

# **CERTIFICATION OF MATERIAL EVENTS FORM**

## **For All CDFI Fund Programs**

### **What is a “Material Event”?**

A “Material Event” is an occurrence specified in any applicable Assistance, Award, Allocation, or Bond Loan Agreement, or Agreement to Guarantee between the Community Development Financial Institutions Fund (CDFI Fund) and an Award Recipient/Allocatee/Borrower. Certified organizations, award Recipients and Borrowers should consult each applicable agreement to determine which events must be reported. At a minimum, a Material Event includes any change in an organization’s condition that may lead to or cause the actual violation of terms and conditions of an Assistance, Award, Allocation, or Bond Loan Agreement, Agreement to Guarantee, regulation, or law. Certified Community Development Entities (CDEs) and Community Development Financial Institutions (CDFIs) must also report any event or condition that may cause the entity to no longer meet one or more certification criteria.

### **When should a Material Event report be filed?**

A Material Event must be reported within 30 days of the occurrence or as specified in the agreement(s) for the specific CDFI Fund Program. The failure to timely report a Material Event is considered a violation of the terms and conditions of the applicable agreement, and may be deemed an event of Default or Noncompliance.

Upon receipt of the Material Event Form, the CDFI Fund will review the content and assess its impact on the submitting organization.

### **Instructions:**

This form is to be used by CDFI Fund award Recipients/Allocatee/Borrowers to report a Material Event. A separate Material Events form must be filed for each subsequent Material Event with the information outlined below:

1. Indicate the name of the organization, Employer Identification Number (EIN) or Unique Entity Identifier (UEI), Certification Control Number and Award/Allocation/Loan Agreement Control Number. Provide a contact person and associated contact information.
2. Select the applicable Material Event(s). Note that this form is used for all CDFI Fund programs. Not all Material Events will be applicable. Recipients, Borrowers, and Allocatees should consult their particular CDFI Fund agreement(s) for more information on the specific Material Events that apply. These agreements provide controlling authority in the event of any conflict regarding Material Event reporting requirements.
3. Provide a narrative explanation of the Material Event(s).

4. Provide a narrative statement indicating how the organization intends to correct or address the Material Event.
5. Complete the Authorized Representative Signature information.
6. The completed form should be addressed to the attention of the Compliance Monitoring and Evaluation Manager and submitted via a Service Request through the Organization's Awards Management Information System (AMIS) account. Any supporting documentation (i.e. certificate of merger, name change form, etc.) can be attached to the Service Request. **Please note that this form should not be used to request an amendment to any applicable Assistance, Award, Allocation, or Bond Loan Agreement, or Agreement to Guarantee between CDFI Fund and an Award Recipient/Allocatee/Borrower.**

**A. Award and Contact Information**

<b>Organization Name</b>	
<b>Employer Identification Number (EIN) or Unique Entity Identifier (UEI)</b>	
<b>Certification Control Number (if available)</b>	
<b>Award/Allocation/Loan Agreement Control Number(s)</b>	
<b>Future Advance Promissory Bond Number</b>	
<b>Name and title of person to contact regarding this report</b>	
<b>Contact E-mail Address</b>	
<b>Contact Telephone Number</b>	
<b>Contact Street Address</b>	

**B. Material Events**

Check all applicable Material Events:

All Programs	
	1. Any proceeding instituted against the Recipient/Borrower (or in the case of the NMTC Program, the Allocatee, its Affiliates, including the Controlling Entity) in, by or before any court, governmental or administrative body or agency (including any Federal bank regulatory agency), which proceeding or its outcome could reasonably be expected to have a material adverse effect upon the financial condition or business operations, assets or properties of the Recipient (or in the case of the NMTC Program, the Allocatee, its Affiliates, including the Controlling Entity) and in the case of the Bond Guarantee program Properties of the Borrower.
	2. Any material adverse change in the condition, financial or otherwise, or operations of the Recipient/Borrower (or for NMTC Program, the Allocatee or Controlling Entity) that would impair the Recipient, Borrower, or Allocatee’s ability to carry out the terms and conditions and authorized uses under the Agreement.
	3. The occurrence of any Event of Noncompliance or Default, as that term is defined in an Assistance, Allocation Agreement, or Bond Loan Agreement, or any event, which upon notice or lapse of time, or both, would constitute an Event of Noncompliance or Default.
	4. The merger, consolidation or acquisition of the Recipient/Borrower, or in the case of the NMTC Program the Allocatee or Allocatee’s Controlling Entity by or with another entity.
	5. The replacement of any key management officials (e.g., the Executive Director, the Chief Financial Officer, the Board Chairperson or their equivalents) that had been named in the Assistance or Allocation Application or Guarantee Application.
	6. Any substantial change in the business of the Recipient/Borrower.
	7. Any event or change that would result in the Recipient no longer being certified as a CDFI or CDE (if applicable).
	8. All violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in 2 CFR §200.339 of the Uniform Requirements.
	9. The loss of the Recipient’s Insured Credit Union status as defined in 12 U.S.C. § 1752(7) (if applicable).

	10. The loss of the Recipient’s Depository Institution Holding Company status under 12 USC § 1813(w)(1) or Subsidiary Insured Depository Institution status under 12 USC § 1813(c)(2) (if applicable).
	11. The existence of any non-compliance with the terms and conditions of any loan or other credit agreement with a creditor other than the CDFI Fund.
	12. Any proceeding instituted against the Recipient/Borrower in, by or before any court, governmental or administrative body or agency (including any Federal bank regulatory agency), which proceeding involves allegations of discrimination by the Recipient/Borrower on the basis of race, color, national origin, disability, age, marital status, receipt of income from public assistance, religion, or sex.
	13. Such other events that may be determined by the CDFI Fund, in its sole discretion, to be Material Events, and for which the CDFI Fund issues related guidance.
	14. The debarment, suspension, exclusion or disqualification, by the Department of the Treasury, or any other Federal department or agency, of any individual or entity (or principal thereof) that received any portion of the Assistance in a procurement or nonprocurement transaction, as defined in 31 C.F.R. §19.970.
<b>CDFI Program, CDFI Rapid Response Program and Small Dollar Loan Program Only</b>	
	15. A change in the Recipient’s shareholders or organization that results in (i) the CDFI Fund’s ownership of equity in the Recipient exceeding 50 percent and/or (ii) the CDFI Fund controlling the Recipient’s operations.
	16. Any adverse finding by the Appropriate Federal Banking Agency related to the Recipient.
<b>Bank Enterprise Award Program Only</b>	
	17. Prepayment, redemption, repurchase, or withdrawal of any Qualified Activities reported to the CDFI Fund in the Recipient’s Application, specifically if: i.) Any Borrower of the Recipient prepays, in whole or in part, the principal amount of any loan carried out during the Assessment Period that the Recipient reported to the CDFI Fund in its Application; ii.) Any investee of the Recipient redeems or repurchases, in whole or in part, any Equity Investment or Project Investment which the Recipient reported to the CDFI Fund in its Application; or iii.) The Recipient withdraws, in whole or in part, any deposit that the Recipient reported to the CDFI Fund in its Application as a CDFI Support Activity; provided, however, the Recipient is not required to notify the CDFI Fund of any prepayment, redemption, or repurchase occurring more than two calendar years after the Federal Award Date of the Agreement; and provided, further, that the Recipient is not required to notify the CDFI Fund of any withdrawal which occurs more than

	three years after the date of the deposit. Such notice shall, at a minimum, identify each prepayment, redemption, repurchase or withdrawal and the dollar amount, the date of and the specific facts and circumstances surrounding each prepayment, redemption, repurchase, or withdrawal.
<b>New Markets Tax Credit Program Only</b>	
	18. The occurrence of any event that may be a recapture event pursuant to IRC § 45D(g) and 26 C.F.R. §1.45D-1(e)(2).
	19. The Allocatee’s Controlling Entity (as identified in the relevant Allocation Application) no longer meets the definition of a Controlling Entity as stipulated in the relevant Allocation Application/Allocation Agreement.
	20. The occurrence of any event described in 31 C.F.R. §19.350.
	21. The filing of any bankruptcy proceeding or the appointment of a conservator for the Allocatee or its Affiliates, including the Controlling Entity.
<b>Capital Magnet Fund Program Only</b>	
	22. Any event or change that would result in the Recipient losing its status as a Nonprofit Organization (if applicable).
	23. Failure by the Recipient to have Committed all of its Capital Magnet Fund Award by the date set forth in Schedule 1 of the applicable Agreement.
<b>Bond Guarantee Program Only</b>	
	24. Any significant revisions in credit, risk management, or financial reporting policies and procedures of the Borrower.
	25. Any direct financial obligation that is material to the Borrower under an off-balance sheet arrangement.
	26. Any acquisition or disposition of a significant amount of assets by the Borrower.
	27. Any assessment (other than assessments provided by an Appropriate Federal or State Banking Agency that are prohibited by applicable law or regulation from disclosure to the Department of the Treasury) of significant or material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect the Borrower’s abilities to record, process, summarize, and report financial information.
	28. Any fraud, whether or not material, that involves management or other employees of the Borrower who have a significant role in internal controls over financial reporting.

	<p>29. Any adverse audit opinions received by the Borrower or pronouncements of non-reliance on previously issued financial statements by the Borrower's board of directors or a committee of the board of directors.</p>
	<p>30. Any changes in corporate governance, senior management, or leadership of the Borrower, including any Key Personnel. "Key Personnel" means any officer or senior staff person of the Borrower responsible for the day-to-day administration of the duties, responsibilities, and obligations of the Borrower under the Bond Loan Agreement.</p>
	<p>31. Any organizational updates such as changes in Bylaws or Articles of Incorporation of the Borrower.</p>
	<p>32. Any fact, circumstance, event, change, occurrence, condition, or development of which the Borrower is aware and which, individually, or in the aggregate, has had or would reasonably be expected to have a material adverse effect on an organization's strategic direction, mission, or business operation.</p>

- C. Provide a narrative explanation of the material event(s). Be sure to include the date the event(s) occurred. Additional pages may be added if necessary.**

- D. Provide a narrative statement indicating how the organization intends to correct or address the Material Event.**



**E. The Certification of Material Events form must be signed by the organization's Authorized Representative or authorized designee.**

To the best of my knowledge and belief, all information contained in the Certification of Material Events statement is true and correct. My signature indicates authorization on behalf of the organization's governing body.

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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PAPERWORK REDUCTION ACT NOTICE  
CDFI - 0036  
OMB Control Number 1559-0037

**Paperwork Reduction Act Notice**

This submission requirement is provided to CDFI Fund Awardees, applicants, and certified CDEs and CDFIs, to report potential Material Events to the CDFI Fund. CDFI Fund Awardees, applicants, and certified CDEs and CDFIs, are not required to respond to this collection of information unless it displays a currently valid OMB number. The estimated average burden associated with this collection of information is 0.25 hours. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Department of the Treasury, Community Development Financial Institutions Fund, 1500 Pennsylvania Avenue, NW, Washington, DC 20220.

The CDFI Fund is an equal opportunity provider.

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