

DRAFT- FOR ILLUSTRATIVE PURPOSES ONLY

[Name of Awardee]
AWARD NUMBER: 021TA00

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS PROGRAM
ASSISTANCE AGREEMENT FOR TECHNICAL ASSISTANCE GRANTS TO AND
EQUITY INVESTMENTS IN NON-REGULATED INSTITUTIONS (Excluding
Insured Credit Unions)

_____, 2002

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Award No. 02TA00

**COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS PROGRAM
ASSISTANCE AGREEMENT FOR EQUITY INVESTMENTS IN NON-REGULATED
INSTITUTIONS**

This Assistance Agreement is entered into as of this ____ day of _____, 2002, by and between the **Community Development Financial Institutions Fund**, a wholly owned government corporation within the U.S. Department of the Treasury (the "Fund"), and _____, a _____ (the "Awardee"). This Assistance Agreement is not a procurement subject to the Federal Property and Administrative Service Act (41 U.S.C. §§ 251-260) and the Federal Acquisition Regulations.

RECITALS

WHEREAS, through the Community Development Financial Institutions Program (as hereinafter defined), the Fund endeavors to strengthen and expand the national network of financial institutions dedicated to community development;

WHEREAS, the Fund strives to strengthen and expand such network by providing assistance to selected community development organizations in order to enhance their ability to serve an Investment Area(s) (as hereinafter defined), a Targeted Population(s) (as hereinafter defined) or both;

WHEREAS, in order to be considered for assistance under the Community Development Financial Institutions Program, an organization must submit an Application (as hereinafter defined) to the Fund for review and evaluation in the context of a competitive application process;

WHEREAS, the Awardee timely submitted such Application to the Fund and entered such competitive application process; and

WHEREAS, based on a review and evaluation of the Application, the Fund selected the Awardee to receive assistance under the Community Development Financial Institutions Program, subject to the satisfaction of the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the premises and mutual covenants, conditions and agreements hereinafter set forth, the parties hereto agree as follows:

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**ARTICLE I
INCORPORATION BY REFERENCE**

12 C.F.R. Part 1805, as from time to time amended, is incorporated by reference and given the same force and effect as if set out in full text. In the event of any inconsistency between 12 C.F.R. Part 1805 and the terms of this Assistance Agreement, and any amendments thereto, the provisions of 12 C.F.R. Part 1805 shall govern.

**ARTICLE II
DEFINITIONS**

When used in this Assistance Agreement, the following terms shall have the meanings specified below. Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Act (as hereinafter defined) and/or the Community Development Financial Institutions Program Regulations (as hereinafter defined).

2.1 Act. "Act" shall mean the Community Development Banking and Financial Institutions Act of 1994, subtitle A, title I, Riegle Community Development and Regulatory Improvement Act of 1994, Pub. L. No. 103-325, 108 Stat. 2163 (September 23, 1994), as amended.

2.2 Advance. "Advance" shall mean payment of Technical Assistance grant monies by electronic funds transfer to an Awardee either before outlays are made by the Awardee on a cash basis to pay the direct costs associated with the approved, authorized uses of said grant monies or thorough the use of predetermined payment schedules.

2.3 Affiliate. "Affiliate" shall mean any company that controls, is controlled by, or is under common control with the Awardee.

2.4 Application. "Application" shall mean the Community Development Financial Institutions Program Application Form, including any written or verbal information in connection therewith and any attachments, appendices and/or written or verbal supplements thereto, dated the _____ day of _____, 2001, submitted by the Awardee to the Fund, in response to the Notice of Funds Availability (NOFA) inviting Applications for the Community Development Financial Institutions Program - Small and Emerging CDFI Assistance Component that was published in the Federal Register on September 24, 2001.

2.5 Assistance Agreement. "Assistance Agreement" or "Agreement" shall mean this Community Development Financial Institutions

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Program Assistance Agreement between the Fund and the Awardee, including any attachments hereto, as such Agreement may, from time to time, be amended in accordance with its terms.

2.6 Closing. "Closing" shall mean any proper execution and delivering of this Agreement and any other document connected herewith and/or any disbursement of financial assistance on the Closing Date (as hereinafter defined) by electronic funds transfer to an account designated by the Awardee. Pursuant hereto, there may be an initial Closing at which, for example, this Agreement and documents connected herewith will be properly executed and delivered and an initial disbursement connected herewith will be made. Subsequently, there may be a subsequent Closing or Closings at which subsequent disbursements connected herewith will be made and any documents in addition to this Agreement that may be connected with such disbursements shall be properly executed and delivered by the Awardee to the Fund.

2.7 Closing Date. "Closing Date" shall mean a date or dates mutually agreed to by the parties hereto, subject to the terms and conditions contained herein.

2.8 Community Development Financial Institution. "Community Development Financial Institution" or "CDFI" shall mean any entity certified as a CDFI by the Fund pursuant to 12 C.F.R. § 1805.201 of the Community Development Financial Institutions Program Regulations (as hereinafter defined), with such certification indicating that the entity meets the CDFI eligibility requirements set forth in the Community Development Financial Institutions Program Regulations, including, without limitation, 12 C.F.R. § 1805.200 thereof.

2.9 Community Development Financial Institutions Program. "Community Development Financial Institutions Program" or "CDFI Program" shall mean the program authorized by the Act and implemented pursuant to the Community Development Financial Institutions Program Regulations.

2.10 Community Development Financial Institutions Program Regulations. "Community Development Financial Institutions Program Regulations" or "CDFI Regulations" shall mean the regulations set forth in 12 C.F.R. Parts 1805 and 1815, as the same may, from time to time, be amended.

2.11 Comprehensive Business Plan. "Comprehensive Business Plan" or "Business Plan" shall mean the plan described in 12 C.F.R. § 1805.601(d) of the CDFI Regulations.

2.12 Insider. "Insider" shall mean any director, officer, employee, principal shareholder (owning, individually or in combination with family members, five percent or more of any

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class of stock), or agent (or any family member or business partner of any of the above) of the Awardee or of any Affiliate or Community Partner of the Awardee.

2.13 Investment Area. "Investment Area" shall mean the geographic area meeting the requirements set forth in 12 C.F.R. § 1805.201(b)(3). [For purposes of this Assistance Agreement, the Awardee's Investment Area consists of _____; or the geographic area designated in the Awardee's most recently approved CDFI certification memorandum located in the Awardee's certification file at the Fund, whichever is most current.]

2.14 Low-Income. "Low-Income" means an income as defined in accordance with the CDFI Program Regulations at 12 CFR 1805.104 (cc).

2.15 Matching Funds. "Matching Funds" shall mean the funds referenced and/or described in Section 3.4, including the corresponding Schedule 3.4, and Section 5.5 hereof.

2.16 Program Income. "Program Income" shall mean gross income earned by an Awardee that is directly generated by a supported activity or earned as a result of the Fund's award of assistance in the form of a financial assistance grant and/or a technical assistance grant (hereinafter the "grant assistance"). Program Income includes, but is not limited to, gross income from: fees for services performed that were funded or supported by the Fund's grant assistance; the use or rental of real or personal property acquired with or supported by the Fund's grant assistance; license fees and royalties on the patents and copyrights on processes or works that were funded or supported by the Fund's grant assistance; and payments of principal received on loans and interest earned on loans made using the Fund's grant assistance. Interest earned on Advances of Technical Assistance is not Program Income.

2.17 Subsidiary. "Subsidiary" shall have the same meaning as defined in 12 C.F.R. 1805.104(gg).

2.18 Targeted Population. "Targeted Population" shall mean the individuals or identifiable group of individuals meeting the requirements of 12 C.F.R. § 1805.201(b)(3) of the CDFI Regulations. [For purposes of this Assistance Agreement, the Awardee's Targeted Population consists of _____; or the individuals or identifiable group of individuals designated in the Awardee's most recently approved CDFI certification memorandum located in the Awardee's certification file at the Fund, whichever is most current.]

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2.19 Technical Assistance. "Technical Assistance" shall mean the assistance referenced and/or described in Sections 3.1, 3.2, and 3.7 herein.

**ARTICLE III
THE ASSISTANCE**

3.1 The Assistance. At all Closings connected herewith, including without limitation, any initial Closing and any subsequent Closing(s), and subject to all of the terms and conditions hereof and in reliance upon all representations, warranties, assurances, certifications and agreements contained herein, the Fund hereby agrees to provide to the Awardee, subject to the availability of funds, and the Awardee hereby agrees to accept from the Fund financial assistance in the form of an equity investment in the aggregate amount of _____ Dollars (\$_____) (the "Financial Assistance") and a Technical Assistance grant in the aggregate amount of _____ Dollars (\$_____) (together, the Financial Assistance and the Technical Assistance grant shall be referred to hereinafter as the "Assistance"). If, at any Closing connected herewith, any of the conditions specified herein or in any document connected herewith shall not have been fulfilled to the satisfaction of the Fund, the Fund will, in its sole discretion, elect not to effect such Closing until such time as said conditions shall be fulfilled to the satisfaction of the Fund.

3.2 Technical Assistance. The Fund hereby agrees to provide and the Awardee hereby agrees to accept Technical Assistance pursuant to the terms, conditions and agreements described on Schedule 3.2 attached hereto.

3.3 Purchase and Sale of Stock. The Fund hereby agrees to provide the Financial Assistance described herein as payment in full for an aggregate of _____ shares of _____ stock (the "Stock") of the Awardee, \$_____ par value per share, \$_____ per share purchase price. The Stock shall be transferable, nonvoting Stock that provides for voting rights, at the request of the Fund, for any transferee of the Stock and _____ shares of voting stock shall be set aside and reserved by the Awardee for such purposes. In exchange for the Assistance, the Awardee hereby agrees to issue and sell the Stock to the Fund.

3.4 Authorized Uses of Financial Assistance. The Awardee may use the Financial Assistance to enhance its net worth. The Assistance need not be used to make loans but instead may be used to strengthen the Awardee's financial position, which in turn is intended to support the Awardee's Comprehensive Business Plan and assist it in achieving its community development objectives.

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3.5 Authorized Uses of Matching Funds. The Awardee may use the Matching Funds to enhance its net worth. The Matching Funds need not be used to make loans but instead may be used to strengthen the Awardee's financial position, which in turn is intended to support the Awardee's Comprehensive Business Plan and assist it in achieving its community development objectives.

3.6 Authorized Uses of Program Income. Any Program Income derived by the Awardee from the grant assistance provided under the terms of this Assistance Agreement shall be used by the Awardee solely to further the objectives of its Comprehensive Business Plan.

3.7 Restrictions on the Use of Assistance and Program Income.

- (a) The Awardee shall not use any Assistance provided hereunder or any corresponding Matching Funds or any Program Income in a manner other than as authorized hereunder, unless the Awardee consults with and obtains the prior written approval of the Fund.
- (b) The Awardee shall not distribute Assistance to any Affiliate without the Fund's prior written consent.
- (c) The Awardee shall not use any Assistance provided hereunder or any Program Income earned hereunder to pay any person to influence or attempt to influence any agency, elected official, officer or employee of a State or local government in connection with the making, award, extension, continuation, renewal, amendment, or modification of any State or local government contract, grant, loan or cooperative agreement as such terms are defined in 31 U.S.C. § 1352.
- (d) The Awardee shall not use any Assistance or Program Income to pay any costs incurred in connection with (i) any defense against any claim or appeal of the United States Government, any agency or instrumentality thereof (including the Fund), against the Awardee, or (ii) any prosecution of any claim or appeal against the United States Government, any agency or instrumentality thereof (including the Fund), which the Awardee instituted or in which the Awardee has joined as a claimant.

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3.8 Disbursement(s) of Assistance; Tender of Stock Certificates. Any Assistance provided by the Fund hereunder will be disbursed to the Awardee via electronic funds transfer to an account designated by the Awardee at least 20 business days prior to the initial Closing Date. The amount of the disbursement will be **[either a partial or the full amount]** of the Assistance. The Fund will not disburse any Assistance pursuant hereto until the Awardee has satisfied all conditions precedent to receiving such Assistance including, but not limited to, the Fund's receipt on or before the applicable Closing Date of one or more Stock certificates (in the form attached hereto as Schedule 3.6) duly registered in the name of the Fund for the number of shares of Stock to be issued and sold to the Fund on said Closing Date.

In addition, the Fund will not disburse any Financial Assistance until the Awardee has secured the required Matching Funds connected with the Financial Assistance or has secured a firm commitment(s) for such Matching Funds which commitment(s) shall consist of a binding written agreement(s) between the Awardee and the source(s) of the Matching Funds that is conditioned only upon the availability of the Assistance and such other conditions as the Fund, in its sole discretion, may deem appropriate. In accordance with 12 C.F.R. § 1805.802, amounts disbursed by the Fund to the Awardee will not exceed the amount of Matching Funds received by the Awardee on or before the applicable Closing Date. The Fund, will require the Awardee to certify to the Fund the amount of Matching Funds received on or before the applicable Closing Date.

If on the applicable Closing date, the Fund has not received the Stock certificates for the Stock to be purchased by the Fund as provided herein, or if on said Closing Date any of the conditions specified herein or in any document connected herewith shall not have been fulfilled to the satisfaction of the Fund, the Fund may, in its sole discretion, elect not to provide some or any of the Assistance contemplated hereby until such time as said conditions shall be fulfilled to the satisfaction of the Fund.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

The Awardee hereby represents and warrants to the Fund the following:

4.1 Organization, Standing and Powers. The Awardee is a _____, validly existing and in good standing under the laws of the _____ and has all requisite power and authority to own and operate its assets and properties, to carry on its business as it is now being conducted

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and to carry out its proposed, hereby authorized use(s) of the Assistance provided hereunder. Attached hereto as Schedule 4.1A is a complete and correct copy of the incorporation, charter, organization, formation or otherwise establishing documents of the Awardee, and all amendments thereto, and attached hereto as Schedule 4.1B is a complete and correct copy of the bylaws of the Awardee. The Awardee has authorized capital stock as set forth on Schedule 4.1C attached hereto. All of the outstanding shares of capital stock of the Awardee, if any, are set forth on Schedule 4.1C attached hereto and have been duly authorized, validly issued, and are fully paid and nonassessable. There are no preemptive rights or similar rights on the part of the holder of shares of capital stock of the Awardee. The Awardee has no Subsidiary or Affiliate except as listed on Schedule 4.1D attached hereto.

4.2 Qualification. The Awardee is duly qualified, in good standing and authorized to transact business in each jurisdiction where the conduct of the Awardee's business, the carrying out of its proposed, hereby authorized use(s) of the Assistance to be provided hereunder or the ownership of its assets and properties requires such qualification, or, if not so qualified, the Awardee's failure so to qualify shall not have a material adverse effect on the Awardee, its financial condition or operations and will not impair the Awardee's ability to carry out its proposed, hereby authorized use(s) of the Assistance to be provided hereunder or its right to enforce any material agreement to which it is a party.

4.3 Authorization; Consents. The execution, delivery and performance by the Awardee of the Assistance Agreement, the carrying out of its proposed, hereby authorized use(s) of the Assistance provided hereunder, and the authorization, offer, issuance, sale and delivery of the Stock, are within the Awardee's corporate powers and have been duly authorized by all requisite corporate action (including actions that must be taken by directors and stockholders). No consent, license, approval, authorization, qualification, exemption, franchise, designation, permit or order of, notice to or declaration or filing with, any third party including, without limitation, any governmental entity, is required in connection with the conduct of the Awardee's business or in connection with the valid execution, delivery and performance by the Awardee of the Assistance Agreement or any documents or agreements connected herewith or the carrying out of the proposed, hereby authorized use(s) of the Assistance to be provided hereunder.

4.4 Execution and Delivery; Binding Agreement. This Assistance Agreement and all documents connected herewith have been or will be, on or before the applicable Closing Date, duly authorized,

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executed and delivered on behalf of the Awardee and constitute, on or before the applicable Closing Date, legal, valid and binding obligations of the Awardee enforceable in accordance with their respective terms.

4.5 No Conflicts. The execution, delivery and performance by the Awardee of this Assistance Agreement, the compliance herewith, the carrying out of the proposed, hereby authorized uses(s) of the Assistance provided hereunder, and the offer, issuance and delivery of the Stock and the certificates evidencing the Stock will not result in any violation of and shall not conflict with, or result in a breach of any of the terms of, or constitute a default under, any provision of Federal or State law to which the Awardee is subject, the Awardee's incorporation, charter, organization, formation or otherwise establishing documentation, bylaws or any agreement, judgment, writ, injunction, decree, order, rule or regulation to which the Awardee is a party or by which it is bound.

4.6 Authorization and Legality of the Stock. The issuance and sale of the Stock to the Fund to be issued pursuant to this Assistance Agreement have been duly authorized by the board of directors of the Awardee, and the certificates evidencing the Stock have been duly executed and delivered by the Awardee. No further approval or authorization of the board of directors or the shareholders of the Awardee will be required for the issuance and delivery of the Stock as contemplated herein. The Stock to be issued hereunder will be, at the time of issuance and delivery, validly issued and outstanding and fully paid and nonassessable. The Stock has been reserved for issuance by all necessary corporate action on behalf of the Awardee. All of the issued and outstanding capital stock of the Awardee has been offered, issued and sold by the Awardee in compliance with the Securities Act of 1933 (the "1933 Act") and State securities laws.

4.7 The Offering. Neither the Awardee nor anyone acting on its behalf has directly or indirectly offered the Stock to be delivered to the Fund, any part thereof, or any similar security of the Awardee, for delivery to, or solicited any offer to buy the same from, anyone other than the Awardee and the investors to whom such offers can be made without registering of the Stock or other similar securities under the Securities Act of 1933 as amended ("1933 Act") or State securities laws.

4.8 Options and Warrants. No option, warrant or other right for the purchase of any shares of capital stock of the Awardee is presently outstanding and no authorization therefor is presently in effect, except as described in Schedule 4.8 attached hereto.

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4.9 Shareholder List. Schedule 4.9 includes a complete and correct list of the present shareholders of the Awardee and of the shareholders of the Awardee as they will exist at the time of the sale, purchase, and delivery of the Stock to be issued and sold pursuant to this Agreement, showing the class, series, and number of shares of capital stock held or to be held by each shareholder. No other class of capital stock of the Awardee is outstanding or authorized except as shown on Schedule 4.1C or Schedule 4.9 attached hereto.

4.10 Litigation. The Awardee has neither actual nor constructive knowledge of any suit, action, proceeding or investigation pending or threatened that questions the validity of this Assistance Agreement or any action taken or to be taken pursuant hereto or contemplated hereby including, but not limited to, the carrying out of the proposed, hereby authorized use(s) of the Assistance to be provided hereunder.

4.11 Compliance with Other Instruments. The Awardee is not, and at any Closing connected herewith will not be, in violation of any provision of its incorporation, charter, organization, formation or otherwise establishing documents, or of any loan agreement or other material agreement to which it is a party. The Awardee is not, and at any Closing connected herewith will not be, in violation of any instrument, judgment, decree, order, statute, rule or governmental regulation applicable to it, the violation of which might have a material adverse effect on the business, affairs, operations, or condition of the Awardee.

4.12 Disclosure. Neither this Assistance Agreement nor any attachment hereto, nor any certification or other document referenced or incorporated herein or therein and furnished to the Fund by the Awardee contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading. The Awardee has disclosed, in writing, to the Fund all facts that might reasonably be expected to result in a material adverse effect upon the Awardee's ability either to conduct its principal business or to carry out its proposed and herein authorized use of the Assistance to be provided hereunder. The Awardee has not knowingly and willfully made or used a document or writing containing any false, fictitious or fraudulent statement or entry as part of its correspondence or communication with the Fund. The Awardee acknowledges, under 18 U.S.C. § 1001, that if it knowingly and willfully makes or uses such document or writing it or its employee(s) or agents shall be fined or imprisoned for not more than five years, or both.

4.13 Taxes; Debts; Bankruptcy. The Awardee is not delinquent on any debts owed to Federal, State or local governments including,

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but not limited to, amounts due under the Internal Revenue Code, and has never filed for bankruptcy nor had a conservator appointed.

4.14 Debarment, Suspension and Other Responsibility Matters.

Neither the Awardee nor any of its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; (b) within a three-year period prior to the date of this Agreement, have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (c) are presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in (b) above; or (d) within a three-year period prior to the date of this Agreement, have had one or more public transactions (Federal, State, or local) terminated for cause or default.

4.15 Status As A CDFI. Since its certification as a CDFI by the Fund, the Awardee has neither actual nor constructive knowledge of any changes that may adversely affect its status as a certified CDFI.

4.16 Matching Funds. Funds used by the Awardee as Matching Funds for purposes of this Assistance Agreement have not been used by the Awardee or any of its Affiliates to satisfy a legal requirement for obtaining funds under another Federal grant or award program.

**ARTICLE V
CONDITIONS PRECEDENT TO CLOSING**

The obligation of the Fund to provide any Assistance to the Awardee at any Closing connected herewith is subject to the fulfillment, as determined by the Fund, in its sole discretion, of the following conditions precedent, each of which shall be fulfilled prior to any Closing(s) connected herewith.

5.1 Performance. The Awardee shall have performed and complied with all applicable agreements and conditions contained herein required to be performed or complied with by it before or at such Closing, and the Fund shall have received a certification to such effect in the form attached hereto as Schedule 5.1.

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5.2 Opinion of Awardee Counsel. Unless otherwise determined by mutual agreement of the Fund and the Awardee, the Fund shall have received from _____, counsel for the Awardee, a favorable opinion satisfactory in scope, form, and substance to the Fund and the Fund's counsel, to the following effect:

- (a) as stated in Sections 4.1 (first sentence), 4.3, 4.4, 4.5, 4.6 and 4.10;
- (b) the certificate or certificates representing the shares of Stock purchased by the Fund have been duly executed and delivered by duly authorized officers of the Awardee; and
- (c) the offer, issue, sale and delivery of the Stock under the circumstances contemplated by the Agreement constitute exempted transactions under the 1933 Act and applicable State securities laws as now in effect, and the registration thereof under the 1933 Act or such laws is not required.

Such opinion shall also cover such other matters incident to the transactions contemplated hereby as the Fund or its counsel may require.

5.3 Representations and Warranties. The representations and warranties set forth in this Agreement and the Assurances and Certifications contained in the Application shall be true and correct in all material respects on the date hereof and as of any Closing Date connected herewith, and the Fund shall have received from the Awardee a certification to such effect in the form attached hereto as Schedule 5.3 for each Closing.

5.4 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated by this Assistance Agreement and all documents and instruments incident to such transactions shall be satisfactory in substance and form to the Fund, and the Fund shall have received from the Awardee all such counterpart originals or certified or other documents as the Fund may reasonably request.

5.5 Matching Funds. The Fund shall have received evidence satisfactory in substance and form to the Fund that the Awardee has either secured the required Matching Funds connected with any Assistance provided hereunder as described in Section 3.6 hereof. The Awardee shall raise from non-Federal government sources not less than one dollar for each dollar provided by the Fund hereunder. Community Development Block Grant Program and other funds provided pursuant to the Housing and Community Development Act of 1974, as amended (42 U.S.C. § 5301 et seq.), shall be considered Federal government funds and may not be used to

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satisfy this Matching Funds requirement. Matching Funds shall be at least comparable in form and value to the Assistance provided hereunder. The Fund, in its sole discretion, will determine whether proposed Matching Funds are comparable in form and value to the Assistance provided hereunder.

5.6 Performance Goals. The Fund and the Awardee shall have determined, by mutual agreement, the Performance Goals for the Awardee as required by 12 C.F.R. § 1805.801 of the CDFI Regulations. Such Performance Goals will be set forth on Schedule 5.6 attached hereto and based upon the Comprehensive Business Plan of the Awardee as of the Closing Date. Nothing herein is intended or should be construed to prevent the Awardee from developing, adopting and/or revising a business strategy as it deems appropriate in the best interests of the Awardee, provided such activities by the Awardee do not result in the Awardee's failure to comply with terms, conditions, agreements and other provisions of this Assistance Agreement.

**ARTICLE VI
COVENANTS AND AGREEMENTS OF THE AWARDEE**

Until the expiration of this Agreement pursuant to Section 8.13 hereof (except with respect to Section 6.4 hereof which shall remain in effect for three years following the expiration hereof pursuant to said section), the Awardee shall duly perform and observe each and all of the following covenants and agreements:

6.1 Compliance with Government Requirements. In carrying out its responsibilities pursuant to this Assistance Agreement, the Awardee shall comply with all applicable Federal, State and local laws, regulations, ordinances, Office of Management and Budget (OMB) Circulars, and Executive Orders.

6.2 Fraud, Waste and Abuse. If the Awardee becomes aware at any time of the existence or apparent existence of fraud, waste or abuse of Assistance provided pursuant to this Assistance Agreement, the Awardee shall promptly report such incidence(s) to the Office of Inspector General of the U.S. Department of the Treasury.

6.3 Right to Inspect and Audit. The Awardee shall submit such financial and activity reports, records, statements and documents as may be required by the Fund and the U.S. Department of the Treasury to ensure compliance with this Assistance Agreement. The United States Government including, but not limited to, the U.S. Department of the Treasury and the Comptroller General, and their duly authorized representatives, shall have full and free

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access during reasonable business hours to the Awardee's offices and facilities and all books, documents, records and financial statements relevant to the Assistance provided hereunder. The Awardee shall permit any of these authorities to copy such documents as they deem appropriate. The purposes of such inspections and/or audits will include, but not be limited to, ensuring that representations, warranties, covenants, and/or certifications are accurate. The Fund will, consistent with applicable law, maintain the confidentiality of all financial and other proprietary information disclosed to the Fund pursuant to this section.

6.4 Retention of Records. The Awardee shall comply with all record retention requirements set forth in OMB Circular A-110. Pursuant to this Circular, the Awardee shall retain all financial records, supporting documents, statistical records and any other records pertinent to the Assistance for a period of three years after the conditions in Section 8.13(a), (b), (c) and (d) hereof have all been met.

6.5 General Data Collection. The Awardee shall maintain such records as reasonably may be necessary to:

- (a) disclose the manner in which the Assistance provided hereunder is used;
- (b) demonstrate compliance with the requirements of the CDFI Regulations and this Assistance Agreement; and
- (c) evaluate the accomplishments of the CDFI Program.

6.6 Semi-Annual Reports. Within 60 days after the end of each semi-annual reporting period, the Awardee shall deliver to the Fund a semi-annual report containing the information set forth on Schedule 6.6 attached hereto. If the information provided by the Awardee indicates that the Awardee has failed to meet its Financial Soundness Goal, as set forth in Goal 2 of Schedule 5.6, the Awardee shall respond to each of the questions listed in Schedule 6.6. The due date for each semi-annual report is listed in Appendix 1.

6.7 Annual Reports. By _____ of each year, commencing in _____, the Awardee shall deliver to the Fund an annual report covering the preceding _____ through _____ period. The due date for each such annual report is listed in Appendix 1. Such report shall be in the form found at Schedule 6.7 attached hereto and contain the following information:

- (a) a narrative description of the Awardee's activities in support of its Comprehensive Business Plan;

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- (b) qualitative and quantitative information on the Awardee's compliance with its performance goals and (if appropriate) an analysis of factors contributing to any failure to meet such goals; and
- (c) information describing the manner in which the Assistance and any corresponding Matching Funds were used; and
- (d) the aggregate number of Awardee shares outstanding as of September 30 of each preceding year.

In addition, the Awardee shall attach to its annual report, a completed and executed Financial Status Report, SF-269A, reporting on the status of the Technical Assistance. The Financial Status Report shall be on an accrual basis. In completing its Financial Status Report, the Awardee shall leave Items 10.b., 10.e. and 11 blank. Copies of the SF-269A and instructions on completing the SF-269A may be obtained from the Fund's Awards Manager.

6.8 Audited Financial Statements. Within ___ days after the end of fiscal year ___ of the Awardee and each fiscal year thereafter, the Awardee shall deliver to the Fund the Awardee's most recent audited financial statements prepared in accordance with generally accepted accounting principals. The due date for such audited financial statements is listed in Appendix 1. Such statements shall cover the operations of the Awardee's most recently completed fiscal year.

6.9 Equal Credit Opportunity Act. The Awardee shall provide its products and services in a manner that is consistent with the Equal Credit Opportunity Act (15 U.S.C. § 1691), to the extent that the Awardee is subject to the requirements of such Act.

6.10 Use of Funds. The Awardee shall use any Assistance provided hereunder and the corresponding Matching Funds described herein only as permitted hereby. The Awardee shall not use any of the Assistance to pay or provide reimbursement for payment of the salary of a consultant at more than the daily rate equivalent of the rate paid for level IV of the Executive Schedule, unless specifically authorized by law. For calendar year 2002, this daily rate equivalent is \$515.38.

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6.11 Certain Insider Activities. The Awardee shall comply with the restrictions on Insider activities set forth at § 1805.806 of the CDFI Regulations.

6.12 Maintain Existence as a CDFI and Despository Institution Holding Company or Insured Depository Institution. The Awardee shall do all things necessary to preserve, renew and keep in full force and effect its existence as a CDFI and simultaneously with its delivery to the Fund of the annual report required by Section 6.7 hereof shall deliver to the Fund a certification to such effect in the form set forth on Schedule 6.7 attached hereto.

6.13 Financial and Managerial Soundness.

- (a) The Awardee shall produce, for its internal review each month, unaudited financial statements including at least a balance sheet and an income and expense statement.
- (b) At least quarterly, the Awardee shall conduct a portfolio review evaluating individually the status of each loan in the portfolio.
- (c) The Awardee shall comply with its Financial Soundness Goal set forth in Goal 2 of Schedule 5.6 attached hereto.
- (d) Simultaneously with its delivery to the Fund of the annual report required by Section 6.7 hereof, the Awardee shall deliver to the Fund a certification that it has complied with subsections (a) and (b) of this Section 6.13 in the form set forth on Schedule 6.7 attached hereto.

6.14 Advise the Fund of Certain Material Events. The Awardee shall promptly advise the Fund in writing in reasonable detail of any of the following events:

- (a) any proceeding instituted against the Awardee in, by or before any court, governmental or administrative body or agency, which proceeding or its outcome could have a material adverse effect upon the operations, assets or properties of the Awardee;
- (b) any material adverse change in the condition, financial or otherwise, or operations of the Awardee;

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- (c) any substantial change in the business of the Awardee;
- (d) the occurrence of any Event of Default, as that term is defined in Section 7.1 hereof, or any event which upon notice or lapse of time, or both, would constitute an Event of Default;
- (e) the merger or acquisition of the Awardee by or with another entity; or
- (f) the Fund's percentage of shareholder equity in the Awardee exceeds 50%; or
- (g) the loss of the Awardee's Depository Institution Holding Company existence under U.S.C. § 1813 (w)(1).

6.15 Annual Survey. By such date as the Fund may specifically prescribe in a letter to the Awardee of each year, the Awardee shall deliver to the Fund a response to an annual survey covering the preceding _____ through _____ period. The purpose of the annual survey is to assist the Fund in evaluating: (i) the extent to which the Awardee has accomplished its Comprehensive Business Plan (including, but not limited to, the "Activities Level Chart" and the Impact and Institutional Performance Chart"), and (ii) the accomplishments of the CDFI Program. The Fund will provide the form and content requirements of the annual survey. The due date for each such survey is listed in Appendix 1.

6.16 Amendment of Articles of Incorporation of Awardee. If the Awardee issues a new class or series of stock, including, but not limited to, Preferred Stock, the rights, preferences, privileges and restrictions granted to and imposed upon such new class or series of stock shall not impede the Fund's ability to enforce the remedies available under Section 7.2 of this Agreement.

6.17 Disposition of Advances of Technical Assistance. Except as otherwise provided in OMB Circular Number A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations," as amended, Advances of Technical Assistance shall be deposited and maintained in insured, interest-bearing accounts. Interest earned exceeding \$250 in each Awardee fiscal year on any Advances of Federal grant monies including, but not limited to, the Technical Assistance provided under the Assistance Agreement shall be remitted annually to the Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to \$250 in each Awardee fiscal year may be retained by the Awardee for administrative expenses.

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**ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES**

7.1 Events of Default. If any one or more of the following events occurs, the Fund, in its sole discretion, may find the Awardee to be in default:

- (a) fraud, mismanagement, or non-compliance with the Act;
- (b) any representation, warranty, certification, assurance or any other statement of fact set forth in this Assistance Agreement or the Application of the Awardee including, but not limited to, the Assurances and Certifications contained in the Application, or any representation or warranty set forth in any document, report, certificate, financial statement or instrument now or hereafter furnished in connection with this Assistance Agreement, is found by the Fund to be inaccurate, false, incomplete or misleading when made, in any material respect;
- (c) the failure of the Awardee to observe, comply with or perform any term, covenant, agreement or other provision contained in the CDFI Regulations, the Assistance Agreement including, but not limited to the Performance Goals, or the Application including, but not limited to, the Assurances and Certifications, or any instrument, note or any other document delivered to the Fund in connection with or pursuant to this Assistance Agreement;
- (d) the failure of the Awardee to conduct its business in the usual and ordinary course or to maintain its corporate existence and right to carry on its business and duly obtain all necessary renewals and extensions thereof and to maintain, preserve and renew all such rights, powers, privileges and franchises; provided, however, that no default will be deemed to occur in the event that the Awardee ceases or omits to exercise any rights, powers, privileges, or franchises that in the judgment of its board of directors may no longer be exercised in the best interests of the Awardee; or
- (e) the Fund holds more than 50% of the equity of the Awardee.

7.2 Remedies. If the Fund finds the Awardee to be in default under Section 7.1 of this Assistance Agreement, the Fund may, in its sole discretion, take any one or more of the following actions, subject to Section 7.4 of this Agreement:

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- (a) require changes in the Awardee's Performance Goals attached hereto and incorporated herein;
- (b) require changes in the Awardee's Comprehensive Business Plan defined herein;
- (c) revoke approval of the Awardee's Application;
- (d) revoke approval of any other applications submitted to the Fund by the Awardee under any of the Fund's programs;
- (e) reduce or terminate the Awardee's Assistance authorized hereunder;
- (f) require repayment of any Assistance that has been distributed to the Awardee pursuant hereto in exchange for a commensurate portion of the Stock;
- (g) bar the Awardee from reapplying for any Assistance from the Fund;
- (h) require the Awardee to convene a meeting(s) of its board of directors at which meeting(s) the Fund will be given the opportunity to address the attendees with respect to the Fund's evaluations and concerns regarding the performance of the Awardee under the Assistance Agreement; or
- (i) take such other actions as the Fund deems appropriate.

7.3 No Waiver. No course of dealing on the part of the Fund or any delay or failure on the part of the Fund to exercise any right herein will operate as a waiver of the right or otherwise prejudice the Fund's rights, powers and remedies under this Assistance Agreement, the Act, the CDFI Regulations or any other applicable law or regulation.

7.4 Prior Notice to Awardee of Sanctions. Prior to exercising or imposing any remedy contained herein, the Fund will, to the maximum extent practicable, provide the Awardee with written notice of the incidence(s) giving rise to the default and the proposed remedy (or remedies). The Fund's written notice will give the Awardee 10 calendar days from the date of the notice to respond. The Fund may, in its sole discretion, also afford the Awardee 20 calendar days from the date of the notice to correct the incidence(s) giving rise to the default. If the Awardee fails to respond within either the 10 calendar day response time or, if applicable, the 20 calendar day correction or cure period, the Fund may, in its sole discretion, impose or exercise the

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remedy (or remedies) set forth in its written notice. Nothing in this Assistance Agreement, however, will provide the Awardee with any right to any formal or informal hearing or comparable proceeding not otherwise required by law.

**ARTICLE VIII
MISCELLANEOUS**

8.1 Notices. All notices, requests, demands, consents, waivers and other communications given under any provision of this Assistance Agreement shall be in writing and shall be delivered by hand, mailed by postage-prepaid first-class mail or delivered by overnight courier service, to the addresses indicated below, or to such different address or addresses as the addressee may have specified in a notice duly given to the sender:

if to the Fund:

Community Development Financial Institutions Fund
Department of the Treasury
Attention: Awards Manager
601 13th Street, NW, Suite 200 South
Washington, DC 20005

if to the Awardee:

Attention:_____

All notices and other communications from the Awardee to the Fund shall include the Award number: _____.

8.2 Entire Agreement. This Assistance Agreement, the Schedules, and Appendix attached hereto, the Application and the attachments, exhibits, appendices and supplements to the Application, and the Notice of Award dated _____, 2002, between the Awardee and the Fund with respect to the obligation of funds necessary to provide Assistance to the Awardee contain the entire agreement of the parties with respect to the subject matter hereof and supersede all prior agreements or understandings, written or oral, in respect thereof, and no change, modification or waiver of any provision hereof shall be valid unless in writing and signed by the party to be bound. The Application, including any attachments, exhibits, appendices and supplements thereto, any attachments, schedules, exhibits, appendices and supplements to this Assistance Agreement, and said Notice of Award are incorporated in and made a part of this Agreement.

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8.3 Assignment. The Awardee may not assign, pledge or otherwise transfer any rights, benefits or responsibilities of the Awardee under this Assistance Agreement without the prior written consent of the Fund. In addition, any assignment by the Awardee shall comply, to the extent applicable, with the Assignment of Claims Act, codified at 31 U.S.C. § 3727.

8.4 Successors. The rights, benefits and responsibilities of each of the parties hereto shall inure to their respective successors, subject to this Section 8.4. If the Awardee merges with or is acquired by another entity, the Fund reserves the right to examine the new entity, which acquired or merged with the Awardee, to determine its acceptability as an Awardee. If the Fund determines that the new entity is not eligible or acceptable as an Awardee, or if the new entity does not agree to abide by all the provisions of this Assistance Agreement and shall continue operations and performance as if there were no interruption in the parties to this Agreement, the Fund may terminate the continued provision of Assistance under this Agreement and take any or all remedies it deems appropriate in accordance with Sections 7.2 and 7.4 herein.

8.5 Severability. If any provision of this Assistance Agreement shall for any reason be held to be illegal, invalid or unenforceable, such illegality, invalidity or unenforceability shall not affect any other provision of this Assistance Agreement, and this Assistance Agreement shall be construed as if such illegal, invalid or unenforceable provision had never been contained herein.

8.6 No Waiver. No delay or failure on the part of either party in exercising any rights hereunder, and no partial or single exercise thereof, shall constitute a waiver of such rights or of any other rights hereunder.

8.7 Applicable Law. This Assistance Agreement shall be governed by and construed in accordance with Federal law to the extent such Federal law is applicable, and to the extent Federal law is not applicable, this Assistance Agreement shall be governed by and construed in accordance with the law of the State of incorporation of the Awardee.

8.8 Disclaimer of Relationships.

- (a) The Awardee shall not be deemed to be an agency, department or instrumentality of the United States merely by virtue of it being an Awardee.
- (b) Nothing in this Assistance Agreement, nor any act of the Fund or the Awardee, shall be construed by either

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of them, or by a third party, to create any relationship of third-party beneficiary, principal and agent, limited or general partner or joint venture, or of any association or relationship whatsoever involving the Fund.

- (c) Notwithstanding any other provision of law, the Fund shall not be deemed to control the Awardee by reason of any Assistance provided hereunder for the purpose of any other applicable law, provided that the Fund does not own more than 50 percent of the equity of the Awardee.

8.9 Counterparts. This Assistance Agreement may be executed in counterparts, each of which shall constitute an original but all of which together shall constitute one and the same instrument.

8.10 Headings. The headings contained in this Assistance Agreement are for convenience only and shall not affect the meaning or interpretation of this Assistance Agreement.

8.11 Amendments. The terms of this Assistance Agreement may be amended, modified, or supplemented by the mutual written consent of the parties hereto.

8.12 Survival of Representations and Warranties. All representations, warranties, covenants, and agreements made by the Awardee in this Assistance Agreement or the Application, including, without limitation, all Assurances and Certifications contained in the Application, or in any document, report, certificate, financial statement, note or instrument now or hereafter furnished in connection with this Assistance Agreement shall survive the execution and delivery of this Assistance Agreement and the provision of any Assistance pursuant hereto.

8.13 Termination. Unless otherwise mutually agreed upon in writing by the parties hereto, this Assistance Agreement shall terminate when all of the following conditions have been met:

- (a) the Fund determines that the Awardee has submitted to the Fund the reports required by Sections 6.6, 6.7, 6.8, and 6.15 hereof covering activity through [Insert date for final Performance Goal benchmark];
- (b) the Fund determines that all Assistance provided hereunder has been used as permitted hereby;
- (c) the Fund determines that the Awardee has met all of its Performance Goals; and
- (d) the Fund ceases to own any shares of the Stock.

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At such times as the conditions in Section 8.13(a), (b) and (c) have been met, but the condition in Section 8.13(d) hereof has not been met:

- (a) the following provisions of this Agreement shall no longer be applicable: Sections 3.3, 3.4, 3.5, 5.6, 6.6, 6.7, 6.8, and 6.14;
- (b) Notwithstanding the foregoing, Section 6.7(d) shall remain in effect, and the Awardee shall deliver to the Fund by _____ of each year the information described therein. In addition, the Awardee shall promptly deliver to the Fund each year its annual report to shareholders; and
- (c) Section 6.12 and 6.15 hereof will remain in effect, except that the annual certification attached to Schedule 6.7 and the annual survey described in Section 6.15 will not be required, unless specifically requested by the Fund.

8.14 Applicability of Criminal Provisions. The criminal provisions of 18 U.S.C. § 657 regarding embezzlement or misappropriation of funds are applicable to all Awardees and Insiders.

8.15 Disclosure of Awardee Reports by Fund. The Fund will, consistent with applicable law, make reports described in Section 6.7 hereof available for public inspection after deleting any materials necessary to protect privacy or proprietary interests.

8.16 Limitation on Fund and Federal Liability. The liability of the Fund and the United States Government arising out of the provision of any Assistance to the Awardee hereunder shall be limited to the amount of such Assistance. The Fund shall be exempt from any assessments and other liabilities that may be imposed on controlling or principal shareholders by any Federal law or the law of any State, Territory or the District of Columbia. Nothing herein is intended or should be construed to affect the application of any Federal tax law.

8.17 Limitations on Fund Equity Investment. The Fund will neither own nor control more than 50 percent of the equity of the Awardee, nor will it control the operations of the Awardee.

8.18 Authority to Sell Equity Investment. The Fund may, at any time, sell any share(s) of Stock purchased pursuant hereto; however, the Fund will retain the power to enforce any agreements, covenants and other obligations of the Awardee

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hereunder until such time as the Fund determines that the Awardee has achieved all of its Performance goals.

8.19 Compliance with Non-Discrimination Sections. Awardee shall comply with all Federal statutes relating to non-discrimination, including, but not limited to: Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Drug Abuse Office and Treatment Act of 1972; the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970; and §§ 523 and 527 of the Public Health Service Act of 1912; Title VIII of the Civil Rights Act of 1968.

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IN WITNESS WHEREOF, the parties hereto have duly executed this Assistance Agreement as of the date first above written.

THE FUND: **Community Development Financial
Institutions Fund**

By: _____
Name:
Title:

THE AWARDEE: **[Name of Awardee]**

By: _____
Name:
Title:

Award No. :
Date:

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**Schedule 3.5
Award No.**

CERTIFICATION OF MATCHING FUNDS AND REPRESENTATIONS AND WARRANTIES

I, _____ (the "Authorized Representative"), do hereby make the following certifications on behalf of **[Name of Awardee]** (the "Awardee") with respect to that certain Assistance Agreement entered into by and between the Community Development Financial Institutions Fund and the Awardee, dated _____ (the "Assistance Agreement"):

1. Funds used by the Awardee as Matching Funds for purposes of the Assistance Agreement have not been used by the Awardee to satisfy a legal requirement under another Federal grant or award program. To the extent that the Awardee has expended any of the Matching Funds prior to the execution of the Assistance Agreement, any such expenditures of the Matching funds promoted the purposes of the Awardee's Comprehensive Business Plan.
2. For purposes of the Assistance Agreement, the funds described on the attached "Matching Funds Analysis" are (a) have been received as grant payments to the Awardee and (b) satisfy all Matching Funds requirements set forth in 12 C.F.R. 1805.500 et seq. and the NOFA.
3. All information contained in or attached to this Certificate is true, accurate and complete.

IN WITNESS WHEREOF, I have signed this Certificate in the capacity indicated below as of this _____ day of _____, 2002.

[Name of Awardee]

By: _____
Name:
Title:

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MATCHING FUNDS ANALYSIS
[Name of Awardee]
Award No.

No.	Investor	Amount	Date	Source Documentation
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				

Total Matching Funds: \$

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**Schedule 3.8
Award No.**

**STOCK CERTIFICATE FORM
[Name of Awardee]**

Attached hereto is a copy of the Stock Certificate form to be used to evidence the Fund's Equity Investment in the Awardee.

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**Schedule 4.1A
Award No.**

**ARTICLES OF INCORPORATION
[Name of Awardee]**

The Awardee does hereby represent and warrant to the Fund that the attached articles of incorporation are true, accurate and complete as of the date of this Assistance Agreement.

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**Schedule 4.1B
Award No.**

**BYLAWS
[Name of Awardee]**

The Awardee does hereby represent and warrant to the Fund that the attached bylaws are true, accurate and complete as of the date of this Assistance Agreement.

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**Schedule 4.1C
Award No.**

**CAPITALIZATION
[Name of Awardee]**

The Awardee hereby represents and warrants to the Fund that: (i) all of its authorized capital stock is set forth below and has been duly authorized, validly issued, and is fully paid and nonassessable; (ii) there are no preemptive rights or similar rights on the part of the holder of shares of capital stock of the Awardee; and (iii) no other class of capital stock of the Awardee is outstanding or authorized except as set forth below.

[to be completed]

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**Schedule 4.1D
Award No.**

**SUBSIDIARIES AND AFFILIATES
[Name of Awardee]**

The Awardee hereby represents and warrants to the Fund that the following is an accurate and complete listing of the Awardee's Subsidiaries and Affiliates: _____.

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**Schedule 4.8
Award No.**

**OPTIONS AND WARRANTS
[Name of Awardee]**

The Awardee hereby represents and warrants to the Fund that there are no options, warrants or other rights for the purchase of any shares of capital stock of the Awardee presently outstanding and no authorization therefor is presently in effect, except as set forth below:

[to be completed]

SHAREHOLDER LIST
[Name of Awardee]

The Awardee hereby represents and warrants to the Fund that the following is a complete and correct list of the shareholders of the Awardee and of the shareholders of the Awardee as they will exist at the time of the sale, purchase, and delivery of the Stock to be issued and sold pursuant to this Agreement, showing the class, series, and number of shares of capital stock held or to be held by each shareholder.

No.	Shareholder	Class/Series	Outstanding Shares
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			

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Schedule 5.1, 5.3
Award No.

**CERTIFICATION OF PERFORMANCE AND
REPRESENTATIONS AND WARRANTIES**

I, _____ (the "Authorized Representative"),
do hereby make the following certifications on behalf of **[Name of
Awardee]** (the "Awardee"):

(i) The Awardee has performed and complied with all applicable agreements and conditions required by the Assistance Agreement to be performed or complied with by it before or at the Closing; and

(ii) the representations and warranties set forth in the Assistance Agreement and the Assurances and Certifications contained in the Application (as defined in the Assistance Agreement) are true and correct in all material respects as of the date hereof and as of the Closing Date (as defined in the Assistance Agreement).

IN WITNESS WHEREOF, I have signed this Certificate in the capacity indicated below as of this _____ day of _____, 2002.

[Name of Awardee]

By: _____
Name:
Title:

**Performance Goals for
[Name of Awardee]**

This schedule sets forth Performance Goals that have been established by mutual agreement between the Fund and the Awardee. For each Performance Goal included in the chart below, one or more measures are set forth. For each measure, a benchmark is included to assess performance as of the Annual Evaluation Date. The period during which performance will be measured will begin on _____. The Fund will determine whether or not a Performance Goal has been met by assessing the Awardee's actual performance against the Satisfactory Benchmark. The Fund reserves the right to verify to its satisfaction the accuracy of information submitted by the Awardee in connection with the Performance Goals, including, without limitation, information submitted pursuant to Section 6.7 of the Assistance Agreement.

If, for any Performance Goal, as of the Annual Evaluation Date, the Awardee's performance for each measure relating to such Performance Goal is at or above the "satisfactory" range, the Awardee will be deemed by the Fund to have met such Performance Goal.

If, for any Performance Goal, as of the Annual Evaluation Date, the performance for any measure relating to such Performance Goal is in the "unacceptable" range, the Awardee will be deemed by the Fund to have failed to meet such Performance Goal.

[AWARDEE NAME]
Semi-Annual Report
for Reporting Period: _____ through _____, _____

1. Information relating to Financial Soundness Goal (Goal 2, as described in Schedule 5.6), as of the end of the semi-annual reporting period:

Net revenue for fiscal year:

Total revenues \$ _____
Total expenses - \$ _____
Net revenue = \$ _____

If the net revenue amount is negative, please respond to the enumerated questions listed below.

2. Additional information to be included:

- Internal unaudited financial statements, including balance sheet and income expenses statements, covering the fiscal year through the end date of this reporting period.
- If the Awardee has failed to meet its Financial Soundness Goal, please provide a response to the following questions:
 1. Did the Awardee’s annual budget for the most recently completed fiscal year, as approved by the Awardee’s Board of Directors, anticipate not meeting its Financial Soundness Goal?
 2. Why did the Awardee not meet its Financial Soundness Goal?
 3. How does not meeting its Financial Soundness Goal affect its financial condition?
 4. How does the Awardee’s performance on its Financial Soundness Goal compare to its performance on the same agreement in the prior fiscal year?
 5. Does the Awardee’s inability to meet its Financial Soundness Goal place the Awardee in violation of any financial soundness requirements with any of its lenders, funders or investors, or violate the Awardee’s financial management policies? If yes, please explain.
 6. Does the Awardee’s inability to meet its Financial Soundness

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Goal adversely affect the Awardee's ability or plans to leverage other funding sources? If yes, please explain.

7. What actions are being taken to ensure that the Awardee meets its Financial Soundness Goal in the future?
8. Does the Awardee expect to be able to meet its Financial Soundness Goal for the next reporting period? If no, please explain.

ALL INFORMATION CONTAINED IN OR ATTACHED TO THIS SEMI-ANNUAL REPORT AS REQUIRED BY SECTION 6.6 OF THE ASSISTANCE AGREEMENT IS TRUE, ACCURATE AND COMPLETE.

IN WITNESS WHEREOF, I have signed this Certificate in the capacity indicated below as of this _____ day of _____, ____.

[AWARDEE NAME]

BY: _____
Name:
Title:

Annual Report for
[Name of Awardee]:
Annual Reporting Period: _____ through _____, _____

1. Provide a narrative description of the Awardee's activities in support of its Comprehensive Business Plan during the annual reporting period.
2. Attach Schedule 5.6 of the Awardee's Assistance Agreement. For each measure, complete the "Actual Performance" line for this annual reporting period and previous annual reporting periods. If the Actual Performance for the current annual reporting period fails to achieve a "Satisfactory" rating for any performance measure, provide: an analysis of factors contributing to this failure, an explanation of what is being done to address the situation, and when the Awardee expects to be in compliance.
3. Describe how the Awardee's use of the CDFI Fund award and any corresponding Matching Funds during the annual reporting period were consistent with the Authorized Uses in Sections 3.4, 3.5 and 3.6 of the Awardee's Assistance Agreement.
4. List the aggregate number of Awardee shares outstanding as of September 30 of each preceding year.
5. Attach a completed Financial Status Report form, SF-269-A.
6. Awardee Certifications (see page 2):

AWARDEE CERTIFICATIONS

I, _____ (the "Authorized Representative"), do hereby make the following certifications on behalf of **[Name of Awardee]** (the "Awardee"):

(i) The Awardee continues to meet the eligibility requirements for certification as a CDFI pursuant to 12 C.F.R. § 1805.200 and will do all things necessary to preserve, renew and keep in full force and effect its existence as a CDFI pursuant to 12 C.F.R. § 1805.200;

(ii) Throughout the annual reporting period, the Awardee has produced, for its internal review each month, unaudited financial statements including at least a balance sheet and an income and expense statement;

(iii) Throughout the annual reporting period, the Awardee, at least quarterly, has conducted a portfolio review evaluating individually the status of each loan in its portfolio; and

(iv) All information contained in or attached to this Annual Report as required by Section 6.7 of the Assistance Agreement is true, accurate and complete.

IN WITNESS WHEREOF, I have signed this Certificate in the capacity indicated below as of this _____ day of _____, _____.

[Name of Awardee]

By: _____
Name:
Title:

Reporting Schedules for
[Name of Awardee]

Semi-Annual Report Due Dates	
Report for period ending on:	Due Date:

Annual Report Due Dates	
Report for period ending on:	Due Date:

Annual Survey Due Dates	
Report for period ending on:	Due Date:
	To be determined

Audited Financial Statement Due Dates	
Report for period ending on:	Due Date: