MT SSBCI 2.0 LPP
Borrower Certification Related to Business Enterprises Owned and Controlled by Socially and Economically Disadvantaged Individuals (SEDI-Owned Businesses)

This transaction is supported with funding provided through the State Small Business Credit Initiative (SSBCI), a federal program that supports small business lending and investment programs in states, the District of Columbia, territories, and Tribal governments (collectively known as participating jurisdictions). SSBCI programs are designed to expand access to capital, promote economic resiliency, and create new jobs and economic opportunity. SSBCI provides funding for participating jurisdictions to support businesses owned and controlled by socially and economically disadvantaged individuals (SEDI-owned businesses).[1] This certification provides documentation that an SSBCI loan supported a SEDI-owned business. The information collected from this certification can only be used for purposes of the SSBCI program and must not be used for any other purposes (e.g., marketing, sale to third parties). The information collected must also not be used in a manner that violates any applicable anti-discrimination laws, including, but not limited to, the laws specified in Section IX.b of the Capital Program Policy Guidelines (Compliance with Civil Rights Requirements).

The borrower is not required to provide this certification. The borrower may identify all categories in groups (1) through (3) below that apply, including all subcategories in group (1) that apply.

Legal name of borrower: _____

The borrower hereby certifies to the lender that it is a:

1. Business enterprise that is owned and controlled[2] by individuals who have had their access to credit on reasonable terms diminished as compared to others in comparable economic circumstances, due to their:
   - ☐ membership of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society;
   - ☐ gender;
   - ☐ veteran status;
   - ☐ limited English proficiency;
   - ☐ disability;
   - ☐ long-term residence in an environment isolated from the mainstream of American society;
   - ☐ membership of a federally or state-recognized Indian Tribe;
   - ☐ long-term residence in a rural community;
   - ☐ residence in a U.S. territory;
   - ☐ residence in a community undergoing economic transitions (including communities impacted by the shift towards a net-zero economy or deindustrialization); or
   - ☐ membership of another underserved community.[3]

2. ☐ Business enterprise that is owned and controlled by individuals whose residences are in CDFI Investment Areas, as defined in 12 C.F.R. § 1805.201(b)(3)(ii).[4]

   Individual(s)' Address(es) in CDFI Investment Areas:

   _____

3. ☐ Business enterprise that will build, open, or operate a location in a CDFI Investment Area, as defined in 12 C.F.R. § 1805.201(b)(3)(ii).

   Business Address in CDFI Investment Area:

   _____

The undersigned is an authorized representative of the borrower.

Signature: _____

Name: _____

Title: _____

Date: _____

[1] SSBCI funds count toward fulfilling the "expended for" requirement for the $1.5 billion SEDI allocation and toward qualifying for initial eligible amounts under the $1.0 billion SEDI incentive allocation if the SSBCI funds have been expended for loans, investments, or other credit or equity support to any of the four groups of businesses set forth in Section IV.a of the SSBCI Capital Program Policy Guidelines. While a participating jurisdiction may reasonably identify group (4) businesses (i.e., those located in Community Development Financial Institution (CDFI) Investment Areas) based on businesses' addresses from the relevant loan, investment, and credit or equity support applications, certification is required with regard to groups (1) through (3).

[2] The term "owned and controlled" means, if privately owned, 51 percent is owned by such individuals; if publicly owned, 51 percent of the stock is owned by such individuals; and in the case of a mutual institution, a majority of the board of directors, account holders, and the community of which the institution services is predominantly comprised of such individuals.

[3] "Underserved communities" are populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the definition of equity. Equity is consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons; persons with disabilities; persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

[4] Treasury has provided a mapping tool for the borrower or investee to use to identify whether the relevant address is in a CDFI Investment Area at https://home.treasury.gov/policy-issues/small-business-programs/state-small-business- credit-initiative-ssbci/2021-ssbci/cdfi-fund-investment-areas. For each calendar year, Treasury will use the list of CDFI Investment Areas identified by the CDFI Fund as of January 1 of the calendar year. If the CDFI Fund's list is updated during that calendar year, the new list will not be adopted for purposes of SSBCI until the next calendar year, thus providing advance notice to jurisdictions. Further, Treasury has determined that American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands in their entirety constitute CDFI Investment Areas for purposes of the SSBCI, because each of these territories has a poverty rate of at least 20 percent.