

§ 260.27

49 CFR Ch. II (10–1–24 Edition)

filed, both before and after giving effect to the proceeds of the assistance requested in the application:

- (i) Forecasted annual income statement;
- (ii) Forecasted year-end balance sheets. These spread sheets shall be accompanied by a statement setting forth the bases for such forecasts; and
- (iii) A spread sheet showing changes in financial position for the year in which the application is filed, including the period ending on the date of the application based upon actual data and the period from the date of the application to the end of the year, based upon estimated and forecasted data;
- (c) Capital spending plans for the next five years;
- (d) Cash flow projections;
- (e) Contingency plans for termination of the project before completion, if necessary; and
- (f) A narrative description of Applicant's management team, including:
 - (1) Rail experience of top management;
 - (2) Management's plans for achieving growth and its long-term capital spending plan; and
 - (3) A narrative description of Applicant's workforce and the historical rate of employee turnover.

§ 260.27 Additional information for loan guarantees.

Applications for a loan guarantee shall also include in the order indicated and identified by applicable numbers and letters corresponding to those used in this section, the following information:

- (a) With respect to each existing obligation to be refinanced or proposed obligation:
 - (1) A certified copy of proposed or executed obligation agreements;
 - (2) A detailed description of the obligation, and a description of the series or issue of which the obligation is, or will be, a part, including:
 - (i) Effective date, or anticipated effective date;
 - (ii) Where a guarantee is sought for an outstanding obligation being refinanced, actual effective rate of interest; or where the obligation is new, the terms of the proposed obligation in-

cluding the proposed effective rate of interest; and

- (iii) All related documents, whether executed or proposed;
- (3) For an existing obligation, the Applicant's payment history on that obligation; and
- (b) With respect to each existing Lender, Holder, or prospective Lender, a statement as to:
 - (1) Full and correct name and principal business address;
 - (2) Reference to applicable provisions of law and the charter or other governing instruments conferring authority to do business on the Lender, Holder, or prospective Lender;
 - (3) Brief statement of the circumstances and negotiations leading to the agreement by the Lender, Holder, or prospective Lender to make the loan;
 - (4) Brief statement of the nature and extent of any affiliation or business relationship between the Lender, Holder, or prospective Lender and the Applicant or any of Applicant's directors, partners, or principal executive officers; and.
 - (5) Full and complete statement of all sums to be provided by the Lender or Holder, or to be provided by the prospective Lender in connection with the proposed obligation including:
 - (i) Name and address of each person to whom the payment has been made or will be made and nature of any affiliation, association, or prior business relationship between any person named in this paragraph and the Lender, Holder or prospective Lender or any of its directors, partners, or officers; and
 - (ii) Amount of the cash payment, or the nature and value of other consideration.

§ 260.29 Third party consultants.

Applicants may utilize independent third-party consultants to prepare a financial evaluation of the proposed project and the applicant, if approved by FRA. Providing such an evaluation would greatly assist FRA in the evaluation of the application and would significantly reduce the time necessary for FRA to process the application. We encourage the use of third party consultants.