

PART 2000 - GENERAL

Subpart PPP - Cooperative Agreement between the National Association of Government Guaranteed Lenders, Inc., and the United States Department of Agriculture Rural Business-Cooperative Service

§ 2000.3351 General.

The Rural Business-Cooperative Service (RBS) has entered into a Cooperative Agreement with the National Association of Government Guaranteed Lenders, Inc., to provide a forum for Association members who participate in the Business and Industry (B&I) Guaranteed Loan Program to periodically provide feedback and suggestions for improving the B&I Guaranteed Loan Program. In addition, the Agency has an interest in partnering with private sector organizations, such as the Association, in providing business and economic opportunities to rural communities and residents, and the Association has lender members throughout the United States who make loans to businesses and agricultural cooperative organizations. The Agency and the Association believe it would be mutually advantageous to provide a forum for Association members who participate in the B&I Guaranteed Loan Program to periodically provide feedback and suggestions for improving the program.

§ 2000.3352 Responsibilities.

This Cooperative Agreement enables the parties to work together to encourage lender members to provide business financing in rural areas in order to bring economic opportunities to under-served rural residents, minority and women-owned businesses, and businesses that support small and limited resources farmers. The parties will work together to identify ways for improving delivery of the B&I Guaranteed Loan Program, including efficient customer service.

§ 2000.3353 Implementation.

The Cooperative Agreement is attached as Exhibit A and includes information on the specific cooperative activities which fall to both parties.

§§ 2000.3354 - 2000.3400 [Reserved]

Attachment: Exhibit A

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DISTRIBUTION: WSAL

Administration  
General

**UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL BUSINESS-COOPERATIVE SERVICE  
&  
THE NATIONAL ASSOCIATION OF GOVERNMENT GUARANTEED LENDERS,  
INC.  
MEMORANDUM OF UNDERSTANDING**

**I. Purpose and Basis for this Memorandum of Understanding**

This Memorandum of Understanding continues the relationship between the National Association of Government Guaranteed Lenders (NAGGL) and the United States Department of Agriculture - Rural Business-Cooperative Service (RBS).

The purpose of this ongoing relationship is to provide a forum for NAGGL members that participate in the RBS B&I Guaranteed Loan Program to periodically provide program feedback.

Through this agreement, the partnership will work together to encourage lender members to provide business financing in rural areas, through the B&I Guaranteed Loan program, in order to bring economic opportunities to underserved rural residents (such as those in areas of persistent poverty or declining population, affected by natural disasters or Federal actions); areas designated by the government as priority areas and economic zones (including Empowerment Zones, Enterprise Communities, and Rural Economic Area Partnerships); minority and women-owned businesses, and businesses that support small and limited resource farmers. The parties will work together to identify ways for improving delivery of the B&I Guaranteed Loan Program, including efficient customer service.

**II. USDA-RBS**

RBS administers a Business & Industry (B&I) Guaranteed Loan Program to help create jobs and stimulate rural economies by providing financial assistance to rural businesses and agriculture cooperative organizations. These programs are delivered through 47 Rural Development State Offices and a network of other field offices. RBS is interested in partnering with private sector organizations such as NAGGL to provide business and economic opportunities to rural communities and residents.

### III. NAGGL

NAGGL is a not-for-profit national association of lenders incorporated and operating under the laws of the State of California, with a principal place of business in Stillwater, Oklahoma. NAGGL members throughout the United States make loans guaranteed by RBS to business and Agriculture cooperative organizations.

### IV. Duties and Responsibilities of RBS

RBS also will jointly collaborate and participate in every aspect of the ongoing relationship with NAGGL, and will identify RBS points of contact to address program questions. As part of this collaboration, RBS will continue to provide personnel to participate in NAGGL's annual and semi-annual meetings. Additionally, RBS will meet with NAGGL, at its annual and semi-annual meetings to discuss how to make the B&I Guaranteed Loan Program more effective. These meetings are not intended to solicit, develop, or present any consensus, advice or recommendations.

### V. Duties and Responsibilities of NAGGL

NAGGL will work with RBS to provide credit training to RBS personnel. This training will consist of at least one training seminar per year, commencing in Fiscal Year 2004. With the written concurrence of NAGGL, NAGGL will also provide additional regional seminars in areas of particular identified need. RBS is interested in these training seminars because it desires a more uniform and consistent credit analysis but possesses limited financial resources to provide such training to its personnel.

Additionally, NAGGL will utilize its meetings, newsletters, and other communications with its membership to encourage participation in the B&I Guaranteed Loan Program, in order to assist RBS in meeting credit needs of the under-served residents described above. Furthermore, NAGGL will keep up-to-date records and prepare an annual report, detailing all work done and the results accomplished under this MOU, and will provide this report to RBS within sixty (60) days of the end of the fiscal year.

### VI. Mutual Agreement

RBS and NAGGL mutually agree that:

1. Unpublished confidential data or information obtained during the course of this project shall not be made available to other persons except as authorized by or required of RBS by the Freedom of Information Act and the Privacy Act.

2. Both RBS and NAGGL will be responsible for their own expenses incurred as a result of the activities identified above. However, any participation of RBS is subject to appropriations and no provision of this agreement is a mandatory commitment of RBS funds.

4. This Memorandum of Understanding may be amended at any time by mutual agreement of the parties in writing, or terminated by either party upon 30 days notice in writing to the other party.

#### VII. Point of Contact

RBS and NAGGL employees conducting activities under the terms of this MOU shall be as follows:

A. For NAGGL -Personnel as required. Anthony R. Wilkinson will serve at the point of contact for NAGGL. Notices to NAGGL can be sent to Mr. Wilkinson at P.O. Box 332, Stillwater, Oklahoma 74706.

B. For RBS -Personnel as required. William F. Hagy III, Deputy Administrator, Business Programs, shall be the point of contact for RBS.

#### VIII. Effective Date

All conditions and provisions of this MOU shall become effective upon execution and shall continue in force until no later than October 1, 2007, at which time, or prior thereto, the parties may renew this MOU by further written agreement.

#### IX. Limitations

This document is a Memorandum of Understanding only. It is entered into only as a declaration of present intent. Nothing herein shall be construed as a legally binding commitment to any part of parties hereto either individually or collectively. This MOU does not create any rights either on the part of any party hereto or any third party. Any provision of this MOU that conflicts with federal law will be null and void.

