

United States Television Household Estimates.

*Generally Accepted Accounting Principles (GAAP)* means a common set of accounting standards and procedures that are either promulgated by an authoritative accounting rulemaking body or accepted as appropriate due to wide-spread application in the United States.

*Guarantee* means the written agreement, including all terms and conditions and all exhibits thereto, guaranteeing repayment of a specified percentage of the principal of a Loan pursuant to the Act.

*Guaranteed Portion* means the portion of the principal of a loan that is subject to the Guarantee.

*High-Speed Internet* means a data connection to the Internet providing an information rate exceeding 200 kilobits per second (kbps) in the consumer's connection to the network in at least one direction, either from the provider to the consumer (downstream) or from the consumer to the provider (upstream).

*Lender* means an entity that has committed to make a Loan to an Applicant, where such entity shall be:

- (1) An entity currently engaged in commercial lending in the normal course of its business; or
- (2) A nonprofit corporation, including the National Rural Utilities Cooperative Finance Corporation, engaged primarily in commercial lending, but does not include any governmental entity or any Affiliate thereof, the Federal Agricultural Mortgage Corporation, any institution supervised by the Office of Federal Housing Enterprise Oversight, the Federal Housing Finance Board, or any Affiliate of such entities.

*Loan* means a Loan guaranteed pursuant to the Act and includes the funds made available to the Borrower by the Lender.

*Loan Agreement* means the contract between the Lender and the Borrower, approved by the Board, setting forth the terms applicable to the Loan.

*Loan Documents* means the Loan Agreement, Guarantee and all other instruments, and all documentation between or among the Lender, the Borrower, and the Board or Administrator, evidencing the making, disbursing, securing, collecting, or otherwise administering of the Loan.

*Local Television Broadcast Signals* means the television signals that carry the local network broadcasts of the four major national television broadcast networks as recognized by the Federal Communications Commission (as of August 15, 2003 these networks are ABC, CBS, Fox, and NBC). When a

particular national television broadcast network is carried by more than one broadcaster in a DMA, the signal of any one of these local broadcasters will qualify as the Local Television Broadcast Signal of the network at that location. In a DMA where one or more of these networks do not have a local affiliate, the set of Local Television Broadcast Signals only includes the local affiliates of the aforementioned networks that are present in that DMA. In areas not included in a DMA but under the jurisdiction of the FCC, an appropriate set of Local Television Broadcast Signals will be determined on a case-by-case basis, subject to the approval of the Board.

*Net equity* means the value of the total Assets of an entity, less the total liabilities of that entity, as recorded under Generally Accepted Accounting Principles for the fiscal quarter ended immediately prior to the date on which the subject Loan is approved.

*Net Worth Ratio* means the book value of equity over total Assets.

*Nonserved Area* means any area that is outside the grade B contour (as determined using standards employed by the Federal Communications Commission (FCC)) of the Local Television Broadcast Signals serving a particular Designated Market Area and does not have access to such signals by any commercial, for profit, multichannel video provider.

*Offer of Guarantee* means the Board's decision to approve an application for, and extend a Guarantee under, the LOCAL TV Act.

*Payment Default* means any failure of a Borrower to pay any amount of principal or interest on the Loan when and as due under the Loan Agreement (including, without limitation, following any acceleration thereunder) which has not been cured within any applicable cure period.

*Payment Demand* means a request, by the Lender or Agent, following a Payment Default, in writing to the Board, for payment under the Guarantee in respect of the defaulted principal.

*Performance Agreement* means the written agreement between the Administrator and the Borrower (and Lender, if applicable), pursuant to which the Borrower provides stipulated performance schedules with respect to Local Television Broadcast Signals provided through the Project.

*Program* means the LOCAL Television Loan Guarantee Program (LOCAL TV Program) established under the Act.

*Project* means a proposal for the acquisition, improvement, enhancement, construction, deployment, launch, or rehabilitation of

the means to deliver Local Television Broadcast Signals to a Nonserved Area or Underserved Area.

*Regulatory Capital Ratio* means tier 1 and total capital ratios as shown on a Banking Institution's balance sheet.

*Security* means all Collateral required by the provisions of the Act or the Loan Documents to secure repayment of any indebtedness of the Borrower under the Loan Documents.

*Separate Tier of Local Television Broadcast Signals* means a category or package of services provided by the applicant, to include the Local Television Broadcast Signals and all over-the-air television broadcast signals carried pursuant to the must-carry requirement of the Communications Act of 1934, as amended, offered as a distinct and separate service choice to the applicant's subscribers at a specified lower rate when compared to other program service choices.

*Term Sheet* means an executed agreement between the Applicant and the Lender or Agent that sets forth the key business terms and conditions of the proposed Loan. Execution of this agreement represents evidence of the commitment between the Applicant and Lender or Agent.

*Underserved Area* means any area that is outside the grade A contour (as determined using standards employed by the Federal Communications Commission) of the Local Television Broadcast Signals serving a particular Designated Market Area and has access to such signals from not more than one commercial, for profit, multichannel video provider.

*Unguaranteed Portion* means the portion of the principal of a Loan that is not covered by the Guarantee.

## §§ 2201.2—2201.9 [Reserved]

### Subpart B—Loan Guarantees

#### § 2201.10 Loan amount and Guarantee percentage.

(a) *Aggregate value of loans.* The aggregate value of all Loans for which Guarantees are issued under the Program, including the Unguaranteed Portions of such Loans, may not exceed \$1,250,000,000.

(b) *Guarantee percentage.* (1) A Guarantee approved by the Board may not exceed an amount equal to 80 percent of the principal amount of a Loan made to finance the acquisition, improvement, enhancement, construction, deployment, launch, or rehabilitation of the means by which Local Television Broadcast Signals are delivered to a Nonserved Area or Underserved Area;