

**DEPARTMENT OF THE TREASURY****Community Development Financial Institutions Fund****CDFI Bond Guarantee Program**

**AGENCY:** Community Development Financial Institutions Fund, U.S. Department of the Treasury.

**ACTION:** Notice of Request for Proposals for Master Servicer/Trustee.

**SUMMARY:** The Community Development Financial Institutions (CDFI) Fund, a wholly owned government corporation within the U.S. Department of the Treasury, is seeking proposals from entities interested in serving as the Master Servicer/Trustee for the CDFI Bond Guarantee Program, which was authorized under the Small Business Jobs Act of 2010 (Pub. L. 111–240; 12 U.S.C. 4713a) (the Act). This Notice of Request for Proposals describes the duties of the Master Servicer/Trustee, the criteria to be used to select the Master Servicer/Trustee, the selection process, and how to submit proposals. **DATES:** Proposals to become the Master Servicer/Trustee must be received by the CDFI Fund no later than 5:00 p.m. ET on July 1, 2013.

**FOR FURTHER INFORMATION CONTACT:** Lisa M. Jones, Program Manager, CDFI Bond Guarantee Program, by mail to the CDFI Fund, U.S. Department of the Treasury, 1500 Pennsylvania Avenue NW., Washington, DC 20220; by email to [bjp@cdfi.treas.gov](mailto:bjp@cdfi.treas.gov); or by facsimile at (202) 508–0090 (this is not a toll free number). Information regarding the CDFI Fund and the CDFI Bond Guarantee Program may be downloaded from the CDFI Fund's Web site at <http://www.cdfifund.gov>.

**SUPPLEMENTARY INFORMATION:****I. General***A. CDFI Bond Guarantee Program*

1. *Purpose; program summary.* The purpose of the CDFI Bond Guarantee Program is to support CDFI lending by providing Guarantees for Bonds issued for Eligible Community or Economic Development Purposes, as authorized by section 1134 of the Act. Pursuant to the Act, the Guarantor will provide a Guarantee for the repayment of the full amount of the Verifiable Principal, Interest, and Call Premium of the Bonds issued by Qualified Issuers as part of a Bond Issue. Bonds will be used to finance Bond Loans to Eligible CDFIs for Eligible Purposes for a period not to exceed 30 years. The Bonds will support CDFI lending in Investment Areas by providing a source of low-cost, long-term capital to CDFIs.

2. *Additional reference documents.* In addition to this Notice, the CDFI Fund encourages interested parties to review the following documents, which can be found on the CDFI Bond Guarantee Program page of the CDFI Fund's Web site at <http://www.cdfifund.gov>:

(a) *CDFI Bond Guarantee Program Regulations.* The interim rule that governs the CDFI Bond Guarantee Program was published on February 5, 2013 (78 FR 8296; 12 CFR part 1808) (the Regulations) and provides the regulatory requirements and parameters for the CDFI Bond Guarantee Program including, among others, general provisions, eligibility, eligible activities, applications for Guarantee and Qualified Issuer, evaluation and selection, and terms and conditions of Guarantee. In addition to the Regulations, the CDFI Fund has provided a document that summarizes certain program terms and conditions, which may be found on the CDFI Fund's Web site at <http://www.cdfifund.gov>.

(b) *Bond Trust Indenture.* The CDFI Fund will publish on its Web site, either simultaneously with this Notice or shortly thereafter, a template for the Bond Trust Indenture, the agreement that will govern the relationship between the Master Servicer/Trustee and the respective Qualified Issuer. The Bond Trust Indenture sets forth the roles, responsibilities and functions of the Master Servicer/Trustee under the CDFI Bond Guarantee Program. This form document may be updated periodically, as needed, and will be tailored to the Master Servicer/Trustee and Qualified Issuer at the time of Bond closing. Accordingly, this form document should not be relied on, but instead is provided for illustrative purposes.

(c) *Notice of Guarantee Availability (NOGA).* The CDFI Fund will publish the NOGA for FY 2013 Guarantee authority, notifying the public that: (i) Parties interested in being approved as Qualified Issuers can submit Qualified Issuer Applications and (ii) Qualified Issuers can submit Guarantee Applications to be approved for a Guarantee. The NOGA explains application submission and evaluation requirements and processes, certain Guarantee administration information and agency contacts.

(d) *Federal credit documents.* Interested parties should review the Office of Management and Budget (OMB) Circular A–129 (Policies for Federal Credit Programs and Non-Tax Receivables) in order to fully understand credit review requirements that pertain to the CDFI Bond Guarantee Program. In addition, interested parties

should review the Federal Credit Supplement, published annually by OMB.

(e) *Program materials.* Interested parties should review the Qualified Issuer Application and Guarantee Application, found on the CDFI Fund's Web site.

(f) *Legal documents.* Interested parties should review CDFI Bond Guarantee Program template documents including, but not limited to, the Agreement to Guarantee and the Bond Loan Agreement, which will be posted on the CDFI Fund's Web site. These form documents may be updated periodically, as needed, and will be tailored, as appropriate, to the particular terms and conditions of a Guarantee. Accordingly, these form documents should not be relied on, but instead are provided for illustrative purposes.

(g) *Frequently Asked Questions.* The CDFI Fund will periodically post on its Web site responses to questions that have been asked by parties interested in learning more about the CDFI Bond Guarantee Program.

3. *Definitions.* Capitalized terms used herein and not defined elsewhere are defined in section 1808.102 of the Regulations.

**II. Roles and Responsibilities of Master Servicer/Trustee***A. General*

1. There will be one Master Servicer/Trustee for the CDFI Bond Guarantee Program.

2. The Master Servicer/Trustee will be a third-party trust company or financial institution that is in the business of servicing bonds and loans that are similar to the Bonds and Bond Loans, has been deemed acceptable by the CDFI Fund, and whose duties will include, among others, exercising fiduciary powers to enforce the terms of the Bonds and Bond Loans pursuant to the Bond Trust Indenture entered into by and between the Master Servicer/Trustee and the respective Qualified Issuer, overseeing the activities of the Servicer, and facilitating Bond principal and interest payments to the Federal Financing Bank, as Bond Purchaser.

3. Accordingly, the duties of the Master Servicer/Trustee will include loan administration, servicing, and monitoring of the Bond Issue and the corresponding Bonds and Bond Loans with respect to the Qualified Issuer's repayment obligations to the Bond Purchaser and the terms of the Agreement to Guarantee and the Bond Loan Agreement.

4. The Master Servicer/Trustee will also be charged with all customary

duties required of a Paying Agent, Collateral Agent, and Custodian (as those terms are customarily used and which duties may be enumerated in the Bond Trust Indenture).

5. When necessary, the Master Servicer/Trustee will act as Special Servicer, performing certain administrative duties related to the restructuring of Bond Loans that are in or about to enter into an event of default (i.e., distressed asset management or resolution), as well as initiating foreclosure action, appointing a receiver, and enforcing deficiency judgments. As described below, the Department of the Treasury will have certain decision-making authority with respect to the Qualified Issuer's instructions to the Master Servicer/Trustee as to the best course of action when multiple remedies or options are available (i.e., the decision as to whether to restructure a Bond Loan or initiate foreclosure actions).

6. The Master Servicer/Trustee's administrative fees and expenses will be paid by each Eligible CDFI in accordance with the Bond Trust Indenture and related documents.

7. The Master Servicer/Trustee's roles and responsibilities will be enumerated and governed by the Bond Trust Indenture entered into with each Qualified Issuer that receives a Guarantee through the CDFI Bond Guarantee Program.

8. The Master Servicer/Trustee will not be considered to have entered into a contract or binding agreement with the Federal Government under the Federal Acquisition Regulations or otherwise. The Master Servicer/Trustee will not be an agent of the Federal Government. Instead, its contractual relationships will be with each Qualified Issuer that receives a Guarantee under the CDFI Bond Guarantee Program. Each Qualified Issuer that receives a Guarantee will have entered into an Agreement to Guarantee with the Secretary of the Treasury, which describes terms and conditions that must be met in order to receive the Guarantee; a condition of such Agreement to Guarantee will be that the Qualified Issuer must enter into the Bond Trust Indenture with the Master Servicer/Trustee to undertake certain responsibilities under the CDFI Bond Guarantee Program.

9. Accordingly, no Federal funds will be appropriated, obligated or made available by the U.S. Department of the Treasury under this Notice or the Bond Trust Indenture. The Department of the Treasury will have no legal liability for any payment purposes under this Notice or the Bond Trust Indenture.

#### *B. Master Servicer/Trustee Duties*

1. Pursuant to the specific terms of the Bond Trust Indenture entered into with each Qualified Issuer that receives a Guarantee, the Master Servicer/Trustee will be responsible for performing duties including, but not limited to:

(a) The fiduciary power to enforce the terms of Bonds and the Bond Loans pursuant to the Bond Trust Indenture;

(b) Establishing and managing the funds and accounts set forth in the Regulations;

(c) Providing such reports as required;

(d) Overseeing the activities of Servicers and managing loan administration;

(e) Servicing and monitoring of Bond Issues with respect to repayment obligations to the Bond Purchaser and the terms of the Agreement to Guarantee;

(f) Tracking the movement of funds between the accounts of the Master Servicer/Trustee and all Servicers;

(g) Ensuring orderly receipt of the monthly remittance and servicing reports of the Servicers;

(h) Monitoring collection and foreclosure actions;

(i) Aggregating the reporting and distribution of funds to the Qualified Issuer, the CDFI Fund, and the Bond Purchaser, as necessary;

(j) Removing and replacing Servicers, as necessary;

(k) Performing systematic and timely reporting of Bond Loan performance compiled from Servicers' reports, and providing such reports as required in the Regulations;

(l) Ensuring proper distribution of funds to Eligible CDFIs, servicing the Bonds, and repayment to the Bondholder; and

(m) All other duties and related services that are customarily expected of a Master Servicer/Trustee, and as may be required by the CDFI Fund.

#### *2. Other duties and related services.*

Other duties and related services that will be required of the Master Servicer/Trustee include, but are not limited to, loan administration and the roles of Special Servicer, Paying Agent, Collateral Agent, and Custodian (as those terms are customarily used and which duties may be enumerated in the Bond Trust Indenture), summarized as follows:

(a) *Loan administration.* At the CDFI Fund's request, and to the extent permitted by the applicable transaction documents, the Master Servicer/Trustee shall:

(1) Promptly report to the CDFI Fund: (A) Any failure by any Eligible CDFI to comply with its obligations or

covenants, including those related to collateral; (B) to the extent a Secondary Loan is financed on a corporate finance basis (i.e., through a Credit Enhancement), any downgrade in the credit rating of the Eligible CDFI or any third-party guarantor by either Standard & Poor's Financial Services LLC, Moody's Investors Service or Fitch Ratings Ltd.; (C) any material change in the value of any project collateral, based on notices and updates provided by the Qualified Issuer or Eligible CDFIs; (D) problems or irregularities concerning any Secondary Loan, based on information obtained from the Qualified Issuers, Eligible CDFIs or in the course of any site visits conducted on behalf of the CDFI Fund; or (E) the inability of any Eligible CDFI to make payment on the Bond Loan or other debt obligation;

(2) Provide executive level briefings and decision support on a quarterly basis or more frequently in special situations that may require CDFI Fund or Master Servicer/Trustee intervention;

(3) Report findings of loan monitoring activities acceptable for utilization by the CDFI Fund for the purpose of credit subsidy re-estimates for Bond Issues, including all necessary reporting under the Federal Credit Reform Act of 1990, as amended;

(4) Maintain a comprehensive reporting format to track and report fees, extraordinary costs and expenses due and collected on individual projects (findings to be summarized in the monthly payment status and delinquency report);

(5) Perform reviews of the reports provided by Eligible CDFIs or Qualified Issuers to ensure that such reports comply with standardized information reporting requirements for Eligible CDFIs and required affirmative or negative covenants and specific reporting requirements in any related loan agreements (summary of findings to be provided in the monthly servicing oversight report);

(6) Promptly notify the CDFI Fund if it becomes aware of any reporting problems; and

(7) Perform such other loan administration duties as set forth in the Bond Trust Indenture.

(b) *Special Servicer.* The following Special Servicer duties (i.e., distressed asset management or resolution duties) shall be performed by the Master Servicer/Trustee in accordance with the Bond Trust Indenture:

(1) Negotiate the restructuring of Bond Loans that are in or about to enter into an event of default;

(2) Initiate foreclosure action and appointing a receiver;

(3) Enforce deficiency judgments;

(4) Assist and advise CDFI Fund in connection with the exercise of any of its remedies (e.g., restructuring of Bonds and collateral terms and conditions, continued operation of the project, foreclosure and the liquidation of the collateral), including intervening in payment reconciliation efforts, assisting in appraisal and liquidation of collateral, identifying potential buyers of the assets and analyzing bids;

(5) Oversee the collection and monitoring by Qualified Issuers of all scheduled and actual payment activities of each Bond (findings to be reported to CDFI Fund in the payment status and delinquency sub-report contained in the monthly servicing oversight report, such sub-report shall provide information as to past principal and interest payments, the timing of future principal and interest payments, and current loan balances for each project);

(6) With CDFI Fund direction, file any claims or take any action or institute any proceedings that the Master Servicer/Trustee may deem necessary or desirable for the collection of any of the collateral or otherwise to accomplish the purposes of any Bond documents;

(7) Exercise, in respect of the collateral, in addition to any other rights or remedies available to it and to the extent not in violation of applicable law, all the rights and remedies of a secured party under the Uniform Commercial Code (UCC);

(8) If requested by the CDFI Fund, assist and advise the CDFI Fund in connection with the liquidation of the collateral or any part thereof, including selecting specialists to assist in appraisal and liquidation of collateral, recommending liquidation strategies, identifying potential buyers of the assets and analyzing bids; ask for, demand, collect, sue for, recover; receive and give acquittance and receipts for moneys due and to become due under or in respect of any collateral;

(9) Occupy any premises where the collateral or any part thereof is assembled or located;

(10) Receive, endorse and collect any drafts or other instruments, documents and chattel paper in connection with the preceding clauses;

(11) Appear at hearings related to any bankruptcy proceedings as requested by CDFI Fund and provide testimony as necessary; and

(12) Perform such other Special Servicer duties as may be set forth in the Bond Trust Indenture.

(c) *Paying Agent.* The Master Servicer/Trustee shall perform or contract to perform duties customarily expected of a Paying Agent as such term is customarily used and which duties

are enumerated in the Bond Trust Indenture.

(d) *Collateral Agent.* Any Eligible CDFI receiving a Bond Loan must grant a security interest in each Eligible CDFI's collateral on behalf of the Guarantor. The Master Servicer/Trustee, as a secured party under the UCC and other associated security documents, shall take all necessary administrative and enforcement actions with respect to the collateral on behalf of the Guarantor, if applicable, including, among others:

(1) Holding and managing, as appropriate, all accounts established by the Eligible CDFI for cash reserves and other cash receipts pursuant to the terms of the Bond Documents and Bond Loans documents;

(2) Monitoring Eligible CDFI compliance with covenants and agreements relating to collateral;

(3) Monitoring collateral-related regulatory and UCC filings to ensure that continuation statements, extensions or renewals, as applicable, are timely filed;

(4) Ensuring that collateral provided as security for any Bond Loan is properly maintained for the benefit of the Guarantor, if applicable, as the secured parties;

(5) Overseeing the Qualified Issuers' obligations to undertake those actions necessary to perfect and maintain liens, as applicable, on assets that are pledged as collateral for Bond Loans; and

(6) Performing such other Collateral Agent duties as may be set forth in the Bond Trust Indenture.

### III. Submission of Proposals

A. Any organization wishing to propose to serve as the Master Servicer/Trustee (an Offeror) must submit a proposal to the CDFI Fund in the following format: No more than 40 single-sided pages; double spaced; 12 font size; Arial, Calibri, or Times New Roman font. The Offeror may choose how to allocate the 40 pages of narrative to address the evaluation criteria listed below. Organizations may also submit an appendix of no more than 25 pages of resumes, charts, graphs, and other illustrative materials. Organizations must submit: One (1) electronic copy of the proposal materials in Microsoft Word or Adobe PDF format by email to [bgp@cdfi.treas.gov](mailto:bgp@cdfi.treas.gov) and (ii) five (5) printed, color copies of the proposal materials either: (i) By mail to the CDFI Fund, U.S. Department of the Treasury, 1500 Pennsylvania Avenue NW., Washington, DC 20220, or (ii) by commercial carrier to the attention of Lisa Jones, Program Manager, CDFI Bond Guarantee Program, CDFI Fund,

1801 L Street NW., 6th Floor, Washington, DC 20035.

B. The last day to contact the CDFI Fund with questions about this Notice is 5:00 p.m. ET on June 28, 2013.

C. If sent by mail, proposals must be postmarked no later than July 1, 2013. If delivered by commercial carrier, proposals must be received by the CDFI Fund by no later than 5:00 p.m. ET on July 1, 2013.

D. The CDFI Fund will not accept a proposal, or any portion of a proposal, delivered after the deadline.

E. The CDFI Fund will not grant exceptions or waivers to the requirements of this Notice.

F. Any proposal that is deemed ineligible or rejected will not be returned to the Offeror.

G. Proposals should be organized to respond to the criteria for completeness, minimum requirements, and substantive review indicated in section IV.B., directly below titled "Minimum requirements (proposal outline)."

### IV. Evaluation

A. *Completeness and Minimum Requirements Review.* The CDFI Fund will review each proposal to determine whether it is complete and the Offeror meets the minimum requirements described in this Notice. An incomplete proposal or one that does not meet minimum requirements will be rejected.

B. *Minimum requirements (proposal outline).* The Offeror must meet or exceed the following minimum requirements in order to be considered for the role of Master Servicer/Trustee:

1. The Offeror must demonstrate financial strength, stability, durability and liquidity as reflected in its corporate credit ratings and ratings history, as available. The Offeror must include its credit rating from a nationally recognized rating agency and net capital in its proposal. The Offeror must exhibit stability, durability, and adequate liquidity sufficient to withstand adverse market conditions for a multiyear period. The determination of financial condition shall be based on a review of audited financial statements, history of profitability and sources, levels and uses of capital and liquidity. If the Offeror is an affiliate or subsidiary of another entity, the assessment of financial condition should consider the financial strength of such affiliates. In cases where the Offeror exhibits financial weakness and is at risk of experiencing insolvency in the next two years, the Offeror will be deemed ineligible to perform Master Servicer/Trustee functions;

2. The Offeror (and any participating affiliate or subcontractor) must maintain

a minimum Long Term Corporate Unsecured Debt rating of “A” or equivalent from any two (2) nationally recognized statistical rating agencies;

3. The Offeror (and any participating affiliate or subcontractor) must have a capital surplus of \$10 billion as of December 31, 2012;

4. The Offeror’s Statement of Standards for Attestation Engagements No. 16 (SSAE 16) must demonstrate that its established internal controls include multiple levels of quality control, regulatory compliance and risk management oversight;

5. The Offeror must have insurance to cover risks inherent in managing a loan portfolio and in serving as a Collateral Agent for loan portfolio with at least 300 loans and a portfolio value of \$10 billion;

6. The Offeror (and any participating affiliate or subcontractor) must currently have computer-based loan servicing, collateral tracking and management systems with supporting loan servicing, tracking and management policies and procedures sufficient to meet the requirements of the proposed responsibilities in Section II (Roles and responsibilities of the Master Servicer/Trustee) of this Notice, including a loan tracking system;

7. The Offeror must demonstrate prior experience as a master servicer for at least ten (10) bonds or debt securities with original principal balance of over \$100 million each;

8. The Offeror or participating affiliate must demonstrate a history of Sarbanes-Oxley Act compliance;

9. The Offeror must demonstrate transactional restructuring experience as a Special Servicer with a minimum of 25 different restructuring transactions where the value of each transaction is a minimum of \$10 million;

10. The Offeror must demonstrate that it (and any participating affiliate or subcontractor) is a State or Federally chartered financial institution having deposit-taking capabilities including, without limitation, the ability to hold and segregate funds designated for project accounts; and

11. The Offeror must demonstrate prior experience providing comparable services for a minimum of three (3) different governmental entities or financial stability programs.

**C. Substantive Review.**

1. If the Offeror has submitted a complete proposal that meets the minimum requirements, the CDFI Fund will conduct a substantive review in accordance with the criteria and procedures described in the Regulations and this Notice. The CDFI Fund reserves the right to contact the Offeror in

person, or by telephone, email, or mail for the sole purpose of clarifying or confirming information. If contacted, the Offeror must respond within the CDFI Fund’s time parameters or its proposal will be rejected. The CDFI Fund will consider the best value proposed by the Offeror through an equal consideration of technical capabilities, past performance, and proposed fees/cost structure.

2. The CDFI Fund will rank the proposals quantitatively after giving each criterion a score of 1 to 10, with 1 being generally unfavorable and 10 being generally favorable. Highest ranking proposals will be considered in the context of past performance and the pricing proposal. When selecting the Master Servicer/Trustee, the CDFI Fund shall give equal consideration to the pricing proposal and technical qualifications of the proposing organization.

3. The highest ranking proposals will be contacted for oral interviews during a time period that is selected by the CDFI Fund. Offerors that are contacted for interviews must ensure that their authorized representatives and lead management personnel who would be responsible for providing Master Servicer/Trustee services pursuant to this Notice are fully available to participate in such interviews.

4. The CDFI Fund will make a final selection of the Master Servicer/Trustee upon consideration of a written record that includes the highest-ranking proposals and staff recommendations.

5. The CDFI Fund expects to complete the selection process within approximately six (6) weeks of the date of this Notice. The table below demonstrates the approximate timeframe for the selection process so that respondents may plan their availability to respond to any additional communication to and with the CDFI Fund.

Proposal submission deadline.	July 1, 2013.
Review of minimum requirements.	July 15, 2013.
Substantive review of proposals.	July 15, 2013.
Oral interviews .....	July 19, 2013.
Final selection decision .....	July 22, 2013.
Formal announcement and completed process.	July 26, 2013.

**D. Evaluation criteria.** The CDFI Fund will use the following criteria to evaluate Offeror proposals which are eligible for substantive review and meet the completeness and minimum requirements:

1. Technical Capabilities.

(a) *Administration, servicing, and monitoring of loans that are similar to Bond Loans.* The Offeror must demonstrate organizational capacity and previous experience in administration, servicing, and monitoring of loans. Capacity and previous experience working with CDFIs and similar community development organizations will be viewed particularly favorably.

(b) *Financial strength and capacity.* The Offeror must demonstrate appropriate levels of total assets, net assets (or equivalent), debt/equity ratios, and other factors that indicate the financial wherewithal to perform the role of the Master Servicer/Trustee.

(c) *Managing regional or national intake, processing, or servicing operational systems and infrastructure of loans that are similar to Bond Loans.* The Offeror must demonstrate regional or national capacity and the ability to effectively integrate activities across a wide geographic footprint, including both rural and urban areas.

(d) *Managing regional or national originator communication systems and infrastructure.* The Offeror must demonstrate systems and infrastructure to support activities across a wide geographic footprint, including both rural and urban areas.

(e) *Developing and implementing training and other risk management strategies on a regional or national basis.* The Offeror must demonstrate an ongoing commitment to training to ensure staff knowledge of company procedures, industry techniques, and regulatory requirements.

(f) *Organization and staffing.* The Offeror must demonstrate low levels of employee turnover relative to industry peers, and organization that supports effective reporting that provides accountability and process efficiencies.

(g) *Restructuring, recovery, and foreclosure of loans that are similar to Bond Loans.* The Offeror must demonstrate organizational capacity and previous experience in restructuring, recovery, and foreclosure activities. Previous experience working with CDFIs and similar community development organizations will be viewed particularly favorably.

(h) *Compliance monitoring and reporting.* The Offeror must demonstrate systems that are efficiently integrated to avoid manual re-handling of data and the ability to satisfy reporting requirements under applicable OMB Circulars.

(i) *Internal controls.* The Offeror must demonstrate established internal controls that include multiple levels of quality control, regulatory compliance and risk management oversight.

(j) *The capacity and previous experience of the Offeror.* The Offeror must demonstrate the ability to perform the duties listed directly below. Previous experience working with CDFIs and similar community development organizations will be viewed particularly favorably. The Offeror must demonstrate previous experience performing the following duties:

- (1) The fiduciary power to enforce the terms of Bonds and the Bond Loans pursuant to the Bond Trust Indenture;
- (2) Establishing and managing the funds and accounts set forth in the Regulations;
- (3) Providing such reports as required;
- (4) Overseeing the activities of Servicers and managing loan administration;
- (5) Servicing and monitoring of Bond Issues with respect to repayment obligations to the Bondholder and the terms of the Agreement to Guarantee;
- (6) Tracking the movement of funds between the accounts of the Master Servicer/Trustee and all Servicers;
- (7) Ensuring orderly receipt of the monthly remittance and servicing reports of the Servicers;
- (8) Monitoring collection and foreclosure actions;
- (9) Aggregating the reporting and distribution of funds to the Qualified Issuer, the CDFI Fund, and the Bondholder, as necessary;
- (10) Removing and replacing Servicers, as necessary;
- (11) Performing systematic and timely reporting of Bond Loan performance compiled from Servicers' reports, and providing such reports as required in the Regulations;
- (12) Ensuring proper distribution of funds to Eligible CDFIs, servicing the

Bonds, and repayment to the Bondholder; and

(13) All other duties and related services that are customarily expected of a Master Servicer/Trustee, and as may be required by the CDFI Fund.

2. *Other Proposal Content.* In addition to each of the selection criteria described, the Offeror's proposal must include the following information:

(a) A statement that the Offeror has the legal corporate authority to perform all of the services required of the Master Servicer/Trustee by the Bond Trust Indenture, the Regulations, and the Act;

(b) Assurances that no conflicts of interest exist as of the date of proposal submission with regards to carrying out the responsibilities of the Master Servicer/Trustee, and a description of the review and analysis that the Offeror conducted to reach this conclusion; and

(c) A description of the Offeror's approach to performing each of the Master Servicer/Trustee's responsibilities, which must reflect its review and understanding of the CDFI Bond Guarantee Program's documents and processes. Innovative proposals will convey the Offeror's understanding of Master Servicer/Trustee duties and responsibilities and will be favorably viewed, especially with regards to unique requirements of working with CDFIs or similar community development organizations.

3. *Past Performance.* In addition to the criteria enumerated above, the CDFI Fund will consider the quantity and quality of demonstrated past performance related to the role of Master Servicer/Trustee. Past experience working with CDFIs or similar community development organizations will be viewed particularly favorably. The determination of appropriate past

performance shall be the sole discretion of the CDFI Fund, which will consider the materials provided by the Offeror as well as any external market research performed to verify the past performance described in the Proposal. The CDFI Fund will also evaluate past performance based on the information contained in the Federal Awardee Performance and Integrity Information System (FAPIIS) for up to thirty-six (36) months preceding the issuance of this Notice. Offerors will receive a pass, fail or neutral rating for past performance.

4. *Pricing Proposal.*

(a) The CDFI Fund will consider the Offeror's proposed fees and cost structure that will be paid by Eligible CDFIs. The Master Servicer/Trustee cannot charge fees that exceed those set forth in its Proposal, unless specifically authorized by the CDFI Fund.

(b) Offerors should propose a single combined fee for performing all of the duties listed in this Notice on a monthly basis. The all-in fee may be presented according to a methodology chosen by the Offeror, but the entity selected to serve as the Master Servicer/Trustee will be prohibited from increasing the monthly fee in excess of the methodology in the proposal. The proposed all-in fee and methodology must be appropriate to cover the costs of performing the duties entailed in this Notice, including those of the Special Servicer (i.e., distressed asset management or resolution).

(c) The following table is an example of a possible methodology to present the fee in terms of a basis point percentage of the outstanding principle balance of each Bond Loan, starting at 1.25 basis points (.0125%) and subject to a maximum increase of 1/100th of a basis point per month.

	Monthly basis points	Outstanding principle balance	Starting monthly fee
Example: Month 1 .....	1.25 bps .....	\$100,000,000	\$12,500
Month 100 .....	2.25 bps .....	63,000,000	14,175

**V. Approval**

The CDFI Fund will make a final selection of the Master Servicer/Trustee upon consideration of the Offeror's proposal and a written record that includes the highest-ranking proposals and staff recommendations. The CDFI Fund will notify the entity that is selected of such selection; however, the selection of the Master Servicer/Trustee will not become effective until the date of the Bond Trust Indenture entered into with each Qualified Issuer that is

receives a Guarantee under the CDFI Bond Guarantee Program.

**VI. Rejection**

The CDFI Fund reserves the right to reject any proposal if information (including administrative errors) comes to the CDFI Fund's attention that either adversely affects the Offeror's eligibility or indicates fraud or mismanagement on its part. If the CDFI Fund determines any portion of the Offeror's proposal is incorrect in a material respect, the CDFI

Fund reserves the right, in its sole discretion, to reject the proposal. The CDFI Fund reserves the right to change its eligibility and evaluation criteria and procedures, if the CDFI Fund deems it appropriate. If the changes materially affect the CDFI Fund's decision, the CDFI Fund will provide information about the changes through the CDFI Fund's Web site. The CDFI Fund's decisions are final: There is no right to appeal the decisions.

## VII. Additional requirements

A. The Bond Trust Indenture shall be subject to review by the CDFI Fund for the purposes of assuring that CDFI Fund is not in any way liable for the payment of any fees and expenses specified and for conformity with other applicable guidelines. The CDFI Fund or any appointed representative may perform inspection and acceptance of services to be provided under the Bond Trust Indenture.

B. The services performed by the Master Servicer/Trustee shall be of the professional level and reflect expertise commensurate with standard commercial or industrial practice for activities of those required under a Bond Trust Indenture and shall be suitable for their intended purpose.

C. Through its powers under the Agreement to Guarantee, the CDFI Fund reserves the right to inspect and test all services and deliverables called for, to the extent practicable at all times and places, during the term of the Bond Trust Indenture.

D. In the event of rejection of any routine or ad hoc report, the Master Servicer/Trustee shall be notified in writing and shall have ten (10) working days, unless otherwise specified by CDFI Fund, from the date of issuance of such notification to correct the deficiencies and resubmit the report/deliverable. When the defects in services cannot be corrected by the Master Servicer/Trustee performance of resubmitting the report/deliverable, the CDFI Fund may require and force, through its powers under the Agreement to Guarantee, the Qualified Issuer to utilize its powers under the Bond Trust Indenture, that include taking the necessary action to ensure that future performance conforms to CDFI Fund requirements.

E. It is understood and agreed that the Master Servicer/Trustee and its employees, subcontractors, and consultants:

(1) Shall perform the services specified in the Bond Trust Indenture as independent contractors, not as employees or agents of the Federal Government;

(2) Shall be responsible for their own management and administration of the work required, and bear sole responsibility for complying with all technical, schedule, or financial requirements or constraints attendant to the performance of the Bond Trust Indenture;

(3) Shall be free from any direct or indirect supervision or control by any Federal Government employee; and

(4) Shall, pursuant to the Bond Trust Indenture, comply with such general

direction of authorized Federal Government employees as is necessary and appropriate to ensure accomplishment of the enumerated requirements and objectives.

## IX. Agency Contact

A. The CDFI Fund will respond to questions concerning this Notice between the hours of 9:00 a.m. and 5:00 p.m. ET, starting on the date that the Notice is published through one (1) business day prior to the proposal deadline. During the one (1) business day prior to the proposal deadline, the CDFI Fund will not respond to questions from prospective Offerors until after the proposal deadline. Applications and other information regarding the CDFI Fund and the CDFI Bond Guarantee Program may be obtained from the CDFI Fund's Web site at <http://www.cdfifund.gov>. In its discretion, the CDFI Fund may post on its Web site responses to questions of general applicability regarding this Notice.

B. Interested parties may contact the CDFI Bond Guarantee Program by calling (202) 622-6355 or emailing [bgp@cdfi.treas.gov](mailto:bgp@cdfi.treas.gov).

C. The CDFI Fund will use the contact information set forth in the Offeror's proposal to communicate. It is important, therefore, that the Offeror provides accurate contact information in its proposal, including contact names, addresses, email addresses, fax and telephone numbers.

## X. Information Sessions and Outreach

The CDFI Fund may conduct webinars or host information sessions for organizations that are considering applying to serve in the role of Master Servicer/Trustee. For further information, please visit the CDFI Fund's Web site at <http://www.cdfifund.gov>.

**Authority:** Pub. L. 111-240, 12 U.S.C. 4713a, 12 CFR part 1808.

Dated: June 10, 2013.

**Dennis Nolan,**

*Deputy Director, Community Development Financial Institutions Fund.*

[FR Doc. 2013-14157 Filed 6-13-13; 8:45 am]

**BILLING CODE 4810-70-P**

## DEPARTMENT OF THE TREASURY

### United States Mint

### Citizens Coinage Advisory Committee; Public Meeting

**ACTION:** Notification of Citizens Coinage Advisory Committee June 25, 2013, Public Meeting.

**SUMMARY:** Pursuant to United States Code, Title 31, section 5135(b)(8)(C), the United States Mint announces the Citizens Coinage Advisory Committee (CCAC) public meeting scheduled for June 25, 2013.

*Date:* June 25, 2013.

*Time:* 9:30 a.m. to 2:30 p.m.

*Location:* Conference Room A, United States Mint, 801 9th Street NW., Washington, DC 20220.

*Subject:* Review and discussion of candidate designs for the Code Talker Recognition Congressional Medal Program for the Cherokee Nation, Meskwaki Nation (Sac and Fox), Seminole Nation, Fort Peck Assinboine and Sioux Tribes, Ho-Chunk Nation, OgLala Sioux Nation, and Yankton Sioux Nation; review and discussion of design direction for the 2015 America the Beautiful Quarters Program; and review and consideration of the Fiscal Year 2013 Annual Report.

*Interested persons should call the CCAC HOTLINE at (202) 354-7502 for the latest update on meeting time and room location.*

In accordance with 31 U.S.C. 5135, the CCAC:

- Advises the Secretary of the Treasury on any theme or design proposals relating to circulating coinage, bullion coinage, Congressional Gold Medals, and national and other medals.

- Advises the Secretary of the Treasury with regard to the events, persons, or places to be commemorated by the issuance of commemorative coins in each of the five calendar years succeeding the year in which a commemorative coin designation is made.

- Makes recommendations with respect to the mintage level for any commemorative coin recommended.

**FOR FURTHER INFORMATION CONTACT:** William Norton, United States Mint Liaison to the CCAC; 801 9th Street NW.; Washington, DC 20220; or call 202-354-7200.

Any member of the public interested in submitting matters for the CCAC's consideration is invited to submit them by fax to the following number: 202-756-6525.

**Authority:** 31 U.S.C. 5135(b)(8)(C).