

are expected to have strategies for ensuring financial viability (of both financing capital and operating funds) and reasonable amounts of matching funds in-hand, committed or likely to be raised (maximum of 20 points; minimum of 10 points required to be considered for an award).

The Fund will consider the institutional and geographic diversity of applicants in making its funding determinations.

Fund reviewers will evaluate and score each application and make recommendations for funding to the Fund's selecting official. A minimum of 50 points total, and the required minimum number of points in each section (with points allotted per evaluation criterion, as set forth above), is required for an application to be further considered for an award. As part of the substantive review process, applicants may receive a telephone interview or an on-site visit by Fund reviewers for the purpose of obtaining, clarifying, or confirming application information. During the review process, the applicant may be required to submit additional information about its application in order to assist the Fund in its final evaluation process. Such requests must be responded to within the time parameters set by the Fund.

In the case of an applicant that has previously received funding from the Fund through the Bank Enterprise Award (BEA) Program, CDFI Program or the NACTA Program, the Fund will consider, as appropriate:

(a) The applicant's level of success and extent of compliance in meeting its performance goals, financial soundness covenants (if applicable) and other requirements set forth in the assistance or award agreement(s) with the Fund, including submission of required reports on time;

(b) The benefits that will be created with new Fund assistance over and above benefits created by previous Fund assistance; and

(c) The extent and effectiveness to which the applicant has used previous assistance from the Fund.

The Fund's selecting official will make a final funding determination based on the applicant's file, reviewer scores and recommendations, and the amount of funds available. In the case of regulated CDFIs, the selecting official will take into consideration the views of the appropriate Federal banking agencies.

Each applicant will be informed of the Fund's award decision either through a Notice of Award if selected for an award (see Notice of Award section, below) or a declination letter, if not selected for an

award, which may be for reasons of application incompleteness, ineligibility or substantive issues. Any applicant that is not selected for an award due to application incompleteness or ineligibility, and that believes that such decision was made in error, may appeal said decision by notifying the Fund's Awards Manager in writing or by e-mail (at cdfihelp@cdfi.treas.gov, Attention: Awards Manager); such appeals must be received by the Fund within five business days of the date of the declination letter. Such appeal requests will be reviewed by the Fund's Deputy Director for Management and the Deputy Director for Policy and Programs, as appropriate, whose decision will be final. All applicants that are not selected for awards based on substantive issues, will be given the opportunity to request feedback on the strengths and weaknesses of their applications. This feedback will be provided in a format and within a timeframe to be determined by the Fund, based on available resources.

The Fund reserves the right to change these evaluation procedures, if the Fund deems it appropriate; if said procedural changes materially affect the Fund's award decisions, the Fund will provide information regarding the procedural changes through the Fund's Web site.

VI. Notice of Award

The Fund will signify its selection of an applicant as an awardee by delivering a signed Notice of Award to the applicant. The Notice of Award will contain the general terms and conditions underlying the Fund's provision of assistance including, but not limited to, the requirement that an awardee and the Fund enter into an Assistance Agreement. The applicant must execute the Notice of Award and return it to the Fund. By executing a Notice of Award, the awardee agrees that, if prior to entering into an Assistance Agreement with the Fund, information comes to the attention of the Fund that either adversely affects the awardee's eligibility for an award, or adversely affects the Fund's evaluation of the awardee's application, or indicates fraud or mismanagement on the part of the awardee, the Fund may, in its discretion and without advance notice to the awardee, terminate the Notice of Award or take such other actions as it deems appropriate. Moreover, by executing a Notice of Award, an awardee agrees that, if prior to entering into an Assistance Agreement with the Fund, the Fund determines that the awardee is not in compliance with the terms of any previous Assistance Agreement entered

into with the Fund, the Fund may, in its discretion and without advance notice to the awardee, either terminate the Notice of Award or take such other actions as it deems appropriate. The Fund reserves the right, in its sole discretion, to rescind its award if the awardee fails to return the Notice of Award, signed by the authorized representative of the awardee, along with any other requested documentation, within the deadline set by the Fund.

VII. Assistance Agreement

Each applicant that is selected to receive an award under this NOFA must enter into an Assistance Agreement with the Fund. The Assistance Agreement will set forth certain required terms and conditions of the award, which will include, but not be limited to,

- (a) The amount of the award;
- (b) The type of award;
- (c) The approved uses of the award;
- (d) The approved Target Market to which the award must be targeted;
- (e) Performance goals and measures; and

(f) reporting requirements for all awardees. Assistance Agreements under this NOFA will generally have three-year performance periods. The Fund reserves the right, in its sole discretion, to rescind its award if the awardee fails to return the Assistance Agreement, signed by the authorized representative of the awardee, along with any other requested documentation, within the deadline set by the Fund.

In addition to entering into an Assistance Agreement, each awardee that receives an award either:

(a) In the form of a loan, equity investment, credit union shares/deposits, or secondary capital, in any amount, or

(b) A FA grant in an amount greater than \$500,000, must furnish to the Fund an opinion from its legal counsel, the content of which will be specified in the Assistance Agreement, to include, among other matters, an opinion that the awardee:

(i) Is duly formed and in good standing in the jurisdiction in which it was formed and/or operates;

(ii) Has the authority to enter into the Assistance Agreement and undertake the activities that are specified therein; and

(iii) Has no pending or threatened litigation that would materially affect its ability to enter into and carry out the activities specified in the Assistance Agreement.

VIII. Performance Rating: PLUM

In order to better manage its portfolio of awards, the Fund is developing a