



**DEPARTMENT OF THE TREASURY**  
**COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND**  
1500 PENNSYLVANIA AVENUE, NW  
WASHINGTON, D.C. 20220

May 2, 2022

Subject: Extension of the period of reimbursement specified in Section 3.3(j).

Dear Allocatee:

To continue to mitigate the impact of the COVID-19 pandemic on compliance with section 3.3(j) of select Allocation Agreements, the CDFI Fund is hereby deleting Section 3.3(j) of Calendar Year (CY) 2015-2016, CY2017, CY2018, CY2019 and CY2020 Allocation Agreements and replacing it in its entirety with the language below:

- (j) The Allocatee shall not use the proceeds of a QEI to make a QLICI in a QALICB where such QLICI proceeds are used, in whole or in part, to repay or refinance a debt or equity provider whose capital was used to fund the QEI, or are used to repay or refinance any Affiliate of such a debt or equity provider, except where:
- (i) the QLICI proceeds are used to repay or refinance documented reasonable expenditures that are directly attributable to the qualified business of the QALICB, and such expenditures were incurred no more than 24 months prior to the QLICI closing date; or
  - (ii) no more than 5% of the total QLICI proceeds from the QEI are used to repay or refinance documented reasonable expenditures that are directly attributable to the qualified business of the QALICB.

For purposes of this subsection, refinance includes transferring cash or property, directly or indirectly, to the debt or equity provider or an Affiliate of the debt or equity provider.

Furthermore, for QLICIs closed between June 1, 2020 and December 31, 2022, the period for documented reasonable expenditures outlined in section 3.3(j)(i) above is increased from 24 months to 36 months prior to the QLICI closing date.

Except as expressly amended hereby, the Allocation Agreement shall remain in full force and effect in accordance with its terms. Capitalized terms not otherwise defined herein shall have the meaning specified in the Allocation Agreement.

Please direct any questions concerning your Allocation Agreement to the CDFI Fund's Office of Compliance Monitoring and Evaluation via a Service Request submitted through your organization's AMIS account.

Sincerely,

Heather Hunt  
Program Manager  
Office of Compliance Monitoring and Evaluation