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The Value-added Guarantee Loan assists North Dakota-based companies that want to invest in value-added agriculture and energy products that add value to North Dakota commodities.

How to apply

BND offers this loan by partnering with local lenders. To apply, contact your lender.

If you have any questions, [contact us](#) or call (701) 328-5795.

Forms

[Bank Participation Loan Application \(PDF\)](#)

[Loan Renewal Application for Existing Participations \(PDF\)](#)

To ensure proper functionality, BND forms MUST be downloaded and then opened with your system's PDF application. [Click here](#) for download instructions.

If you are not able to access a PDF, please [contact us](#) for assistance.

Eligibility

The business must be located in North Dakota for a company that wants to invest in value-added agriculture and energy products.

Use of proceeds

Proceeds shall be used for value-added agriculture and energy projects that add value to North Dakota commodities. Value-added agriculture is defined as a change made to primary agriculture products (crops and livestock) that increases the product's value, thereby creating new economic activity and jobs in one of three ways:

- Process activities that create value for the product and/or introduce the product to new markets
- Diversification and/or modification of primary agriculture product, or
- Pre-production modifications that increase yield, quality and uses.

Value-added agriculture does not include farm production of crops and livestock, biotechnology and research and development activities focused on increasing primary agricultural production, human capital investments, agritourism, seed production or transportation.

Value-added energy is a change made to hydrocarbons or by-products of hydrocarbons produced in North Dakota that increase the product's value, thereby creating new economic activity and jobs in one of three ways:

- Process activities that create value for the hydrocarbon or by-products and/or introduce the product to new market
- Modifications of hydrocarbons or by-products that result in increased production, quality or uses, or
- Pre-production modifications that increase production of hydrocarbons through drilling or mining activities.

Loan amount/limit

\$25,000,000

Interest rate and fees**Lead lender:**

Rate must be acceptable to BND.

Fees:

1.00% loan guarantee fee; 0.50% ongoing service fee.

Collateral

First security interest on acceptable business assets.

Participation requirements:

Lead lender is required. The Bank must take 50-80% of the total loan amount as its participation percentage.

Loan terms

Guarantee term may not exceed fifteen years.

**Bank of North Dakota**

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