

Guarantee Loan Fund Master Guarantee Agreement

S MASTER GUARANTEE A	GREEMENT (the "Agreement") is ma 20, by and between W		Economi
velopment Authority (the "Aut "Lender" whose name and a	hority"), a public body corporate and		
Lender Name			
Type of Financial Institut	tion		
O Bank	☐ Credit Union	☐ Savings Bank	
O Savings and Loan	☐ Economic Development Corp	Other	
Street Address		Zip Code	
РО Вох		Zip Code	
City	State	County	
Contact Person			
Telephone Number			
Fax Number			
WHEDA Lender Numbe	r (to be assigned by WHEDA)		

RECITALS

- The Authority is authorized to establish and administer business loan guarantee programs which are collectively referred to as the Guarantee Loan Funds (the "Funds").
- The Authority describes the Funds, including the requirements which must be met for a loan to qualify for the Authority's guarantee, in its Business Loan Guarantee Manual, as amended, supplemented and replaced from time to time by the Authority(the "Lender's Manual").
- Lender wishes to make and the Authority wishes to guarantee loans which qualify for the Funds in accordance with the statutes and with the terms and conditions set forth in this Agreement and in the Lender's Manual.

NOW, THEREFORE, in consideration of the mutual benefits, promises and covenants set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and Lender agree as follows:

ARTICLE I - PARTICIPATION IN THE FUNDS

- 1.1 Application for Guarantee. This Agreement applies to loans made by Lender and approved for guarantee by the Authority after the date of this Agreement (the "Loans"). Approval is subject to applicable law and regulations. Any loan approved by Lender contingent upon the Authority's guarantee must be submitted to the Authority for authorization in accordance with an application furnished or approved by the Authority.
- **1.2** Approval of Loan Guarantee. The Authority shall in its sole discretion determine whether a loan qualifies for participation in the Funds. The Authority shall either approve the guarantee by written Loan Authorization (the "Authorization") or decline the guarantee by written notice to the Lender.
- 1.3 Commitment by the Authority. Consistent with applicable law, the Lender's Manual, and the Loan Documents, the Authority agrees to pay Lender the guaranteed amount set forth in the applicable Authorization for each Loan for which the Authority receives a timely and properly made written claim. As a condition of the payment of the guarantee, the Authority retains the right in its sole discretion to determine that the Loan is qualified for the Funds and that payment of the guarantee is consistent with all provisions of the law, the Lender's Manual, and the Loan Documents.
- 1.4 Limitation of the Authority's Commitment. Lender acknowledges that other lenders and the Authority have or will enter into agreements similar to this Agreement. The Authority can only guarantee from the Funds an aggregate principal amount of Loans originated by Lender which, when added to the aggregate principal amount of the Guaranteed Loans originated by other lenders, does not exceed the maximum amount authorized by law. The Authority shall pay to Lender on its guarantee claims only an amount which, when added to the aggregate principal amount of such guarantee claims made by other lenders under the Funds, equals the amount the Authority is authorized by law to pay for such claims. Should the aggregate of the guarantee claims from all lenders exceed the amount available to pay such claims, the Authority shall pay lenders the amount available in the order in which claims are received, and request the Legislature to appropriate additional funds as needed. In no event shall the Authority's obligation to all lenders with guarantee claims on the Funds exceed the monies appropriated by the Legislature and approved by the Governor (or approved over the Governor's veto) for the Funds.

ARTICLE II - LENDER REQUIREMENTS

NOW, THEREFORE, in consideration of the mutual benefits, promises and covenants set forth

- **2.1 Lender's Representations and Warranties.** Lender makes and the Authority relies upon the following representations and warranties:
- (a) Lender is duly organized, validly existing and in good standing under the laws of the jurisdiction under which it is organized and is qualified to do business in the State of Wisconsin;
- (b) Lender is duly authorized by all necessary organizational action to enter into this Agreement, and upon execution, this Agreement will be a valid and binding agreement by Lender, enforceable in accordance with its terms and compliance with this Agreement will not constitute a violation of any law, order or any requirement imposed by any regulatory, judicial or quasi-judicial body;
- (c) Each Loan shall conform in all respects to each and every requirement and procedure in this Agreement, the Lender's Manual, the Loan Authorization, and applicable laws and regulations;
- (d) Except to the extent caused by the Authority's own negligence, the Lender shall indemnify and hold harmless the Authority and its agents, employees, officers and directors from and against all claims, damages, losses and expenses, including reasonable attorney's fees, arising in any way out of, in connection with or resulting from this Agreement, the Lender's Manual, and the Loan Documents;

- (e) Each of the foregoing representations and warranties of Lender are continuing and shall be deemed to have been made and shall be true and correct as of the date of this Agreement, the date of each Guaranteed Loan Fund application, the date of each claim made by Lender, and each date the Authority makes any Guaranteed Loan Fund guarantee payments pursuant to the terms of this Agreement.
- **2.2** Lender's Bond. Lender shall maintain throughout the term of this Agreement, at Lender's expense, such bonds and insurance as Lender is required by law to maintain. Such bonds and insurance policies shall be in amounts reasonably calculated to protect the Authority from loss under this Agreement.
- **2.3 Origination and Disbursement of Loans.** Lender shall originate, close and disburse each Loan consistent with the terms and conditions of the Loan Authorization, this Agreement, the Lender's Manual and applicable laws and regulations. Upon execution of the Loan Documents, Lender shall furnish the Authority with a closing fee. The Authority is entitled at any time, after reasonable notice, to examine and make copies of all Loan Documents, loan repayment records and any other documents or records held or maintained by Lender which relate to the Loans.
- **2.4** Administration and Servicing of Loans. Lender shall maintain the Loan Documents and shall receive all payments due under the Loan Documents. Lender shall not without the Authority's prior written consent (a) make or consent to any material alteration in the terms of any Loan Document (including, but not limited to, increases in the principal amount or interest rate); (b) make or consent to releases of collateral; or (c) waive any claim against the Borrower, any guarantor, or any obligor arising out of any Loan Document. The Lender shall service all Loans in a manner consistent with this Agreement, the Lender's Manual, the Loan Documents, and applicable laws and regulations, and consistent with accepted standards of loan servicing employed by prudent lenders generally for loans not subject to the Authority's quarantee.
- **2.5** Loan Default. In the event of a default under the Loan Documents, Lender shall take all action necessary to ensure maximum collection of and payment on the Borrower's obligations under the Loan Documents, and maximum realization on the value of all collateral for the Loan.
- **2.6** Allocation of Repayment Proceeds and Collateral. Lender shall not acquire any preferential collateral, surety or insurance to protect its unguaranteed interest in a Loan. All claims, repayments, collateral or non-Fund guarantee of any nature, including without limitation, rights of setoff and counterclaim, which Lender may at any time recover from any source whatsoever or have the right to recover on any Loan, shall repay and secure the interests of the Lender and the Authority in the same proportion as such interest bears to the unpaid principal balance of the Loan.
- 2.7 Lender's Commitment. Lender shall originate, service and collect payment for the Loans in a manner consistent with this Agreement, the Lender's Manual and applicable law and regulations. Lender is not entitled to and shall not accept from the Authority any payment for guarantee claims prior to (a) fully and accurately disclosing to the Authority all amounts collected or to be collected in repayment of the Loan, and (b) making every reasonable effort to collect payment for the Loan from the Borrower and other sources, including, but not limited to, realizing on all collateral for the Loan, enforcing and collecting on any Loan Guarantee, enforcing any deficiency judgment against the Borrower and all Borrower's assets, and applying the same toward the Loan.

ARTICLE III - TERMINATION

- **3.1 Termination of Agreement.** This Agreement terminates as follows:
- (a) If, in the sole judgment of the Authority, Lender has:
 - (i) failed to originate Loans consistent with the terms of this Agreement, the Lender's Manual, the Loan Documents or applicable law and regulations;
 - (ii) failed to exercise proper quality control, documentation and/or judgment in originating, processing or closing Loans;

- (iii) failed to service or collect Loans pursuant to the terms of this Agreement, the Loan Documents, the Lender's Manual, or applicable law and regulations;
- (iv) failed to perform any duty or obligation of Lender pursuant to the terms of this Agreement, the Loan Documents, the Lender's Manual, or applicable law and regulations;
- (v) failed to disclose a material fact or makes a material representation to the Authority regarding any information or material relating to the Loan, the Borrower, the guarantor(s), the collateral or the Lender:
- (vi) breached any provision of this Agreement, the Loan Documents, the Lender's Manual or applicable law and regulations;

then the Authority may terminate this Agreement in total and/or with regards to any one or more Loans immediately upon giving written notice to Lender. Upon termination of this Agreement in total and/or with regard to any one or more Loans, Lender shall be prohibited from further participation in the Funds.

- (b) This Agreement shall terminate immediately without notice upon the insolvency, bankruptcy or receivership of Lender.
- (c) This Agreement shall terminate upon thirty days written notice by the Authority to Lender.
- **3.2 Remedies.** The Authority is entitled to all remedies available under this Agreement, the Lender's Manual, the Loan Documents and at law or in equity, including but not limited to the right to seek equitable relief by way of injunction to prevent the breach or threatened breach of any provisions of this Agreement or require specific performance thereof, and the right to seek damages, including consequential damages and attorneys fees. Termination of this Agreement shall not terminate or diminish the Authority's rights hereunder. All remedies set forth in this Agreement are cumulative, and the Authority's exercise of any one or more of them shall not in any way alter or diminish the Authority right to any other remedy. The Authority's failure to enforce any right or remedy available to it shall not constitute a waiver of such right or remedy.

ARTICLE IV - MISCELLANEOUS PROVISIONS

- **4.1 Definitions.** Loan Documents a collective term meaning the Note, Borrowing Resolutions, Loan Agreement, Revolving Credit Agreement, guarantee(s), the Loan Authorization, the Collateral Documents, the Certificates, the Application, the Master Guarantee Agreement and all documents executed or required for or in connection with the Guaranteed Loan. References to the law, statutes, regulations, rules, the Lender's Manual, Loan Documents and this Agreement include all amendments, supplements, successors to and replacements for those items.
- **4.2 Incorporation of Lender's Manual.** The Lender's Manual, as it may be amended, supplemented or replaced from time to time, and all exhibits, certificates, affidavits, warranties and other documents required by the Lender's Manual, are specifically incorporated into this Agreement as if set forth in full.
 - **4.3 Time is of the Essence.** Time is of the essence in this Agreement.
- **4.4 Modification.** No provision of this Agreement or of the Lender's Manual may be waived or modified except in writing signed by the parties; provided, however, that the Authority may amend, supplement or replace the Lender's Manual or this Agreement by mailing, faxing or hand-delivering written notice of such amendment, supplement or replacement to Lender. Amendments, supplements or replacements become effective 10 business days after the date of mailing, faxing or hand-delivering the notice unless otherwise stated in the notice.

- **4.5 Applicable Law.** This Agreement is made and entered into in the State of Wisconsin and the validity, construction, performance or enforcement of this Agreement is governed by the internal laws of the State of Wisconsin. Any action brought to enforce or interpret this Agreement shall be brought in Dane County, Wisconsin Circuit Court or the United States District Court for the Western District of Wisconsin located in Madison, Wisconsin.
- **4.6 Severability.** The invalidity of any provision of this Agreement or of the Lender's Manual shall in no way affect any other provision of this Agreement or the Lender's Manual, which shall remain in full force and effect.
- **4.7 Assignment.** Lender shall not assign any of its rights or obligations under this Agreement or on any Loan without the prior written consent of the Authority.
- **4.8 Binding Effect.** This Agreement binds and inures to the benefit of the Authority and Lender and their respective successors in interest and permitted assigns. This Agreement may be executed in one or more counterparts, each of which shall be an original, and all of which shall constitute one Agreement.
- **4.9 Headings.** Section headings in this Agreement are for convenience only, and shall not govern the interpretation of any of the provisions of this Agreement.
- **4.10 Notice.** All notices, tenders or demands made pursuant to this Agreement or the Lender's Manual shall be made in writing and personally delivered, mailed or transmitted by facsimile to Lender at the address on the first page of this Agreement and to the Authority at the address below.

Commercial Lending Group WHEDA PO Box 1728 Madison, WI 53701-1728

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

LENDER	WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY		
Lender Name	WHEDA Representative	Date	
Signature, First Authorized Officer			
First Authorized Office Printed Name and Title			
Signature, Second Authorized Officer			
Second Authorized Office Printed Name and Title			