

budget authority to cover the costs of the loans or guaranties is provided in advance in an appropriations Act, as required by section 661c of title 2.

(11) The Corporation shall rely upon specific standards to assess the developmental and strategic value of projects for which it provides support and should only provide the minimum level of support necessary in order to support such projects.

(12) Any loan or loan guaranty made by the Corporation should be provided on a senior basis or *pari passu* with other senior debt unless there is a substantive policy rationale to provide such support otherwise.

(Pub. L. 115-254, div. F, title II, §1422, Oct. 5, 2018, 132 Stat. 3497.)

TERMINATION OF SECTION

For termination of section 7 years after Oct. 5, 2018, see section 9624 of this title.

§ 9623. Payment of losses

(a) Payments for defaults on guaranteed loans

(1) In general

If the Corporation determines that the holder of a loan guaranteed by the Corporation suffers a loss as a result of a default by a borrower on the loan, the Corporation shall pay to the holder the percent of the loss, as specified in the guaranty contract, after the holder of the loan has made such further collection efforts and instituted such enforcement proceedings as the Corporation may require.

(2) Subrogation

Upon making a payment described in paragraph (1), the Corporation shall ensure the Corporation will be subrogated to all the rights of the recipient of the payment.

(3) Recovery efforts

The Corporation shall pursue recovery from the borrower of the amount of any payment made under paragraph (1) with respect to the loan.

(b) Limitation on payments

(1) In general

Except as provided by paragraph (2), compensation for insurance, reinsurance, or a guaranty issued under this subchapter shall not exceed the dollar value of the tangible or intangible contributions or commitments made in the project, plus interest, earnings, or profits actually accrued on such contributions or commitments, to the extent provided by such insurance, reinsurance, or guaranty.

(2) Exception

(A) In general

The Corporation may provide that—

(i) appropriate adjustments in the insured dollar value be made to reflect the replacement cost of project assets; and

(ii) compensation for a claim of loss under insurance of an equity investment under section 9621 of this title may be computed on the basis of the net book value attributable to the equity investment on the date of loss.

(3) Additional limitation

(A) In general

Notwithstanding paragraph (2)(A)(ii) and except as provided in subparagraph (B), the Corporation shall limit the amount of direct insurance and reinsurance issued under section 9621 of this title with respect to a project so as to require that the insured and its affiliates bear the risk of loss for at least 10 percent of the amount of the Corporation's exposure to that insured and its affiliates in the project.

(B) Exception

The limitation under subparagraph (A) shall not apply to direct insurance or reinsurance of loans provided by banks or other financial institutions to unrelated parties.

(c) Actions by Attorney General

The Attorney General shall take such action as may be appropriate to enforce any right accruing to the United States as a result of the issuance of any loan or guaranty under this subchapter.

(d) Rule of construction

Nothing in this section shall be construed to preclude any forbearance for the benefit of a borrower that may be agreed upon by the parties to a loan guaranteed by the Corporation if budget authority for any resulting costs to the United States Government (as defined in section 661a of title 2) is available.

(Pub. L. 115-254, div. F, title II, §1423, Oct. 5, 2018, 132 Stat. 3498.)

TERMINATION OF SECTION

For termination of section 7 years after Oct. 5, 2018, see section 9624 of this title.

§ 9624. Termination

(a) In general

The authorities provided under this subchapter terminate on the date that is 7 years after October 5, 2018.

(b) Termination of Corporation

The Corporation shall terminate on the date on which the portfolio of the Corporation is liquidated.

(Pub. L. 115-254, div. F, title II, §1424, Oct. 5, 2018, 132 Stat. 3499.)

SUBCHAPTER III—ADMINISTRATIVE AND GENERAL PROVISIONS

§ 9631. Operations

(a) Bilateral agreements

The Corporation may provide support under subchapter II of this chapter in connection with projects in any country the government of which has entered into an agreement with the United States authorizing the Corporation to provide such support in that country.

(b) Claims settlement

(1) In general

Claims arising as a result of support provided under subchapter II of this chapter or