Oklahoma Assistive Technology Foundation

# Contract with

BancFirst of Stillwater

for an

**Alternative Financing Program**

This contract is made and entered into on this 1st day of October, 2014, by BancFirst of Stillwater and the Oklahoma Assistive Technology Foundation (OkAT).

## RECITALS

1. Oklahoma Assistive Technology Foundation, (OkAT) will enter into this contract with BancFirst to maintain the Alternative Financing Program (AFP) which allows for the purchase of assistive technology for Oklahomans with disabilities. OkAT is a non-profit community based organization. The mission of OkAT is to assist individuals with disabilities of all ages and their family members, guardians, advocates, authorized representatives and other appropriate individuals or entities to increase understanding and access to assistive technology.

II. The AFP has been established to buy-down interest rate and/or guaranty loans available to individuals with disabilities, or for persons that have a dependent with a disability, (as defined in Exhibit A) residing in the State of Oklahoma. Funds borrowed under the program are to be used to purchase assistive technology devices and services, (as defined in Exhibit A) modify equipment or make adaptations to enhance the independence of people with disabilities in their homes, at work, in schools, or engaged in community activities.

III. BancFirst of Stillwater has agreed to be the participating lender under the AFP upon the terms and conditions set forth herein.

IV. BancFirst of Stillwater and OkAT will actively work together to promote the AFP, in order to help meet the assistive technology credit financing needs of the disability community.

Now, therefore, in consideration of the above recitals and the mutual covenants hereinafter contained, it is agreed as follows:

A. BancFirst of Stillwater agrees to be the participating lender in the AFP provided that OkAT invest funds into separate low risk accounts from BancFirst of Stillwater with a total approximate balance of $1,200,000.00.

B. The investment fund accounts maintained by OkAT are for two purposes. First, to buy down the interest rate of AFP loans; and secondly, to ensure adequate funds are available to secure loans for instances when OkAT becomes the co-signor for borrowers that do not qualify for BancFirst loans under this agreement.

C. OkAT and BancFirst of Stillwater agree that all co-signature loans will offer the following terms:

1. OkAT will buy down the interest rate of 2% over the Wall Street Journal daily prime interest rate, on the date the loan is closed with a floor of 7.5% to a 5% fixed rate to be charged to the borrower.

2. Applicants may be responsible for loan origination fees and hard costs of the loans such as, vehicle title liens, filing fees, etc. The borrower must agree to pay the fees for a 2nd lien that will be filed and held by OkAT on all vehicles loans.

3. Loans will have a maximum term of 5 years.

D. OkAT and BancFirst of Stillwater agree that secured loans for adapted vehicles or second mortgages on modified homes will offer the following terms:

1. OkAT will buy down the interest rate of 2% over the Wall Street Journal daily prime interest rate, on the date the loan is closed with a floor of 7.5% to a 6% fixed rate to be charged to the borrower.

2. Applicants may be responsible for loan origination fees and hard costs of the loans such as, vehicle title liens, filing fees, etc.

3. Loans will have a maximum term of 5 years.

E. OkAT and BancFirst of Stillwater agree that all unsecured loans (hearing aids, wheelchairs, durable medical equipment, computers, etc.) will offer the following terms:

1. OkAT will buy down the interest rate of 3% over the Wall Street Journal daily prime interest rate, on the date the loan is closed with a floor of 9.5% to a 6% fixed rate to be charged to the borrower.

2. Applicants may be responsible for loan origination fees and hard costs of the loans such as, filing fees, etc.

3. Loans will have a maximum term of 3 years.

F. BancFirst of Stillwater will accept referrals for the AFP from OkAT, ABLE Tech, and other agencies and vendors that provide services to individuals with disabilities in addition to any BancFirst branch. Accordingly, BancFirst, in its sole discretion, may approve or deny such applications. Bank-generated documents to utilize in the AFP may include, but are not limited to:

1. The prospective applicant must fully complete a BancFirst loan application. Loan applications may be completed over the phone or by fax with loan approval usually within 48 hours.
2. Applicant may need to provide evidence of meeting the definition of a person with a disability as described in Exhibit A.
3. Under a requirement of the AFP funds, an applicant must sign a BancFirst release of information (Appendix B and Appendix C) to OkAT for the purposes of reporting loan disclosure, maintenance, and/or default and for completion of the Assistive Technology Alternative Financing Survey.
4. BancFirst will process the application in a manner consistent with consumer loan underwriting guidelines. OkAT at its discretion, may provide guaranty loans to qualified borrowers above a 50% debt service to gross income ratio.
5. If an applicant does not qualify for a low interest loan, based on consumer loan underwriting guidelines and/or credit criteria, a denial form will be mailed in accordance with applicable laws and regulations.
6. If an applicant does not qualify for a low interest loan, for a specific requested loan amount, but could qualify for a reduced loan amount, BancFirst may provide a counter offer within BancFirst underwriting guidelines.
7. If an applicant does not accept the counter offer, a denial form will be mailed in accordance with applicable laws and regulations.
8. If an applicant, upon loan application completion, does not qualify for the low interest loan program upon release of information, a referral will be made to OkAT. BancFirst will provide OkAT with appropriate documentation which will include at a minimum a loan application, credit report, and explanation of denial. OkAT in turn, will provide consumer information regarding the loan guaranty program (based on availability of funds), as well as, completion of the Assistive Technology Alternative Financing Survey.
9. The AFP Loan Coordinator will contact the applicant to determine if they would be interested in pursuing a loan guaranty request, if so a loan guaranty packet will be mailed to the applicant. Upon return receipt of the completed loan packet, the Board will meet, via telephone conference, within one week of receiving the necessary information to determine whether an applicant will qualify for a low interest guaranty loan. As a condition of the guaranty loan approval, an applicant must agree to an automatic deduction for the monthly payment from their checking and or savings account. Based on availability of funding within the invested fund account, a designated OkAT Board member will sign as guarantor for the guaranty loan.
10. Approved applicants for low interest loans or guaranty loans will have loan documents made available at either a local BancFirst branch or through the mail. An automatic deduction from the applicant’s checking and/or savings account may be utilized at the discretion of BancFirst.
11. Upon receipt of executed loan documents, BancFirst will disburse the loan proceeds to the vendor(s) of the equipment to be financed. BancFirst will have discretion for the method of disbursement utilized.

G. In the event of late payment on a guaranty loan:

1. BancFirst will contact the loan customer via bank’s automated past due payment notification system, i.e. mailing past due notice. If the loan customer and BancFirst agree on an alternate payment arrangement or a renegotiation of loan terms, no further action is necessary by BancFirst. If the loan customer and BancFirst do not agree on an alternate payment arrangement or a renegotiation of loan terms, BancFirst will contact OkAT that a guaranty loan is delinquent.
2. Upon notice of a delinquent loan OkAT will contact the borrower to make immediate arrangements that may include one of the following options:
3. OkAT may choose to make the missed loan payment within 45 days of original due date and seek reimbursement from the loan customer.
4. OkAT and the loan customer will arrange to share in the cost of loan payments on a temporary basis. OkAT will seek reimbursement from the loan customer.
5. OkAT will pay the remaining balance of the loan, in which case BancFirst agrees to reassign the note to OkAT if requested. OkAT will seek reimbursement from the loan customer. If the loan is for a vehicle OkAT will pay the default loan in full and BancFirst will release the first lien. OkAT will maintain the second lien until which time the borrower pays OkAT in full. OkAT may repossess the vehicle if payment is not forthcoming.
6. OkAT may choose to have the late payment fee paid by the borrower either upon due date or added to the balance of the note.

H. BancFirst of Stillwater will provide a quarterly report on all outstanding non-guaranty AFP loans to OkAT, by the 10th of the following months: January, April, July, and October. The report must contain, but is not limited to:

1. Number of non-guaranty loans approved.
2. Repayment terms of each loan.
3. The outstanding balance of each loan.
4. The total balance of non-guaranty Alternative Financing Program loans.

I. BancFirst of Stillwater will provide a monthly report on all outstanding guaranty AFP loans to OkAT, by the 10th of each month. The report must contain, but is not limited to:

1. Maturity date of the loan.
2. The outstanding balance of each loan.
3. The total balance of all guaranty Alternative Financing Program loans.

J. BancFirst efforts to market the AFP will include distributing brochures, to BancFirst branches across the state for BancFirst customers to access.

K. This agreement shall have an initial term commencing on the date executed to September 30, 2015. This agreement will automatically renew for successive one year periods unless either party provides a 90 day written notice to amend or terminate this agreement.

L. This agreement shall be binding on the parties hereto and their respective successors in interest and assigns. This agreement shall be construed in accordance with the laws of the State of Oklahoma.

**BancFirst of Stillwater**

Debbie Thomas

Date:

## OkAT

Wanda Johnson, President

Date:

**Exhibit A**

**Assistive technology device** means any item, product or piece of equipment that is used to maintain or improve the functional capabilities of individuals with disabilities. Examples of assistive technology devices may include, but are not limited to:

* Hearing aids
* Wheelchairs and scooters
* Adapted vehicles
* Home modifications and ramps
* Specialized computers
* Low vision aids
* Communication devices
* Adapted toys and recreational equipment

**Assistive technology service** means any service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device. Examples of assistive technology services may include, but are not limited to:

* Evaluations
* Customizing or adapting assistive technology
* Maintenance or repair
* Coordinating therapies and interventions
* Training on how use assistive technology devices

A **person with a disability** is a person with a physical or mental impairment that substantially limits a major life activity. That includes persons who have a record of substantially limiting impairments and persons who are regarded as having a substantially limiting impairment. A “substantial impairment” is one that significantly limits or restricts a major life activity such as hearing, seeing, speaking, breathing, performing manual tasks, walking, caring for oneself, learning, or working.

Documentation BancFirst may request that an individual provide to serve as **proof of a disability** may include, but not be limited to:

1. Supplemental Security Income,
2. Social Security Disability Insurance,
3. Eligibility statement from the Department of Rehabilitation Services,
4. Documentation from a student’s Individual Education Program, or
5. Statement from a medical doctor.

**Exhibit B**

**BancFirst**

**Release of Information**

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ give BancFirst authorization to release my credit application and credit report information to the Oklahoma Assistive Technology Foundation (OkAT) and Oklahoma ABLE Tech. By releasing this information, I realize this information may be used in determining the outcome of my loan request.

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Signature Date

**Exhibit C**

Release of Information for Required Data Collection Form

The loan for which you are applying is provided through the Alternative Financing Program (AFP) or the Access to Telework Fund (ATF) program. The federal sponsors of these programs (Rehabilitation Services Administration of the U.S. Department of Education) require that your state program **Oklahoma ABLE Tech** submit certain information to ensure that the money being invested in the programs is being delivered equitably and to demonstrate the outcomes of the program. Information being collected includes: individual information (e.g., age, sex, and geographic location), type of technology and equipment being requested, information about the loan and loan terms, and information about how the financing and technology received have worked for you and your overall satisfaction with the program.

The federal government is working with the Rehabilitation Engineering and Assistive Technology Society of North America (RESNA), the National Information System for Assistive Technology (NISAT) and your state program to submit this information to a secure, web-based data system. All personally identifying information about you is removed, and summary results are then made available to the public at an accessible website.

As part of this data collection process, we require that you to participate in one interview to provide information at the time of your loan closure. The interview will be completed with a representative from Oklahoma ABLE Tech. During the interview, you are free to refuse to answer any questions you do not want to answer. All responses will be kept confidential and you will not be identified by name or other personally identifying information within the database or in any reports. Your decision to participate or not in this evaluation process will not affect your loan application or participation in other programs.

**Release of Information:** I consent to releasing this federally required information into the secure database maintained at NISAT. I understand that the information submitted will NOT contain my name, address or any other identifying information.

* I consent to releasing all required information.

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Print Name of Loan Applicant

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_            \_\_\_\_\_\_\_\_

Signature of Loan Applicant                                                     Date

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Print Name of Co-Applicant

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_            \_\_\_\_\_\_\_\_

Signature of Co-Applicant          Date