

instrument with the above-stated policy requirements. Such information will allow applicants, if they so choose, to modify the instruments to conform to the program requirements prior to the end of the Assessment Period. This process is intended to prevent circumstances in which an applicant executes loan documents without review by the Fund only to learn after the close of the Assessment Period that the transaction is ineligible for purposes of a Bank Enterprise Award. The Fund cannot guarantee timely feedback to applicants that submit the aforementioned documentation less than 45 days prior to the end of the applicable Assessment Period.

## VII. Reporting Financial Services Activities

In an effort to simplify the reporting requirements and reduce paperwork burden, the Fund is providing a new method for reporting Financial Services activities. The Fund will value the administrative cost of providing certain Financial Services at specified per unit values. The per unit values of specific types of Financial Services are as follows:

- (a) \$25.00 per account for non-ETA, non-IDA and non-First Account savings accounts;
- (b) \$40.00 per account for checking accounts;
- (c) \$5.00 per check cashing transaction times the total number of check cashing transactions;
- (d) \$25,000 per new ATM installed at a location in a Distressed Community;
- (e) \$2,500 per ATM operated at a location in a Distressed Community;
- (f) \$250,000 per new retail bank branch office opened in a Distressed Community; and
- (g) in the case of applicants engaging in Financial Services activities not described above, the Fund will determine the account or unit value of such services. In the case of opening a new retail bank branch office, the applicant must certify that it has not operated a retail branch in the same census tract in which the new retail branch office is being opened in the past three years, and that such new branch will remain in operation for at least the next five years.

An applicant may derive the total percentage of Low- and Moderate-Income individuals who are recipients of Financial Services by either:

- (a) Collecting income data on its Financial Services customers;
- (b) certifying that the applicant reasonably believes that such customers are Low- and Moderate-Income individuals and providing a brief

analytical narrative with information describing how the applicant made this determination; or

(c) using the Fund's methodology described below.

The Fund has developed a methodology for estimating the number of Low- and Moderate-Income Financial Services customers rather than requiring applicants to collect data on the actual income levels of its Financial Services customers. For both the Baseline Period and the Assessment Period, the value of Financial Services shall be derived based on the total number of new accounts, transactions or other eligible services multiplied by a per unit value of such services. This number shall be multiplied by the total percentage of Low- and Moderate-Income individuals who are residents of the census tracts where the Financial Services were provided (e.g., bank branch, ATM location). Such census tracts must be part of a Distressed Community. The Help Desk includes a component that will provide the needed census tract data.

## VIII. Cap on Qualified Activity Amount

In calculating award amounts, the Fund will count only the amount an applicant reasonably expects to disburse on a transaction within 12 months from the end of the Assessment Period. Subject to the exception outlined in Section V, above, in no event shall the value of a Qualified Activity for purposes of determining a Bank Enterprise Award exceed \$1 million in the case of Commercial Real Estate Loans or any CDFI Related Activities (i.e., the total principal amount of the transaction must be \$1 million, or less to be considered a Qualified Activity).

## IX. Priority Factors

For the purposes of this NOFA, Qualified Activities shall have the following Priority Factors:

Qualified activities	Priority factor
Personal Wealth Building, which includes: ..... Affordable Housing Loans; Home Improvement Loans; Small Business Loans and related Project Investments; Education Loans; and Targeted Financial Services, IDAs	3.0
Community Wealth Building, which includes: .....	2.0

Qualified activities	Priority factor
Affordable Housing Development Loans and related Project Investments; and Select Commercial Real Estate Loans and related Project Investments	

## X. Award Percentages, Award Amounts, Selection Process

The revised interim rule published in this issue of the **Federal Register** describes the process for selecting applicants to receive assistance and for determining award amounts. A multiple step procedure is outlined in the regulations that will be used to calculate the estimated award amounts. The Fund will calculate Actual Award Amounts based on increases in Qualified Activities (called the "Score") that occur during a 6-month or a 12-month Assessment Period in excess of activities that occurred during a 6-month or a 12-month Baseline Period. In calculating said award amounts, the Fund will count only the amount an applicant reasonably expects to disburse on a transaction within 12 months from the end of the Assessment Period, subject to applicable caps on Qualified Activity amounts set forth in this NOFA.

In the CDFI Related Activities category (except for Equity Investments in CDFIs), if an applicant is a CDFI, such estimated award amount will be equal to 18 percent of the total score calculated in the multiple step procedure. If an applicant is not a CDFI, such estimated award amount will be equal to 6 percent of the total score calculated in the multiple step procedure. Notwithstanding the foregoing, the award percentage applicable to an Equity Investment in a CDFI shall be 15 percent if the applicant is a CDFI, and 5 percent if the applicant is not a CDFI. For the Distressed Community Financing Activities and Service Activities categories, if an applicant is a CDFI, such estimated award amount will be equal to 9 percent of the total score calculated in the multiple step procedure. If an applicant is not a CDFI, such estimated award amount will be equal to 3 percent of the total score calculated in the multiple step procedure.

If the amount of funds available during the funding round is insufficient for all estimated award amounts, awardees will be selected based on the process described in the revised interim rule at 12 CFR 1806.203. This process gives priority to applicants in the following order: