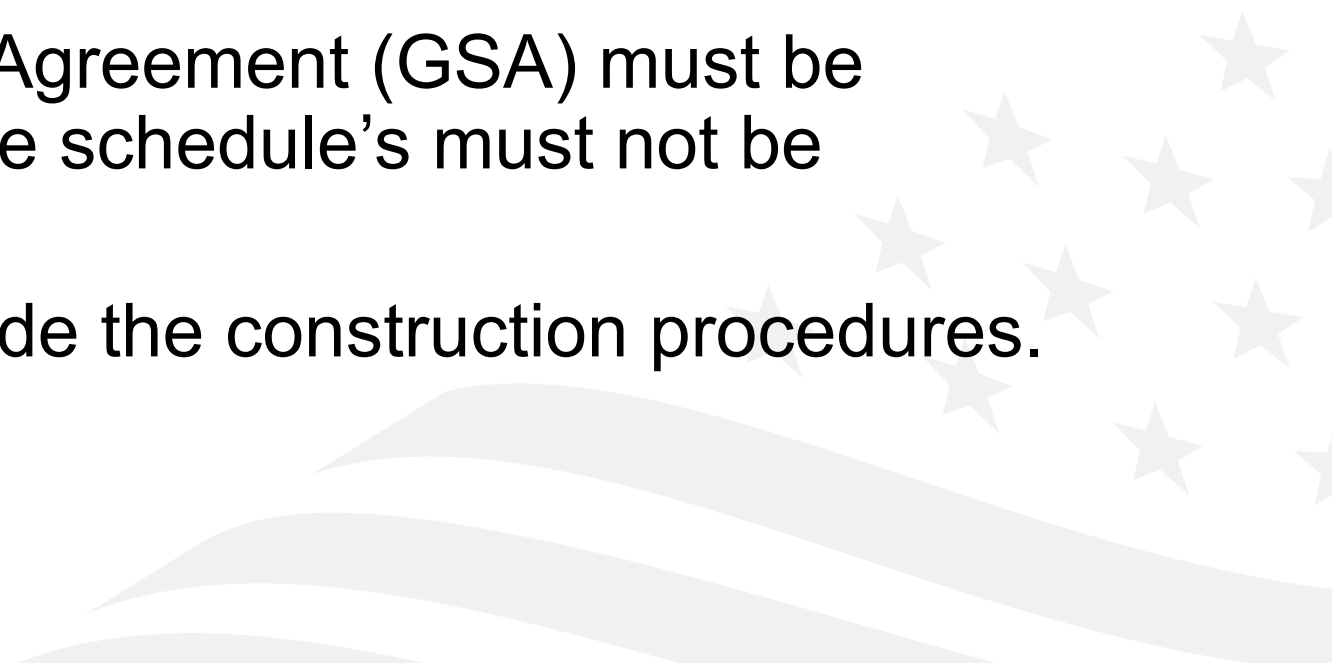
Engineering Branch Chief: Farwa Naqvi

Engineering Branch Chief: George Oyegoke

Engineering Branch Chief: Ruhul Choudhury



Grant Security Agreement

- This must be executed by an authorized entity member. This member will be authorized via the Secretary's Certificate and the Certificate of Authority
 - The executed Grant Security Agreement (GSA) must be scanned as one document, the schedule's must not be separated.
 - The executed GSA must include the construction procedures.
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Deposit Account Control Agreement

- Deposit Account Control Agreement (DACA) must be executed on behalf of the Awardee by its President, Managing Members, Manager, or other governing official AFTER adoption of the corporate authorizations and all required regulatory authorizations have been obtained.
- The Agreements must be signed by an official of the depository bank and **returned to RUS with evidence of the bank official's authority to sign for the bank (*Officer Incumbency Certificate*)**. **Must be on bank letterhead.**
- If Awardee and Bank desires to use another form of DACA that differs from the template provided by RUS, the Awardee's bank must include the Government Proviso. **The inclusion of the Government Proviso is non- negotiable.**
- Some lenders choose to use the language on the DACA template and input this on the lender letterhead which is acceptable.

DACA PROVISIO REQUIRED-no changes allowed

SECURED PARTY'S CONSENT TO ACCEPT THIS CONTROL AGREEMENT.

NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO SUBJECT THE SECURED PARTY TO LIABILITY FOR ANY CHARGES OR COSTS ASSOCIATED WITH THIS AGREEMENT. THE BANK AND CUSTOMER AGREE THAT RECOURSE TO ANY AND ALL SUCH LIABILITY SHALL ONLY BE AVAILABLE FROM EACH OTHER WITH RESPECT TO CLAIMS ARISING OUT OF ANY INSTRUCTION GIVEN TO THE BANK FROM THE SECURED PARTY, AND THE CUSTOMER AGREES TO HOLD THE BANK FREE FROM ANY AND ALL LIABILITY WHATSOEVER AND THAT ALL SUCH CLAIMS MAY ONLY BE BROUGHT UNDER THE APPLICABLE LOAN/AND OR GRANT AGREEMENT ENTERED INTO WITH THE SECURED PARTY. THE PARTIES AGREE THAT ANY PROVISION PURPORTING TO ATTACH LIABILITY TO THE SECURED PARTY HEREIN SHALL BE NULL AND VOID. IN ADDITION, THE PARTIES AGREE THAT NOTHING HEREIN SHALL BE CONSTRUED TO GIVE THE BANK THE RIGHT TO EXERCISE SET-OFF OR RECOUPMENT FROM THIS ACCOUNT WITH RESPECT TO ANY LIABILITY OF THE CUSTOMER ARISING OUT OF THIS ACCOUNT OR ANY OTHER ACCOUNT OF THE ACCOUNT HOLDER, AND TO THEIR KNOWLEDGE, THAT NO STATE LAW EXISTS WHICH WOULD ABROGATE THIS PROVISION.

LEGAL OPINION

- There are two legal opinions required, an application legal opinion and a post approval legal opinion. The post approval legal opinion template will be provided with the closing document package.
- Awardee's counsel must provide an opinion, addressed to the Administrator of RUS.
- Counsel providing the opinion must be licensed to practice law in the state in which the Awardee is organized.
- The opinion must be prepared on counsel's letterhead stationery.
- Only a signed opinion, **DATED SUBSEQUENT** to the authorization and execution of the loan documents and the filing of the Collateral Documents will be accepted.

The form of opinion should be carefully studied by counsel. **NOTE** that it requires a **PRIOR** examination of the records and files of offices in which liens against the collateral might be recorded, filed or indexed. The opinion requires a statement by counsel as of the date of the opinion that the property of the Awardee is free and clear of all liens whatsoever except Permitted Encumbrances as defined in the Legal Agreement.

MORTGAGE/UCC RECORDING

RECORDING THE DOCUMENTS

- It is the responsibility of the Awardee and its counsel to record the Mortgage and any necessary financing statements in the manner and locations necessary to give RUS and any other Mortgagees a perfected first lien on all of the real and personal property of the Awardee under a Mortgage. Many states have unique filing requirements and you should make an independent determination regarding the method for assuring that the loans and grants being made by RUS are properly secured.
- Awardee must return in the document shipment an original filed Mortgage for each county with which a Mortgage was filed demonstrating the filing status.

UCC

- In order to perfect a security interest in the real and personal property of the Awardee as a transmitting utility, a financing statement must be filed with the Secretary of State of the state in which the Awardee is organized. This must be filed with the Secretary of State of the state in which the Awardee is organized as well as any additional states in which the fixtures are located.
 - RUS will complete the blocks for the secured party and collateral description on the UCC-1 and provide a collateral description, Exhibit A, to be attached to the UCC-1. Additionally, a form UCC-1AD, with both the transmitting utility.

CLOSING DOCUMENT SUBMISSION

- Scan and email all documents, including the executed Agreement. The documents should be sent all at the same time in one email to Peter Aimable (peter.aimable@usda.gov) and to the shared mailbox TelecomPMRA@usda.gov.
- Carefully read the closing document transmittal letter for closing document submission instructions.
- **Only documents requiring a “wet signature” should be mailed to the agency, no other hard documents are needed.**
- If you are unable to digitally sign the agreement, please print, execute and email scanned copies.
- Contact your General Field Representative with questions. You may also reach out to Chris Adamchak (Christopher.Adamchak@usda.gov) or Tim Brooks (Timothy.Brooks@usda.gov).

AWARD FUNDS WILL NOT BE AVAILABLE UNTIL ALL OF THE CLOSING DOCUMENTS HAVE BEEN RECEIVED AND DETERMINED TO BE SATISFACTORY. YOU WILL BE NOTIFIED BY LETTER UPON RELEASE OF FUNDS.

RETURN OF CLOSING DOCUMENTS CONT.

RETURNING THE DOCUMENTS.



Mortgage Agreement(s) and/or Intercreditor Agreement(s) and Guarantee Agreement(s) will be shipped by RUS with a wet signature. Please execute with wet signature, scan executed document, include scanned copy with email as stated above and return an original, executed, filed Mortgage Agreement(s) and/or Intercreditor Agreement(s) and Guarantee Agreement(s) by trackable courier to the following:

Mr. Peter Aimable, Deputy Assistant Administrator
Portfolio Management and Risk Assessment
Stop 1590, Room 4121-S
1400 Independence Avenue, SW
Washington, DC 20250-1590



Other Closing Document Items

- **Do not piece mail closing documents.** Submit the closing document package when all closing documents have been completed.
- Due to the high volume of activity, PMRA will not review draft documents. If documents we're completed incorrectly, the assigned Financial Operations Branch Specialist will work with the Awardee in correcting the documents.
- If a subordination agreement wasn't included in the closing document transmittal package, please contact the Financial Operations Branch for the template.
- All USDA template's have been reviewed and approved by the Office of General Council. Updates to this template outside of the specified areas will mandate a OGC review. This will add significant time to the review process.
- Update's to USDA template's outside of specified areas are typically not approved by OGC. Template update's are only approved because of a unique circumstance associated with the award.
- Filing date's of Mortgage's and UCC's should be clear.
- Mortgage's must be filed in each county that property is disclosed on the "Property Schedule".



Questions?

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Rural Development

U.S. DEPARTMENT OF AGRICULTURE