

**LOAN AGREEMENT for WATER PUMPS
for DISASTER RESPONSE ASSISTANCE**

This Agreement is entered into between the United States of America, acting by and through the U.S. Army Corps of Engineers, St. Paul District ["District"] and _____ ["Local Sponsor"] for the purpose of facilitating the loan of a water pump for disaster response assistance during a flood.

The District agrees to loan the Local Sponsor one (1) water pump, Serial Number _____ and/or Government Bar Code Number _____ under the following terms and conditions:

1. **TERM OF THE LOAN.** The District agrees to loan the pump to the Local Sponsor for a term not to exceed _____ days from the date that the Local Sponsor takes possession of the pump. The District Engineer may, in his or her discretion, extend the term of this loan upon written request from the Local Sponsor.
2. **TERMINATION.** The District may, upon written notice to the Local Sponsor, terminate this loan at any time; upon notice of termination, the Local Sponsor will return the pump to the District within three (3) days. Termination of this loan does not affect the remaining obligations of the District or the Local Sponsor under this Agreement.
3. **PICK-UP/DELIVERY.** The pump will be (select one):
 - ___ Picked up from and returned to _____ by the Local Sponsor.
 - ___ Delivered to and picked up from _____ by the District.
 - ___ Other arrangements for pick-up/delivery: _____
4. **CONDITION OF THE PUMP.** The pump is provided to the Local Sponsor in an "as is" condition. The pump is presumed to be undamaged and in good working order at the time the Local Sponsor takes possession, with the exception of any damage noted in the space below.

5. **OPERATION AND MAINTENANCE.** The Local Sponsor will use at least ordinary care in operating the pump. All routine and recurring maintenance shall be the responsibility of the Local Sponsor at its sole cost and expense. The Local Sponsor will maintain a daily log of the hours of operation of the pump and the maintenance performed during that period. The Local Sponsor is responsible for all gas, oil, power sources, and other materials needed to operate the pump. The Local Sponsor will not assign, transfer, sublet, or part with possession of the pump in any manner to any third party except with the prior written approval of the District. The Local Sponsor's use of the pump will at all times comply with applicable Federal, state, and local laws and regulations.
6. **CARE OF THE PUMP.** The Local Sponsor shall return the pump to the District in the same condition as it was in at the commencement of the loan period, ordinary wear and tear excepted. Should the Local Sponsor fail to return the pump in an acceptable condition at the end of the term of the loan, the Local Sponsor shall bear the cost of repairing or replacing the

pump. The District Engineer has the sole discretion to determine whether the pump will be repaired or replaced. The Local Sponsor hereby assumes all responsibilities, liabilities, and costs related to the transportation, movement, use, care, security, loss, damage, maintenance, and repair of the pump.

7. RESPONSIBILITIES AND INDEMNIFICATION.

- a. The Local Sponsor understands that it is responsible and liable for any and all damages or injuries arising out of or relating to its possession, use, or custody of the pump.
- b. The Local Sponsor will indemnify and hold harmless the United States of America, its agencies, officers and employees from any and all liability that may arise as a result of the Local Sponsor's possession, use, or custody of the pump.

By its signature below, the Local Sponsor agrees to abide by the terms and conditions of this Loan Agreement.

DEPARTMENT OF THE ARMY

LOCAL SPONSOR:

_____*

Name: _____

Name: _____

Title: _____

Title: _____

U.S. Army Corps of Engineers

Sponsor: _____

Date: _____

Date: _____

* By signing this Agreement, I certify that I am authorized to enter into binding contracts and agreements for an on behalf of _____ and that the execution of this Agreement is within my authority.