Office of the Secretary of Transportation § 22.45 Allowable fees to borrowers.

(a) Application Fees. The Participating Lender may charge the applicant a non-refundable loan application fee, as determined from time to time by DOT OSDBU, for each STLP loan application processed, whether a new loan request or a renewal request.

(b) Reasonable Closing Expenses. Provided the Participating Lender charges similar fees to its non-STLP borrowers, the Participating Lender may collect reasonable closing expenses from the borrower, provided that full disclosure of such fees is made to the borrower prior to the loan closing date. These expenses include necessary out-of-pocket expenses to third parties such as filing and recordation fees, as well as loan closing document preparation fees.

§ 22.51 Loan closings.

(a) The Participating Lender must promptly close all STLP loans in accordance with the terms and conditions approved by DOT OSDBU in its Guarantee Agreement. The Participating Lender must report circumstances concerning any STLP loans not closed within a reasonable time period after DOT OSDBU approval.

(b) The Participating Lender uses its own internal loan closing documents and must use standard banking practices and procedures to ensure proper execution of the debt and perfection of the collateral. The Participating Lender must forward copies of all executed closing documents and filings to DOT OSDBU within the time period specified in the cooperative agreement.

§ 22.53 Loan monitoring and servicing requirements.

The Participating Lender must review STLP principal advance requests, process loan disbursements, and payments, and maintain contact with the borrower during the term of the loan. The Participating Lender must monitor the progress of the project being financed and the borrower’s continued compliance with the terms and conditions of the loan. The Participating Lender must promptly report any material adverse change in the financial condition or business operations of the borrower to DOT OSDBU.

§ 22.57 Loan reporting requirements.

The STLP is subject to the requirements of the Federal Credit Reform Act of 1990 (FCRA) that includes certain budgeting and accounting requirements for Federal credit programs. To fulfill the requirements of FCRA, the Participating Lender must provide DOT OSDBU prompt written notification of the activation date by the time period specified in the cooperative agreement. The Participating Lender must submit to OSDBU a form DOT F 2303-1 Bank Verification Loan Activation Form that indicates the date in which the loan has been activated/funded. The form is available at http://www.osdbu.dot.gov/financial/docs/Loan_Activation_DOT_F_2303-1.pdf. The Participating Lender must also provide DOT OSDBU prompt written notification of the expiration of the loan guarantee. The form is available at http://www.osdbu.dot.gov/financial/docs/Loan_Close-Out_DOT_F_2304-1.pdf. To fulfill this requirement, the Participating Lender must also submit a monthly report to the DOT OSDBU detailing the previous month's activity for their STLP loans. These forms are available at http://www.osdbu.dot.gov/financial/docs/Pending_Loan_Status_Report and form DOT F 2305-1 Guaranty Loan Status Report. These forms are available at http://www.osdbu.dot.gov/financial/docs/Pending_Loan_DOT_F_2306-1.xls and http://www.osdbu.dot.gov/financial/docs/Guaranty_Loan_DOT_F_2305-1.xls respectively.

§ 22.59 Loan modifications.

Any modification to the terms of the DOT OSDBU guarantee agreement must have prior written approval of the Director, and executed in writing as an Addendum to the original guarantee agreement.