

(c) The loan documents shall include:

(1) The rate of interest on the loan;

(2) The amount of the loan;

(3) Provisions for repayment of the loan, provided that the provisions for repayment may, in the Committee's discretion, be based on a flexible repayment schedule; and

(4) Any other provisions that the Department determines are necessary, including the taking of liens and security interests in real and personal property.

(d) (1) Mortgages or deeds of trust held as security for loans made under this subsection that are in default may be foreclosed by the Department in the same manner as provided by the Maryland Rules of Procedure for foreclosures in private transactions.

(2) The Department may take title in its name to any property foreclosed and to convey title to the property to bona fide purchasers of the property.

(e) The maximum amount of a defense adjustment loan may not exceed the limit set by the regulations of the Economic Development Administration.

(f) The minimum interest rate for a defense adjustment loan shall be a fixed rate of 4 percent per annum.

(g) The proceeds of defense adjustment loans may be used for working capital for the defense adjustment activities approved by the Committee.

[3-610.] 6-510.

If an applicant violates any provision of the loan documents or ceases to meet the requirements of this subtitle, on reasonable notice to the applicant, the Department may:

(1) Withhold from the applicant further advances of loan proceeds until the applicant complies with the agreement or requirements; and

(2) Exercise any other remedy for which the loan documents provide.

[3-611.] 6-511.

(a) A person may not knowingly make or cause any false statement or report to be made in any application or in any document furnished to the Department.

(b) A person may not knowingly make or cause any false statement or report to be made for the purpose of influencing the action of the Department affecting financial assistance whether or not such assistance may have already been extended.

(c) Any person who violates any provision of this subtitle or any person who aids or abets another person in the violation of this subtitle is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$50,000 or imprisonment not exceeding 5 years or both.