

1589.0500 FINAL RESOLUTION FOR SMALL BUSINESS DEVELOPMENT LOAN PROGRAM.

Subpart 1. **Final resolution.** After the board passes a preliminary resolution, the board may pass a final resolution that authorizes the issuance and sale of bonds to fund the financial assistance to the applicant, both as discussed in part 4305.1200, subpart 10. Whether the board may pass the final resolution for an application under the program depends, in part, upon the following:

A. a determination that there are no adverse changes in the financial condition or key personnel of the applicant since the date of completion of the application;

B. market conditions;

C. availability of bond issuance authority; and

D. other conditions that the board considers necessary in accordance with generally accepted commercial lending practices.

Subp. 2. **Bond issuance.** Upon passage of the final resolution, the board shall commence to issue bonds in accordance with market conditions and the other legal conditions that govern the issuance of its bonds and notes. This issuance must be in accordance with the contents of any insurance contracts, agreements with lenders providing letters of credit, or other forms of financial assistance and other terms and conditions necessary to effectuate bond sale. Funds will not be disbursed at the loan closing until it has been determined by the commissioner that there are no adverse changes in the condition or key personnel of the business entity applying for the financial assistance in accordance with generally accepted commercial lending practices. After the bonds are issued and sold, there will be a loan closing at which the funds are transferred and documents are signed in accordance with the terms of the final resolution and the respective bond resolution.

Statutory Authority: *MS s 41A.04*

History: *10 SR 475; L 1987 c 386 art 2 s 22,23*

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