

## EXHIBIT 8-A

### MONTANA DEPARTMENT OF COMMERCE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM SUPPLEMENTAL CONDITIONS TO LOAN AGREEMENTS

*Note: This set of conditions is to be used as a supplement to the loan agreement.*

The following Supplemental Conditions are hereby made a part of the loan agreement to which they are appended supplementing that agreement and superseding any of its articles of which they are in conflict.

The parties to this agreement are (Name of Lender) (Lender), (Address) and (Name of Borrower) (Borrower), (Address).

**1. WORKERS' COMPENSATION INSURANCE.** It is understood that pursuant to section 39-71-401 MCA, the Borrower has obtained, and will maintain at its expense for the duration of the loan agreement, coverage in a workers' compensation plan for its principles and employees.

**2. MAINTAIN BUSINESS LOCATION.** Borrower also agrees not to remove Borrower's business facility, or the majority of the proposed jobs to be created and/or retained as a condition of the loan, from the (City or Town) and (County) for the (Number of Years) time frame contemplated by the Loan and in any event not until such time as the Loan is fully repaid. Noncompliance of this condition constitutes a default of the agreement.

**3. COMPLIANCE WITH HIRING AND TRAINING PLAN.** Borrower shall comply with the Final Hiring and Training Plan attached hereto as (Exhibit \_\_\_). Borrower shall file quarterly employment reports with Lender showing the degree to which Borrower has complied with the hiring commitments established hereby. The conditions contained in this paragraph apply until the Montana Department of Commerce approves the Grantee's Conditional or Final Certification of Completion upon project closeout.

If the Borrower fails to enforce the low and moderate-income verification and documentation requirements and to ensure that at least (Number) of the full-time equivalent jobs created as a direct result of this project are filled by or made available to low and moderate-income persons, the loan provided hereby will terminate and the Borrower will reimburse the Lender all funds disbursed hereunder. If the projected number of jobs or percentage of low and moderate-income persons is not met during the contract period, the Borrower must be able to demonstrate a documented good faith effort on the part of the Borrower to achieve the projected goals, or the Loan provided hereby will terminate and the Borrower reimburse the Lender all funds disbursed hereunder.

#### **4. COMPLIANCE WITH FEDERAL LAW.**

- a. Civil Rights Act of 1964. In the performance of this Loan Agreement Borrower shall abide by the provisions of Title VI of the Civil Rights Act of 1964 which provides that no person may, on the grounds of race, color, religion, sex, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

- b. Section 109 of the Housing and Community Development Act of 1974, Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973. In the performance of this Loan Agreement Borrower shall comply with this Federal legislation, which provides: The purpose of this part is to implement the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance. Section 109 does not directly prohibit discrimination on the basis of age or disability, and the regulations in this part 6 do not apply to age or disability discrimination in Title I programs. Instead, section 109 directs that the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504) apply to programs or activities funded in whole or in part with Federal financial assistance. Thus, the regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs, apply to disability and age discrimination in Title I programs.
  
- c. Section 3 of the Housing and Urban Development Act of 1968. The purpose of section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, state and local laws and regulations, be directed to low and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low and very low-income persons.

**5. FEDERAL LABOR STANDARDS PROVISIONS.** Borrower agrees to notify Lender prior to entering into any contracts in excess of \$2,000 which will be funded, in whole or in part, with proceeds from this Loan so that Lender may make a determination whether applicable Federal labor standard laws apply to the proposed contract. If Federal labor standard provisions are determined to be applicable to the contract, Borrower shall comply with all such Federal labor standard provisions and shall cooperate with Lender in insuring that all Federal labor standard provisions are complied with by all contractors involved with the project.

**6. ASSIGNMENT, TRANSFER AND SUBCONTRACTING.** The Borrower shall not assign, transfer or subcontract any portion of the loan without the express written consent of the Department of Commerce, the Local Government, and the Lender (if other than the Local Government such as a local or regional development corporation).