



Illinois Rural Electric Cooperative

Two South Main Street
Winchester, IL 62694
Telephone: (217) 742-3128
Fax: (217) 742-3831

LOAN APPLICANT'S MEMORANDUM **ERC Loan Applicants**

1. *The interest rate is 2% per year. The repayment period varies based on amount borrowed with a maximum repayment period of 84 months.*
2. *Loans of \$5,000 or less can be unsecured. Loans in excess of \$5,000 must be secured by some type of collateral. The borrower must sign or give IREC any documents necessary to protect IREC's claim in the collateral. Examples of collateral that can be used are real estate, vehicle titles, savings bonds, stock certificates indicating ownership of publicly traded stocks or certificates of deposit.*
3. *The borrower must keep the collateral insured and add IREC as an insured on all insurance policies for real estate.*
4. *Borrowers should not start work on the installation of their energy system until their loan has been approved, especially if the work being done is contingent upon the Cooperative's loan approval. The installation must be complete and inspected by IREC personnel before the loan proceeds can be disbursed. Once the installation is complete and has been inspected, the loan proceeds can be disbursed directly to the contractor performing the installation or to the borrower at IREC's discretion. If they are disbursed to the borrower, the borrower must provide proof of payment of the contractor to IREC first.*
5. *Failure to comply with the terms of this program will cause forfeiture of the loan proceeds which will be repaid to IREC. Reasonable attorney fees incurred for collection will be the responsibility of the applicant.*

Dated: _____

Applicant

Applicant