

**Iowa Department of Economic Development
Disaster Recovery Business Assistance Programs
Subrogation and Assignment Agreement**

Applicant ID

This Subrogation and Assignment Agreement (“Agreement”) is made and entered into on this ___ day of _____, 20___, by and between _____ (“Business”) and the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY].

In consideration of Business’s receipt of funds or the commitment by [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] to evaluate Business’s application for the receipt of funds (collectively, the “Grant/Loan Proceeds”) under the Iowa Department of Economic Development (“IDED”) Business Disaster Recovery Programs (the “Program”) administered by [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY]; Business hereby assigns to [INSERT NAME OF COUNCIL OF GOVERNMENTS OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] all of Business’s future rights to reimbursement and all payments received from any grant, subsidized loan, or insurance policies of any type or coverage or under any reimbursement or relief program related to or administered by the Federal Emergency Management Agency (“FEMA”) or the Small Business Administration (“SBA”) (singularly, a “Disaster Program” and collectively, the “Disaster Programs”) that was the basis of the calculation of Business’s Jumpstart Business award to the extent of Grant/Loan Proceeds paid or to be paid to Business under the Program and that are considered to be a DOB (defined herein) as provided in this Agreement. The proceeds or payments referred to in the preceding sentence, whether they be from insurance, FEMA or the SBA or any other source, and whether or not such amounts are a DOB, shall be referred to herein as “Proceeds,” and any Proceeds that are a DOB shall be referred to herein as “DOB Proceeds.” Upon receiving any Proceeds not listed on the Duplication of Benefits (“DOB”) Affidavit Business agrees to immediately notify the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] who will notify IDED of such additional amounts, and IDED will determine in its sole discretion if such additional amounts constitute a DOB. If some or all of the Proceeds are determined to be a DOB, the portion that is a DOB shall be paid to the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY].

Business agrees to assist and cooperate with the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] should the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] elect to pursue any of the claims Business has against the insurers for reimbursement of DOB Proceeds under any such policies. Business’s assistance and cooperation shall include but shall not be limited to allowing suit to be brought in Business’s name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing record and other evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY]. Business further agrees to assist and cooperate in the attainment and collection of any DOB Proceeds that the Business would be entitled to under any applicable Disaster Program.

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If requested by the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY], Business agrees to execute such further and additional documents and instruments as may be requested to further and better assign to the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY], to the extent of the Grant/Loan Proceeds paid to Business under the Program, the Policies, any amounts received under the Disaster Programs that are DOB Proceeds and/or any rights thereunder, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] to consummate and make effective the purposes of this Agreement.

Business explicitly allows the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] to request of any company with which Business held Policies, or FEMA or the SBA or any other entity from which Business has applied for or is receiving Proceeds, any non-public or confidential information determined to be reasonably necessary by the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] to monitor/enforce its interest in the rights assigned to it under this Agreement and give Business's consent to such company to release said information to the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY].

If Business (or any lender to which DOB Proceeds are payable to such lender, to the extent permitted by superior loan documents) hereafter receives any DOB Proceeds, Business agrees to promptly pay such amounts to the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY], if Business received Grant/Loan Proceeds under the Program in an amount greater than the amount Business would have received if such DOB Proceeds had been considered in the calculation of Business's award.

In the event that the Business is entitled to the payment of any DOB Proceeds at a time that is prior to the closing of the grant or loan under the Program with [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] under the Program (the "Closing"), the following shall apply:

1. Any DOB Proceeds received by the Business shall be deposited into escrow with the escrow agent of [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY]'s choice (the "Escrow Agent"), based on the sole discretion of [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY]. The DOB Proceeds shall be held by the Escrow Agent pending the Closing;

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2. After the Closing, the DOB Proceeds deposited into escrow shall be applied to the costs for which benefits are received or to be received by Business under the Program, as such costs are incurred. The DOB Proceeds shall be the first funds applied toward the payment of such costs;
3. In the event that the Escrow Agent requires an escrow agreement be signed by the parties, the Business agrees to do so;
4. In the event that the Closing does not occur within 180 days from the date the DOB Proceeds are deposited into escrow pursuant to this Agreement, the DOB Proceeds shall be refunded to the Business; provided, however, that such refund shall not relieve the Business of the obligation to pay over the amount of the DOB Proceeds to the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] at Closing; and
5. In the event that the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] makes the determination that the Business does not qualify for participation in the Program or the Business decides not to participate in the Program at any time, then any DOB Proceeds that have been deposited with the Escrow Agent shall be refunded to the Business and this Agreement shall be terminated, and this Agreement shall have no further force or effect.

Once the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] has recovered an amount equal to the Grant/Loan Proceeds paid to Business, the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] will reassign to Business any rights assigned to the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] pursuant to this Agreement.

Business represents that all statements and representations made by Business regarding Proceeds received by Business shall be true and correct as of the date of Closing.

WARNING: Business and the person executing this Agreement on behalf of the Business are hereby notified that intentionally or knowingly making a materially false or misleading written statement to obtain property or credit, including a mortgage loan, is a violation of Chapter 714 of the Code of Iowa and, depending upon the amount of the Grant/Loan Proceeds, is punishable by imprisonment for a term of up to ten years and a fine of up to \$10,000.

The person executing this Agreement on behalf of the Business hereby represents that he/she has received, read, and understands this notice of penalties for making a materially false or misleading written statement to obtain the Grant/Loan Proceeds.

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In any proceeding to enforce this Agreement, the [INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY] shall be entitled to recover all costs of enforcement, including actual attorney's fees.

[BUSINESS NAME]:

By: _____
Name: _____
Title: _____

LENDER:

[INSERT NAME OF LEAD COUNTY OR ITS DESIGNEE [DESIGNEE MUST BE A CITY OR COUNTY]/ENTITLEMENT CITY]

By: _____
Name: _____
Title: _____