



SUBROGATION AGREEMENT

This Subrogation and Assignment Agreement (“Agreement”) is made and entered into on this ___ day of _____, 20____, by and between _____ (“Beneficiary”) and the [Grantor Name] (“Grantor/Lender”).

In consideration of Beneficiary’s receipt of funds or the commitment by Grantor/Lender to evaluate Beneficiary’ application for the receipt of funds (collectively, the “Grant/Loan Proceeds”) under the [Grantor Name] [Program Name] (the “Program”) administered by Grantor/Lender, Beneficiary hereby assigns to Grantor/Lender all of Beneficiary’s future rights to reimbursement and all payments received or likely to be received from any grant, subsidized loan, or insurance policies of any type or coverage or under any reimbursement or relief program related to or administered by the Federal Emergency Management Agency (“FEMA”), the Internal Revenue Service (“IRS”), the U.S. Treasury, the United States Department of Agriculture (“USDA”), the United States Department of Health and Human Services (“HHS”), or the Small Business Administration (“SBA”) (singularly, a “Disaster Program” and collectively, the “Disaster Programs”) that was the basis of the calculation the Beneficiary Emergency Assistance Program to the extent of Grant/Loan Proceeds paid or to be paid to Beneficiary under the Program and that are determined in the sole discretion of [Grantor Name] to be a duplication of benefits (“DOB”) as provided in this Agreement.

The proceeds or payments referred to in the preceding paragraph, whether they are from insurance, FEMA or the SBA or any other source, and whether or not such amounts are a DOB, shall be referred to herein as “Proceeds,” and any Proceeds that are a DOB shall be referred to herein as “DOB Proceeds.” Upon receiving any Proceeds not listed on the Duplication of Benefits Statement or Affidavit, Beneficiary agrees to immediately notify the Grantor/Lender who will notify the [Grantor Name] of such additional amounts, and the [Grantor Name] will determine in its sole discretion if such additional amounts constitute a DOB. Any person or entity receiving CDBG–CV assistance (including subrecipients and direct beneficiaries) hereby agrees to repay assistance that is determined to be duplicative. If some or all of the Proceeds are determined to be a DOB, the portion that is a DOB shall be paid to the Grantor/Lender, to be retained and/or disbursed as provided in this Agreement.

Beneficiary agrees to assist and cooperate with the Grantor/Lender elect to pursue any of the claims Beneficiary has against the insurers for reimbursement of DOB Proceeds under any such policies. Beneficiary’ assistance and cooperation shall include but shall not be limited to allowing suit to be brought in Beneficiary’ name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing record and other evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by the Grantor/Lender. Beneficiary further agrees to assist and cooperate in the attainment and collection of any DOB Proceeds that the Beneficiary would be entitled to under any applicable Disaster Program.

If requested by the Grantor/Lender, Beneficiary agrees to execute such further and additional documents and instruments as may be requested to further and better assign to the Grantor/Lender, to the extent of the Grant/Loan Proceeds paid to Beneficiary under the Program, the Policies, any



Appendix C-2: Subrogation Agreement – Individual Beneficiary

amounts received or likely to be received under the Disaster Programs that are DOB Proceeds and/or any rights thereunder, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the Grantor/Lender to consummate and make effective the purposes of this Agreement.

Beneficiary explicitly allows the Grantor/Lender to request of any company with which Beneficiary held insurance policies, or FEMA or the SBA or any other entity from which Beneficiary has applied for or is receiving Proceeds, any non-public or confidential information determined to be reasonably necessary by the Grantor/Lender to monitor/enforce its interest in the rights assigned to it under this Agreement and give Beneficiary' consent to such company to release said information to the Grantor/Lender.

If Beneficiary (or any lender to which DOB Proceeds are payable to such lender, to the extent permitted by superior loan documents) hereafter receives any DOB Proceeds, Beneficiary agrees to promptly pay such amounts to the Grantor/Lender, if Beneficiary received Grant/Loan Proceeds under the Program in an amount greater than the amount Beneficiary would have received if such DOB Proceeds had been considered in the calculation of Beneficiary' award.

In the event that the Beneficiary receives or is scheduled to receive any Proceeds not listed on its Duplication of Benefits Statement or Affidavit ("Subsequent Proceeds"), Beneficiary shall pay such Subsequent Proceeds directly to the Grantor/Lender, and the [Grantor Name] will determine the amount, if any, of such Subsequent Proceeds that are DOB Proceeds ("Subsequent DOB Proceeds"). Subsequent Proceeds in excess of Subsequent DOB Proceeds shall be returned to the Beneficiary. Subsequent DOB Proceeds shall be disbursed as follows:

1. If the Beneficiary has received full payment of the Grant/Loan Proceeds, any Subsequent DOB Proceeds shall be retained by the Grantor/Lender and remitted to the [Grantor Name].
2. If the Beneficiary has received no payment of the Grant/Loan Proceeds, any Subsequent DOB Proceeds shall be used by the Grantor/Lender to reduce payments of the Grant/Loan Proceeds to the Beneficiary, and all Subsequent DOB Proceeds shall be returned to the Beneficiary.
3. If the Beneficiary has received a portion of the Grant/Loan Proceeds, any Subsequent DOB Proceeds shall be used, retained and/or disbursed in the following order: (A) Subsequent DOB Proceeds shall first be used to reduce the remaining payments of the Grant/Loan Proceeds, and Subsequent DOB Proceeds in such amount shall be returned to the Beneficiary; and (B) any remaining Subsequent DOB Proceeds shall be retained by the Grantor/Lender and remitted to the [Grantor Name].
4. If the Grantor/Lender makes the determination that the Beneficiary does not qualify to participate in the Program or the Beneficiary determines not to participate in the Program, the Subsequent DOB Proceeds shall be returned to the Beneficiary, and this Agreement shall terminate.

Once the Grantor/Lender has recovered an amount equal to the Grant/Loan Proceeds paid to Beneficiary, the Grantor/Lender will reassign to Beneficiary any rights assigned to the Grantor/Lender pursuant to this Agreement.

Beneficiary represents that all statements and representations made by Beneficiary regarding Proceeds received by Beneficiary shall be true and correct as of the date of Closing.



Appendix C-2: Subrogation Agreement – Individual Beneficiary

NOTICE: Beneficiary and the person executing this Agreement on behalf of the Beneficiary are hereby notified that intentionally or knowingly making a materially false or misleading written statement to obtain property or credit, including a mortgage loan, is a violation of Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–2 254; 132 Stat. 3442) and, depending upon the amount of the Grant/Loan Proceeds, is punishable by [*insert potential terms of violation*].

The person executing this Agreement on behalf of the Beneficiary hereby represents that he/she has received, read, and understands this notice of penalties for making a materially false or misleading written statement to obtain the Grant/Loan Proceeds.

In any proceeding to enforce this Agreement, the Grantor/Lender shall be entitled to recover all costs of enforcement, including actual attorney's fees.

BENEFICIARY

[*insert name*]

By: _____

Name: _____

Title: _____

Address: _____

GRANTOR/LENDER:

[*insert name of administrative entity*]

By: _____

Name: _____

Title: _____