



Emergency Capital Investment Program (ECIP)

PRE-DECISIONAL AND DELIBERATIVE

Emergency Capital Investment Program

ECIP Round 2 - Overview

- The ECIP team proposed to Treasury leadership distributed in a second round. With concurrence from leadership, we now expect the second round to open in January 2023.
- Approximately \$160 million, plus any amounts not deployed to institutions that fail to cure issues with their CDFI certification, will be distributed by opening a second application round using the same criteria for eligibility and the same rating system.
- Institutions that applied in the first round and were offered an investment would not be eligible to apply for a second round.
- In order to manage the administrative burden and timeline for the second round, the ECIP team will prioritize among applications prior to conducting a full review. Prioritized applicants will be underwritten using the same standards as were used in the first ECIP application round.

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ECIP Round 2 - Prioritization of Applications

- The ECIP team will publish and utilize the following criteria to prioritize among applicants in the underwriting process:
 - institutions that were ineligible to apply in round one but have since become eligible;
 - institutions that propose to serve geographies that are relatively underserved among the round 1 recipients;
 - institutions that have comparatively higher scores on the track record portion of their applications; and
- After a prioritized group has been through full underwriting, the ECIP Team will distribute funding to institutions in that group that have comparatively higher overall scores.

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Program *ECIP Round 2 - Internal Procedure for Prioritization*

- The internal prioritization percentages of the requested amount as the first round, as follows:
 - Applicants that meet either of the first two prioritization criteria and score a 1 on the track record portion of their application will be underwritten first and funds will be distributed to those that receive an overall score of 1, then to those that receive an overall score of 2.
 - Applicants that meet either of the first two prioritization criteria and score a 2 on the track record portion of their application will be underwritten and funds will be distributed to those that receive an overall score of 1 then to those that receive an overall score of 2.
 - Applicants that meet either of the first two prioritization criteria and score a 3 on the track record portion of their application will be underwritten and funds will be distributed to those that receive an overall score of 1, then to those that receive an overall score of 2.
 - All other applicants will be underwritten and funds will be distributed to those that receive an overall score of 1.
 - All other applicants will be underwritten and funds will be distributed to those that receive an overall score of 2.
- To the extent that available funding is insufficient at any step in the waterfall, entities in a group that has been identified for funding will all have their investment offers proportionally reduced to exhaust the remaining funds.