

## MEMORANDUM

**To:** Kingsbury County Commissioners

**From:** Ally Dakota Development (ADD)

**Date:** February 17, 2026

**Re:** Guidance on Approval of Post-Funding Servicing Actions for the Revolving Loan Fund

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### Overview

Ally Dakota Development administers Kingsbury County's revolving loan fund under the existing servicing agreement. The agreement outlines general servicing responsibilities but does **not** specify how **post-funding servicing actions**, especially those affecting collateral, should be approved.

ADD is requesting the Commission's direction on whether certain routine servicing decisions may be handled internally or should be brought to the Commission for approval.

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### Decision Needed

ADD seeks guidance on the following question:

**When a servicing request appears prudent after ADD's internal review and documentation, does the Commission authorize ADD to approve the request on the County's behalf?**

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### Example

A recent borrower request:

- Senior lender adding **\$10,000** to a loan in a superior lien position.
- ADD's review shows **satisfactory cash flow, adequate remaining collateral coverage, and payments ahead of schedule**.

This example reflects the type of routine servicing matter for which ADD seeks clarification on approval authority.

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### Next Steps

ADD will follow whichever process the Commission prefers. Please advise whether:

1. ADD may approve prudent servicing actions internally; **or**
2. All actions affecting collateral should be brought to the Commission.