



**STATE OF WASHINGTON
DEPARTMENT OF COMMERCE**

REQUEST FOR PROPOSALS (RFP)

RFP NO. SSBCI-2022

NOTE: *If you download this RFP from the Department of Commerce website, you are responsible for sending your name, address, e-mail address, and telephone number to the RFP Coordinator in order for your organization to receive any RFP amendments or bidder questions/agency answers.*

PROJECT TITLE: State Small Business Credit Initiative (SSBCI) 2.0

PROPOSAL DUE: January 14, 2022 at 2:00 PM, Pacific Time, Olympia, WA

ESTIMATED TIME PERIOD FOR CONTRACT: May 2022 – December 2030

CONSULTANT ELIGIBILITY: This procurement is open to those consultants that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

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1. INTRODUCTION

1.1. PURPOSE AND BACKGROUND

The Washington State Department of Commerce hereafter called "COMMERCE," is initiating this Request for Proposals (RFP) to solicit proposals from firms interested in participating in a project to assist with the implementation of the federal State Small Business Credit Initiative (hereafter, SSBCI).

SSBCI is a federal program administered by the Department of the Treasury (Treasury) created to strengthen state programs that support private financing to small businesses. On March 11, 2021, President Biden signed into law the American Rescue Plan Act of 2021, which provided \$10 billion to fund the State Small Business Credit Initiative (SSBCI). Through SSBCI, Treasury will provide funds to state governments for small business credit support and investment programs.

SSBCI provides funding for state small business lending and investment programs. There are two state program categories:

- Capital Access Programs (CAPs) and
- Other Credit Support Programs (OCSPs).

CAPs provide portfolio insurance to lenders that make small business loans.

OCSPs include other programs that provide support for small business lending and investment that are not CAPs. These programs include:

- Collateral support programs,
- Loan participation programs,
- State-sponsored venture capital programs,
- Loan guarantee programs, and
- Other similar programs.

Consultants must follow federal guidance in submitting Proposals to Commerce. For additional information on SSBCI programs and requirements, see the U.S. Treasury's guidance [here](#). Consultants should also review and use templates listed within Section 1.2: Objectives and Scope of Work.

Washington will be receiving up to \$163,460,354 million in federal funds to administer the SSBCI. These funds must be used for lending and investment. Technical assistance is not an eligible expense, except under very limited circumstances. Commerce expects to apply for federal technical assistance funds as they become available and will seek technical assistance partners potentially through other RFP process or via another avenue recommended by Treasury once more guidance is available.

Venture capital funds offer a variety of services to their portfolio companies (i.e., the potential SSBCI investees). These services can include, for example, financial management, operational guidance, IT consulting, and connecting portfolio companies to potential customers, investors, board members, and officers. As these services to portfolio companies are a type of equity support, SSBCI funds, out of the federal contribution, may be used to pay for such support up to an annual average of 1.71 percent of the federal contribution to a venture capital fund over the life of the state's venture capital program. Commerce will be reviewing programs which are currently formed and are sustainable with or without the full amount of administrative funding with deference to those that can provide the greatest external benefit.

The SSBCI program allows for administrative costs but may not exceed 5% for the first tranche of funding and 3% for the second and third tranches.

COMMERCE intends to award multiple contracts to provide the services described in this RFP. Final Contract approval will be granted by the U.S. Dept. Of Treasury and all contractors must be willing and able to meet Federal Requirements.

1.2. OBJECTIVES AND SCOPE OF WORK

Commerce is seeking proposals to identify consultants interested in implementing Capital Access Programs (CAP) and Other Credit Support Programs (OCSPs) under Treasury's SSBCI program.

Objectives and scope of work include providing loans and/or investments to:

- Promote equity through support of SEDI and very small businesses
- Catalyze private investment at a ratio of 10:1 for every dollar of SSBCI capital program funding,
- Fuel economic growth and good jobs,
- Provide long-term strategic benefits to the state, including but not limited to community development, carbon reduction, manufacturing innovations, clean infrastructure and improving local supply chains, and
- Administer strong fiscal oversight through compliance with federal requirements.

Technical assistance, except in very limited circumstances, is not part of this scope of work.

Commerce expects to apply for federal technical assistance funds through an anticipated SSBCI competitive process administered through the U.S. Department of Treasury. As this becomes available, Commerce will seek technical assistance partners potentially through another RFP process or via other avenue recommended by Treasury once more guidance is available.

1.3 MINIMUM QUALIFICATIONS

Minimum qualifications include:

- Licensed to do business in the State of Washington or submit a statement of commitment that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Contractor.
- 3 years of experience in lending funds to the target populations and geographies described in the program proposal(s).
- Programs must demonstrate that, at a minimum, \$1 of public investment by the state program will cause and result in \$1 of new private credit. This 1:1 financing is an eligibility requirement. As a result, Treasury will only approve programs that demonstrate that the design of the program will meet the 1:1 financing ratio.

1.4 FUNDING

COMMERCE has an overall SSBCI budget in an amount not to exceed \$163,460,354 for this project. Proposals cannot be in excess of this amount. Commerce reserves the right to negotiate requested budgeted amounts.

COMMERCE intends to award multiple contracts to provide the services described in this RFP.

Any contract awarded as a result of this procurement is contingent upon the availability of funding. In the event additional funding becomes available, any contract awarded may be renegotiated to provide for additional related services.

1.5 PERIOD OF PERFORMANCE

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on or about May 2022, or once Treasury has approved the contracts from the awarded proposals, and to

end on December 2030. Amendments extending the period of performance, if any, shall be at the sole discretion of the COMMERCE.

Commerce reserves the right to extend the contract for two one-year periods, based upon Commerce request and approval by the U.S. Department of Treasury.

1.6 CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Proposers should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

1.7 DEFINITIONS

Definitions for the purposes of this RFP include:

Apparent Successful Contractor: The consultant selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract.

Consultant: Individual or company interested in the RFP and that may or does submit a proposal in order to attain a contract with the AGENCY.

Contractor: Individual or company whose proposal has been accepted by COMMERCE and is awarded a fully executed, written contract.

COMMERCE or AGENCY: The Department of Commerce is the agency of the state of Washington that is issuing this RFP.

Proposal: A formal offer submitted in response to this solicitation.

Proposer: Individual or company that submits a proposal in order to attain a contract with COMMERCE.

Request for Proposals (RFP): Formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen. The purpose of an RFP is to permit the consultant community to suggest various approaches to meet the need at a given price.

1.8 ADA

COMMERCE complies with the Americans with Disabilities Act (ADA). Consultants may contact the RFP Coordinator to receive this Request for Proposals in Braille or on tape.

2. GENERAL INFORMATION FOR CONSULTANTS

2.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact in COMMERCE for this procurement. All communication between the Consultant and COMMERCE upon release of this RFP shall be with the RFP Coordinator, as follows:

Name	Ashly McBunch
E-Mail Address	ashly.mcbunch@commerce.wa.gov

Any other communication will be considered unofficial and non-binding on COMMERCE. Consultants are to rely on written statements issued by the RFP Coordinator. *Communication directed to parties other than the RFP Coordinator may result in disqualification of the Consultant.*

2.2. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Issue Request for Proposals	December 10, 2021
Question & answer period	Dec. 10 – Dec 31, 2021
Answers to Q&A posted no later than	January 7, 2022
Pre-Proposal Conference (See 2.3)	December 15, 2021
Proposals due	January 14, 2022
Evaluate proposals	Jan. 17 – Jan 28, 2022
Announce “Apparent Successful Contractor” and send notification via e-mail to unsuccessful proposers	February 10, 2021
Hold debriefing conferences (if requested)	February 14 -16th
Negotiate contract	Feb 10 – April 2022
Begin contract work	April 2022

COMMERCE reserves the right to revise the above schedule.

2.3 PRE-PROPOSAL CONFERENCE

A pre-proposal conference is scheduled to be held on **December 15, 2021** from **1 p.m. to 2:30 p.m.**, Pacific Time by virtual platform. The conference is address is:

You are invited to a Zoom meeting.

Register in advance for this meeting:

<https://wastatecommerce.zoom.us/join/zoom/register/tZllcO6hrzkqEtOle3Jcd274cqQN2iq0Akh>

After registering, you will receive a confirmation email containing information about joining the meeting.

All prospective Consultants are encouraged to attend, however attendance is not mandatory. The conference will be recorded.

COMMERCE will be bound only to COMMERCE written answers to questions. The pre-proposal conference will be recorded and posted on the Commerce webpage located [here](#), once available. Any and all subsequent communication with the RFP Coordinator will be documented and answered in written form. A copy of the questions and answers will be sent to each prospective Consultant that has received a copy of the RFP or made the RFP Coordinator aware of its interest in this procurement.

2.4 SUBMISSION OF PROPOSALS

ELECTRONIC PROPOSALS:

The proposal must be **received by the RFP Coordinator** no later than **2:00 PM, Pacific Time, on January 14, 2022**.

Proposals must be submitted electronically as an attachment to an e-mail to the RFP Coordinator, at the e-mail address listed in Section 2.1. Attachments to e-mail shall be in Microsoft Word format or PDF. Zipped files cannot be received by COMMERCE and cannot be used for submission of proposals. The cover submittal letter and the Certifications and Assurances form must have a scanned signature of the individual within the organization authorized to bind the Consultant to the offer. COMMERCE does not assume responsibility for problems with Consultant's e-mail. If COMMERCE email is not working, appropriate allowances will be made.

Proposals may not be transmitted using facsimile transmission.

Consultants should allow sufficient time to ensure timely receipt of the proposal by the RFP Coordinator. **Late proposals will not be accepted and will be automatically disqualified from further consideration**, unless COMMERCE e-mail is found to be at fault at COMMERCE'S sole determination. Requests for deadline extensions will not be granted. All proposals and any accompanying documentation become the property of COMMERCE and will not be returned.

2.5 PROPRIETARY INFORMATION AND PUBLIC DISCLOSURE

Proposals submitted in response to this competitive procurement shall become the property of COMMERCE. All proposals received shall remain confidential until the Apparent Successful Contractor is announced; thereafter, the proposals shall be deemed public records as defined in Chapter 42.56 of the Revised Code of Washington (RCW).

Any information in the proposal that the Consultant desires to claim as proprietary and exempt from disclosure under the provisions of Chapter 42.56 RCW, or other state or federal law that provides for the nondisclosure of your document, must be clearly designated. The information must be clearly identified and the particular exemption from disclosure upon which the Consultant is making the claim must be cited. Each page containing the information claimed to be exempt from disclosure must be clearly identified by the words "Proprietary Information" printed on the lower right hand corner of the page. Marking the entire proposal exempt from disclosure or as Proprietary Information will not be honored.

If a public records request is made for the information that the Consultant has marked as "Proprietary Information," COMMERCE will notify the Consultant of the request and of the date that the records will be released to the requester unless the Consultant obtains a court order enjoining that disclosure. If the Consultant fails to obtain the court order enjoining disclosure, COMMERCE will release the requested information on the date specified. If a Consultant obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to Chapter 42.56 RCW, or other state or federal law that provides for nondisclosure, COMMERCE shall maintain the confidentiality of the Consultant's information per the court order.

A charge will be made for copying and shipping, as outlined in RCW 42.56. No fee shall be charged for inspection of contract files, but twenty-four (24) hours' notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

2.6 REVISIONS TO THE RFP

In the event it becomes necessary to revise any part of this RFP, addenda will be provided via e-mail to all individuals who have made the RFP Coordinator aware of their interest. Addenda will also be published on Washington's Electronic Bid System (WEBS). The website can be located at <https://fortress.wa.gov/ga/webs/>. For this purpose, the published questions and answers and any other pertinent information shall be provided as an addendum to the RFP and will be placed on the website. Such addenda will also be published on an Agency page, located at <http://www.commerce.wa.gov/serving-communities/current-opportunities/>.

If you downloaded this RFP from the Agency website located at www.commerce.wa.gov, you are responsible for sending your name, e-mail address, and telephone number to the RFP Coordinator in order for your organization to receive any RFP addenda.

COMMERCE also reserves the right to cancel or to reissue the RFP in whole or in part, prior to execution of a contract.

2.7 DIVERSE BUSINESS INCLUSION PLAN

Responders will be required to submit a Diverse Business Inclusion Plan with their proposal. In accordance with legislative findings and policies set forth in RCW 39.19, the state of Washington encourages participation in all contracts by firms certified by the office of Minority and Women's Business Enterprises (OMWBE), set forth in RCW 43.60A.200 for firms certified by the Washington State Department of Veterans Affairs, and set forth in RCW 39.26.005 for firms that are Washington Small Businesses. Participation may be either on a direct basis or on a subcontractor basis. However, no preference on the basis of participation is included in the evaluation of Diverse Business Inclusion Plans submitted, and no minimum level of minority- and women-owned business enterprise (MWBE), Washington Small Business, or Washington State certified Veteran Business participation is required as a condition for receiving an award. Any affirmative action requirements set forth in any federal governmental rules included or referenced in the contract documents will apply.

COMMERCE has the following agency goals:

- 10% participation by Minority Owned Business
- 6% participation by Women Owned Business
- 5% participation by Veteran Owned Business
- 5% participation by Small Businesses

2.8 ACCEPTANCE PERIOD

Proposals must provide 60 days for acceptance by COMMERCE from the due date for receipt of proposals.

2.9 COMPLAINT PROCESS

Vendors may submit a complaint to COMMERCE based on any of following:

- a) The solicitation unnecessarily restricts competition;
- b) The solicitation evaluation or scoring process is unfair; or
- c) The solicitation requirements are inadequate or insufficient to prepare a response.

A complaint may be submitted to COMMERCE at any time prior to 5 days before the bid response deadline. The complaint must meet the following requirements:

- a) The complaint must be in writing;
- b) The complaint must be sent to the RFP coordinator in a timely manner;
- c) The complaint should clearly articulate the basis for the complaint; and
- d) The complaint should include a proposed remedy.

The RFP coordinator will respond to the complaint in writing. The response to the complaint and any changes to the solicitation will be posted on WEBS. The Director of COMMERCE will be notified of all complaints and will be provided a copy of COMMERCE'S response. The complaint may not be raised again during the protest period. COMMERCE'S action or inaction in response to the complaint will be final. There will be no appeal process.

2.10 RESPONSIVENESS

All proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The Consultant is specifically notified that failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.

COMMERCE also reserves the right at its sole discretion to waive minor administrative irregularities.

2.11 MOST FAVORABLE TERMS

COMMERCE reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the Consultant can propose. There will be no best and final offer procedure. COMMERCE reserves the right to contact a Consultant for clarification of its proposal.

The Apparent Successful Contractor should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. Contract negotiations may incorporate some, or all, of the Consultant's proposal. It is understood that the proposal will become a part of the official procurement file on this matter without obligation to COMMERCE.

2.12 CONTRACT GENERAL TERMS & CONDITIONS

The apparent successful contractor will be expected to enter into a contract which is substantially the same as the sample contract and its general terms and conditions attached as Exhibit C. In no event is a Consultant to submit its own standard contract terms and conditions in response to this solicitation. The Consultant may submit exceptions as allowed in the Certifications and Assurances form, Exhibit A to this solicitation. All exceptions to the contract terms and conditions must be submitted as an attachment to Exhibit A, Certifications and Assurances form. COMMERCE will review requested exceptions and accept or reject the same at its sole discretion.

2.13 COSTS TO PROPOSE

COMMERCE will not be liable for any costs incurred by the Consultant in preparation of a proposal submitted in response to this RFP, travel to or conduct of a presentation, or any other activities related to responding to this RFP

2.14 NO OBLIGATION TO CONTRACT

This RFP does not obligate the state of Washington or COMMERCE to contract for services specified herein.

2.15 REJECTION OF PROPOSALS

COMMERCE reserves the right at its sole discretion to reject any and all proposals received without penalty and not to issue a contract as a result of this RFP.

2.16 COMMITMENT OF FUNDS

The Director of COMMERCE or delegate is the only individual who may legally commit COMMERCE to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

2.17 ELECTRONIC PAYMENT

The state of Washington prefers to utilize electronic payment in its transactions. The successful contractor will be provided a form to complete with the contract to authorize such payment method.

2.18 INSURANCE COVERAGE

The Contractor is to furnish COMMERCE with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth within the contract.

The Contractor shall, at its own expense, obtain and keep in force insurance coverage which shall be maintained in full force and effect during the term of the contract. The Contractor shall furnish evidence in the form of a Certificate of Insurance that insurance shall be provided, and a copy shall be forwarded to COMMERCE within fifteen (15) days of the contract effective date. Standard insurance requirements are included within the sample contract and its special terms and conditions attached as Exhibit C.

3. PROPOSAL CONTENTS

ELECTRONIC PROPOSALS:

Proposals must be written in English and submitted electronically to the RFP Coordinator in the order noted below:

1. Letter of Submittal, including signed Certifications and Assurances (Exhibit A to this RFP)
2. Technical Proposal
3. Management Proposal
4. Cost Proposal
5. Diverse Business Inclusion Plan (Exhibit B to this RFP)
6. Workers' Rights Certification (Exhibit C to this RFP)
7. OCSP Program Information Template (Exhibit E to this RFP)
8. OCSP Additional Considerations Template (Exhibit F to this RFP)
9. CAP Enrolled Loan Data Table Template (Exhibit G to this RFP)
10. Leverage Ratio Considerations Template (Exhibit H to this RFP)
11. Compliance and Oversight Narrative Template (Exhibit I to this RFP)
12. Commerce Risk Assessment Document (Exhibit J to this RFP)
13. Assurances of Compliance with Civil Rights Requirements (Exhibit K to this RFP)

Proposals must provide information in the same order as presented in this document with the same headings. This will not only be helpful to the evaluators of the proposal, but should assist the Consultant in preparing a thorough response.

Items marked "mandatory" must be included as part of the proposal for the proposal to be considered responsive, however, these items are not scored. Items marked "scored" are those that are awarded points as part of the evaluation conducted by the evaluation team.

3.1. LETTER OF SUBMITTAL (MANDATORY)

The Letter of Submittal and the attached Certifications and Assurances form (Exhibit A to this RFP) must be signed and dated by a person authorized to legally bind the Consultant to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Consultant and any proposed subcontractors:

- A. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- B. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.)
- C. Legal status of the Consultant (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.
- D. Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department of Revenue. If the Consultant does not have a UBI number, the Consultant must state that it will become licensed in Washington within thirty (30) calendar days of being selected as the Apparently Successful Contractor.
- E. Location of the facility from which the Consultant would operate.

- F. Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Consultant's organization. If following a review of this information, it is determined by COMMERCE that a conflict of interest exists, the Consultant may be disqualified from further consideration for the award of a contract.
- G. Identify how proposal meets the minimum qualifications.

In addition, by signing the Letter of Submittal and submitting the proposal to Commerce, your organization agrees and certifies the ability to meet the private financing eligibility requirements of 1:1 minimum public to private match.

3.2. TECHNICAL PROPOSAL (SCORED)

The Technical Proposal must contain a comprehensive description of services including the following elements:

- A. **Project Approach/Methodology:** Include a complete description of the Consultant's proposed approach and methodology for the project. This section should convey Consultant's understanding of the proposed project.
- B. **Work Plan:** Include all project requirements and the proposed tasks, services, activities, etc. necessary to accomplish the scope of the project defined in this RFP. This section of the technical proposal must contain sufficient detail to convey to members of the evaluation team the Consultant's knowledge of the subjects and skills necessary to successfully complete the project. Include any required involvement of COMMERCE staff. The Consultant may also present any creative approaches that might be appropriate and may provide any pertinent supporting documentation.
- C. **Project Schedule:** Include a project schedule indicating when the elements of the work will be completed. Project schedule must ensure that any deliverables requested are met.
- D. **Outcomes and Performance Measurement:** Describe the impacts/outcomes the Consultants propose to achieve as a result of the delivery of these services including how these outcomes would be monitored, measured and reported to the state agency. Impacts/Outcomes need to show the programs potential efficacy in engaging and supporting SEDI owned businesses as referenced in Section 3.2 (H). Treasury defines SEDI owned businesses as owned and controlled by individuals who have had their access to credit on reasonable terms diminished as compared to others in comparable economic circumstances.
- E. **Risks:** The Consultant must identify potential risks that are considered significant to the success of the project. Include how the Consultant would propose to effectively monitor and manage these risks, including reporting of risks to the COMMERCE contract manager.
- F. **Deliverables:** Fully describe deliverables to be submitted under the proposed contract. Deliverables must support the requirements set forth in Section 1.2, Objectives and Scope of Work.
- G. **CAP/OSCP Program implementation:**
 - a. Consultants submitting a proposal to implement one or more CAP/OSCP programs must provide the following information and/or meet basic eligibility requirements, including:
 - i. A narrative describing the OSCP program. Consultants are encouraged to follow the instructions within Treasury's Program Information Template ([Exhibit E](#)).
 - ii. A narrative describing additional OSCP considerations. Consultants are encouraged to follow the instructions within Treasury's Additional OSCP Considerations Template ([Exhibit F](#)).

- iii. A narrative describing CAP enrolled loan data. Consultants are encouraged to follow the instruction within Treasury's CAP Enrolled Loan Data Table Template ([Exhibit G](#))
 - iv. A copy of the most recent independent financial audit or financial statements for the CAP/OCSP if it has operated before. If no independent financial audit or program financial statements exist for the CAP/OCSP, then the applicant must attach a copy of the independent financial audit or program financial statements for the entity(ies) administering the program.
 - v. Assurances that the organization has a "reasonable expectation" that, when considered with all other approved programs under SSBCI, such programs have the ability to use their federal contributions to generate small business lending or investing ("private leverage") of at least 10 times the amount of the Federal contribution. Consultants are encouraged to follow the guidance in Treasury's Leverage Ratio Data Table Template ([Exhibit H](#)) to calculate leverage ratio(s).
 - vi. Demonstrate ability that every \$1 of public investment will cause and result in \$1 of new private credit for each program.
- b. Treasury will consider, when determining program eligibility, the capacity of the program to manage increases in the volume of its small business lending (or investing). This can be demonstrated through:
- i. Financial strength. An applicant should demonstrate that it possesses adequate financial resources to support the staffing increases and infrastructure improvements needed to undertake a significantly increased number of financing transactions.
 - ii. Operational capacity. An applicant should demonstrate that the OCSP has systems, policies, and procedures in place to accommodate a significantly increased transaction volume.
- c. Treasury will consider, when determining program eligibility, the internal accounting and administrative controls systems of the program, and the extent to which they can provide reasonable assurance that the funds of the state program are safeguarded against waste, loss, unauthorized use, or misappropriation. This can be demonstrated by:
- i. Evidence that management conducts, or in the case of a new OCSP, intends to conduct, 32 periodic internal audits.
 - ii. A requirement for annual independent audits (including management letters).
- d. Treasury will consider, when determining OCSP eligibility, the soundness of the program design and implementation plan of the OCSP. This can be demonstrated by:
- i. For both new and existing OCSPs, the adoption or use of established business models and strategies for managing the risks associated with making, insuring, or guaranteeing small business strategies and models.
 - ii. For an existing OCSP, the absence of material weakness or deficiency findings by external auditors. Soundness of program design can also be shown through operating results; for example, a management letter citing no significant operational or financial weaknesses can be employed as evidence of appropriate program design.
- e. Participating programs are required to submit the following reports to Commerce. Per Treasury requirements Commerce shall report outcomes to Treasury. Treasury may make information from the reports public. If Treasury decides to make these reports public, Treasury will withhold information that appears to be personally identifiable information (PII), sensitive information such as commercial or financial information about small businesses, or information that involves privacy, security, and proprietary business interests. Treasury will work with states to seek to protect the confidentiality of such information:
- i. *Quarterly reports.* Within 30 days after the end of each quarterly reporting period, the Contractor will be required to deliver to Commerce a quarterly report describing the use of SSBCI funds on both a quarterly and a cumulative basis, including the total amount of SSBCI funds used for direct and indirect administrative costs, the total amount of SSBCI funds used, the amount of program income generated, and the amount of charge-offs against the federal contributions to the reserve funds

set aside for any approved capital program. Additionally, the Contractor will identify the amounts of SSBCI funds transferred in the period; the aggregated amount of SSBCI funds deployed by the Contractor to support loans to or investments in eligible small businesses; and the amount of SSBCI funds deployed to SEDI-owned businesses and VSBs.

- ii. *Annual reports.* By March 31 of each year, beginning March 31, 2023, the participating Contractor will be required to submit to Commerce an annual report for the prior calendar year. This annual report will be required to contain transaction-level data for each loan or investment, including small business characteristics, made with SSBCI funds for that year, and information on subsequent private financing for OCSP loans and investments made in prior years when required by the SSBCI Allocation Agreement. The annual report will also be required to provide information on any qualifying loan or swap funding facility, if applicable.
- iii. *Performance results.* A summary of the performance results of the participating programs are to be submitted with the Contractor's final annual report.

H. Anticipated benefits to the State:

- a. Treasury will consider, when determining OCSP eligibility, the anticipated benefits to the state, its businesses, and its residents to be derived from the federal contributions to, or for the account of, the OCSP, including the extent to which resulting small business lending and investment will expand economic opportunities.
- b. Consultants must provide a narrative of anticipated benefits to the State. Benefits may include, but are not limited to, the following:
 - i. The projected number and amount of SSBCI-supported small business loans or investments closed through the OCSP, including all forms of financing funded, guaranteed, or insured by OCSPs, including leases, credit lines, and investments.
 - ii. The projected increases in state or local sales, income, or other tax revenues resulting from SSBCI-supported small business loans and investments through the OCSP. These estimates may include taxes paid by both permanent and temporary workers hired as a result of SSBCI-supported small business loans and investments through the OCSP.
 - iii. Long-term economic benefits of the state's investments. For example, climate transition investments may result in efficient energy use, sustainable jobs, or economic growth in sustainable manufacturing and industrial decarbonization, sustainable agriculture, biomaterials, and electric vehicles and changing infrastructure. Other possible examples include investments in areas such as small and mid-size enterprise (SME) manufacturing and supply chain resiliency that result in stronger economic growth, high-quality jobs, and innovation. Also, investments focused on innovation in supply chains of critical products such as semiconductors, critical minerals and materials, and advanced pharmaceuticals may provide long-term national and economic security benefits.

I. Staff Compliance and Oversight: Consultants must provide a narrative describing the reporting mechanisms, audits, or other internal controls and compliance activities in place for each proposed program. Consultants are encouraged to follow the guidance in Treasury's Compliance and Oversight Template ([Exhibit I](#)) and Commerce Risk Assessment Document ([Exhibit J](#)).

J. Service to business owned by socially and economically disadvantaged individuals (SEDI): Consultants are encouraged to provide a narrative detailing how the proposed program(s) will help provide access to capital for small businesses in low- and moderate-income, minority, rural and other underserved communities, including women and minority-owned small-businesses.

- K. Service to very small businesses (VSB):** Consultants are encouraged to provide a narrative detailing how the proposed program(s) will help provide access to capital for very small businesses (fewer than 10 employees).
- L. Compliance with federal Civil Rights:** Consultants must provide assurances of compliance with federal civil rights requirements. Consultants are encouraged to follow the guidance in Treasury's Assurances of Compliance with Civil Rights Requirements ([Exhibit K](#)).

3.3. MANAGEMENT PROPOSAL

A. Project Management (SCORED)

1. **Project Team Structure and Internal Controls:** Provide a description of the proposed project team structure and internal controls to be used during the course of the project, including any subcontractors. Provide an organizational chart of your firm indicating lines of authority for personnel involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Include who within the firm will have prime responsibility and final authority for the work.
2. **Staff Qualifications and Experience:** Identify staff, including subcontractors, who will be assigned to the potential contract, indicating the responsibilities and qualifications of such personnel, and include the amount of time each will be assigned to the project. Provide resumes for the named staff, which include information on the individual's particular skills related to this project, education, experience, significant accomplishments and any other pertinent information. The Consultant must commit that staff identified in its proposal will actually perform the assigned work. Any staff substitution must have the prior approval of the AGENCY.

B. Experience of the Consultant (SCORED)

1. Indicate the experience the Consultant and any subcontractors have in the following areas:
 - i. Qualifications and experience of senior management. The OCSP's senior management may include people who have significant credit underwriting or risk-management experience with institutions such as banks, finance companies, rating agencies, or insurance companies.
 - ii. Experience of senior management in operating public credit support or capital access programs. The OCSP might employ people with underwriting or credit risk management experience in federal, state, or local small business credit programs (e.g., SBA or state development finance authorities).
 - iii. Adoption of industry best practices. The OCSP may demonstrate that it employs industry best practices. The adoption of best practices helps to demonstrate the industry knowledge and sophistication of the OCSP management.
2. Indicate other relevant experience that indicates the qualifications of the Consultant, and any subcontractors, for the performance of the potential contract.
3. Include a list of contracts the Consultant has had during the last five years that relate to the Consultant's ability to perform the services needed under this RFP. List contract reference numbers, contract period of performance, contact persons, telephone numbers, and fax numbers/e-mail addresses.

C. Related Information (MANDATORY)

1. If the Consultant or any subcontractor contracted with the state of Washington during the past 24 months, indicate the name of the agency, the contract number and project description and/or other information available to identify the contract.

2. If the Consultant's staff or subcontractor's staff was an employee of the state of Washington during the past 24 months, or is currently a Washington State employee, identify the individual by name, the agency previously or currently employed by, job title or position held and separation date.
3. If the Consultant has had a contract terminated for default in the last five years, describe such incident. Termination for default is defined as notice to stop performance due to the Consultant's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Proposer, or (b) litigated and such litigation determined that the Proposer was in default.
4. Submit full details of the terms for default including the other party's name, address, and phone number. Present the Consultant's position on the matter. COMMERCE will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience. If no such termination for default has been experienced by the Consultant in the past five years, so indicate.

D. References (MANDATORY)

List names, addresses, telephone numbers, and fax numbers/e-mail addresses of three (3) business references for the Consultant and three (3) business references for the lead staff person for whom work has been accomplished and briefly describe the type of service provided. Do not include current COMMERCE staff as references. By submitting a proposal in response to this Work Request, the vendor and team members grant permission to COMMERCE to contact these references and others, who from COMMERCE'S perspective, may have pertinent information. COMMERCE may or may not, at COMMERCE'S discretion, contact references. COMMERCE may evaluate references at COMMERCE'S discretion.

E. OMWBE Certification (OPTIONAL AND NOT SCORED)

Include proof of certification issued by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) if certified minority-, women-, or veteran-owned firm(s) will be participating on this project. For more information please visit: <http://www.omwbe.wa.gov>.

3.4. COST PROPOSAL

The maximum fee for this contract must not exceed the amount specified in section 1.4 to be considered responsive to this RFP.

The evaluation process is designed to award this procurement not necessarily to the Consultant of least cost, but rather to the Consultant whose proposal best meets the requirements of this RFP. However, Consultants are encouraged to submit proposals which are consistent with state government efforts to conserve state resources.

A. Identification of Costs (SCORED)

Identify all costs in U.S. dollars including expenses to be charged for performing the services necessary to accomplish the objectives of the contract. The Consultant is to submit a fully detailed budget including staff costs and any expenses necessary to accomplish the tasks and to produce the deliverables under the contract. Consultants are required to collect and pay Washington state sales and use taxes, as applicable.

Costs for subcontractors are to be broken out separately. Please note if any subcontractors are certified by the Office of Minority and Women's Business Enterprises.

4. EVALUATION AND CONTRACT AWARD

4.1. EVALUATION PROCEDURE

Responsive proposals will be evaluated strictly in accordance with the requirements stated in this solicitation and any addenda issued. The evaluation of proposals shall be accomplished by an evaluation team(s), to be designated by COMMERCE, which will determine the ranking of the proposals.

COMMERCE, at its sole discretion, may elect to invite the top-scoring firms as finalists for an oral presentation.

The RFP Coordinator may contact the Consultant for clarification of any portion of the Consultant's proposal.

As part of final funding decisions for proposals scoring over 65 points, Commerce will also consider factors like geography, diversity of services, diversity of those to be primarily served, and types of activities proposed to ensure a diversity of approaches are funded under this program.

4.2. EVALUATION BREAKDOWN

The following weighting will be assigned to the proposal for evaluation purposes:

Technical Proposal – 40%

Project Approach/Methodology	15 points
Work Plan/Project Schedule	2 points
<i>Outcome and Performance Measurement</i>	
SEDI/VSB	8 points
Deliverables	5 points
Identification of Costs	5 points
Risks	5 points

Management Proposal – 60%

Project Team Structure	30 points
Internal Controls	15 points
Staff Qualifications and Experience	15 points

Workers' Rights Certification – Those firms which certify they **do not** require their employees to sign an individual arbitration clause as a condition of employment will receive an extra 5% added to their score (see Attachment C).

COMMERCE reserves the right to award the contract(s) to the Consultant(s) whose proposal is deemed to be in the best interest of COMMERCE and the state of Washington.

4.3. NOTIFICATION TO PROPOSERS

COMMERCE will notify the Apparently Successful Bidder of their selection in writing upon completion of the evaluation process. Individuals or firms whose proposals were not selected for further negotiation or award will be notified separately by e-mail.

4.4. DEBRIEFING OF UNSUCCESSFUL PROPOSERS

Any Consultant who has submitted a proposal and been notified that they were not selected for contract award may request a debriefing. The request for a debriefing conference must be received by the RFP Coordinator within three (3) business days after the Unsuccessful Consultant Notification is e-mailed or faxed to the Consultant. Debriefing requests must be received by the RFP Coordinator no later than 5:00 PM, local time, in Olympia, Washington, on the third business day following the transmittal of the Unsuccessful Consultant Notification. The debriefing must be scheduled within three (3) business days of the request.

Discussion at the debriefing conference will be limited to the following:

- Evaluation and scoring of the firm's proposal;
- Critique of the proposal based on the evaluation;
- Review of proposer's final score in comparison with other final scores *without* identifying the other firms or reviewing their proposals.

Comparisons between proposals or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour.

4.5. PROTEST PROCEDURE

Protests may be made only by Consultants who submitted a response to this solicitation document and who have participated in a debriefing conference. Upon completing the debriefing conference, the Consultant is allowed five (5) business days to file a protest of the acquisition with the RFP Coordinator. Protests must be received by the RFP Coordinator no later than 5:00 PM, local time, in Olympia, Washington on the fifth business day following the debriefing. Protests may be submitted by e-mail or facsimile, but must then be followed by the document with an original signature.

Consultants protesting this procurement shall follow the procedures described below. Protests that do not follow these procedures shall not be considered. This protest procedure constitutes the sole administrative remedy available to Consultants under this procurement.

All protests must be in writing, addressed to the RFP Coordinator, and signed by the protesting party or an authorized Agent. The protest must state the RFP number, the grounds for the protest with specific facts and complete statements of the action(s) being protested. A description of the relief or corrective action being requested should also be included.

Only protests stipulating an issue of fact concerning the following subjects shall be considered:

- A matter of bias, discrimination, or conflict of interest on the part of an evaluator;
- Errors in computing the score;
- Non-compliance with procedures described in the procurement document or COMMERCE policy.

Protests not based on procedural matters will not be considered. Protests will be rejected as without merit if they address issues such as: 1) an evaluator's professional judgment on the quality of a proposal, or 2) COMMERCE'S assessment of its own and/or other agencies needs or requirements.

Upon receipt of a protest, a protest review will be held by COMMERCE. The COMMERCE Director or an employee delegated by the Director who was not involved in the procurement will consider the record and all available facts and issue a decision within ten (10) business days of receipt of the protest. If additional time is required, the protesting party will be notified of the delay.

In the event a protest may affect the interest of another Consultant that also submitted a proposal, such Consultant will be given an opportunity to submit its views and any relevant information on the protest to the RFP Coordinator.

The final determination of the protest shall:

- Find the protest lacking in merit and uphold COMMERCE'S action; or
- Find only technical or harmless errors in COMMERCE'S acquisition process and determine COMMERCE to be in substantial compliance and reject the protest; or
- Find merit in the protest and provide COMMERCE options which may include:
 - Correct the errors and re-evaluate all proposals, and/or
 - Reissue the solicitation document and begin a new process, or
 - Make other findings and determine other courses of action as appropriate.

If COMMERCE determines that the protest is without merit, COMMERCE will enter into a contract with the apparently successful contractor. If the protest is determined to have merit, one of the alternatives noted in the preceding paragraph will be taken.

5. RFP EXHIBITS

- Exhibit A Certifications and Assurances
- Exhibit B Diverse Business Inclusion Plan
- Exhibit C Workers' Rights Certification
- Exhibit D Federal Service Contract Format with General Terms and Conditions
- Exhibit E OCSP Program Information Template
- Exhibit F OCSP Additional Considerations Template
- Exhibit G CAP Enrolled Loan Data Table Template
- Exhibit H Leverage Ratio Considerations Template
- Exhibit I Compliance and Oversight Narrative Template
- Exhibit J Commerce Risk Assessment Document
- Exhibit K Assurances of Compliance with Civil Rights Requirements

CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:

1. I/we declare that all answers and statements made in the proposal are true and correct.
2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
3. The attached proposal is a firm offer for a period of 60 days following receipt, and it may be accepted by COMMERCE without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 60-day period.
4. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.
5. I/we understand that COMMERCE will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of COMMERCE, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.
6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Proposer and will not be knowingly disclosed by him/her prior to opening, directly or indirectly, to any other Proposer or to any competitor.
7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.
8. No attempt has been made or will be made by the Proposer to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.
9. I/we grant COMMERCE the right to contact references and others who may have pertinent information regarding the ability of the Consultant and the lead staff person to perform the services contemplated by this RFP.
10. If any staff member(s) who will perform work on this contract has retired from the State of Washington under the provisions of the 2008 Early Retirement Factors legislation, his/her name(s) is noted on a separately attached page.

We (check one):

- are** submitting proposed Contract exceptions. (See Section 2.12, Contract and General Terms and Conditions.) If Contract exceptions are being submitted, I/we have attached them to this form.
- are not** submitting proposed Contract exceptions (*default if neither are checked*).

On behalf of the Consultant submitting this proposal, my signature below attests to the accuracy of the above statement as well as my authority to bind the submitting organization.

 Signature of Proposer

 Date

 Printed Name

 Title

DIVERSE BUSINESS INCLUSION PLAN

Do you anticipate using, or is your firm, a State Certified Minority Business?	Y/N
Do you anticipate using, or is your firm, a State Certified Women's Business?	Y/N
Do you anticipate using, or is your firm, a State Certified Veteran Business?	Y/N
Do you anticipate using, or is your firm, a Washington State Small Business?	Y/N

If you answered No to all of the questions above, please explain:

Please list the approximate percentage of work to be accomplished by each group:

Minority	___%
Women	___%
Veteran	___%
Small Business	___%

Please identify the person in your organization who will manage your Diverse Inclusion Plan responsibility:

Name: _____
Phone: _____
E-Mail: _____

**“Program Title” Agreement with
Lending Institution Name:** _____

through

Washington State Department of Commerce Business Services Division

For

The increase of capital access to small businesses with the goal of creating new jobs.

Start date: Date of Execution of this Agreement

SAMPLE

FACE SHEET

Contract Number: [REDACTED]

Washington State Department of Commerce

Innovation & Policy Priorities Division

1. Participating Lender Name: _____ Address: _____		2. Participating Lender Doing Business As (optional) N/A	
3. Participating Lender Representative Name: Address: Phone: Email:		4. Commerce Representative Department of Commerce Attention: 2001 Sixth Avenue, Suite 2600 Seattle, WA. 98121-2895 voice: (206) 256-6155 email:	
5. Contract Amount	6. Funding Source Federal: <input checked="" type="checkbox"/> State: <input type="checkbox"/> Other: <input type="checkbox"/> N/A: <input type="checkbox"/>	7. Start Date Date of Execution	8. End Date N/A
9. Federal Funds (as applicable) Variable		Federal Agency Treasury CFDA Number	
10. Tax ID #	11. SWV #	12. UBI #	13. DUNS #
14. Purpose The purpose of this Small Business Collateral Support Program Agreement (including the attachments and documents incorporated by reference, this "Agreement") is to provide small business with access to capital, pursuant to the federal Small Business Jobs Act of 2010 ("Act"). The Act created the State Small Business Credit Initiative ("SSBCI") and appropriated funds to be used by the U.S. Department of the Treasury ("Treasury") to provide financial support to states to increase small businesses' access to capital. The Washington State Department of Commerce ("Commerce"), and the Lender, as defined above, acknowledge and accept the terms of this Agreement, including attachments, and have executed this Agreement on the date below. The rights and obligations of both parties to this Agreement are governed by this Agreement, including the Exhibits and the following other documents attached hereto and incorporated by reference as if fully set forth: Attachment "A" – Scope of Work, , Attachment "B" – Allocation Agreement between Commerce and the US Department of the Treasury, dated October 31, 2011 (the "Allocation Agreement").			

<p>FOR PARTICIPATING LENDER</p> _____ Signature _____ Printed Name, Title Date:	<p>FOR COMMERCE</p> _____ Name , Title Date: <p align="center">APPROVED AS TO FORM ONLY</p> _____ Name, Assistant Attorney General Date:
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SMALL BUSINESS COLLATERAL SUPPORT PROGRAM AGREEMENT

This Small Business Collateral Support Program Agreement ("Agreement") is entered into as of _____, between the Washington State Department of Commerce, an agency of the State of Washington, whose address is 2011 Sixth Avenue, Suite 2600, Seattle WA 98121-2895 ("Commerce"), and _____, whose address is _____ (the "Lender").

Recitals

WHEREAS, Commerce has determined that in order to promote economic development and help create jobs for the people of Washington, there is a crucial need to assist in providing access to financing for small businesses that otherwise might not be able to obtain such financing;

WHEREAS, Commerce finds that economic development and job creation will be promoted in Washington through broad-based lender participation in a small business collateral support program created pursuant to The Small Business Jobs Act of 2010, Public Law 111-240 (the "State CSP");

WHEREAS, Commerce finds that it is in the interests of the people of Washington for the state to participate in the Program as defined herein;

WHEREAS, Commerce and the Lender desire to set forth the terms and conditions of the collateral support program that will apply to loans enrolled under the Program as defined herein pursuant to this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and intending to be legally bound hereby, the parties hereto agree as follows:

Article I: Definitions

In addition to the words and terms defined elsewhere in the Agreement, each of the following words and terms as used in the Agreement shall have the following meaning unless the context or use indicates another or different meaning or intent, and such definition shall be equally applicable to both the singular and plural forms of the terms as the content may require:

"Affiliate," when describing a relationship with the Lender, shall mean the parent company of Lender, _____ or any present or future company that controls, is controlled by, or is under common control with Lender, including any subsidiary of _____ as defined under 12 U.S.C. §1841(d).

"Borrower" means the recipient of an Eligible Loan filed or to be filed by the Lender for enrollment under the State CSP pursuant to this Agreement.

"Business Purpose" includes, but is not limited to, start-up costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the purchase, construction, renovation or tenant improvements of a place of business that is not for passive real estate investment purposes.

"State CSP" means a collateral support program created by a state, including but not limited to a collateral support program created by a state pursuant to the Small Business Jobs Act of 2010, Public Law No. 111-240 (enacted Sept. 27, 2010).

"Certificate of Deposit" means an Certificate Deposit account insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund, or the Securities Investor Protection Corporation, as appropriate, to the extent permitted by law, established and maintained by the State CSP to account for funds accumulated pursuant to this Agreement to cover losses sustained by the Lender on Qualified Loans made by the Lender.

"Claim" means any claim filed by the Lender pursuant to Section 5.3 of this Agreement.

"Eligible Loan" means a loan made by the Lender to a Borrower for which the representations and warranties set forth in Section 2.2 are true and the principal amount does not exceed \$20,000,000.

"Enrolled Loan" means a loan that is made by the lender that both qualifies for the program, has received formal approval from Commerce to participate in CSP and for which a CSP Certificate of Deposit has been executed.

"Principal" is defined (a) for a sole proprietorship, as the proprietor; (b) for a partnership, as each partner; and (c) for a corporation, limited liability company, association or a development company, as each director, each of the five most highly compensated executives, officers, or employees, and each direct or indirect holder of 20 percent or more of the ownership of stock or stock equivalent of the entity.

"Program" means the Small Business Collateral Support Program in which Commerce and Lender have agreed to participate.

"Qualifying Loan" means a Qualifying Loan enrolled in the State credit support program pursuant to the terms of Article IV of this Agreement.

"Small Business" means a for-profit or not-for-profit business entity that (a) derives at least 50 percent of its total revenue from transactions in Washington or that has more than 50 percent of its full-time equivalent employees in Washington and (b) has 750 or fewer employees.

Article II: Representations

Section 2.1 Representations by Commerce

With respect to any Qualifying Loan, Commerce makes the following representations and warranties as of the time of the enrollment:

- (a) Commerce is a state agency established and acting pursuant to applicable law.
- (b) Commerce has the necessary power, authority, and has duly taken all action on its part required to authorize, execute and deliver this Agreement. This Agreement when executed will be valid, binding and enforceable in accordance with its terms. The execution and performance of this Agreement by Commerce will not violate or conflict with any instrument by which Commerce is bound.
- (c) Commerce will not impose an eligibility restriction on the enrollment of an Eligible Loan in the Program based on the geography of the Borrower, except a requirement that the Borrower be located within the State of Washington.
- (d) Commerce will not impose an employee size restriction of less than 500 employees with respect to a Borrower's eligibility to participate in the Program.

- (e) Commerce will not impose a restriction on the maximum amount of an Qualifying Loan that is less than \$500,000.
- (f) Commerce will not impose a restriction that prevents partial enrollments of Eligible Loans or lines of credit from being Enrolled Loans.
- (g) Commerce will not impose a restriction that prevents non-profit entities from being Borrowers in the Program.
- (h) Commerce is compliant and will comply with all applicable statutes, rules and regulations, including, to the extent that the State CSP falls within the scope thereof, the provisions of the Small Business Jobs Act of 2010.

Section 2.2 Representations by the Lender

With respect to any Qualifying Loan that the Lender files for enrollment under this Agreement, the Lender makes the following representations and warranties as of the time of each filing:

- (a) The Lender has obtained in writing from the Borrower a certification in the form of Exhibit 1 containing the following representations and warranties and, based on knowledge that the Lender has, the Lender has no substantial reason to believe that such representations and warranties are not true:
 - (i) The Borrower is a Small Business.
 - (ii) The Borrower is a corporation, partnership, joint venture, sole proprietorship, cooperative, or other entity (including a state-designated charitable, religious or other non-profit or eleemosynary institution or faith-based organization), which is authorized to conduct business in Washington State.
 - (iii) The proceeds of the Qualifying Loan will be used for a Business Purpose.
 - (iv) The proceeds of the Qualifying Loan will not be used:
 1. To repay delinquent federal or state income taxes unless the Borrower has a payment plan in place with the relevant taxing authority;
 2. To repay taxes held in trust or escrow (e.g., payroll or sales taxes);
 3. To reimburse funds owed to any owner, including any equity injection or injection of capital for the Borrower's continuance;
 4. To purchase any portion of the ownership interest in the Borrower; or
 5. For activities that relate to acquiring or holding passive investments, such as commercial real estate ownership and the purchase of securities; and lobbying activities, as defined in section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended; or
 6. To fund religious worship, exercise, or instruction.
 - (v) The Borrower is not an executive officer, director, or principal shareholder of the Lender, a member of the immediate family of an executive officer, director or principal shareholder of the Lender, or a related interest of an executive officer, director, or principal shareholder of the Lender. For the purpose of this provision, the terms "executive officer," "director," "principal shareholder," "immediate family," and "related interest" shall refer to the same relationship to the Lender, whether or not the Lender is a member bank, as the relationship specified for those terms in connection with member banks in Part 215 of Title

12 of the Code of Federal Regulations, including amendments to Part 215 which may be made from time to time.

(vi) The Borrower is not:

1. a business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the Borrower and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the Borrower;
2. a business that earns more than half of its annual net revenue from lending activities; unless the business is a non-bank or non-bank holding company Community Development Financial Institution (CDFI);
3. a business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants;
4. a business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted, including the production, servicing, or distribution of otherwise legal products that are to be used in connection with an illegal activity, such as selling drug paraphernalia or operating a motel that knowingly permits illegal prostitution; or
5. a business engaged in gambling enterprises, unless the business earns less than 33 percent of its annual net revenue from lottery sales.

(vii) No Principal of the Borrower has been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911)).

(b) The Lender has provided in writing a certification in the form of Exhibit 2 containing the following representations and warranties:

- (i) The Lender has not made the Qualifying Loan in order to place, under the protection provided by the Program, prior debt that is not covered under the Program and that is or was owed by the Borrower to the Lender or to an Affiliate of the Lender.
- (ii) The Lender has not made the Qualifying Loan as a refinancing of a loan (other than an existing Enrolled Loan) previously made to the Borrower by the Lender or an Affiliate of the Lender.
- (iii) The Lender has not made the Qualifying Loan to cover the unguaranteed portion of a US Small Business Administration (SBA) loan, or, to its knowledge, to cover the unguaranteed portion of a loan guaranteed by any other federal, state or local government or public entity.
- (iv) The Lender has disclosed to the Borrower information concerning the Program as set forth in the Borrower Enrollment Form attached hereto as Exhibit 7, has provided to the Borrower any required privacy notices required by Lender's policies, and has processed the Qualifying Loan in accordance with Lender's "know your customer" and other similar policies and procedures.
- (v) No Principal of the Lender has been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. § 16911)).
- (vi) None of the funds made available may be used to pay the salary of any individual engaged in activities related to the Program who has been officially

disciplined for violations of subpart G of the Standards of Ethical Conduct for Employees of the Executive Branch for viewing, downloading, or exchanging pornography, including child pornography, on a Federal Government computer or while performing official Federal Government duties.

- (vii) The lender would not otherwise be able to approve this loan request as submitted to Commerce without the enrollment and acceptance of the subject loan into the Collateral Support Program (CSP).

Article III: Establishment of the Collateral Support Program Certificate of Deposit

Upon an approved loan qualification and enrollment, Commerce shall deposit a CSP CD in the name of the State CSP for up to 15% (if loans are 12 to 18 month terms), or up to 20% (if loan term is 6 months or less) of the collateral value needed to support the lender's loan and not to exceed \$500,000 per borrower. The CD may be serviced or administered by employees of the state of Washington or by an agent duly authorized by the state of Washington to service and administer the CD provided that the Lender has been notified of any such agent. Commerce shall be the legal owner of the CD and have discretion to select the financial institution that will maintain the CD. If Commerce allows the CD to be established at, and maintained by the Lender, Lender shall ensure that the CD earns a rate of interest at least as high as the rate that would be expected of accounts of similar type and size in the normal course of business.

Article IV: Enrollment of Loans in Program

Section 4.1 In General

A Qualifying Loan to be filed for enrollment under this Agreement may be made with the interest rate, fees, and other terms and conditions as the Lender and Borrower may agree. The Qualifying Loan may be in the form of a term loan or a line of credit, and in the case of a line of credit the amount of the Qualifying Loan shall be considered to be the maximum amount that can be drawn down against the line of credit. Commerce may at its discretion require the maximum term of the loan be 6, 12 or 18 months.

Section 4.2 Enrolling a Loan

Only Qualifying Loans may be enrolled in the Program. In order to enroll a Qualifying Loan under the Program, the Lender shall file the Qualifying Loan for enrollment by delivering to Commerce the following:

- (a) A copy of Exhibit 1 in completed form bearing the execution signature of an authorized officer of the Borrower.
- (b) A copy of Exhibit 2 in completed form bearing the execution signature of an authorized officer of the Lender.
- (c) Transmittal of the non-refundable program charges, or evidence that such transmittal has occurred.
- (d) A copy of Exhibit 7 Collateral Support Program Loan Enrollment Form, completed, signed and dated.
- (e) A copy of Exhibit 8 Leverage Spreadsheet completed.

The Lender shall file the Qualifying Loan for enrollment within ten (10) days after the Lender makes the Qualifying Loan. For the purposes of this Agreement, the date on which the Lender makes a Qualifying Loan shall be deemed to be the date on which the Lender first disburses proceeds of the Qualifying Loan to the Borrower, or such earlier date on which the loan documents have been executed and the Lender has obligated itself to disburse proceeds of the Qualifying Loan. For the purposes of this Agreement, the filing of an Eligible Loan for enrollment shall be deemed to occur on the date of which the Lender delivers to Commerce, delivers to a professional courier service for delivery to Commerce, mails to Commerce, faxes to Commerce, or emails to Commerce, the documentation or, in the case of delivery by fax or email, a scanned image of the documentation required by this Section.

Section 4.3 Commerce Acknowledgement

Upon receipt by Commerce of the documentation identified in Section 4.2, Commerce shall qualify the Qualifying Loan unless the information provided indicates that it is not a Qualifying Loan. Commerce shall mail or otherwise deliver to the Lender, within ten (10) business days of such receipt, an acknowledgement of qualification of an authorized representative of Commerce, including documentation of the approved amount being transferred by Commerce into the CD pursuant to Section 5.1. Commerce may assign a unique loan identification number to each Qualified Loan.

In the event that Commerce no longer has State CSP funds to transfer to the CD, Commerce will have no existing or continuing obligation to transfer funds to the CD, Commerce will inform the Lender of the funds insufficiency.

Section 4.4 Amount Covered

When filing an qualified Loan for qualification, the Lender may specify an amount to be covered under the Program that is not to exceed \$500,000 per borrower not to exceed the stated percentage limits which are based on collateral valuation and determined by the requested bridge loan term. CD. Unless the context clearly requires otherwise, when used in this Agreement in connection with an Eligible Loan, the words "amount" and "proceeds" shall refer only to the portion of the Eligible Loan covered under this Agreement.

Section 4.5 intentionally left blank

Section 4.6 intentionally left blank

Section 4.7 Enrollment Period

The enrollment period for Qualifying Loans shall be the 6, 12 or 18 months. Such enrollment periods may be extended as provided in the Notice of Material Change / Extended Enrollment in the form of Exhibit 3 attached hereto, but in no event to a date which is 18 months beyond the original enrollment date, unless they receive written permission from Commerce to do so.

Section 4.8 Material Changes to Qualifying Loan / Extended Enrollment

In the event of a change to the terms of an Qualifying Loan which has the effect of (a) extending the maturity date, in the case of a term loan, beyond the maturity date thereof, Lender shall within 15 days of the effective date of such change, deliver to the State CSP a Notice of Material Change / Extended Enrollment and include an extension fee payment (Commerce can provide a fee schedule upon request) to Commerce based upon original CSP CD balance and requested extension term of the CD which is not to be less than the extension of the actual loan.

Section 4.9 intentionally left blank

Section 4.10 No Pledge of Faith, Credit, or Taxing Power

The enrollment of a Qualifying Loan under the Program shall not pledge the faith, credit, or taxing power of Commerce, the State of Washington, or the Program. Any assurances, guarantees, or other credit enhancements provided under the Program do not pledge the faith, credit, or taxing power of Commerce, the State of Washington or the Program, and such enhancements are payable only to the extent of the Collateral Support Program.

Article V: Use of the Collateral Support Program Certificate of Deposit

Section 5.1 Payments and Transfers to the Certificate of Deposit

The Lender shall pay the program charges payable to the Collateral Support Fund in connection with an Eligible Loan being filed for enrollment with the State CSP pursuant to Section 4.2. The combined amount paid by the Borrower shall not be less than 2.0% of the amount of the Qualifying Loan and shall not be greater than 3.0% of the amount of the Qualifying Loan. When enrolling Qualifying Loan under Article IV, Commerce shall transfer into the Certificate of Deposit an amount determined as follows:

- (a) An amount that is not less than the combined amounts paid into the Certificate of Deposit by the Borrower and the Lender for each Qualifying Loan.
- (b) Commerce may limit the maximum loan size of an Enrolled Loan or the maximum amount Commerce will transfer to the Certificate of Deposit with respect to any one Borrower. Notwithstanding the foregoing, Commerce shall not limit the maximum Qualifying Loan size to less than \$500,000 nor limit the maximum amount transferred by Commerce to the Certificate of Deposit with respect to any one Borrower to less than \$35,000.

Section 5.2 Ownership, Control and Investments of Certificate of Deposit

All funds credited to the CSP Certificate of Deposit shall be the exclusive property of, and solely controlled by, Commerce. Commerce may not withdraw funds from the Certificate of Deposit except as provided for in this Agreement.

Interest or income earned on the CSP Certificate of Deposit credited to the Certificate of Deposit shall be deemed to be classified as "Program Income" to Commerce. Commerce is authorized to withdraw at any time from the Certificate of Deposit up to one hundred (100%) percent of the total interest that has accrued to the Certificate of Deposit since the date it was first opened. Withdrawals authorized under this section need not be returned to the CD. In no event shall the Department of Commerce be subject to any fees, including without limitation early withdrawal fees.

Commerce shall, upon reasonable request of the Lender, periodically provide to the Lender transaction reports indicating the balance of the Certificate of Deposit, withdrawal of a certificate of deposit, and interest or income earned on CD credited to the Collateral Support Program. In addition, the foregoing transaction reports shall be available to the Lender for inspection at the offices of State CSP during normal business hours.

Section 5.3 Claims by Lender

If the Borrower's SBA 504 Loan is denied by the SBA, the Lender may file a Claim with Commerce by submitting a completed claim form in the form attached as Exhibit 4 (as may be amended from time to time by Commerce) bearing the execution signature of an authorized officer of the Lender. A claim must include a copy of the SBA denial as received by the lender, the collateral liquidation/collection policy of the lender.

Claims are paid on a first out basis. A claim shall never exceed the original balance Commerce approves and places into the CSP CD a time of enrollment.

Any Claim that is filed under this Agreement shall be filed within 30 days of the action of the SBA declining approval.

Section 5.4 Disbursement of Certificate of Deposit

Upon receipt by Commerce of a Claim filed by the Lender in accordance with Section 5.3, Commerce shall promptly pay, from funds in the CD, the Claim as submitted, except that Commerce may reject a Claim when the representations and warranties provided by the Lender in Section 2.2 were false when the Eligible Loan became a Qualifying Loan. Notwithstanding the preceding sentence, if Lender has failed to provide Commerce with any report required under Article VI, Commerce may, in its sole discretion, withhold payment of any claim until the required report is provided to Commerce. Commerce shall further have the right, in its sole discretion upon providing written notice to the Lender, to withhold payment of any claim if Commerce requires more information in order to determine whether the claim shall be paid.

Section 5.5 Recovery by Lender Subsequent to Claim

- (a) If after payment of a Claim by Commerce, the Lender recovers from a Borrower any amount for which payment of the Claim was made, the Lender shall promptly pay to Commerce an amount recovered equal to the payment received from Commerce for the Claim. The Lender shall retain documentation in its files evidencing those expenses. Notwithstanding anything to the contrary herein, Lender shall be required to make the foregoing payment solely to the extent that the amount recovered by Lender from the Borrower for a Qualifying Loan for which Lender made a Claim, when added to the payments received by Lender under such Claim, exceeds Lender's loss on such Enrolled Loan.

Section 5.6 Subrogation

- (a) If the payment of a Claim pursuant to Section 5.4 has fully covered the Lender's loss on a Qualifying Loan, or if the payment of a Claim pursuant to Section 5.4 when combined with any recovery from the Borrower, has fully covered the Lender's loss, Commerce, upon its request, shall be subrogated to the rights of the Lender with respect to any collateral, security or other right of recovery, in connection with the Qualifying Loan, which has not been realized upon by the Lender.
- (b) The Lender shall, upon receipt of such request from Commerce pursuant to Section 5.6(a) assign to Commerce any right, title or interest to any collateral, security, or other right of recovery in connection with the Qualifying Loan. If such assignment has been made, Commerce shall not be required to undertake any obligations of the Lender pursuant to Lender's loan documents, except for any obligations directly related to the exercise by Commerce of its assigned rights of recovery in connection with the Qualifying Loan. The Lender shall provide Commerce with all reasonable assistance thereafter as Commerce may request in proceeding with respect to any such collateral, security or other right of recovery, except that such reasonable assistance shall not require the Lender to incur any out-of-pocket expenses. Any funds received by Commerce as a result of enforcement actions taken with respect to any such collateral, security or other right of recovery shall be deposited by Commerce in the Certificate of Deposit up to the amount of the original Claim, less any out-of-pocket expenses incurred by Commerce in taking the enforcement actions.
- (c) If Commerce determines that it desires to exercise its right of subrogation in connection with a Qualifying Loan, and would be entitled to exercise such right except for the fact that the Lender's loss has not been fully covered, Commerce, at its option, may pay, from funds in the certificate of deposit, an amount sufficient to cover the Lender's loss, notwithstanding the fact that such payment may cover a principal amount not covered under the Program or not

included in the Lender's Claim. Upon making such payment pursuant to this subsection, Commerce shall be subrogated to the rights of the Lender in accordance with this Section.

Article VI: Reporting

Section 6.1 Quarterly Summary Reports

On or before the 15th day of the month following the end of each calendar quarter, the Lender shall submit to Commerce, via electronic mail, a report of all Qualifying Loans and the outstanding balances of such Qualifying Loans, including any amount from private sources, the current balance of the certificate of deposit, charge-offs and recoveries on Qualifying Loans in the immediately preceding calendar quarter.

Section 6.2 Annual Summary Zipcode Reports

On or before the 15th day of the month following the end of each calendar year, the Lender shall submit to Commerce a report, organized by zip code, of all Qualifying Loans existing during the immediately preceding calendar quarter, containing for each of the Lender's Qualifying Loans the following information:

- (a) Lender's name and Employer Identification Number (EIN);
- (b) a unique loan identifier number;
- (c) the census tract, and the zip code of the Borrower's principal location in the state;
- (d) the date of initial disbursement under the Qualifying Loan;
- (e) the total amount of principal loaned/authorized as a line of credit, and of that amount, the portion that is from non-private sources, if any;
- (f) the amount of the premium charges paid by the Borrower, Lender, and State CAP;
- (g) the amount and source of any additional, related private financing secured by Borrower, even if occurring after the loan closing;
- (h) the Borrower's annual revenues at the time of initial loan qualification in the Program based on the most recent fiscal year;
- (i) the Borrower's full-time equivalent (FTE) employees at the time of initial loan qualification in the Program;
- (j) the six digit North American Industry Classification System (NAICS) code for the Borrower's industry;
- (k) the year the Borrower was incorporated or formed, and
- (l) the number (as estimated by the Borrower as of the time of initial enrollment of the Enrolled Loan) of FTE jobs created and jobs retained as a result of the Qualifying Loan in the 12 months following the initial loan disbursement.
- (m) Any other information as required by the Department of Treasury or other U.S. government body.

Section 6.3 CD Reporting Requirements

If the Certificate of Deposit is held at Lender's institution Lender shall submit to Commerce by the following month a bank statement for the previous month that provides a detailed description of the account and a complete summary of all transactions for the period covered. Failure of the Lender to timely comply with this Section 6.3 more than two times within a six month period or more than three

times in a 12 month period may result, at Commerce's sole discretion, in transfer of the CD to another financial institution of Commerce's choosing without limitation or fee whatsoever.

Section 6.4 Late or Deficient Reporting

If a report required under Article VI is not filed within 30 calendar days beyond the required due date therefor, Commerce may conduct an inspection of the Lender's files pursuant to Section 10.3, with the reasonable costs thereof to be borne by the Lender. If Lender materially fails to comply with the requirements of Article VI, Commerce may, in its sole discretion, suspend Lender from the Program until the required report(s) are received by Commerce. Furthermore, Lender's ability to participate in the Program may be reassessed by Commerce.

Section 6.5 Forms

Reports required under this Article shall be substantially in the form(s) of Exhibit 6 attached hereto, as may be amended by Commerce from time to time. However, Lender may combine the reports required in this Article upon approval as to form by Commerce, such approval not to be unreasonably withheld by Commerce.

Article VII: intentionally left blank

Section 7.1 intentionally left blank

Section 7.2 intentionally left blank

Article VIII: Termination

Section 8.1

- (a) Commerce may, in its sole discretion, terminate its obligations under this Agreement to enroll Eligible Loans under the Program. Commerce may also, in its sole discretion, suspend or terminate Lender's participation in the Program, by written notice to Lender, upon the occurrence of any of the following:
- (i) entry of a cease and desist order, regulatory sanction, or any other action against Lender by a regulatory agency that may impair its ability to participate in the Program;**
 - (ii) failure of Lender to abide by SBCI Governing Law or this Agreement; or**
 - (iii) failure of Lender to enroll any Eligible Loans under the Program for a period of one year.**
 - (iv) Provision of false or misleading information regarding Lender to Commerce, or failure to provide Commerce with notice of material changes in submitted information regarding Lender.**
- (b) The termination shall be applicable on the effective date specified in the notice of termination, except that the termination shall not apply to any Eligible Loan which is made on or before the date on which the notice of termination is received by the Lender. However, if Commerce is terminating the enrollment of Eligible Loans not merely for the Lender but instead for all participating lenders under the Program, Commerce shall provide notice of at least ninety (90) days to the Lender. Any termination under this Section shall be prospective only, and shall not apply to any Enrolled Loans existing prior to the date of any such termination by Commerce, except that if a previously Enrolled Loan is refinanced, the amount covered under the Program

shall not be increased beyond the covered amount of the previously Enrolled Loan. Upon the effective date of the termination, Commerce shall have no obligation to enroll any additional Eligible Loans, but all previously enrolled Eligible Loans shall continue to be covered by the certificate of deposit until they are paid, claims are filed, or Lender withdraws from the Program in accordance with Section 8.1(c).

- (c) Lender may withdraw from the Program after giving written notice to Commerce. Such notice shall specify either that (i) Lender waives any further interest in the CD (including for the reason that all Qualifying Loans covered by the CD have been repaid), or (ii) Lender will not enroll any additional loans under the Program but that the CD shall continue in existence to secure all Qualifying Loans enrolled prior to such notice.

Section 8.2

If Commerce has terminated its obligations under this Agreement in accordance with Section 8.1, Commerce may withdraw the balance of the CD once there are not Qualified Loans under the Program, without penalty or fee.

Section 8.3

Notwithstanding Commerce's termination of its obligation to enroll Eligible Loans under the Program, the Lender's obligation to submit reports pursuant to Article VI shall continue as long as the Lender has Qualifying Loans outstanding unless Lender is no longer pursuing recovery efforts with respect to Qualifying Loans. If Lender fails to submit required reports for any 12-month period following termination, Commerce shall give Lender written notice identifying the past due reports and unless Lender provides Commerce with all required reports no later than thirty (30) days following the date of the notice, Lender shall be deemed to have waived any interest in the Reserve Fund.

Article IX: Pledge of the Certificate of Deposit

Commerce pledges the funds in the CD to be available to pay Claims pursuant to Section 5.3. Commerce further pledges that the Lender shall have a first security interest in the funds in the CD to pay Claims pursuant to Section 5.3 and Commerce will not encumber or pledge the funds to any other party. This pledge does not, however, diminish the ownership or control of the CD granted to Commerce in Section 5.2, and it shall not affect Commerce's right to withdraw funds from the CD pursuant to Section 5.2, **Article VII** or Article VIII.

Article X: Miscellaneous

Section 10.1 Amendments to Agreement

This Agreement may only be amended upon the written consent of both Commerce and the Lender.

Section 10.2 Information

The Lender shall provide Commerce with the information regarding its participation in the Program as Commerce may reasonably require.

Section 10.3 Inspection of Files

Upon notice to the Lender, Commerce may inspect the files of the Lender relating to any loans qualified under the Program, during normal business hours of the Lender. Commerce will not copy or extract any information from such files unless (a) the information is eligible for protection from disclosure pursuant to applicable federal or state statutes, in which case Commerce agrees to invoke the confidentiality provisions of the statute or (b) if such information cannot be protected, the consent of the Borrower has been obtained. Notwithstanding the foregoing, this Section is not intended to limit or preclude the ability of Commerce to exercise its right of subrogation, to withdraw CD pursuant to **Section 8.1**, or to defend itself in any legal action commenced against Commerce by the Lender or any Borrower.

Section 10.4 U.S. Treasury Inspector General

The Lender agrees to make available to the Inspector General for the United States Department of the Treasury all books and records related to Qualifying Loans, subject to the Right to Financial Privacy Act (12 U.S.C. § 3401 *et seq.*).

Section 10.5 External Audit

Commerce may select an outside auditor to audit not more often than annually the Lender's files for loans and other documents under the Program. Commerce shall be responsible for the expenses and costs of the outside auditor under this section. Commerce shall use its best efforts to coordinate its audit of the Lender's files with other states' capital access programs in which the Lender participates, and, upon Commerce's request therefore, the Lender shall provide a listing of the other State Caps in which the Lender participates.

Section 10.6 Compliance with Applicable Law

The Lender shall comply with all applicable state and federal laws, rules and regulations. Lender acknowledges and agrees to comply with the provisions of The State Small Business Credit Initiative Act of 2010 (title III of the Small Business Jobs Act of 2010, Public Law 111-240, 124 Stat. 2568, 2582) and regulations, guidelines, and agreements, including the Allocation Agreement) issued by the U.S. Department of the Treasury or Commerce for purposes of administering the State Small Business Credit Initiative (collectively, the "**SSBCI Governing Law**").

Section 10.7 Limitation of Rights

This Agreement shall be for the exclusive benefit of the Lender and Commerce, and shall not be construed to give any other person any legal or equitable right, remedy or claim with respect to the Agreement.

Section 10.8 Severability

If any clause, provision or section of this Agreement is held illegal or invalid by any court, the invalidity shall not affect any of the remaining clauses, provisions or sections of this Agreement and this Agreement shall be construed and enforced as if the illegal or invalid clause, provision or section had not been in the Agreement.

Section 10.9 Notices

All notices, certificates, requests or other communications shall be deemed given when delivered by messenger, by professional courier service or by registered or certified mail postage prepaid, return receipt requested, addressed as follows:

If to Commerce:

Attn: _____

2001 6th Ave., Ste. 2600

Seattle, WA 98121

If to the Lender:

Lender shall, within three (3) business days, inform Commerce in writing of any change in contact information for notices or Lender's Representative.

Section 10.10 Binding Effect

This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns. However, neither this Agreement, nor any claim arising under this Agreement, shall be transferred or assigned by the Lender without prior written consent of Commerce.

Section 10.11 Reports of Regulatory Agencies

The Lender consents to the transmittal to Commerce, by any financial institutions regulatory agency of the federal or state governments, of any information directly relating to the Lender's participation in the Program. To the extent permitted by law, Commerce shall hold any information acquired pursuant to this Section confidential.

Section 10.12 No Personal Liability

No member, officer or employee of Commerce, including any person executing this Agreement, shall be liable personally under this Agreement or subject to any personal liability for any reason relating to the execution of this Agreement or the Program.

Section 10.13 Collateral

Except upon the exercise of Commerce's right of subrogation as set forth in Section 5.6, Commerce shall have no legal or equitable interest in any collateral, security, or other right of recovery in connection with any loan qualified in the Program and, thus, Commerce's consent is not necessary for any amendment to the Lender's loan documents. Moreover, no provision in this Agreement shall be construed to prohibit or restrict the Lender's authority, in its sole discretion, to modify the terms or conditions of a Qualifying Loan in a manner that does not conflict with this Agreement. This Section shall not, however, permit Lender to modify its obligation to make payments to Commerce pursuant to Section 5.5.

Section 10.14 Due Diligence

Within the context of the objectives of the Program, the Lender agrees to exercise the same degree of care and diligence in the making and collection of the Qualifying Loans as it does in the making and collection of other business loans in the ordinary course of Lender's business. For the sake of clarity, the payment to Lender of all or a portion of a claim on the CD shall not be cause for Lender to cease collection efforts on any Qualifying Loan; Lender shall continue such collection efforts to the extent it would do so in the ordinary course of business if the claim had not been paid.

Section 10.15 Outreach to Underserved Communities

Lender acknowledges the importance placed in the State Small Business Credit Initiative Act of 2010 upon ensuring that low and moderate income communities, minority communities, women and minority-owned small businesses, and underserved communities. (as defined in the SSBCI Governing

Law and further described in Attachment A) are able to take advantage of opportunities provided by SSBCI-funded projects. Accordingly, Lender shall attach to the reports required under Section 6.1, a separate narrative report and supporting data documenting its marketing and outreach efforts designed to further this statutory goal. Lender shall conduct no less than two (2) marketing or outreach activities in which CAP is explicitly discussed, which may include a significant distribution of literature or advertising, targeting underserved communities throughout Washington for each year of participation through 2016.

Section 10.16 Attorneys' Fees

Unless expressly permitted under another provision of this Agreement, in the event of litigation or other action brought to enforce Loan terms, each party agrees to bear its own attorneys fees and costs.

Section 10.17 Ethics/Conflict of Interest

In performing under this Agreement, the Lender shall assure compliance with the Ethics in Public Service Act (Chapter 42.52 RCW) and any other applicable state or federal law related to ethics or conflicts of interest.

Section 10.18 Governing Law and Venue

This Agreement shall be construed and interpreted in accordance with the laws of the state of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.

Section 10.19 Independent Capacity of Lender

The parties intend that an independent contractor relationship will be created by this Agreement. The Lender and its employees or agents performing under this Agreement are not employees or agents of the state of Washington or Commerce. The Lender will not hold itself out as or claim to be an officer or employee of Commerce or of the state of Washington by reason hereof, nor will the Lender make any claim of right, privilege or benefit which would accrue to such officer or employee under law.

Section 10.20 Records Maintenance

The Lender shall maintain all books, records, documents, data and other evidence relating to this Agreement and performance hereunder, including but not limited to accounting procedures and practices that sufficiently and properly reflect all direct and indirect uses of funds provided in the performance of this Agreement. Lender shall retain such records until six (6) years following the date of final payment on an enrolled loan; provided that if any litigation, claim or audit is started before the expiration of this period, the records shall be retained until all litigation, claims, or audit findings involving the records have been finally resolved.

Section 10.21 Survival

The terms, conditions, and warranties contained in this Agreement that by their sense and context are intended to survive the completion of the performance, cancellation or termination of this Agreement shall so survive.

Section 10.22 Waiver

Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Agreement unless stated to be such in writing and signed by Authorized Representative of Lender.

Section 10.23 Captions

The captions in this Agreement are of convenience only and in no way limit the scope of intent of any provision of this Agreement.

Section 10.24 Interpretation

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Washington.

Section 10.25. Entire Agreement

This Agreement and its exhibits and any documents referred to herein constitute the complete understanding of the parties and merge and supersede any and all other discussions, agreements and understandings, either oral or written, between the parties with respect to the subject matter hereof.

WITNESS the due execution hereof as a document under seal, as of the date first written above.

For Commerce

By: _____

Print Name: _____

Title: _____

Date: _____

For Lender

By: _____

Print Name: _____

Title: _____

Date: _____

Exhibit 1

Washington Capital Access Program
Government of Colorado
www.governmentaccess.com

U.S. Small Business Administration
Colorado Office
550 14th Street, Suite 400
Denver, CO 80202

Small Business Borrower/Investee Certification for Use of Proceeds

These authorities reference Section 3083(e)(7) and Section 3033(c)(2) of the Small Business Jobs Act of 2010.

Legal name of borrower or investee: _____

The borrower or investee hereby certifies the following to the lender or investor:

1. The loan or investment proceeds will be used for a "business purpose." Business purpose includes, but is not limited to, start up costs, working capital, business procurement, franchise fees, equipment inventory, as well as the purchase, construction, renovation or tenant improvements of any eligible place of business that is not for passive real estate investment purposes. The definition of business purpose excludes activities that relate to acquiring or holding passive investments, such as commercial real estate ownership and the purchase of securities; and lobbying activities, as defined in Section 3(7) of the Lobbying Disclosure Act of 1995, P.L. 104-65, as amended.

2. The loan or investment proceeds will not be used to:

- a. repay a delinquent federal or state income taxes unless the borrower has a payment plan in place with the relevant taxing authority; or
- b. repay taxes held in trust or escrow, e.g. payroll or sales taxes; or
- c. reimburse funds owed to any owner, including any equity injection or injection of capital for the business; or
- d. to purchase any portion of the ownership interest of any owner of the business.

3. The borrower or investee is not:

- a. an executive officer, director, or principal shareholder of the lender, or
- b. a member of the immediate family of an executive officer, director, or principal shareholder of the lender, or
- c. a related interest of an such executive officer, director, principal shareholder, or member of the immediate family.

For the purposes of these three restrictions, the terms "executive officer", "director", "principal shareholder", "immediate family", and "related interest" refer to the same relationship to a lender as the relationship described in part 215 of title 12 of the Code of Federal Regulations, or any successor to such part.

4. The borrower or investee is not:

- a. a business engaged in speculative activities that develop profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil and dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy or guard against price fluctuations related to the regular activities of the business; or

Exhibit 2

Washington Capital Access Program
Department of Commerce
www.commerce.wa.gov

1001 Third St. SE, PO Box 4010
Olympia, WA 98512
Fax (360) 357-3333

Lender/Investor Certification for Use of Proceeds

This assurance is referenced by section 2005(e)(7) of the Small Business Jobs Act of 2010.
Legal name of lender or investor:

The Lender/Investor hereby certifies to the Participating State the following:

1. The loan or investment has not been made in order to place under the protection of the approved state program prior debt that is not covered under the approved state program and that is or was owed by the borrower to the lender or to an affiliate of the lender.
2. The loan or investment is not a refinancing of a loan or investment previously made to that borrower by the lender or an affiliate of the lender.
3. The lender is not attempting to enroll the unguaranteed portions of SBA-guaranteed loans.

Legal Name: _____

By: _____

Authorized Signature

Name: _____

Title: _____

Date: _____

Sex Offender Certification

(May be Used for Bond Borrowers, Lenders and Investors)

This certification is required by Section 3011(c)(2) of the Small Business Jobs Act of 2010 from any private entity that receives a loan, a loan guarantee, or other financial assistance using funds received by a participating State under the State Small Business Credit Initiative.

Legal name of entity: _____

As required by Section 3011(c)(2) of the Small Business Jobs Act of 2010, the private entity hereby certifies to the participating State that the Principals of the private entity have not been convicted of a sex offense against a minor (as such terms are defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C. 16911)). For the purposes of this Certification, Principal means the following: if a sole proprietorship, the proprietor; if a partnership, each managing partner and each partner who is a natural person and holds a 1% or more ownership interest in the partnership; and if a corporation, limited liability company, association or a development company, each director, each of the five most highly compensated executives or officers of the entity, and each natural person who is a direct or indirect holder of 20% or more of the ownership stock or stock equivalent of the entity.

Legal Name: _____

By: _____

Authorized Signature
Name: _____

Title: _____

Date: _____

Exhibit 3

SAMPLE

CSP Notice of Material Change/ Extension

1. Physical Union: _____
2. Center (s): _____
3. Center Loan #: _____
4. Physical Borrower/ Loan #: _____
5. Effective Date of Change: _____

Describe Change: _____

Final approval authority shall reside with the Office of the President. Requests for approval shall be submitted to the Office of the President via the following email address: president@university.edu

6. Description of Disbursement or Change: _____
7. Description of Proposed Term: _____
8. Disbursement Date/ Expected End Date: _____
9. Disbursement Date/ Expected End Date: _____
10. Disbursement #: _____
11. Disbursement #: _____
12. Interest/ Interest Rate: Yes No

Signature: _____

Name: _____

Title: _____

Phone: _____

Date: _____

Exhibit 4

SAMPLE

Washington Collateral Support Claim Form

NOTE: A lender is required to notify Commerce within 30 days of when the lender has charged off all or part of a qualified loan as a result of default by a borrower. If the form/claim is filled out properly and the lender has faithfully complied with CSP requirements, CSP will reimburse the lender from the lender's loss reserve account within 14 business days.

Lender and Borrower Information

Participating Lender: _____ Lender's CSP ID #: _____
Lender Contact: Name: _____ Lender Loan Number: _____
Phone: _____ Borrower's Name: _____
Address: _____ Borrower DBA: _____

Loan Information

Original Principal Loan Amount Enrolled: _____ Date of Loan: _____
Default Amount: _____ Date of Default: _____
Is this loan secured? Yes No Date of Charge-off: _____
If yes, what form of security: _____

Have enforcement proceedings begun? Yes No

Lender's priority of claim (if two or more claims filed against Borrower): _____

Claim Information

Outstanding Principal \$ _____
Accrued and Unpaid Interest \$ _____
Out-of-pocket expenses \$ _____
(Attach detailed explanation)
Total (not to exceed original \$ _____
amount enrolled)

- The lender warrants this claim is being filed within 120 days of the loan being charged off and that charge-off was consistent with the lender's usual methods for taking action on loans not enrolled in the Program.
- Lender will, as WCAP's agent, pursue additional recovery on this defaulted loan through legal proceedings, seizure and liquidation of collateral, guarantees, and/or other sources.
- Lender certifies it has given notice to Commerce of the initial enrollment of the loan in WCAP, and either: (1) has given notice to Commerce of any renewals or extensions of the loan; or (2) the loan was continuously renewed or extended since the date of its initial enrollment in WCAP.

Authorized Signature _____ Date _____

Title _____

WCAP Follow Up Claim Form

1. Name of Lender: _____
2. Lender ID #: _____
3. Lender Loan #: _____
4. Name of Borrower/Loan: _____
5. Amount of Original Claim: _____
6. Date of Original Claim: _____
7. Amount Paid on Original Claim: _____
8. Follow-up Claim Amount (Amount in #5 minus Amount in #7): _____

*Please provide a current balance statement for the associated CAP reserve account along with this request form.

Authorized Signature: _____
Name and Title (Printed): _____
Email: _____
Phone: _____
Date: _____

Exhibit 6

SAMPLE

Exhibit 7

SAMPLE

COLLATERAL SUPPORT PROGRAM LOAN ENROLLMENT FORM

Loan Officer Name: _____	Title: _____
Loan Officer Email: _____	Department: _____
Loan # _____	Department/Region _____

Business Information

Business Name: _____ DBA: _____	
Address: _____	City: _____
Business Type: _____	
Telephone Number: _____	
Website: _____	
Annual Revenue: _____	
Is this business a franchise? <input type="checkbox"/> Yes <input type="checkbox"/> No	Is this business a subsidiary? <input type="checkbox"/> Yes <input type="checkbox"/> No
SBA/USDA Loan <input type="checkbox"/> Yes <input type="checkbox"/> No	Other Loan <input type="checkbox"/> Yes <input type="checkbox"/> No
Is this business a government contractor? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know	Is this business a nonprofit? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Don't know
Is this business a public utility or a utility contractor? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Loan Information

SBA 504 Loan <input type="checkbox"/> SBA 7(a) Loan <input type="checkbox"/> Other Loan <input type="checkbox"/> Other Loan Amount: \$ _____
SBA 504 Loan Purpose: _____
Will you provide a collateral lien? <input type="checkbox"/> Yes <input type="checkbox"/> No
Does it have a lien on other assets? <input type="checkbox"/> Yes <input type="checkbox"/> No
Primary Collateral: _____
Secondary Collateral: _____
Will you provide a personal guarantee? <input type="checkbox"/> Yes <input type="checkbox"/> No
Other Information: _____
Please check appropriate box for SBA/USDA program: <input type="checkbox"/> Yes <input type="checkbox"/> No

Dr. [Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

The [Name] is pleased to [verb] [Name], [Title] of [Institution] [Address] [City] [State] [Zip].

[Name] is currently [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

[Name] is currently [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

The [Name] is pleased to [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

The [Name] is pleased to [verb] [Name] [Title].

The [Name] is pleased to [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

The [Name] is pleased to [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

The [Name] is pleased to [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

The [Name] is pleased to [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

The [Name] is pleased to [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

The [Name] is pleased to [verb] [Name] [Title] of [Institution] [Address] [City] [State] [Zip].

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

[Name] (Title), [Institution] (Address), [City] (State) (Zip) (Phone) (Fax) (E-mail) (URL) (Web page) (Social media links)

Exhibit 8

SAMPLE

Washington Collateral Support Program

Collateral Analysis and Review

Bank: _____
 Loan Number: _____
 Borrower Name: _____
 Operating Entity: _____
 (If different than borrower)
 Loan Amount: _____
 Loan Maturity: _____
 Collateral Required: \$ -
 Total Project Costs: _____
 Appraised Value: _____
 Purchase Price: _____
 Lender LTV Policy %: _____
 Borrower Cash/Equity: _____
 **CSP Maximum _____

Project Overview:

Collateral Summary and Lender Analysis -

	Fair Market Value	Lender LTV	Discounted Value	Comments Method or Source of Valuation
Real Estate	-	0.00%	-	
Equipment			-	Existing equip. Lirting provided by borrower & depreciation schedule. New equip. Estimated value to be supported by invoice when purchased.
A/Rs			-	
Inventory			-	
Other			-	
TOTAL	-		-	
Collateral Required			\$ -	
Collateral Deficiency			\$ -	
Maximum CSP allowed			\$ -	
*Collateral Support Being Requested				
Term of CD being requested				
Combined LTV - Market (with maximum CSP support)			#DIV/0!	
Combined LTV - Discounted			#DIV/0!	

Washington CSP Program collateral support parameters -

**The maximum CSP is 20% for a term lesser than or equal to 6 months, OR 15% for a term greater than 6 months

With CSP CD of \$ - the bank can get #DIV/0! LTV.

* Not to exceed "Maximum CSP allowed" OR "Collateral Deficiency"

Attachment A – Scope of Work

The objective of this Agreement is to provide capital to Washington's small businesses, consistent with the provisions of The State Small Business Credit Initiative Act of 2010 (title III of the Small Business Jobs Act of 2010, Public Law 111-240, 124 Stat. 2568, 2582) and regulations, guidelines, and agreements, including the Allocation Agreement) issued by the U.S. Department of the Treasury or the Washington Department of Commerce for purposes of administering the State Small Business Credit Initiative (collectively, the "*SSBCI governing law*"). Specifically, Lender shall ensure that Enrolled Loans are compliant with SSBCI Governing Law.

In accordance with SSBCI governing law and Section 10.15, Lender shall undertake outreach efforts to underserved communities throughout Washington which include, but are not limited to, the following:

1. CDFI Eligible Housing and/or Economic Development (Tract)
2. NMTC Eligible Area (Tract)
3. CDFI and NMTC Targeted Populations
4. HUB Zone (Place)
5. Enterprise Zone (Place)
6. Any federally recognized Native American Reservation
7. Any county defined as distressed by the WA State DOT (<http://www.wsdot.wa.gov/funding/stimulus/map/>)
8. Any county designated as distressed pursuant to RCW 82.14.370 (<http://apps.leg.wa.gov/rcw/default.aspx?cite=82.14.370>)
9. Any loan to any borrower that is, or could be certified as a Woman and/or Minority Owned Enterprise by the State of Washington
10. Any area formally identified by any unit of government as a target for reinvestment and/or redevelopment

SAMPLE

Applicant Name		Program Name	
----------------	--	--------------	--

Please use pages 2 through 12 to provide the following OSCP Program Information:

1. **SECTION 1: A description of the background of the program.** Please provide your narrative on page 2.
2. **SECTION 2: A description summarizing the program guidelines.** Please provide your narrative on pages 4-6.
3. **SECTION 3: A description of the anticipated benefits of the state, territory, or Tribal government’s in-state and out-of-state loans and investments to the state, territory, or Tribal government, its businesses, and its residents including the extent to which the resulting small business lending and investing will expand economic opportunities.** Please provide your narrative on pages 8-9.
4. **SECTION 4: A description of how the OSCP will, at a minimum, “cause and result in” \$1 of new private credit for every \$1 of SBCI funds used by the OSCP.** Please provide your narrative on page 10.
5. **SECTION 5: A description of how the OSCP will ensure a meaningful amount of lender/investor capital is at risk.** Please provide your narrative on page 11.
6. **SECTION 6: A description of how the OSCP will provide credit support that meets the requirements based on borrower or investee size, average principal loan/investment amount, and maximum loan/investment amount.** Please provide your narrative on page 12.

Applicant Name		Program Name	
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SECTION 1: A description of the background of the program, including historic performance of the program (for programs that have operated before) and expected performance.

Applicant Name		Program Name	
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SECTION 2: A description summarizing the program guidelines. Include information on the credit/investment characteristics and the operating mechanics of the OCSF such as:

- a. qualifications or eligibility requirements for small business borrowers/investees and lenders/investors
- b. minimum and maximum loan/investment amounts
- c. standard loan types (e.g., term loans, lines of credit, etc.) and investments (e.g., equity, preferred equity, subordinated debt, etc.) and processes for reviewing non-standard transactions
- d. limitations on use of loan/investment proceeds
- e. other standard terms required in loan, collateral support or guarantee provided, or investment agreement terms
- f. sources for loan originations or investment opportunities in the program
- g. processes for negotiating and approving loan/credit support or investment terms
- h. processes for determining and documenting the “cause and result” of private capital leverage related to the loan or investment
- i. kinds of and rates for fees (e.g., application and origination fees, guarantee fees, management fees, etc.) that may be charged
- j. processes for monitoring compliance and performance of outstanding loans/investments
- k. processes for addressing loan defaults or investment write-offs

Also, provide the following information relevant to the type of OCSF as follows:

Loan Participation Program (LPP) – Describe how the program is structured, that is, explain whether the program purchases participation (the state, territory, the District of Columbia, or Tribal government purchases a portion of a loan originated by a lender), or originates companion loans (or co-lending participation or parallel loans in which a lender originates a senior loan and the state, territory, the District of Columbia, or Tribal government originates a second loan to the same borrower). Also, include the maximum percentage of the loan that the state, territory, the District of Columbia, or Tribal government can participate.

Collateral Support Program (CSP) – Include information on the maximum percentage of the loan amount that may be covered by the collateral, the form of collateral to be provided, and where the collateral will be held.

Loan Guarantee Program (LGP) – Include information on the maximum percentage of the loan that the guarantee will cover and describe how the reserve fund would work.

Equity Capital Program (Funds) and Equity Capital Program (Direct) – Describe the structure of the Equity Capital Program and the capital deployment model.

Applicant Name		Program Name	
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SECTION 2 (continued):

Applicant Name		Program Name	
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SECTION 2 (continued):

Applicant Name		Program Name	
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SECTION 2 (continued):

Applicant Name		Program Name	
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SECTION 3: A description of the anticipated benefits of the state, territory, the District of Columbia, or Tribal government’s in-state and out-of-state loans and investments to the state, territory, the District of Columbia, or Tribal government, its businesses, and its residents including the extent to which the resulting small business lending and investing will expand economic opportunities. For example, climate transition investments may result in efficient energy use, sustainable jobs, or economic growth in sustainable manufacturing and industrial decarbonization, sustainable agriculture, bio-materials, and electric vehicles and changing infrastructure. Another example is that investments in areas such as small and mid-size enterprise (SME) manufacturing and supply chain resiliency may result in stronger economic growth, high-quality jobs, and innovation. Also, investments focused on innovation in supply chains of critical products such as semiconductors, critical minerals and materials, and advanced pharmaceuticals may provide long-term national and economic security benefits. *Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSPs, subsection g. Additional Considerations for Approving OCSPs – Anticipated Benefits to the State – 12 U.S.C. § 5705(d)(1).*

Applicant Name		Program Name	
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SECTION 3 (continued):

Applicant Name		Program Name	
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SECTION 3 (continued):

Applicant Name		Program Name	
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SECTION 4: A description of how the OCSP will, at a minimum, “cause and result in” \$1 of new private credit for every \$1 of SSBCI funds used by the OCSP. For example, for OCSPs involving equity capital, applicants may specify such safeguards as limiting investments to anchor investments, prohibiting SSBCI participation after a fund’s initial close, or only permitting investments in funds for which private capital is likely to be catalyzed by SSBCI participation based on the funds’ age, size, or experience. In addition, please complete the leverage ratio tables for this OCSP program in **Section 8.1C** of the application. *Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSPs, subsection c. 1:1 Financing – 12 U.S.C. § 5705(c)(1).*

Applicant Name		Program Name	
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SECTION 5: A description of how the OSCP will ensure a meaningful amount of lender/investor capital is at risk. If the OSCP provides credit/equity support through a financial institution or non-financial institution lender or investor, such lender or investor must have a meaningful amount of capital resources at risk. The term “meaningful amount” may vary for lenders and investors in different programs, as some will bear risk at the transaction level while others bear pooled risk. Capital at risk guidelines for OCSOs are contained in the SSBCI Capital Program Policy Guidelines. Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSOs, subsection d. Lender or Investor Capital at Risk – 12 U.S.C. § 5705(c)(3).

Applicant Name		Program Name	
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SECTION 6: A description of how the OCSP will provide credit support that meets all of the following requirements:

- a. targets an average borrower or investee size of 500 employees* or less;
- b. does not extend support to borrowers or investees that have more than 750 employees;
- c. targets support towards loans or investments with an average principal amount of \$5,000,000 or less; and
- d. does not extend credit support to loans or investments that exceed a principal amount of \$20,000,000.

*The definition at 12 CFR §121.106 should be used to calculate the number of employees. Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSPs, subsection e. Borrower/Investee and Loan/Investment Size Requirements – 12 U.S.C. § 5705(c)(4).

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Applicant Name		Program Name	
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Please use pages 2 through 8 to describe the OCSP management team, operational capacity, and internal accounting and administrative controls systems including the following:

1. **SECTION 1: A description of the OCSP’s operational capacity, skills, and experience of the OCSP program management team. For example, address whether the OCSP has adequate organizational resources, infrastructure, systems, and standard operating policies and procedures to administer the OCSP.**

Please provide your narrative on pages 2-3.

Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSPs, subsection g. Additional Considerations for Approving OCSPs – OCSP Experience and Capacity – 12 U.S.C. § 5705(d)(2).

2. **SECTION 2: A description of the ability of the OCSP to manage increases in the volume of its small business lending or investing. For example, describe the OCSP organizational infrastructure, resources, and the management team’s skills and experience to handle increases in small business lending or investing.** Please provide your narrative on page 4-5.

Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSPs, subsection g. Additional Considerations for Approving OCSPs – OCSP Capacity to Manage Increases – 12 U.S.C. § 5705(d)(3).

3. **SECTION 3: A description of the internal accounting and administrative controls systems of the OCSP and the extent to which such systems can provide reasonable assurance that the SSBCI funds will be safeguarded against waste, loss, unauthorized use, and misappropriation. For example, provide evidence of one or more of the following:**

- a. **periodic internal audits**
- b. **annual independent audits (including management letters)**
- c. **program financial statements current within the past year**
- d. **adequate accounting and financial management systems**

Please provide your narrative on pages 6-7.

Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSPs, subsection g. Additional Considerations for Approving OCSPs – OCSP Accounting and Administrative Controls – 12 U.S.C. § 5705(d)(4).

4. **SECTION 4: A description of the soundness of the OCSP’s program design and implementation plan. For example, address whether research and market surveys have been conducted to determine program demand; whether successful programs that have operated before have been modified to meet SSBCI requirements; and whether the OCSP incorporates industry best practices.** Please provide your narrative on page 8.

Refer to the SSBCI Capital Program Policy Guidelines, Section VIII. Approving State OCSPs, subsection g. Additional Considerations for Approving OCSPs – OCSP Program Design and Implementation Plan – 12 U.S.C. § 5705(d)(5).

Applicant Name		Program Name	
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SECTION 1: A description of the OCSP’s operational capacity, skills, and experience of the OCSP program management team.

Applicant Name		Program Name	
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SECTION 1 (continued):

Applicant Name		Program Name	
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SECTION 2: A description of the capacity of the OCSP to manage increases in the volume of its small business lending or investing.

Applicant Name		Program Name	
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SECTION 2 (continued):

Applicant Name		Program Name	
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SECTION 3: A description of the internal accounting and administrative controls systems of the OCSP and the extent to which such systems can provide reasonable assurance that the SSBCI funds will be safeguarded against waste, loss, unauthorized use, and misappropriation. .

Applicant Name		Program Name	
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SECTION 3 (continued):

Applicant Name		Program Name	
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SECTION 4: A description of the soundness of the OCSP’s program design and implementation plan.

EXHIBIT G

Legend

Appl. Fund	Capital Account
Capital Account	Capital Account
Capital Account	Capital Account
Capital Account	Capital Account

Appl. Fund Name: _____

Capital Account Program (CAP): _____

Program Total Funded Amount: \$ 100,000

CAP - Projections	Historical Data					Zones									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011				
Number of New Loans	1	1	1	1	1	1	1	1	1	1	1				
New Loan Amount	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000				
Private Contributions	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000				
Applicant's Share of Interest & Other Contributions	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%				
Other Private Funds at Closing	0	0	0	0	0	0	0	0	0	0	0				
Other Public Funds	0	0	0	0	0	0	0	0	0	0	0				
Total number of projects loans to date	1	2	3	4	5	6	7	8	9	10	11				
Total loan amount to date	\$ 250,000	\$ 500,000	\$ 750,000	\$ 1,000,000	\$ 1,250,000	\$ 1,500,000	\$ 1,750,000	\$ 2,000,000	\$ 2,250,000	\$ 2,500,000	\$ 2,750,000				
Completion Priority Fund	\$ 250,000	\$ 500,000	\$ 750,000	\$ 1,000,000	\$ 1,250,000	\$ 1,500,000	\$ 1,750,000	\$ 2,000,000	\$ 2,250,000	\$ 2,500,000	\$ 2,750,000				
Completion Rate of Contributions	\$ 30,000	\$ 60,000	\$ 90,000	\$ 120,000	\$ 150,000	\$ 180,000	\$ 210,000	\$ 240,000	\$ 270,000	\$ 300,000	\$ 330,000				
Completion Priority Leverage Ratio	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00				

*Any public liability or other public funds associated with this development provided that to from any source other than SDC. For CAPs this will be the amount of non-SDC funds (i.e., "sewerment") provided by the jurisdiction.

OMB Control # 1505-0227

EXHIBIT H

Legend:	Static Field
	Calculated Field
	To be Completed by Applicant

Applicant Name:	
Program Name:	

Summary

Output	
Total Maximum Leverage Ratio:	17.25
General Assumptions	
Total Amounts Allocated	\$ 24
Statutory Allocation	\$ 25,000,000

Capital Access Programs

Output	
Maximum Leverage Ratio:	25.00
General Assumptions	
Amount to be Allocated to Program	\$ 4
Federal Contributions	2%
Borrower Premium Contribution	1%
Financial Institution Lender Premium Contribution	1%
Total Loan Loss Reserve Percentage	4%

VC (Accelerator Example)

Output	
Maximum Leverage Ratio:	15.03
General Assumptions	
Amount to be Allocated to Program	\$ 4

Portfolio Composition Assumptions				
Funding Round	Federal Funds %	Round Success %	Cumulative Success %	Round Size (\$000's)
1	50%	50%	100.00%	\$ 150
2	8%	50%	50.00%	\$ 450
3	0%	17%	8.50%	\$ 2,500
4	0%	25%	2.13%	\$ 10,000
5	0%	50%	1.06%	\$ 20,000
6+	0%	90%	0.36%	\$ 50,000

VC Program

Output	
Maximum Leverage Ratio:	30.25
General Assumptions	
Amount to be Allocated to Program	\$ 4

Portfolio Composition Assumptions				
Funding Round	Federal Funds %	Round Success %	Cumulative Success %	Round Size (\$000's)
1	8%	100%	100.00%	\$ 450
2	4%	17%	17.00%	\$ 2,500
3	0%	25%	4.25%	\$ 10,000
4	0%	50%	2.13%	\$ 20,000
5	0%	75%	1.59%	\$ -
6+	0%	0%	0.00%	\$ -

Loan Participation Program

Output	
Maximum Leverage Ratio:	17.38
General Assumptions	
Amount to be Allocated to Program	\$ 4
Time until recycling (yrs)	4
Time Horizon (yrs)	10
Average % Participation	10%
Assumed Loss %	2%

Portfolio Composition Assumptions		
Loan Tenor (yrs)	Multiple	% of total portfolio
1	4.92	0%
3	1.98	5%
5	1.98	90%
10	1.00	5%
Total		100%

Loan Guarantee Program

Output	
Maximum Leverage Ratio:	7.52
General Assumptions	
Amount to be Allocated to Program	\$ 4
Time until recycling (yrs)	5
Time Horizon (yrs)	10
Average % Loan Guarantee	65%
% of Guarantee set aside as cash reserve	25%
Assumed Loss %	20%

Portfolio Composition Assumptions		
Loan Tenor (yrs)	Multiple	% of total portfolio
revolving	1.5	20%
1	4.2	5%
3	1.8	25%
5	1	50%
10	1	0%
Total		100%

Collateral Support Program

Output	
Maximum Leverage Ratio:	8.31
General Assumptions	
Amount to be Allocated to Program	\$ 4
Time until recycling (yrs)	4
Time Horizon (yrs)	10
Avg % of principal as Collateral Support	20%
Assumed Loss %	2%

Portfolio Composition Assumptions			
Loan Tenor (yrs)	Term of Collateral Support	Multiple	% of total portfolio
1	1	4.92	5%
3	3	1.98	25%
5	3.5	1.98	65%
10	7	1	5%
Total			100%

Legend:

State Fund
Capital Expenditure
To Be Completed by Applicant

TOTAL AMOUNTS ALLOCATED ON LEVERAGE CALCULATIONS
TOTAL FUNDED AMOUNT FOR OCSF

\$ 26
\$ 110,050,000

Applicant Aggregate Projections for OCSFs	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Total Number of New Investments per Year	33	53	74	91	98	89	91	51	54	60
Total Cumulative Number of New Investments	33	86	160	241	329	418	510	561	615	674
Total Annual Federal Funds	\$ 6,000,400	\$ 10,000,400	\$ 14,000,400	\$ 18,000,400	\$ 16,000,400	\$ 16,000,000	\$ 15,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Total Cumulative Federal Funds	\$ 6,000,400	\$ 16,000,800	\$ 30,011,200	\$ 48,017,600	\$ 64,022,000	\$ 77,026,000	\$ 92,026,000	\$ 98,028,000	\$ 104,030,000	\$ 110,031,000

Venture Capital Fund (VCF) Program

Program Total Funded Amount	\$ 60,000,000
-----------------------------	---------------

Venture Capital Fund Program - Projections	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Number of New Investments per Year	20	35	50	50	50	50	45	-	-	-
Federal Contributions Deployed	\$ 6,000,000	\$ 7,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 8,000,000	\$ -	\$ -	\$ -
Cumulative Number of Investments	20	55	105	155	205	255	300	300	300	300
Cumulative Federal Funds	\$ 6,000,000	\$ 13,000,000	\$ 23,000,000	\$ 33,000,000	\$ 43,000,000	\$ 53,000,000	\$ 61,000,000	\$ 61,000,000	\$ 61,000,000	\$ 61,000,000

Loan Participation Programs

Program Total Funded Amount	\$ 50,000,000
-----------------------------	---------------

Loan Participation Program - Projections	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Number of New Loans (count Federal + Private funds as one loan)	10	15	21	28	35	36	43	48	51	57
Federal Contributions	\$ 2,000,000	\$ 3,000,000	\$ 4,000,000	\$ 5,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Cumulative Number of Investments	10	25	46	74	109	145	188	237	288	344
Cumulative Federal Funds	\$ 2,000,000	\$ 5,000,000	\$ 9,000,000	\$ 14,000,000	\$ 20,000,000	\$ 26,000,000	\$ 32,000,000	\$ 38,000,000	\$ 44,000,000	\$ 50,000,000

Loan Guarantee Program

Program Total Funded Amount	\$ 12,000,000
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Loan Guarantee Program - Projections	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Number of New Loans	1	1	1	1	1	1	1	1	1	1
Federal Contributions	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400
Cumulative Number of Investments	1	2	3	4	5	6	7	8	9	10
Cumulative Federal Funds	\$ 2,400	\$ 4,800	\$ 7,200	\$ 9,600	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000

Collateral Support Program (CSP)

Program Total Funded Amount	\$ 20,000,000
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CSP - Projections	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Number of New Loans	2	2	2	2	2	2	2	2	2	2
Federal Contributions	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Cumulative Number of Investments	2	4	6	8	10	12	14	16	18	20
Cumulative Federal Funds	\$ 2,000	\$ 4,000	\$ 6,000	\$ 8,000	\$ 10,000	\$ 12,000	\$ 14,000	\$ 16,000	\$ 18,000	\$ 20,000

Applicant Name	
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Please use pages 2 through 6 to describe the staff compliance and oversight.

Staff Compliance and Oversight: Describe what reporting mechanisms, audits, or other internal controls and compliance activities (a) the applicant has in place or (b) need to be implemented to enable the applicant to conduct oversight and meet annual and quarterly reporting requirements for the proposed program(s). Please include information for all proposed programs. In addition, explain the steps you will take to promote a fair, competitive, and open selection and contracting process. These steps could include application and enforcement of the jurisdiction’s existing procurement and ethics policies, as well as new measures that your jurisdiction chooses to implement specifically for the SSBCI program. Examples of such policies to include limitation or disclosure of political contributions to the jurisdiction’s officials with authority to select SSBCI contractors; reporting requirements for lobbying activity, including lobbying related to the SSBCI contractor selection process or program implementation; or request-for-proposal policies to govern the process for evaluating bids for SSBCI-related contracts. Please provide your narrative on pages 2-6.

Refer to the SSBCI Capital Program Policy Guidelines, Section VI. Approving States for Participation, subsection c. Contractual Arrangements – 12 U.S.C. § 5703(c); Section VII. Approving State CAPs, subsection f. Loan Purpose Requirements and Prohibitions – 12 U.S.C. § 5704(e)(7); Section VIII. Approving State OCSs, subsection f. Loan/Investment Purpose Requirements; and Prohibitions – 12 U.S.C. § 5705(f), and Section X. Reporting.

Applicant Name	
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Staff Compliance and Oversight:

Applicant Name	
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Staff Compliance and Oversight (continued):

Applicant Name	
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Staff Compliance and Oversight (continued):

Applicant Name	
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Staff Compliance and Oversight (continued):

Applicant Name	
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Staff Compliance and Oversight (continued):

Organizational Risk Assessment			
		Contract Number:	
		Name of Organization:	
		Name of Person Completing Form:	
		Title:	
		Phone:	
		Email:	
		Commerce Staff Reviewer:	
		Date of Review:	
Directions			
Organization - Highlight the applicable answer to each question and return in Excel format. Commerce - Assign predetermined points to each question and total in cell E48. Use guide below to determine risk.			
	Question	Answer	Points
1	Has the organization been in existence and provided this service similar to the scope of work under this contract 5+ years?	Yes No	0 10
2	Has the organization previously managed state or federal grants?	Yes No	0 10
3	Has the organization received an audit of any type in the past 5 years? If yes, provide a copy of the past two audits on file.	Single audit Financial review, compliance, internal controls No	0 10 20
4	If an audit has been conducted, have there been any audit findings and/or management letter outlining concerns/issues in the past 5 years? If yes, provide a copy of the findings/management letter and a copy of the resolution document.	Yes No	30 0
5	Does the organization have an internal process for conducting financial and/or program reviews?	Yes No	0 10
6	Does the organization have written policy/procedure related to accounting?	Yes No	0 10
7	Does the organization track multiple funding sources and breakout expenditures for each funding source?	Yes No	0 10
8	Does the organization have written policy/procedure related to procurement?	Yes No	0 10
9	Does the organization have written policy/procedure related to the monitoring of subcontracts?	Yes No	0 10
10	Does the organization have appropriate programmatic, administrative and financial services staffing to be able to adequately address the scope of work under this contract?	Yes No	0 10
11	Has the organization or has a funding entity terminated any contracts because of performance or compliance issues?	Yes No	50 0
TOTAL POINTS			

ASSURANCES OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS

As a condition of receipt of federal financial assistance from the Department of the Treasury, the recipient named below (hereinafter referred to as the "Recipient") provides the assurances stated herein. The federal financial assistance may include federal grants, loans and contracts to provide assistance to the Recipient's beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass contracts of guarantee or insurance, regulated programs, licenses, procurement contracts by the Federal government at market value, or programs that provide direct benefits.

The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Recipient may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Recipient's program(s) and activity(ies), so long as any portion of the Recipient's program(s) or activity(ies) is federally assisted in the manner prescribed above.

1. Recipient ensures its current and future compliance with legal requirements related to nondiscrimination and nondiscriminatory use of federal funds. These requirements include ensuring that entities receiving federal financial assistance from Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with, but not limited to, the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI), 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 C.F.R. part 22, and other pertinent executive orders such as Executive Order 13166; Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 C.F.R. part 28; Age Discrimination Act of 1975, 42 U.S.C. 6101 et seq., and the Department's implementing regulations at 31 C.F.R. part 23.
2. Recipient acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Recipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury's implementing regulations. Accordingly, Recipient shall initiate reasonable steps, or comply with the Department of the Treasury's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Recipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Recipient's programs, services, and activities.
3. Recipient agrees to consider the need for language services for LEP persons when Recipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit <http://www.lep.gov>.

4. Recipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Recipient and Recipient's successors, transferees, and assignees for the period in which such assistance is provided.
5. Recipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above. With regard to Title VI, Recipient agrees to incorporate the following language in every contract or agreement subject to Title VI and its regulations between the Recipient and the Recipient's sub-grantees, contractors, subcontractors, successors, transferees, and assignees:

The sub-grantee, contractor, subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this contract (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this contract or agreement.

6. Recipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Recipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property.
7. Recipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Recipient shall comply with information requests, on-site compliance reviews and reporting requirements.
8. Recipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Recipient also must inform the Department of the Treasury if Recipient has received no complaints under Title VI.
9. Recipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Recipient and the administrative agency that made the finding. If the Recipient settles a case or matter alleging such discrimination, the Recipient must provide documentation of the

settlement. If Recipient has not been the subject of any court or administrative agency finding of discrimination, please so state.

10. If the Recipient makes sub-awards to other agencies or other entities, the Recipient is responsible for ensuring that sub-recipients also comply with Title VI and other applicable authorities covered in this document. State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that they are effectively monitoring the civil rights compliance of subrecipients.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

Under penalty of perjury, the undersigned official(s) certifies that official(s) has read and understood the Recipient's obligations as herein described, that any information submitted in conjunction with this assurances document is accurate and complete, and that the Recipient is in compliance with the aforementioned nondiscrimination requirements.

Recipient

Date

Signature of Authorized Official

PAPERWORK REDUCTION ACT NOTICE

The information collected will be used for the U.S. Government to process requests for support. The estimated burden associated with this collection of information is 30 minutes per response. Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the Office of Privacy, Transparency and Records, Department of the Treasury, 1500 Pennsylvania Ave., N.W., Washington, D.C. 20220. DO NOT send the form to this address. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.