

1 Page 1-line 3 After "loans and" insert "terms of".

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3 Page 2-line 2 Delete "and (vii)" and insert ", (vii) and
4 (viii)".

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6 Page 2-line 18 Before "term" insert "remaining".

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8 Page 3-after line 8 Insert:

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10 "(viii) Except as provided in this paragraph, the state
11 treasurer shall ~~secure~~assure that the lead lender secures a
12 first security interest in the entire project sufficient to
13 adequately protect the investment of loan proceeds or proceeds
14 guaranteed by the state under this section. The security interest
15 shall be shared pro rata with the state in percentage of the loan
16 or loan guarantee. If necessary, the state treasurer may allow
17 the lead lender to accept substitute security which will protect
18 repayment to the state on a basis substantially equivalent to a
19 first security interest on the project. The state treasurer shall
20 insure that any alternate security is sufficient to prudently
21 protect the state's pro rata interest;~~in the entire project and~~
22 ~~any alternate security places the state before any other lender~~
23 ~~in priority of payment on the entire project in the event of~~
24 ~~default;~~ and". VON FLATERN, CHAIRMAN

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