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DEPARTMENT OF THE TREASURY

Community Development Financial Institutions Fund

FUNDING OPPORTUNITY TITLE: Notice of Guarantee Availability (NOGA) inviting Qualified Issuer Applications and Guarantee Applications for the Community Development Financial Institutions (CDFI) Bond Guarantee Program.

ANNOUNCEMENT TYPE: Announcement of opportunity to submit Qualified Issuer Applications and Guarantee Applications.

CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBER: 21.011

DATES: Qualified Issuer Applications and Guarantee Applications may be submitted to the CDFI Fund starting on the date of publication of this NOGA. Applications will be reviewed by the CDFI Fund on an ongoing basis, in the order in which they are received or by such other criteria that the CDFI Fund may establish and publish, in its sole discretion. In order to be considered for the issuance of a Guarantee under FY 2013 program authority, Qualified Issuer Applications and Guarantee Applications must be submitted by [tentatively July 17], 2013. Subject to Congressional authorization to issue Guarantees in FY 2014, Qualified Issuer Applications and Guarantee Applications received after [tentatively July 17], 2013 may be considered under FY 2014 authority.

EXECUTIVE SUMMARY: This NOGA is published in connection with the CDFI Bond Guarantee Program, administered by the Community Development Financial Institutions Fund

(CDFI Fund), a wholly owned government corporation within the U.S. Department of the Treasury (Treasury). The purpose of this NOGA is to notify the public that: (i) parties interested in being approved as Qualified Issuers may submit Qualified Issuer Applications and (ii) Qualified Issuers may submit Guarantee Applications to be approved for a Guarantee under the CDFI Bond Guarantee Program. This NOGA also explains application submission and evaluation requirements and processes, agency contacts, and information on CDFI Bond Guarantee Program outreach.

I. Guarantee Opportunity Description

A. Authority; Program summary; Additional reference documents; Definitions

1. Authority. The CDFI Bond Guarantee Program is authorized by the Small Business Jobs Act of 2010 (Pub. L. 111-240; 12 U.S.C. 4713a) (the Act). Section 1134 of the Act amended the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4701, et seq.) to provide authority to the Secretary of the Treasury to establish and administer the CDFI Bond Guarantee Program.

2. Program summary. The purpose of the CDFI Bond Guarantee Program is to support CDFI lending by providing Guarantees for Bonds issued for Eligible Community or Economic Development Purposes, as authorized by section 1134 and 1703 of the Act. The Secretary, as the Guarantor of the Bonds, will provide a 100 percent Guarantee for the repayment of the Verifiable Principal, Interest, and Call Premium of Bonds issued by Qualified Issuers. As the CDFI Bond Guarantee Program has been structured, a Qualified Issuer, approved by the CDFI Fund, will issue Bonds that will be purchased by the Federal Financing Bank. The Qualified Issuer will use

Bond Proceeds to provide Bond Loans to Eligible CDFIs. The Eligible CDFIs will use Bond Loan proceeds to provide Secondary Loans to Secondary Borrowers.

In FY 2013, the Secretary may guarantee up to five Bond Issues, or up to \$500 million with a minimum Guarantee of \$100 million per Bond Issue. The maximum maturity of the Bonds will be 30 years; the Bonds will be taxable. The Bonds will support CDFI lending in Investment Areas by providing a source of low-cost, long-term capital to CDFIs.

3. Guarantee availability. Pursuant to this NOGA, the Guarantor may provide Guarantees in the aggregate amount of up to \$500 million in FY 2013. Additional authority to provide Guarantee for Bonds in FY 2014 may be made available subject to Congressional action.

4. Additional reference documents. In addition to this NOGA, the CDFI Fund encourages interested parties and applicants to review the following documents, which will be posted on the CDFI Bond Guarantee Program page of the CDFI Fund's website at <http://www.cdfifund.gov>:

(a) CDFI Bond Guarantee Program Regulations. The interim rule that governs the CDFI Bond Guarantee Program was published on February 5, 2013 (78 Fed. Reg. 8296; 12 C.F.R. 1808) (the Regulations) and provides the regulatory requirements and parameters for CDFI Bond Guarantee Program implementation and administration including general provisions, eligibility, eligible activities, applications for Guarantee and Qualified Issuer, evaluation and selection, terms and conditions of the Guarantee, Bonds, Bond Loans, and Secondary Loans. In addition to the Regulations, the CDFI Fund has provided a document that summarizes certain program terms and conditions, which may be found on the CDFI Fund's website.

(b) Application materials. Details regarding Qualified Issuer Application and Guarantee Application content requirements are found in this NOGA and the respective applications materials.

(c) Program documentation. Interested parties should review certain CDFI Bond Guarantee Program template documents, which will be used in connection with each Guarantee and will be posted on the CDFI Fund's website for review. Such documents include, among others:

(i) The Agreement to Guarantee, which describes the roles and responsibilities of the Qualified Issuer, will be signed by the Qualified Issuer and the Guarantor and will include term sheets as appendices that will be signed by each individual Eligible CDFI;

(ii) The Bond Trust Indenture, which describes responsibilities of the Master Servicer/Trustee in overseeing the servicing of the Bonds and will be entered into by the Qualified Issuer and the Master Servicer/Trustee (to be selected by the CDFI Fund);

(iii) The Bond Loan Agreement, which describes the terms and conditions of Bond Loans and will be entered into by the Qualified Issuer and each Eligible CDFI that receives a Bond Loan;

(iv) The Bond Purchase Agreement, which describes the terms and conditions under which the Bond Purchaser will purchase the Bonds issued by the Qualified Issuer and will be signed by the Bond Purchaser, the Qualified Issuer, the Guarantor and the CDFI Fund. This document also includes the provisions for prepayment privileges and the calculation for the prepayment discount or premium; and

(v) The Future Advance Promissory Bond, which will be signed by the Qualified Issuer

as its promise to repay the Bond Purchaser. This document also defines prepayment privileges and includes the instructions for prepayment of the Bond.

The form documents may be updated periodically, as needed, and will be tailored, as appropriate, to the particular terms and conditions of a Guarantee. Accordingly, the template documents should not be relied on, but instead are provided for illustrative purposes.

(d) Frequently Asked Questions. The CDFI Fund will periodically post on its website responses to questions that are asked by parties interested in the CDFI Bond Guarantee Program.

5. Definitions. Capitalized terms used herein and not defined elsewhere are defined in section 1808.102 of the Regulations.

B. Coordination with broader community development strategies. Consistent with Federal efforts to promote community revitalization, it is important for communities to develop a comprehensive neighborhood revitalization strategy that addresses neighborhood assets essential to transforming distressed neighborhoods into healthy and vibrant communities. Neighborhood transformation can best occur when comprehensive neighborhood revitalization plans embrace the coordinated use of programs and resources that address the interrelated needs within a community. Although not a requirement for participating in the CDFI Bond Guarantee Program, the Federal Government believes that a CDFI will be most successful when it is a part of, and contributes to, an area's broader neighborhood revitalization strategy.

C. Designated Bonding Authority. The CDFI Fund has determined that, for purposes of this NOGA, it will not solicit applications from entities seeking to serve as a Qualified Issuer in the role of the Designated Bonding Authority, pursuant to 12 C.F.R. 1808.201, in either FY 2013 or

FY 2014.

D. Noncompetitive process. The CDFI Bond Guarantee Program is a non-competitive program through which Qualified Issuer Applications and Guarantee Applications will undergo a merit-based evaluation (i.e., applications will not be scored against each other in a competitive manner in which higher ranked applicants are favored over lower ranked applicants). Applications will be reviewed by the CDFI Fund on an ongoing basis, and Guarantees will be provided in the order in which Guarantee Applications are approved or by such other criteria that the CDFI Fund may establish and publish, in its sole discretion. However, pursuant to the Regulations at 12 C.F.R. 1808.504(c), the Guarantor may limit the number of Guarantees made per year or the number of Guarantee Applications accepted to ensure that a sufficient examination of Guarantee Applications is conducted.

E. Relationship to other CDFI Fund programs. Award funds received under any other CDFI Fund Program cannot be used by any participant, including Qualified Issuers, Eligible CDFIs, and Secondary Borrowers, to pay principal, interest, fees, administrative costs, or issuance costs (including Bond Issuance Fees) related to the CDFI Bond Guarantee Program, or to fund the Risk-Share Pool for each Bond Issue.

F. Relationship and interplay with other Federal programs and Federal funding.

1. Eligible CDFIs may not use Bond Loans to refinance existing Federal debt or to service debt from other Federal credit programs.
2. The CDFI Bond Guarantee Program underwriting process will include a comprehensive

review of the Eligible CDFI's concentration of sources of funds available for debt service, including the concentration of sources from other Federal programs and level of reliance on said sources, to determine the Eligible CDFI's ability to service the additional debt.

G. Contemporaneous application submission. Qualified Issuer Applications may be submitted contemporaneously with Guarantee Applications; however, the CDFI Fund will review an entity's Qualified Issuer Application and make its Qualified Issuer determination prior to approving a Guarantee Application.

II. General Application Information

The following requirements apply to all Qualified Issuer Applications and Guarantee Applications submitted under this NOGA.

A. CDFI Certification Requirements.

1. The Qualified Issuer applicant must be a Certified CDFI or an entity designated by a Certified CDFI to issue Bonds on its behalf. Eligible CDFI applicants must be Certified CDFIs as of the date of submission of the Guarantee Application. If approved for a Guarantee, each Eligible CDFI must be a Certified CDFI as of the Bond Issue Date and must maintain its respective CDFI certification throughout the term of the corresponding Bond.
2. A Certified CDFI is an entity that has been certified by the CDFI Fund as meeting the CDFI certification requirements set forth in 12 C.F.R. 1805.201. For purposes of this NOGA, a Certified CDFI is an entity that has received official notification from the CDFI Fund that it meets all CDFI certification requirements as of the date of submission of the associated Qualified

Issuer Application and/or Guarantee Application, which certification has not expired, and has not been notified by the CDFI Fund that its certification has been terminated.

3. In cases in which the CDFI Fund provided a Certified CDFI with written notification that its original or most recent certification had been extended, the extended certification remains in full force and effect unless or until any of the following has occurred: (i) the CDFI Fund's written notice of the extended period of certification includes a written expiration date for that extension, which has now passed; (ii) the CDFI Fund has published new requirements for certification which supersede the certification extension and redefine parameters or limits to the certification extension, resulting in an expiration date for the extension which has now passed; or (iii) the CDFI Fund has notified the Certified CDFI that its certification, including the additional extension period, is revoked or terminated.

4. The CDFI Fund reserves the right to re-examine the CDFI certification status of a Qualified Issuer applicant or an entity that wishes to be an Eligible CDFI, and to require that such applicant or entity submit a new CDFI certification application in advance of its certification expiration date, if applicable.

B. Application Submission

1. Electronic submission. All Qualified Issuer Applications and Guarantee Applications must be submitted electronically through myCDFIFund, the CDFI Fund's internet-based interface.

Applications sent by mail, fax, or other form will not be permitted, except in circumstances that the CDFI Fund, in its sole discretion, deems acceptable. Please note that Applications will not be accepted through Grants.gov.

2. Applicant identifier numbers. Please note that, pursuant to OMB guidance (68 Fed. Reg. 38402), each Qualified Issuer applicant and Guarantee applicant must provide, as part of its Application, its Dun and Bradstreet Data Universal Numbering System (DUNS) number, as well as DUNS numbers for its proposed Program Administrator, its proposed Servicer, and each Certified CDFI that is included in the Qualified Issuer Application and Guarantee Application. In addition, each Application must include a valid and current Employer Identification Number (EIN), with a letter or other documentation from the IRS confirming the Qualified Issuer applicant's EIN, as well as EINs for its proposed Program Administrator, its proposed Servicer, and each Certified CDFIs that is included in any Application. An Application that does not include such DUNS numbers, EINs and documentation is incomplete and will be rejected by the CDFI Fund. Applicants should allow sufficient time for the IRS and/or Dun and Bradstreet to respond to inquiries and/or requests for the required identification numbers.

3. System for Award Management (SAM). On July 30, 2012, the Central Contractor Registration (CCR) transitioned to the SAM. All data in the registrant database has been migrated from CCR into SAM. Any entity that needs to create a new account or update its current registration must register for a user account in SAM. Registering with SAM is required for each Qualified Issuer applicant, its proposed Program Administrator, its proposed Servicer, and each Certified CDFI that is included in any Application. The CDFI Fund will not consider any Applications that do not meet the requirement that each entity must be properly registered before the date of Application submission. The CDFI Fund does not manage the SAM registration process, so entities must contact SAM directly for issues related to registration. The

CDFI Fund strongly encourages all applicants to ensure that their SAM registration (and the SAM registration for their Program Administrators, Servicers and each Certified CDFI that is included in the Qualified Issuer Application and Guarantee Application) is updated and that their accounts have not expired. For information regarding SAM registration, please visit

<https://www.sam.gov/sam>.

4. myCDFIFund accounts. Each Qualified Issuer applicant, its proposed Program Administrator, its proposed Servicer, and each Certified CDFI that is included in the Qualified Issuer Application or Guarantee Application must register User and Organization accounts in myCDFIFund, the CDFI Fund's Internet-based interface. Each such entity must be registered as an Organization and register at least one (1) User Account in myCDFIFund in order for any Application to be considered complete. As myCDFIFund is the CDFI Fund's primary means of communication with applicants with regard to its programs, each such entity must make sure that it updates the contact information in its myCDFIFund account before any Application is submitted. For more information on myCDFIFund, please see the "Frequently Asked Questions" link posted at <https://www.cdfifund.gov/myCDFI/Help/Help.asp>.

C. Form of Application.

1. As of the date of this NOGA, the Qualified Issuer Application, the Guarantee Application and related application guidance may be found on the CDFI Bond Guarantee Program's page on the CDFI Fund's website at <http://www.cdfifund.gov>.

2. Paperwork Reduction Act. Under the Paperwork Reduction Act (44 U.S.C. chapter 35), an agency may not conduct or sponsor a collection of information, and an individual is not required

to respond to a collection of information, unless it displays a valid OMB control number.

Pursuant to the Paperwork Reduction Act, the Qualified Issuer Application has been assigned the following control number: _____; the Guarantee Application has been assigned the following control number: _____.

3. Application deadlines. In order to be considered for the issuance of a Guarantee under FY 2013 program authority, Qualified Issuer Applications and Guarantee Applications must be submitted by [tentatively July 17], 2013. Subject to Congressional authorization to issue Guarantees in FY 2014, Qualified Issuer Applications and Guarantee Applications received after [tentatively July 17], 2013 may be considered for FY 2014 authority.

4. Format. Detailed Qualified Issuer Application and Guarantee Application content requirements are found in the Applications and application guidance. The CDFI Fund will read only information requested in the Application and reserves the right not to read attachments or supplemental materials that have not been specifically requested in this NOGA, the Qualified Issuer or the Guarantee Application. Supplemental materials or attachments such as letters of public support or other statements that are meant to bias or unduly influence the Application review process will not be read.

5. Application revisions. After submitting a Qualified Issuer Application or a Guarantee Application, the applicant will not be permitted to revise or modify the Application in any way unless authorized or requested by the CDFI Fund.

6. Material changes.

(a) In the event that there are material changes after the submission of a Qualified Issuer

Application prior to the designation as a Qualified Issuer, the applicant must notify the CDFI Fund of such material changes information in a timely and complete manner. The CDFI Fund will evaluate such material changes, along with the Qualified Issuer Application, to approve or deny the designation of the Qualified Issuer.

(b) In the event that there are material changes after the submission of a Guarantee Application (including, but not limited to, a revision of the Capital Distribution Plan or a change in the Eligible CDFIs that are included in the application) prior to or after the designation as a Qualified Issuer or approval of a Guarantee Application or Guarantee, the applicant must notify the CDFI Fund of such material changes information in a timely and complete manner. The Guarantor will evaluate such material changes, along with the Guarantee Application, to approve or deny the Guarantee Application and/or determine whether to modify the terms and conditions of the Agreement to Guarantee. This evaluation may result in a delay of the approval or denial of a Guarantee Application.

D. Eligibility and completeness review. The CDFI Fund will review each Qualified Issuer and Guarantee Application to determine whether it is complete and the applicant meets eligibility requirements described in the Regulations at 12 C.F.R. 1808.200 and 1808.401, this NOGA, and the Applications. An incomplete Qualified Issuer Application or Guarantee Application, or one that does not meet eligibility requirements, will be rejected. If the CDFI Fund determines that additional information is needed to assess the Qualified Issuer's and/or the Certified CDFIs' ability to participate in and comply with the requirements of the CDFI Bond Guarantee Program, the CDFI Fund may require that the Qualified Issuer furnish additional, clarifying, confirming or

supplemental information. If the CDFI Fund requests such additional, clarifying, confirming or supplemental information, the Qualified Issuer must provide it within the timeframes requested by the CDFI Fund. Until such information is provided to the CDFI Fund, the Qualified Issuer Application or Guarantee Application will not be moved forward for the Substantive Review process. The Guarantor shall approve or deny a Guarantee Application no later than 90 days after the date the Guarantee Application has been advanced for Substantive Review.

E. Regulated entities. In the case of Qualified Issuer applicants, proposed Program Administrators, proposed Servicers and Certified CDFIs that are included in the Qualified Issuer Application or Guarantee Application that are Insured Depository Institutions and Insured Credit Unions, the CDFI Fund will consider information provided by, and views of, the Appropriate Federal Banking Agencies. If any such entity is a CDFI bank holding company, the CDFI Fund will consider information provided by the Appropriate Federal Banking Agencies of the CDFI bank holding company and its CDFI bank(s). Throughout the Application review process, the CDFI Fund will consult with the Appropriate Federal Banking Agency about the applicant's financial safety and soundness. If the Appropriate Federal Banking Agency identifies safety and soundness concerns, the CDFI Fund will assess whether the concerns cause or will cause the applicant to be incapable of undertaking activities related to the CDFI Bond Guarantee Program. The CDFI Fund also reserves the right to require an Insured CDFI applicant to improve safety and soundness conditions prior to being approved as a Qualified Issuer. In addition, the CDFI Fund will take into consideration Community Reinvestment Act assessments of Insured Depository Institutions and/or their Affiliates.

F. Prior CDFI Fund awardees. All applicants must be aware that success under any of the CDFI Fund's programs is not indicative of success under this NOGA. Prior CDFI Fund awardees should note the following:

1. Failure to meet reporting requirements. The CDFI Fund will not consider a Qualified Issuer Application or Guarantee Application if the applicant, its proposed Program Administrator, its proposed Servicer, or any of the Certified CDFIs included in the Qualified Issuer Application or Guarantee Application, is a prior awardee or allocatee under any CDFI Fund program and is not current on the reporting requirements set forth in a previously executed agreement(s), as of the date of the Application submission. Please note that the CDFI Fund's automated system typically acknowledge only a report's receipt. Such an acknowledgment does not verify or otherwise represent that the report received was complete and therefore met reporting requirements.

2. Pending resolution of noncompliance. If a Qualified Issuer applicant, its proposed Program Administrator, its proposed Servicer, or any of the Certified CDFIs included in the Qualified Issuer Application or Guarantee Application, is a prior awardee or allocatee under any CDFI Fund program and (i) it has submitted complete and timely reports to the CDFI Fund that demonstrate noncompliance with a previously executed agreement with the CDFI Fund, and (ii) the CDFI Fund has yet to make a final determination as to whether the entity is in default of its previously executed agreement, the CDFI Fund will consider the Qualified Issuer Application or Guarantee Application pending full resolution, in the sole determination of the CDFI Fund, of the noncompliance.

3. Default status. The CDFI Fund will not consider a Qualified Issuer Application or Guarantee Application if the applicant, its proposed Program Administrator, its proposed Servicer, or any of the Certified CDFIs included in the Qualified Issuer Application or Guarantee Application, is a prior awardee or allocatee under any CDFI Fund program if, as of the date of Qualified Issuer Application or Guarantee Application submission, (i) the CDFI Fund has made a determination that such entity is in default of a previously executed agreement and (ii) the CDFI Fund has provided written notification of such determination to the Qualified Issuer applicant indicating the length of time the default status is effective. Such entities will be ineligible to submit a Qualified Issuer Application, or be included in such submission, as the case may be, so long as the applicant's, its proposed Program Administrator's, its proposed Servicer's, or such Certified CDFI's prior award or allocation remains in default status or such other time period as specified by the CDFI Fund in writing.

4. Undisbursed award funds. The CDFI Fund will not consider a Qualified Issuer Application or Guarantee Application, if the applicant, its proposed Program Administrator, its proposed Servicer, or any Certified CDFI that is included in the Qualified Issuer Application or Guarantee Application, is an awardee under any CDFI Fund program and has undisbursed award funds (as defined below) as of the Qualified Issuer Application or Guarantee Application submission date. The CDFI Fund will include the combined undisbursed prior awards, as of the date of the Qualified Issuer Application submission, of the applicant, the proposed Program Administrator, the proposed Servicer, and any Certified CDIs included in the application.

For purposes of the calculation of undisbursed award funds for the Bank Enterprise

Award (BEA) Program, only awards made to the Qualified Issuer applicant, its proposed Program Administrator, its proposed Servicer, and any Certified CDFI included in the Qualified Issuer Application, three to five calendar years prior to the end of the calendar year of the Qualified Issuer Application submission date are included. For purposes of the calculation of undisbursed award funds for the CDFI Program, the Native American CDFI Assistance (NACA) Program, and the Capital Magnet Fund (CMF), only awards made to the Qualified Issuer applicant, its proposed Program Administrator, its proposed Servicer, and any Certified CDFI included in the Qualified Issuer Application, two to five calendar years prior to the end of the calendar year of the Qualified Issuer Application submission date are included.

Undisbursed awards cannot exceed five percent of the total includable awards for the Applicant's BEA/CDFI/NACA/CMF awards as of the date of submission of the Qualified Issuer Application. The calculation of undisbursed award funds does not include: (i) tax credit allocation authority made available through the New Markets Tax Credit Program; (ii) any award funds for which the CDFI Fund received a full and complete disbursement request from the awardee by the date of submission of the Qualified Issuer Application; (iii) any award funds for an award that has been terminated in writing by the CDFI Fund or de-obligated by the CDFI Fund; or (iv) any award funds for an award that does not have a fully executed assistance or award agreement. The CDFI Fund strongly encourages Qualified Issuer applicants, proposed Program Administrators, proposed Servicers, and any Certified CDFIs included in a Qualified Issuer Application that wish to request disbursements of undisbursed funds from prior awards to provide the CDFI Fund with a complete disbursement request at least 10 business days prior to

the date of submission of a Qualified Issuer Application.

G. Contact the CDFI Fund. A Qualified Issuer applicant, its proposed Program Administrator, its proposed Servicer, or any Certified CDFIs included in the Qualified Issuer Application or Guarantee Application that are prior CDFI Fund awardees are advised to: (i) comply with requirements specified in CDFI Fund assistance, allocation, and/or award agreement(s), and (ii) contact the CDFI Fund to ensure that all necessary actions are underway for the disbursement or deobligation of any outstanding balance of said prior award(s). Any such parties that are unsure about the disbursement status of any prior award should contact the CDFI Fund's Senior Resource Manager via email at CDFI.disburseinquiries@cdfi.treas.gov. All outstanding reports and compliance questions should be directed to Certification, Compliance Monitoring, and Evaluation support by e-mail at ccme@cdfi.treas.gov or by telephone at (202) 653-0423. The CDFI Fund will respond to applicants' reporting, compliance, or disbursement questions between the hours of 9:00 a.m. and 5:00 p.m. ET, starting on the date of the publication of this NOGA.

H. Evaluating prior award performance. In the case of a Qualified Issuer, a proposed Program Administrator, a proposed Servicer, or Certified CDFI that has received awards from other Federal programs, the CDFI Fund reserves the right to contact officials from the appropriate Federal agency or agencies to determine whether the entity is in compliance with current or prior award agreements, and to take such information into consideration before issuing a Guarantee. In the case of such an entity that has previously received funding through any CDFI Fund program, the CDFI Fund will review those entities (or their Affiliates) that have a history of

providing late reports and consider such history in the context of organizational capacity and the ability to meet future reporting requirements. The CDFI Fund may also bar from consideration any such entity that has, in any proceeding instituted against it in, by, or before any court, governmental, or administrative body or agency, received a final determination within the last three years indicating that the entity has discriminated on the basis of race, color, national origin, disability, age, marital status, receipt of income from public assistance, religion, or sex.

I. Changes to review procedures. The CDFI Fund reserves the right to change its completeness, eligibility and evaluation criteria and procedures if the CDFI Fund deems it appropriate. If such changes materially affect the CDFI Fund's decision to approve or deny a Qualified Issuer Application, the CDFI Fund will provide information regarding the changes through the CDFI Fund's website.

J. Decisions are final. The CDFI Fund's Qualified Issuer Application decisions are final. The Guarantor's Guarantee Application decisions are final. There is no right to appeal the decisions. Any applicant that is not approved by the CDFI Fund or the Guarantor may submit a new Application and will be considered based on the newly submitted Application. Such newly submitted Applications will be reviewed along with all other pending Applications in the order in which they are received, or by such other criteria that the CDFI Fund may establish and publish, in its sole discretion.

III. Qualified Issuer Application

A. General. This NOGA invites interested parties to submit a Qualified Issuer Application to be approved as a Qualified Issuer under the CDFI Bond Guarantee Program.

1. Qualified Issuer. The Qualified Issuer is a Certified CDFI, or any entity designated by a Certified CDFI to issue Bonds on its behalf, that meets the requirements of the Regulations and this NOGA, and that has been approved by the CDFI Fund pursuant to review and evaluation of its Qualified Issuer Application. The Qualified Issuer will, among other duties: (i) organize the Eligible CDFIs that have designated it to serve as their Qualified Issuer; (ii) prepare and submit a complete and timely Qualified Issuer and Guarantee Application to the CDFI Fund; (iii) if the Qualified Issuer Application is approved by the CDFI Fund and the Guarantee Application is approved by the Guarantor, prepare the Bond Issue; (iv) manage all Bond Issue servicing, administration, and reporting functions; (v) make Bond Loans; (vi) oversee the making of Secondary Loans; (vii) ensure compliance throughout the duration of the Bond with all provisions of the Regulations, and Bond Documents and Bond Loan Documents entered into between the Guarantor, the Qualified Issuer, and the Eligible CDFI; and (viii) ensure that the Master Servicer/Trustee complies with the Bond Trust Indenture and all other applicable regulations.

2. Qualified Issuer Application. The Qualified Issuer Application is the document that an entity seeking to serve as a Qualified Issuer submits to the CDFI Fund to apply to be approved as a Qualified Issuer prior to consideration of a Guarantee Application.

3. Qualified Issuer Application evaluation, general. Each Qualified Issuer Application will be evaluated by the CDFI Fund and, if acceptable, the applicant will be approved as a Qualified Issuer, in the sole discretion of the CDFI Fund. The CDFI Fund's Qualified Issuer Application review and evaluation process is based on established procedures, which may include interviews

of applicants and/or site visits to applicants conducted by the CDFI Fund. Through the Application review process, the CDFI Fund will evaluate Qualified Issuer applicants on a merit basis and in a fair and consistent manner. Each Qualified Issuer applicant will be reviewed on its ability to successfully carry out the responsibilities of a Qualified Issuer throughout the life of the Bond.

B. Qualified Issuer Application: eligibility.

1. CDFI certification requirements.

The Qualified Issuer applicant must be a Certified CDFI or an entity designated by a Certified CDFI to issue Bonds on its behalf.

2. Designation and attestation by Certified CDFIs. An entity seeking to be approved by the CDFI Fund as a Qualified Issuer must be designated as a Qualified Issuer by at least one Certified CDFI. The Qualified Issuer applicant will prepare and submit a complete and timely Qualified Issuer Application to the CDFI Fund in accordance with the requirements of the Regulations, this NOGA and the Application. A Certified CDFI must attest in the Qualified Issuer Application that it has designated the Qualified Issuer to act on its behalf and that the information in the Qualified Issuer Application regarding it is true, accurate and complete.

C. Substantive review and approval process.

1. Substantive Review

(a) If the CDFI Fund determines that the Qualified Issuer Application is complete and eligible, the CDFI Fund will undertake a substantive review in accordance with the criteria and procedures described in the Regulations, this NOGA, the Qualified Issuer Application, and

standard operating procedures.

(b) As part of the substantive evaluation process, the CDFI Fund reserves the right to contact the Qualified Issuer applicant (as well as its proposed Program Administrator, its proposed Servicer, and each designating Certified CDFI in the Qualified Issuer Application) by telephone, email, mail, or through on-site visits for the purpose of obtaining additional, clarifying, confirming, or supplemental application information. The CDFI Fund reserves the right to collect such additional, clarifying, confirming, or supplemental information from said entities as it deems appropriate. If contacted for additional, clarifying, confirming, or supplemental information, said entities must respond within the time parameters set by the CDFI Fund or the Qualified Issuer Application will be rejected.

2. Qualified Issuer criteria. Qualified Issuer determinations will be made based on Qualified Issuer applicants' experience and expertise, in accordance with the following criteria:

(a) Organizational capability.

(i) The Qualified Issuer applicant must demonstrate that it has the appropriate expertise, capacity, experience, and qualifications to issue Bonds for Eligible Purposes, as well as manage the Bond Issue on the terms and conditions set forth in the Regulations, this NOGA, and the Bond Documents, satisfactory to the CDFI Fund.

(ii) The Qualified Issuer applicant must demonstrate that it has the appropriate expertise, capacity, and experience to originate, underwrite, service and monitor Bond Loans for Eligible Purposes, targeted to Low-Income Areas and Underserved Rural Areas.

(iii) The Qualified Issuer applicant must demonstrate that it has the appropriate expertise, capacity, and experience to manage the disbursement process set forth in the Regulations at 12 C.F.R. 1808.302 and 1808.307.

(b) Servicer. The Qualified Issuer applicant must demonstrate that it has (either directly or contractually through another designated entity) the appropriate expertise, capacity, and experience, or is otherwise qualified to serve as Servicer. The Qualified Issuer Application must provide information that demonstrates that the Qualified Issuer's Servicer has the expertise and experience necessary to perform certain required administrative duties (including, but not limited to, Bond Loan servicing functions).

(c) Program Administrator. The Qualified Issuer applicant must demonstrate that it has (either directly or contractually through another designated entity) the appropriate expertise, capacity, and experience, or is otherwise qualified to serve as Program Administrator. The Qualified Issuer Application must provide information that demonstrates that the Qualified Issuer's Program Administrator has the expertise and experience necessary to perform certain required administrative duties (including, but not limited to, compliance monitoring and reporting functions).

(d) Strategic alignment. The Qualified Issuer applicant will be evaluated on its strategic alignment with the program on factors that include, but are not limited to: (i) its mission's strategic alignment with community and economic development objectives set forth in the Riegle Act at 12 U.S.C. 4701; (ii) its strategy for deploying the entirety of funds that may become available to the Qualified Issuer through the proposed Bond Issue; (iii) its experience providing

up to 30-year capital to CDFIs or other borrowers in Low-Income Areas or Underserved Rural Areas as such terms are defined in the Regulations at 12 C.F.R. 1808.102; (iv) its track record of activities relevant to its stated strategy; and (v) other factors relevant to the Qualified Issuer's strategic alignment with the program..

(e) Experience. The Qualified Issuer applicant will be evaluated on factors that demonstrate that it has previous experience: (i) performing the duties of a Qualified Issuer including making bond issuances, loan servicing, program administration, underwriting, financial reporting, and loan administration; (ii) lending in Low-Income Areas and Underserved Rural Areas; and (iii) indicating that the Qualified Issuer's current principals and team members have successfully performed the required duties, and that previous experience is applicable to the current principals and team members.

(f) Management and staffing. The Qualified Issuer applicant must demonstrate that it has sufficiently strong management and staffing capacity to undertake the duties of Qualified Issuer. The applicant must also demonstrate that its proposed Program Administrator and its proposed Servicer have sufficiently strong management and staffing capacity to undertake their respective requirements under the CDFI Bond Guarantee Program. Strong management and staffing capacity is evidenced by factors that include, but are not limited to: (i) a sound track record of delivering on past performance; (ii) a documented succession plan; (iii) organizational stability including staff retention; and (iv) a clearly articulated, reasonable and well-documented staffing plan.

(g) Financial strength. The Qualified Issuer applicant must demonstrate the strength of its financial capacity and activities including, among other items, financially sound business practices relative to the industry norm for bond issuers, as evidenced by reports of Appropriate Federal Banking Agencies, Appropriate State Agencies, or auditors. Such financially sound business practices will demonstrate: (i) the financial wherewithal to perform activities related to the Bond Issue such as administration and servicing; (ii) the ability to originate, underwriting, close, and disburse loans in a prudent manner; (iii) whether the applicant is depending on external funding sources and the reliability of long-term access to such funding; (iv) whether there are foreseeable counterparty issues or credit concerns that are likely to affect the applicant's financial stability; and (v) a budget that reflects reasonable assumptions about upfront costs as well as ongoing expenses and revenues.

(h) Systems and information technology. The Qualified Issuer applicant must demonstrate that it (as well as its proposed Program Administrator and its proposed Servicer) has, among other things: (i) a strong information technology capacity and the ability to manage loan servicing, administration, management and document retention; (ii) appropriate office infrastructure and related technology to carry out the CDFI Bond Guarantee Program activities; and (iii) sufficient backup and disaster recovery systems to maintain uninterrupted business operations.

(i) Pricing structure. The Qualified Issuer applicant must provide its proposed pricing structure for performing the duties of Qualified Issuer, including the pricing for the roles of Program Administrator and Servicer. Although the pricing structure and fees shall be decided by negotiation between market participants without interference or approval by the CDFI Fund, the

CDFI Fund will evaluate whether the Qualified Issuer applicant's proposed pricing structure is feasible to carry out the responsibilities of a Qualified Issuer over the life of the Bond and sound implementation of the program.

(j) Other criteria. The Qualified Issuer applicant must meet such other criteria as may be required by the CDFI Fund, as set forth in the Qualified Issuer Application or required by the CDFI Fund in its sole discretion, for the purposes of evaluating the merits of a Qualified Issuer Application.

(k) Third-party data sources. The CDFI Fund, in its sole discretion, may consider information from third-party sources including, but not limited to, periodicals or publications, publicly available data sources, or subscriptions services for additional information about the Qualified Issuer applicant, the proposed Program Administrator, the proposed Servicer and each Certified CDFI that is included in the Qualified Issuer Application. Any additional information received from such third-party sources will be reviewed and evaluated through a systematic and formalized process.

D. Notification of Qualified Issuer determination. Each Qualified Issuer applicant will be informed of the CDFI Fund's decision in writing, by email using the addresses maintained in the entity's myCDFIFund account. The CDFI Fund will not notify the proposed Program Administrator, the proposed Servicer, or the Certified CDFIs included in the Qualified Issuer Application of its decision regarding the Qualified Issuer Application; such contacts are the responsibility of the Qualified Issuer applicant.

E. Qualified Issuer Application rejection. In addition to substantive reasons based on the merits

of its review, the CDFI Fund reserves the right to reject a Qualified Issuer Application if information (including administrative errors) comes to the attention of the CDFI Fund that adversely affects an applicant's eligibility, adversely affects the CDFI Fund's evaluation of a Qualified Issuer Application, or indicates fraud or mismanagement on the part of a Qualified Issuer applicant or its proposed Program Administrator, its proposed Servicer, and any Certified CDFI included in the Qualified Issuer Application. If the CDFI Fund determines that any portion of the Qualified Issuer Application is incorrect in any material respect, the CDFI Fund reserves the right, in its sole discretion, to reject the Application.

IV. Guarantee Applications

A. General. This NOGA invites Qualified Issuers to submit a Guarantee Application to be approved for a Guarantee under the CDFI Bond Guarantee Program.

1. Guarantee Application.

(a) The Guarantee Application is the application document that a Qualified Issuer (in collaboration with the Eligible CDFIs that seek to be included in the proposed Bond Issue) must submit to the CDFI Fund in order to apply for a Guarantee. The Qualified Issuer shall provide all required information in its Guarantee Application to establish that it meets all criteria set forth in the Regulations at 12 C.F.R. 1808.501 and this NOGA and can carry out all Guarantee requirements including, but not limited to, information that demonstrates that the Qualified Issuer has the appropriate expertise, capacity, and experience and is qualified to make, administer and service Bond Loans for Eligible Purposes.

(b) The Guarantee Application comprises a Capital Distribution Plan and at least one Secondary Capital Distribution Plan, as well as all other requirements set forth in this NOGA or as may be required by the Guarantor and the CDFI Fund in their sole discretion, for the evaluation and selection of Guarantee applicants.

2. Guarantee Application evaluation, general. The Guarantee Application review and evaluation process will be based on established standard procedures, which may include interviews of applicants and/or site visits to applicants conducted by the CDFI Fund. Through the Application review process, the CDFI Fund will evaluate Guarantee applicants on a merit basis and in a fair and consistent manner. Each Guarantee applicant will be reviewed on its ability to successfully implement and carry out the activities proposed in its Guarantee Application throughout the life of the Bond.

B. Guarantee Application: eligibility.

1. Eligibility; CDFI certification requirements. Each Eligible CDFI must be a Certified CDFI as of the date of submission of a Guarantee Application. If approved for a Guarantee, each Eligible CDFI must be a Certified CDFI as of the Bond Issue Date and must maintain its respective CDFI certification throughout the term of the corresponding Bond. For more information on CDFI Certification see part II of this NOGA.

2. Qualified Issuer as Eligible CDFI. A Qualified Issuer may not participate as an Eligible CDFI within its own Bond Issue, but may participate as an Eligible CDFI in a Bond Issue managed by another Qualified Issuer.

3. Attestation by proposed Eligible CDFIs. Each proposed Eligible CDFI must attest in the Guarantee Application that it has designated the Qualified Issuer to act on its behalf and that the information pertaining to the Eligible CDFI in the Guarantee Application is true, accurate and complete. Each proposed Eligible CDFI must also attest in the Guarantee Application that it will use Bond Loan proceeds for Eligible Purposes and that Secondary Loans will be made only within the applicable Secondary Loan Requirements.

C. Guarantee Application: preparation. When preparing the Guarantee Application, the Eligible CDFIs and Qualified Issuer must collaborate to determine the composition and characteristics of the Bond Issue, ensuring compliance with the Act, the Regulations, and this NOGA. The Qualified Issuer is responsible for the collection, preparation, verification and submission of the Eligible CDFI information that is presented in the Guarantee Application. The Qualified Issuer will submit the Guarantee Application for the proposed Bond Issue, including any information provided by the proposed Eligible CDFIs. In addition, the Qualified Issuer will serve as the primary point of contact with the CDFI Fund during the Guarantee Application review and evaluation process.

D. Review and approval process.

1. Substantive review.

(a) If the CDFI Fund determines that the Guarantee Application is complete and eligible, the CDFI Fund will undertake a Substantive Review in accordance with the criteria and procedures described in the Regulations at 12 C.F.R. 1808.501, this NOGA, and the Guarantee Application. The Substantive Review of the Guarantee Application will include due diligence, underwriting,

credit risk review and Federal credit subsidy calculation in order to determine the feasibility and risk of the proposed Bond Issue, as well as the strength and capacity of the Qualified Issuer and each proposed Eligible CDFI. Each proposed Eligible CDFI will be evaluated independently of the other proposed Eligible CDFIs within the proposed Bond Issue.

(b) As part of the Substantive Review process, the CDFI Fund may contact the Qualified Issuer (as well as the proposed Eligible CDFIs included in the Guarantee Application) by telephone, email, mail, or through an on-site visit for the sole purpose of obtaining additional, clarifying, confirming, or supplemental application information. The CDFI Fund reserves the right to collect such additional, clarifying, confirming or supplemental information as it deems appropriate. If contacted for additional, clarifying, confirming, or supplemental information, said entities must respond within the time parameters set by the CDFI Fund or the Guarantee Application will be rejected.

2. Guarantee Application criteria.

(a) In general, a Guarantee Application will be evaluated based on the strength and feasibility of the proposed Bond Issue, as well as the creditworthiness and performance of the Qualified Issuer and the proposed Eligible CDFIs.

(b) The Capital Distribution Plan must demonstrate the Qualified Issuer's comprehensive plan for lending, disbursing, servicing and monitoring each Bond Loan in the Bond Issue. It includes, among other information, the following components:

(i) Statement of Proposed Sources and Uses of Funds: Pursuant to the requirements set forth in the Regulations at 12 C.F.R.1808.102(bb) and 1808.301, the Qualified Issuer must

provide: (A) a description of the overall plan for the Bond Issue; (B) a description of the proposed uses of Bond Proceeds and proposed sources of funds to repay principal and interest on the proposed Bond and Bond Loans; (C) a certification that 100 percent of the principal amounts of the proposed Bond will be used to make Bond Loans for Eligible Purposes on the Bond Issue Date; and (D) description of the extent to which the proposed Bond Loans will serve Low-Income Areas or Underserved Rural Areas;

(ii) Bond Issue Qualified Issuer cash flow model: The Qualified Issuer must provide a cash flow model displaying the orderly repayment of the Bond and the Bond Loans according to their respective terms. The cash flow model shall include disbursement and repayment of Bonds, Bond Loans, and Secondary Loans. The cash flow model shall match the aggregated cash flows from the Secondary Capital Distribution Plans of each of the underlying Eligible CDFIs in the Bond Issue pool;

(iii) Organizational capacity: If not submitted concurrently, the Qualified Issuer must attest that no material changes have occurred since the time that it submitted the Qualified Issuer Application;

(iv) Credit Enhancement (if applicable): The Qualified Issuer must provide information about the adequacy of proposed risk mitigation provisions designed to protect the financial interests of the Federal Government, either directly or indirectly through supporting the financial strength of the Bond Issue. This includes, but is not limited to, the amount and quality of any Credit Enhancements, terms and specific conditions such as renewal options, and any limiting conditions or revocability by the provider of the Credit Enhancement;

(v) Secondary Capital Distribution Plan(s): Each proposed Eligible CDFI must provide a comprehensive plan for lending, disbursing, servicing and monitoring Secondary Loans, how each proposed Secondary Loan will meet Eligible Purposes, and such other requirements that may be required by the Guarantor and the CDFI Fund, including:

(A) Narrative and Statement of Proposed Sources and Uses of Funds: Each Eligible CDFI will: (1) provide a description of proposed uses of funds, including the extent to which Bond Loans will serve Low-Income Areas or Underserved Rural Areas, and the extent to which Bond Loan proceeds will be used (i) to make the first monthly installment of a Bond Loan payment, (ii) pay Issuance Fees up to one percent of the Bond Loan, and (iii) finance Loan Loss Reserves related to Secondary Loans; (2) attest that 100 percent of Bond Loan proceeds designated for Secondary Loans will be used to make Secondary Loans that meet Secondary Loan Requirements; (3) describe a plan for lending, disbursing, servicing, and monitoring Secondary Loans; (4) indicate the expected asset classes to which it will lend under the Secondary Loan Requirements; (5) indicate examples of previous lending and years of experience lending to a specific asset class; (6) provide a table detailing specific uses and timing of disbursements, including terms and relending plans if applicable; and (7) a community impact analysis, including how the proposed Secondary Loans will address financing needs that the private market is not adequately serving and specific community benefit metrics;

(B) Eligible CDFI cash flow model: Each Eligible CDFI must provide a cash flow model of the proposed Bond Loan which: (1) matches each Eligible CDFI's portion of the Qualified Issuer's cash flow model; and (2) tracks the flow of funds through the term of the Bond Issue and

demonstrates disbursement and repayment of the Bond Loan, Secondary Loans, and any utilization of the Relending Fund, if applicable;

(C) Organizational capacity: Each Eligible CDFI must provide documentation indicating the ability of the Eligible CDFI to manage its Bond Loan including, but not limited to: (1) organizational ownership and chart of affiliates; (2) organizational documents; (3) management or operating agreement, if applicable; (4) an analysis by management of its ability to manage the funding, monitoring, and collection of loans being contemplated with the proceeds of the Bond Loan; (5) information about its board of directors; (6) a governance narrative; (7) description of senior management and employee base; (8) independent reports, if available; (9) strategic plan or related progress reports; and (10) a discussion of the management and information systems used by the Eligible CDFI;

(D) Policies and procedures: Each Eligible CDFI must provide policies and procedures for the matching of assets and liabilities, as well as loan policies and procedures: a copy of the asset-liability matching policy, if applicable; and loan policies which address topics including, but not limited to, (1) origination, underwriting, credit approval, interest rates, closing, documentation, and portfolio monitoring and (2) risk-rating definitions, charge-offs, and loan loss reserve methodology;

(E) Financial statements: Each Eligible CDFI must provide information about the Eligible CDFI's current and future financial position, including but not limited to: (1) most recent three years of audited financial statements; (2) current year-to-date or interim financial

statement; (3) a copy of the current year's approved budget; and (4) a three year operating projection;

(F) Loan portfolio information: Each Eligible CDFI must provide information such as: (1) loan portfolio quality report; (2) pipeline report; (3) portfolio listing; (4) a description of other loan assets under management; (5) loan products; (6) independent loan review report; (7) impact report case studies; and (8) a loan portfolio by risk rating and loan loss reserves; and

(G) Funding sources and financial activity information: Each Eligible CDFI must provide information including, but not limited to: (1) current grant information; (2) funding projections; (3) credit enhancements; (4) historical investor renewal rates; (5) covenant compliance; (6) off-balance sheet contingencies; (7) earned revenues; and (8) debt capital statistics.

(vi) Assurances and certifications that not less than 100 percent of the principal amount of Bonds will be used to make Bond Loans for Eligible Purposes beginning on the Bond Issue Date, and that Secondary Loans shall be made as set forth in subsection 1808.307(b); and

(vii) Such other information that the Guarantor, the CDFI Fund and/or the Bond Purchaser may deem necessary and appropriate.

3. Credit subsidy cost. The credit subsidy cost is the net present value of the estimated long-term cost of the Guarantee to the Federal Government as determined under the applicable provisions of the Federal Credit Reform Act of 1990, as amended (FCRA). Treasury has not received appropriated amounts from Congress to cover the credit subsidy costs associated with the Guarantees issued pursuant to this NOGA. In accordance with FCRA, Treasury must consult

with, and obtain the approval of, OMB for Treasury's calculation of the credit subsidy cost of each Guarantee prior to entering into any Agreement to Guarantee.

E. Guarantee approval.

1. The Guarantor, in the Guarantor's sole discretion, may approve a Guarantee, in consideration of the recommendation from the CDFI Bond Guarantee Program's Credit Review Board and/or based on the merits of the Guarantee Application. The Guarantor shall approve or deny a Guarantee Application no later than 90 days after the date the Guarantee Application has been advanced for Substantive Review.

2. The Guarantor reserves the right to approve Guarantees, in whole or in part, in response to any, all, or none of the Guarantee Applications submitted in response to this NOGA. The Guarantor also reserves the right to approve Guarantees in amounts that are less than requested in a Guarantee Application. Pursuant to the Regulations at 12 C.F.R. 1808.504(c), the Guarantor may limit the number of Guarantees made per year to ensure that a sufficient examination of Guarantee Applications is conducted.

3. The CDFI Fund will notify the Qualified Issuer in writing of the Guarantor's approval or disapproval of a Guarantee Application. If approved for a Guarantee, the Qualified Issuer will enter into an Agreement to Guarantee, which will include terms and conditions that will be signed by each Eligible CDFI. Following the execution of the Agreement to Guarantee, the parties will proceed to the Bond Issue Date, when the parties will sign the Bond Documents.

4. The Guarantee shall not be effective until the Guarantor signs and delivers the Guarantee.

F. Guarantee denial. The Guarantor, in the Guarantor's sole discretion, may deny a Guarantee,

in consideration of the recommendation from the Credit Review Board and/or based on the merits of the Guarantee Application. In addition, the Guarantor reserves the right to deny a Guarantee Application if information (including administrative errors) comes to the Guarantor's attention that adversely affects the Qualified Issuer's eligibility, adversely affects the evaluation or scoring of an Application, or indicates fraud or mismanagement on the part of the Qualified Issuer, Program Administrator, Servicer, and/or Eligible CDFIs. Further, if the Guarantor determines that any portion of the Guarantee Application is incorrect in any material respect, the Guarantor reserves the right, in the Guarantor's sole discretion, to deny the Application.

V. Guarantee Administration

A. Pricing information. Bond Loans will be priced based upon the underlying Bond issued by the Qualified Issuer and purchased by the Federal Financing Bank (FFB or Bond Purchaser). The FFB will set the liquidity premium at the time of the Bond Issue Date, based on the duration and maturity of the Bonds according to the FFB's lending policies (www.treasury.gov/ffb). Liquidity premiums will be charged in increments of 1/8th of a percent (i.e., 12.5 basis points).

B. Fees and other payments. The following table includes some of the fees that may be applicable to Qualified Issuers and Eligible CDFIs after approval of a Guarantee of a Bond Issue, as well as Risk-Share Pool funding, prepayment penalties or discounts, and Credit Enhancements. The table is not exhaustive; additional fees payable to the CDFI Fund or other parties may apply.

Fee	Description
Agency Administrative Fee	Payable annually to the CDFI Fund by the Qualified Issuer. Equal to 10 basis points on the amount of the unpaid principal of the Bond Issue.
Bond Issuance Fees	Amounts paid by an Eligible CDFI for reasonable and appropriate expenses, administrative costs, and fees for services in connection with the issuance of the Bond (but not including the Agency Administrative Fee) and the making of the Bond Loan. Bond Issuance Fees negotiated between the Qualified Issuer and the Eligible CDFI. Up of 1% of Bond Loan Proceeds may be used to finance the Bond Issuance Fee.
Servicer fee	The fees paid by the Eligible CDFI to the Qualified Issuer's Servicer. Servicer fees negotiated between the Qualified Issuer and the Eligible CDFI.
Program Administrator fee	The fees paid by the Eligible CDFI to the Qualified Issuer's Program Administrator. Program Administrator fees negotiated between the Qualified Issuer and the Eligible CDFI.
Master	The fees paid by the Qualified Issuer and the Eligible

Fee	Description
Servicer/Trustee fee	CDFI to the Master Servicer/Trustee to carry out the responsibilities of the Bond Trust Indenture. Master Servicer/Trustee fees negotiated between the Qualified Issuer and the Master Servicer/Trustee.
Risk-Share Pool funding	The funds paid by the Eligible CDFIs to cover Risk-Share Pool requirements; capitalized by pro rata payments equal to 3% of the amount disbursed on the Bond from all Eligible CDFIs within the Bond Issue.
Prepayment penalties or discounts	Prepayment penalties or discounts may be determined by the FFB at the time of prepayment.
Credit Enhancements	Pledges made to enhance the quality of a Bond and/or Bond Loan. Credit Enhancements include, but are not limited to, the Principal Loss Collateral Provision and letters of credit.

C. Annual assessment. In accordance with 12 C.F.R. 1808.302(f), each year, beginning on the one year anniversary of the Bond Issue Date (and every year thereafter for the term of the Bond Issue), each Qualified Issuer must demonstrate that not less than 100 percent of the principal amount of the Guaranteed Bonds currently disbursed and outstanding has been used to make loans to Eligible CDFIs for Eligible Purposes. If a Qualified Issuer fails to demonstrate this

requirement within the 90 days after the anniversary of the Bond Issue Date, the Qualified Issuer must repay on that portion of Bonds necessary to bring the Bonds that remain outstanding after such repayment into compliance with the 100 percent requirement above.

D. Secondary Loan Requirements. In accordance with the Regulations, Eligible CDFIs must make Secondary Loans for Eligible Purposes (not including loan loss reserves) that align with Secondary Loan Requirements. The Secondary Loan Requirements are found on the CDFI Fund's website at www.cdfifund.gov. Applicants should become familiar with the published Secondary Loan Requirements. Secondary Loan Requirements are classified by asset class and are subject to a Secondary Loan commitment process managed by the Qualified Issuer.

Within one year of the Bond Issue Date, the Eligible CDFI must close a minimum of 50 percent of the Secondary Loans. If this requirement is not met, the Qualified Issuer will lose the authority to draw the remaining funds under the Bond Issue. Within two years of the Bond Issue Date, the Eligible CDFI must close all Secondary Loans within the Bond Issue. Eligible CDFIs must disburse all Secondary Loans within 60 months of the Bond Issue Date. Secondary Loans shall carry loan maturities suitable to the loan purpose and consistent with loan-to-value requirements set forth in the Secondary Loan Requirements. Secondary Loan maturities shall not exceed the corresponding Bond or Bond Loan maturity date. It is the expectation of the CDFI Fund that such interest rates will be reasonable based on the borrower and loan characteristics.

E. Secondary Loan collateral requirements.

1. The Regulations state that Secondary Loans must be secured by a first lien of the Eligible

CDFI on pledged collateral, in accordance with the Regulations (at 12 C.F.R. 1808.307(f)) and within certain parameters. Examples of acceptable forms of collateral may include, but are not limited to: real property (including land and structures); machinery, equipment and movables; cash and cash equivalents; accounts receivable; letters of credit; inventory; fixtures; contracted revenue streams from non-Federal counterparties, provided the Secondary Borrower pledges all assets, rights and interests necessary to generate such revenue stream; and a Principal Loss Collateral Provision. Intangible assets, such as customer relationships, intellectual property rights, and to-be-constructed real estate improvements, are not acceptable forms of collateral.

2. The Regulations require that Bond Loans must be secured by a first lien on a collateral assignment of Secondary Loans, and further that the Secondary Loans must be secured by a first lien or parity lien on acceptable collateral.

3. Valuation of the collateral pledged by the Secondary Borrower must be based on the Eligible CDFI's credit policy guidelines and must conform to the standards set forth in the Uniform Standards of Professional Appraisal Practice (USPAP).

4. Independent third-party appraisals are required for the following collateral: real estate; fixtures, machinery and equipment, and movables stock valued in excess of \$250,000; contracted revenue stream from non-Federal creditworthy counterparties. Secondary Loan collateral shall be valued using the cost approach, net of depreciation and shall be required for the following: accounts receivable; machinery, equipment and movables; and fixtures.

F. Qualified Issuer approval of Eligible CDFIs. The Qualified Issuer shall not approve any Bond Loans to an Eligible CDFI where the Qualified Issuer has actual knowledge, based upon

reasonable inquiry, that within the past five (5) years the Eligible CDFI: (i) has been delinquent on any payment obligation (except upon a demonstration by the Qualified Issuer satisfactory to the CDFI Fund that the delinquency does not affect the Eligible CDFI's creditworthiness), or has defaulted and failed to cure any other obligation, on a loan or loan agreement previously made under the Act; (ii) has been found by the Qualified Issuer to be in default of any repayment obligation under any Federal program; (iii) is financially insolvent in either the legal or equitable sense; or (iv) is not able to demonstrate that it has the capacity to comply fully with the payment schedule established by the Qualified Issuer.

G. Credit Enhancements; Principal Loss Collateral Provision.

1. In order to achieve the statutory zero-credit subsidy constraint of the CDFI Bond Guarantee Program and to avoid a call on the Guarantee, Eligible CDFIs are encouraged to include Credit Enhancements and Principal Loss Collateral Provisions structured to protect the financial interests of the Federal Government.
2. Credit Enhancements may include, but are not limited to, payment guarantees from third parties or Affiliates, lines or letters of credit, or other pledges of financial resources that enhance the Eligible CDFI's ability to make timely interest and principal payments under the Bond Loan.
3. As distinct from Credit Enhancements, Principal Loss Collateral Provisions may be provided in lieu of pledged collateral and in addition to pledged collateral. A Principal Loss Collateral Provision shall be in the form of cash or cash equivalent guarantees in amounts necessary to secure the Eligible CDFI's obligations under the Bond Loan after exercising other remedies for default. For example, a Principal Loss Collateral Provision may include a deficiency guarantee

whereby another entity assumes liability after other default remedies have been exercised, and covers the deficiency incurred by the creditor. The Principal Loss Collateral Provision shall, at a minimum, provide for the provision of cash or cash equivalents in an amount that is not less than the difference between the value of the collateral and the amount of the accelerated Bond Loan outstanding.

4. In all cases, acceptable Credit Enhancements or Principal Loss Collateral Provisions shall be proffered by creditworthy providers and shall provide information about the adequacy of the facility in protecting the financial interests of the Federal Government, either directly or indirectly through supporting the financial strength of the Bond Issue. This includes, but is not limited to, the amount and quality of any Credit Enhancements, the financial strength of the provider of the Credit Enhancement, the terms, specific conditions such as renewal options, and any limiting conditions or revocability by the provider of the Credit Enhancement.

5. For Secondary Loans benefitting from a Principal Loss Collateral Provision (e.g., a deficiency guarantee), the entity providing the Principal Loss Collateral Provision must be underwritten based on the same criteria as if the Secondary Loan were being made directly to that entity with the exception that the guarantee need not be collateralized.

6. If the Principal Loss Collateral Provision is provided by a financial institution that is regulated by an Appropriate Federal Banking Agency or an Appropriate State Agency, the guaranteeing institution must demonstrate performance of financially sound business practices relative to the industry norm for providers of collateral enhancements as evidenced by reports of Appropriate Federal Banking Agencies, Appropriate State Agencies and / or auditors.

H. Reporting requirements.

1. General. Qualified Issuers and Eligible CDFIs that participate in the Bond Guarantee Program will be required to execute and deliver at closing legal agreements including the Agreement to Guarantee, the Bond Trust Indenture, and the Bond Loan Agreement, among others. The forms of these documents, containing terms and conditions and covenants over use of proceeds, loan commitments, advances, disbursements, principal and interest payments, program fees and accounts, Secondary Loans, financial condition and information reporting and other matters of the Qualified Issuer, Master Servicer/Trustee, and Eligible CDFIs, will be published and accessible on the CDFI Fund's website or sent to the Qualified Issuer by other means.

2. Reports.

(a) In general, as required pursuant to the Regulations at 12 C.F.R. 1808.619, the CDFI Fund will collect information from each Qualified Issuer which may include, but will not be limited to:

(i) quarterly and annual financial reports and data (including an OMB A-133 audit, as applicable) for the purpose of monitoring the financial health, ratios and covenants of Eligible CDFIs that include asset quality (non-performing assets, loan loss reserves, and net charge-off ratios), liquidity (current ratio, quick ratio, working capital, and operating liquidity ratio), solvency (capital ratio, self-sufficiency, fixed charge, leverage, and debt service coverage ratios); (ii) annual reports as to the compliance of the Qualified Issuer and Eligible CDFIs with the Regulations and specific requirements of the Bond Documents; (iii) monthly reports on uses of Bond Loan proceeds and Secondary Loan proceeds; (iv) summary of program accounts and

transactions for each Bond Issue; (v) Secondary Loan certifications describing Eligible CDFI lending, collateral valuation, and eligibility; (vi) financial data on Secondary Loans to assess loan performance, quality, and payment history; (vii) annual certifications of compliance with program requirements; (viii) reports of Eligible CDFI management and /or organizational changes; (ix) updates to the Capital Distribution Plan (as applicable); (x) supplements and /or clarifications to correct reporting errors (as applicable); and (xi) such other information that the CDFI Fund and/or the Bond Purchaser may require.

(b) Detailed information on specific reporting requirements will be provided to Qualified Issuers, Program Administrators, Servicers, and Eligible CDFIs at a later date. Reporting requirements will be enforced through the Agreement to Guarantee and the Bond Loan Agreement, and will be assigned a valid OMB control number pursuant to the Paperwork Reduction Act.

(c) Each Qualified Issuer will be responsible for the timely and complete submission of the annual reporting documents, including such information that must be provided by other entities such as Eligible CDFIs or Secondary Borrowers. If such other entities are required to provide annual report information or documentation, or other documentation that the CDFI Fund may require, the Qualified Issuer will be responsible for ensuring that the information is submitted timely and complete. Notwithstanding the foregoing, the CDFI Fund reserves the right to contact such entities and require that additional information and documentation be provided directly to the CDFI Fund.

(d) The CDFI Fund will use the aforementioned information to monitor compliance with the

requirements set forth in the Agreement to Guarantee and to assess the impact of the CDFI Bond Guarantee Program.

(e) The CDFI Fund reserves the right, in its sole discretion, to modify its reporting requirements if it determines it to be appropriate and necessary; however, such reporting requirements will be modified only after notice to Qualified Issuers. Additional information about reporting requirements pursuant to this NOGA and the Bond Documents will be subject to the Paperwork Reduction Act.

3. Accounting.

(a) In general, the CDFI Fund will require each Qualified Issuer and Eligible CDFI to account for and track the use of Bond Proceeds and Bond Loan proceeds. This means that for every dollar of Bond Proceeds and received from the Bond Purchaser, the Qualified Issuer is required to inform the CDFI Fund of its uses, including Bond Loan proceeds. This will require Qualified Issuers and Eligible CDFIs to establish separate administrative and accounting controls, subject to the applicable OMB Circulars.

(b) The CDFI Fund will provide guidance to Qualified Issuers outlining the format and content of the information that is to be provided on an annual basis, outlining and describing how the Bond Proceeds and Bond Loan proceeds were used.

VI. Agency Contacts

A. The CDFI Fund will respond to questions and provide support concerning this NOGA, the Qualified Issuer Application and the Guarantee Application between the hours of 9:00 a.m. and 5:00 p.m. ET, starting with the date of the publication of this NOGA. Applications and other

information regarding the CDFI Fund and its programs may be obtained from the CDFI Fund’s website at <http://www.cdfifund.gov>. The CDFI Fund will post on its website responses to questions of general applicability regarding the CDFI Bond Guarantee Program.

B. The CDFI Fund’s contact information is as follows:

Table 2 - Contact Information		
Type of Question	Telephone number (not toll free)	Email addresses
CDFI Bond Guarantee Program	(202) 653-0421 Option 5	bgp@cdfi.treas.gov
CDFI Certification	(202) 653-0423	ccme@cdfi.treas.gov
Compliance Monitoring and Evaluation	(202) 653-0423	ccme@cdfi.treas.gov
Information Technology Support	(202) 653-0422	ithelpdesk@cdfi.treas.gov

C. Communication with the CDFI Fund. The CDFI Fund will use the myCDFIFund Internet interface to communicate with applicants, Qualified Issuers, Program Administrators, Servicers, Certified CDFIs and Eligible CDFIs, using the contact information maintained in their respective myCDFIFund accounts. Therefore, each such entity must maintain accurate contact information (including contact person and authorized representative, email addresses, fax numbers, phone numbers, and office addresses) in its respective myCDFIFund account. For more information about myCDFIFund (which includes information about the CDFI Fund’s Community Investment

Impact System), please see the Help documents posted at

<http://www.cdfifund.gov/ciis/accessingciis.pdf>.

VII. Information Sessions and Outreach

The CDFI Fund may conduct webcasts, webinars, or information sessions for organizations that are considering applying to, or are interested in learning about, the CDFI Bond Guarantee Program. For further information, please visit the CDFI Fund's website at

<http://www.cdfifund.gov>.

Authority: Pub. L. 111-240; 12 U.S.C. 4701, et seq.; 12 C.F.R. 1808

Dated:

Donna J. Gambrell,

Director,

Community Development Financial Institutions Fund.