

California Rebuilding Fund: Summary of Indicative Terms and Conditions

\$250-500 Million Senior Secured Blended Term Loan Facility

The California Small Enterprise Task Force is pleased to provide potential lenders with this indicative summary term sheet (the “Term Sheet”) solely for discussion purposes. This Term Sheet is not a binding commitment. The Term Sheet does not present many of the material terms, conditions, covenants, representations, warranties and other provisions that will be contained in the definitive legal documentation for the transactions contemplated thereby. The Term Sheet seeks to summarize indicative terms of the Blended Credit Facility (as defined below) and the loans thereunder to be provided to the Fund (as defined below).

Borrower/Fund:

California Rebuilding Fund, LLC, a Delaware public benefit limited liability company (the “Fund”) that will be a wholly owned subsidiary of Kiva Microfunds, a California public benefit corporation and 501(c)(3) public charity (“Kiva”).

The Fund shall have a primary objective to effect the Program (as defined below) and shall maintain all licenses to conduct its business. The membership interests held by Kiva in the Fund may only be transferred with the prior approval of the Governance & Allocation Committee (as defined below) and IBank (as defined below).

Manager:

Kiva Capital Management, LLC, a Delaware limited liability company and an affiliate of Kiva will be the manager of the Fund (the “Manager”). Subject to the Program Parameters (as defined below) and any other requirements of the IBank and the Blended Facility Lenders (as defined below), the Manager will implement decisions made by the Governance & Allocation Committee regarding the making of loans by the Small Business Lenders (as defined below) pursuant to the terms of the CDFI Line of Credit (as defined below) provided by the Fund.

The definitive documentation for the Blended Credit Facility will contain customary covenants by the Manager and other covenants reasonably requested by the IBank and Blended Facility Lenders requiring the Manager to, among other things, manage the Blended SPV with care as an ordinary prudent person would.

Governance and Allocation Committee:

The Fund will establish a committee (the “Governance & Allocation Committee”) to, among other things, oversee governance, manage allocation of loans from the Blended Credit Facility and set program eligibility guidelines for the Small Business Lenders (as defined below) to small businesses throughout the term of the Fund.

The Governance & Allocation Committee shall be subject to the Program Parameters and copies of all agenda, minutes and resolutions relating to the Blended Credit Facility or any agenda, minutes and resolutions that relate to IBank shall be available to the Blended Facility Lenders (as defined below) or IBank (as applicable) upon request; *provided* that neither the Fund nor the Governance & Allocation Committee will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter in respect of which disclosure to the Blended Facility Lenders is prohibited by (i) any requirement of law or any binding agreement (but only to the extent such binding agreement was not

entered in contemplation of or in connection with the transactions contemplated hereby) or (ii) that is subject to attorney-client or similar privilege or constitutes attorney work product (unless a joint-defense doctrine would permit the disclosure of such information).

The Governance & Allocation Committee will initially consist of representatives consistent with **Exhibit A**.

Administrator Kiva Capital Management, LLC, a Delaware limited liability company and an affiliate of Kiva.

Arranger Calvert Impact Capital, Inc. ("Calvert").

Technology Services Provider Community Reinvestment Fund, USA ("CRF").

Transaction Overview: A structure chart for the proposed transaction is attached hereto as **Exhibit B**.

The Fund is sponsoring a public-private program that is aggregating funding from banks/financial institutions, other private investors, the State of California's Infrastructure and Economic Development Bank ("IBank") and philanthropic investors and donors to address the capital needs of the small businesses of California, as they re-open and recover from the COVID-19 health and economic crisis. This effort (hereinafter referred to as the "Program") will, in compliance with all applicable Federal and State laws, target the smallest of small businesses, the nearly 4 million small businesses in California with fewer than 50 employees (more than 90% of all small businesses in California), and will focus on historically under-resourced communities.

The Fund will obtain capital in the form of secured first priority term loans, secured second priority term loans, and secured third priority term loans from the IBank and other public entities and donations.

Through an on-lending structure, the Fund will provide a line of credit (the "CDFI Line of Credit" and the definitive documentation for such CDFI Line of Credit the "CDFI Loan Agreement") to Community Development Financial Institutions ("CDFIs") and other mission-driven lenders approved by the IBank and Governance & Allocation Committee. The CDFIs listed on **Exhibit C** have indicated a willingness to participate in the Program (collectively with the CDFIs, the "Small Business Lenders"), but **Exhibit C** may be amended from time to time to include additional Small Business Lenders, with the approval of the IBank and the Governance & Allocation Committee, or remove those that have opted not to participate or materially breach the terms of the CDFI Loan Agreement.

The Small Business Lenders will use the CDFI Line of Credit to originate loans to small businesses under the IBank's existing Disaster Relief Guaranty Program. If there is no availability of an IBank guarantee for such loan under existing IBank programs, and such loan meets the Program Parameters (as defined below) and such other requirements mutually agreed to by the Blended Facility Lenders and the Fund, such loan will constitute

an “Eligible Blended Loan”.

The Fund will establish a wholly owned special purpose vehicle whose assets will solely be comprised of a 95% undivided interest in the Eligible Blended Loans (the “Blended SPV”). The Fund will grant security over 100% of its equity interests in the Blended SPV to the Blended Facility Collateral Agent (as defined below). The Blended SPV will covenant that it will not grant security over any of its assets to any person. The organizational documents of the Blended SPV shall contain customary bankruptcy remote special purpose entity provisions acceptable to IBank and the other Blended Facility Lenders and the Blended SPV shall incur no obligations other than those arising under the Blended Credit Facility. The Fund may seek to obtain additional debt financing (“Other Debt Facility”) but such Other Debt Facility shall have no recourse to the Blended SPV or any assets of the Blended SPV. Such Other Debt Facility may be secured by the assets of one or more wholly owned special purpose vehicles owned by the Fund (“Other SPV”) other than the Blended SPV. The Blended Facility Lenders shall acknowledge that their sole recourse shall be to the Fund’s ownership interest in the Blended SPV and any other lender to any Other Debt Facility shall acknowledge that they shall not have recourse to the Fund and their sole recourse shall be to the Fund’s equity interest in the Other SPV. The Blended Facility Lenders shall not be required to pay any costs and expenses associated with the establishment of any Other Debt Facility or any Other SPV; however the Fund may use proceeds from the Blended Loans (or amounts otherwise payable to the Blended SPV) to pay for other general expenses of the Fund; provided that such amount applied by the Fund with respect to the Blended SPV or any Other SPV shall be allocated equally among the Blended SPV and any Other SPV then in existence. IBank shall, to the extent the Fund reasonably determines that such Other Debt Facility may have a material and adverse effect on IBank’s rights and obligations under the Blended Credit Facility, have a right to approve the terms of such Other Debt Facility.

The Fund shall include in all contracts relating to any Other Debt Facility and all other contracts with third parties (unless such contract relates directly to the Blended SPV) an acknowledgement and waiver of such third party, that such third party shall have no recourse to the Blended SPV (or the assets thereof).

In consideration for extinguishment of the equivalent drawn amount of the CDFI Line of Credit, each Small Business Lender will assign in a true sale to the Blended SPV an undivided 95% interest in the Eligible Blended Loans made by the Small Business Lender to the Blended SPV as above.

Kiva Capital Management, LLC, a Delaware limited liability company and an affiliate of Kiva (the “Administrator”) will contract with the Fund to provide infrastructure and support to ensure consistent administration of the assets held in the Blended SPV on behalf of the Blended Facility Lenders (as defined below). The Administrator contract with the Fund will contain customary terms and conditions (including, without limitations, customary representations and warranties, including a covenant for the Administrator to obtain customary umbrella insurance covering the Fund and the Blended SPV) which Administrator contract shall not be amended in a manner that is material and adverse to the IBank without the consent of the IBank.

The Blended Credit

A senior secured \$250 - \$500 million term loan credit facility (“Blended Credit”

Facility:	<u>Facility</u>) to be provided to the Fund by (i) first priority secured institutions as class A lenders (“ <u>Class A Lenders</u> ”) with the loans (the “ <u>Class A Loans</u> ”) by the Class A Lenders to be made available to the Fund in multiple drawings, senior in right of payment to the Class B Lenders and the Class C Lenders (ii) second priority secured institutions as class B lenders (“ <u>Class B Lenders</u> ”) subordinated in right of payment to the Class A Lenders but senior in right of payment to the Class C Lenders, with the loans (the “ <u>Class B Loans</u> ”) by the Class B Lenders to be made available to the Fund in multiple drawings and (iii) the IBank and other public entities (the “ <u>Class C Lenders</u> ” and the Class C Lenders, together with the Class A Lenders and the Class B Lenders, the “ <u>Blended Facility Lenders</u> ”) as third priority secured lenders subordinated in right of payment to the Class A Lenders and the Class B Lenders, with the loans (the “ <u>Class C Loans</u> ” and, the Class C Loans, together with the Class A Loans and the Class B Loans, the “ <u>Blended Loans</u> ”) to be made available by the Class C Lenders to the Fund in a single draw.
Government Support:	IBank will provide support for the Blended Credit Facility which support will include a \$25 million Class C Loan made to the Fund.
Accordion:	The Blended Credit Facility will contain mechanics to add additional commitments from additional Class A Lenders, Class B Lenders, and Class C Lenders for a period of up to 12 months from Closing Date (as defined below).
Blended Facility Lenders:	The Class A Lenders, the Class B Lenders and the Class C Lenders.
Closing Date:	An initial closing for the Blended Credit Facility will be held during the fourth quarter of 2020 (the “ <u>Blended Facility Closing Date</u> ”); <i>provided that</i> the Fund receives commitments from Class A Lenders and Class B Lenders in an aggregate amount of not less than \$125.0 million.
Final Maturity Date of the Facilities:	The Blended Facility will mature on the date that is 78 months after the Blended Facility Closing Date. For purposes of clarity, there shall be no reinvestment of collections from Eligible Blended Loans received by the Fund.
Availability Period:	The period from the Blended Facility Closing Date to the earlier of (i) the date that is 12 months after the Blended Facility Closing Date, and (ii) the occurrence of an Event of Default (as defined below).
Interest Rate:	For the Class A Loans under the Blended Credit Facility: 1.0 – 2.5% For the Class B Loans under the Blended Credit Facility: 0.0-2.5% For the Class C Loans under the Blended Credit Facility: 0.0%
Leverage Ratio for Blended Credit Facility	The original principal amount of the Class A Loans (less the original value of any available reserves funded by donations or grants) shall not exceed 70% of the aggregate original principal amount of the Eligible Blended Loans.
Payment Date:	Payments shall be made on monthly basis; <i>provided that</i> no Payment Date shall occur until at least a number of days to be mutually agreed with the Blended Facility Lenders have passed since the first advance under the

Blended Credit Facility.

Interest Period:

Each period following the previous Payment Date to and including the next Payment Date; *provided*, that in the case of the initial Interest Period, the Interest Period shall be the period from and including the Closing Date to the first Payment Date.

Collateral:

The Blended Credit Facility will be secured by a first-ranking pledge by the Fund of 100% of the Fund's equity interests in the Blended SPV (the "Blended Facility Collateral") in favor of the Manager, in its capacity as collateral agent (or such other person approved by IBank to act as the collateral agent) (the "Blended Facility Collateral Agent") for the benefit of the Blended Facility Lenders. With respect to any claims by the Blended Facility Lenders for the Fund's obligations under the Blended Credit Facility, the Blended Facility Lenders and the Blended Facility Collateral Agent shall have no recourse against any assets of the Fund other than the Blended Facility Collateral. For purpose of clarity, the Blended Facility Collateral for all Blended Facility Lenders shall be the same.

CDFI Line of Credit:

Allocation of Funds:

Allocation of funds to the Small Business Lenders under the CDFI Line of Credit will be contingent on covenants for on-lending imposed on the Small Business Lenders pursuant to the underwriting criteria set forth in the Program Parameters.

Eligible Blended Loans:

Subject to the compliance with the Program Parameters and any other mutually agreed requirements of the Blended Facility Lenders (including IBank) and the Fund, the eligibility and loan terms will be as approved by the Governance & Allocation Committee and the Blended Facility Lenders (the "Underwriting Terms"), a draft of which is attached hereto as **Exhibit D**.

Each Small Business Lender, under the CDFI Loan Agreement, will covenant to assign a 95% undivided interest in the Eligible Blended Loans to the Blended SPV, in consideration for the CDFI Line of Credit, in accordance with a Form of Assignment included as an Exhibit to the CDFI Loan Agreement. In return for such assignment to the Blended SPV, a portion of the principal amount of the Small Business Lender's obligations under the CDFI Line of Credit will be cancelled in an amount equal to the principal amount of the applicable Eligible Blended Loan assigned to the Blended SPV. The remaining 5% of the Eligible Blended Loans will be retained by the Small Business Lender.

Each Small Business Lender will make customary representations and warranties regarding each loan which it proposes to transfer, including without limitation, a representation that to its knowledge, the applicable Eligible Blended Loan meets criteria for assignment to the Blended SPV set forth in the CDFI Loan Agreement.

The CDFI Loan Agreement will require Small Business Lenders to repurchase non-eligible loans assigned to the Blended SPV.

The Small Business Lenders will covenant to cause the Blended SPV's

portion of the debt service from the Eligible Blended Loans to be paid into a segregated collection account (the “Blended Facility Collection Account”) established by the Blended SPV.

The obligations of the Small Business Lenders under the CDFI Loan Agreement shall be several and not joint.

Negative Covenants: The Blended Credit Facility will contain customary negative covenants and other negative covenants reasonably requested by the IBank and the Blended Facility Lenders.

Affirmative Covenants: The Blended Credit Facility will contain customary affirmative covenants and other affirmative covenants reasonably requested by the IBank and the Blended Facility Lenders.

Representations and Warranties: The Blended Credit Facility will contain customary representations and warranties by the Fund and the Blended SPV and other representations and warranties reasonably requested by the IBank and the Blended Facility Lenders.

Organization and Fund Expenses: Organizational Expenses
The Fund will bear costs and expenses for operating and maintaining the Fund, including organizational costs, fees and expenses incurred by or on behalf of the Fund in connection with the formation and organization of the Fund (collectively, the “Organizational Expenses”), up to a maximum of \$100,000 (or greater amount with the prior written consent of by IBank and the Class A Lenders representing a majority in principal of the Class A Loans (provided that if the Class A Loans have been repaid in full and the commitments thereunder terminated, on such date, the Class B Lenders representing a majority in principal of the Class B Loans)).

The Organizational Expenses outstanding on the Blended Facility Closing Date will be paid through proceeds of Blended Loans received on the Blended Facility Closing Date (and, such payments of Organizational Expenses from proceeds of Blended Loans shall be reduced by the establishment by the Fund of any Other SPV on or before the Blended Facility Closing Date which shall pay an equal amount of Organizational Expenses to the amount paid from the proceeds of Blended Loans).

Upfront Expenses

- 1) Origination fees of 5.0% of the principal amount of each Eligible Blended Loan payable to the Small Business Lender and the Administrator (with a minimum amount of \$500 per Eligible Blended Loan payable to the originating Small Business Lender) payable upon the transfer of such Eligible Blended Loan to the Blended SPV.
- 2) \$100,000 Technology Fee, paid on the Blended Facility Closing Date to the Technical Services Provider (and, to the extent any Other SPV exists on the Blended Facility Closing Date, such Other SPV shall bear an equal proportion of this fee).

- 3) 1.0% Arrangement Fee on the total commitment of Blended Loans paid to the Arranger on the closing date of such commitment.

Ongoing Administrative Expenses

The following ongoing expenses shall be paid through the proceeds of collections on the Eligible Blended Loans:

- 1) 0.50% annual master servicing fee, paid monthly to the Administrator based on the total outstanding balance of all Eligible Blended Loans; with an annual floor of \$50,000 for the Blended SPV paid monthly (“Master Servicing Fee”)
- 2) the greater of (a) 1.00% annual Sub-servicing Fee, paid monthly to each Small Business Lender on the total outstanding balance of Eligible Blended Loans originated and outstanding by each Small Business Lender or (b) \$175 annual Sub-servicing Fee per Eligible Blended Loan so long as such Eligible Blended Loan is outstanding, paid monthly to each Small Business Lender (the “Sub-Servicing Fee”); and
- 3) ongoing technology licensing fees of up to \$12,000 per year (“Annual Technology Licensing Fee”) (and, to the extent any Other SPV exists at the time such fee is due and payable, such Other SPV shall bear its proportion of this technology licensing fee)
- 4) all third-party customary and reasonable expenses directly incurred by the Manager on behalf of the Fund or the Blended SPV (including, but not limited to, audit expenses, tax expenses, insurance expenses, other administrative expenses and other reasonable and customary operating and corporate maintenance expenses) of the Fund and the Blended SPV in accordance with the annual operating budget, such amount not to exceed in the aggregate \$100,000 annually (or such amount in excess of \$110,000 annually with the prior written approval of IBank) (the “Budget Expenses”) prepared by the Manager and approved by the Governance & Allocation Committee. For purposes of clarity, the Budget Expenses shall exclude (i) any salaries of employees of the Administrator, the Fund, the Manager or their affiliates, and any, expenses for administrative, clerical and related support services, office space and facilities, utilities and telephones expenses of the foregoing, and (ii) any legal fees or expenses incurred in any legal action by and between the Manager, the Fund and the Administrator. For purpose of clarity, the Fund shall allocate these expenses equally to the Blended SPV and Other SPVs as provided above.

Priority of Payments

On each Payment Date funds held in the Blended Facility Collection Account will be applied in the following order for various claims:

- 1) in satisfaction of any then outstanding Master Servicing Fee, Sub-Servicing Fee and Annual Technology Licensing Fee;
- 2) in satisfaction of any then outstanding Organizational Expenses or Budget Expenses attributable to the Blended SPV up to the cap provided above, as determined by the Governance & Allocation Committee;

- 3) all amounts to pay interest and principal on Class A and Class B Loans to reduce the outstanding balance of the Class A Loans and Class B Loans to zero for Class A and B Lenders; and
- 4) all amounts to reduce the outstanding Class C Loan balance and commitments in respect of the Class C Loans to zero for Class C Lenders.

Events of Default:

The Blended Credit Facility will contain customary events of default and other events of default reasonably requested by the IBank and the Blended Facility Lenders.

Reporting Requirements:

The Manager will no less than annually provide the Blended Facility Lenders with a statement as to the Fund's promotion of (i) its stated public benefit, and (ii) the best interests of those materially affected by the Fund's conduct (each, a Public Benefit Report"), in each case, in respect of the Blended Credit Facility only. Each Public Benefit Report may be made available to the public by posting onto the Fund's internet web site or provision through similar electronic means.

Each Public Benefit Report will include the following:

- the objectives the Manager has established to promote the Fund's stated public benefit and interests;
- the standards the Manager has adopted to measure the Fund's progress in promoting such public benefit and interests;
- objective factual information based on those standards regarding the Fund's success in meeting the objectives for promoting such public benefit and interests; and
- an assessment of the Fund's success in meeting the objectives and promoting such public benefit and interests.

Such objectives are expected to include the following:

- total loans in U.S. dollars and units to minority, low-to-moderate income and women-owned businesses;
- geographic and industry breakdown;
- total jobs supported and retained through the Fund's program; and
- business viability including survival rate and ability to generate revenue.

Furthermore, the Manager will conduct a comprehensive evaluation of the first two years of the Fund's impact on the following longer-term objectives:

- total economic activity generated (e.g., wages, spending and tax revenues) through the Fund's program;
- credit condition of small businesses; and
- relative cost of capital available to small businesses.

The Manager may conduct periodic informational meetings for the Blended Facility Lenders. Any such meeting may be held in person at a location selected by the Manager, or by electronic means (*i.e.*, by permitting the representatives of the Blended Facility Lenders to participate by webcast, teleconference and/or videoconference).

In addition, the Fund and the Blended SPV shall provide to IBank customary financial information and reports as requested by IBank,

including without limitation the following:

- (a) reports of Budget Expenses including the number of special purpose vehicles for which such Budget Expenses are equally allocated;
- (b) a quarterly summary of use of proceeds from Blended Loans (i.e., the amount used for Fees and expenses as permitted above and the amount advanced to the Small Business Lender);
- (c) status of fundraising efforts and loan commitments for the Blended Credit Facility; and
- (d) notice of any additional lenders under the Blended Credit Facility and copies of all closing documents related thereto;
- (e) on a quarterly basis the following information for the Blended SPV to the extent the Fund has received such information from the Small Business Lender:

- List of loans supported by each portion of the Fund, including the following data:
 - o Initiating lender
 - o Loan number or identifier
 - o Loan amount – at initiation
 - o Loan date
 - o Date of transfer to Fund
 - o Interest rate
 - o Loan term/ maturity date
 - o Loan Type (Term or LOC)
 - o Annual Revenues
 - o Business activity
 - o Business age
 - o Business structure
 - o Use of loan proceeds
 - o Refinance (if applicable)
 - o Number of employees
 - o Number of FTEs
 - o Gender of borrower
 - o Ethnicity of borrower
 - o Census tract income level
 - o Jobs created/retained as a result of the loan
 - o City
 - o County
 - o Zip code
 - o State senate district
 - o State assembly district
 - o Current outstanding balance of loan
 - o Current loan grade/quality – status

Additionally, the Fund shall provide reasonable access to IBank of the Fund's books and records in relation to the Blended Credit Facility and any other books and records that relate to IBank and allow IBank customary inspection rights to review the books and records of the Fund, the Manager and the Administrator relating to the Fund, and the Blended SPV kept in connection with the Blended Credit Facility and permit IBank to conduct an annual audit.

**Marketing/Use of
IBank's Name**

Prior to the use of IBank' name in any promotional materials, advertising or other marketing efforts, IBank shall have a right to review and approve the use

of its name in such materials.

**Program Related
Investment:**

To the extent that any Blended Loans are made by private foundations, the Blended Credit Facility documents will contain PRI provisions regarding the use of funds for charitable purposes, the prohibition against the use of funds for lobbying or campaign intervention, the annual and final reporting requirements, the retention of books and records and such other provisions as may be required under Section 4944 and 4945 of the Internal Revenue Code.

**Exculpation;
Indemnification of the
Manager:**

Neither the Manager nor any of its employees or affiliates (other than the Fund or the Blended SPV) (each, an “Indemnified Person”) shall be liable, in damages or otherwise, to the Fund or any of the Blended Facility Lenders for any act or omission of such Indemnified Person (or any broker or agent of the Fund) taken or failed to be taken in connection with the Fund or the Program, except to the extent (but only to the extent) that such liability (a) may not be waived, modified, or limited under applicable law, but so as to effectuate the exculpation to the fullest extent permitted by applicable law or (b) results from such Indemnified Person’s criminal conduct (if such Indemnified Person had reason to believe it was unlawful), fraud, bad faith, wilful misconduct, gross negligence, violation of applicable federal or state law or breach of the operating agreement of the Fund or any other agreement such Indemnified Party is party to in connection with the Blended Credit Facility or the transactions contemplated thereby, in any case that results in a material adverse effect on the Fund, the Program or any Blended Facility Lender.

The Fund shall indemnify each Indemnified Person for any loss, damage or expense incurred by such Indemnified Person or to which such Indemnified Person may be subject by reason of its activities on behalf of the Fund or in furtherance of the interest of the Fund, except that this indemnity shall not apply to the extent (but only to the extent) that such liability (a) may not be waived, modified, or limited under applicable law, but so as to effectuate the exculpation to the fullest extent permitted by applicable law or (b) results from such Indemnified Person’s criminal conduct (if such Indemnified Person had reason to believe it was unlawful), fraud, bad faith, wilful misconduct, gross negligence, violation of applicable federal or state law or breach of the operating agreement of the Fund or any other agreement such Indemnified Party is party to in connection with the Blended Credit Facility or the transactions contemplated thereby, in any case that results in a material adverse effect on the Fund, the Program or any Blended Facility Lender.

The Manager will cause the Fund to purchase insurance for the Manager to insure, in types and amounts, any Indemnified Person in a manner comparable to managers of funds of similar pools of capital.

**Indemnification of the
Blended Facility
Lenders:**

The Fund (and the Blended SPV) shall indemnify and hold harmless the Blended Facility Lenders and its agents, officers, employees and representatives to the full extent of the law.

Removal of Manager:

The Manager may be removed in the discretion of the Governance & Allocation Committee, subject to consent by IBank and the Class A Lenders representing a majority in principal of the Class A Loans (provided that if the Class A Loans have been repaid in full and the commitments thereunder terminated, on such date, the Class B Lenders representing a majority in

principal of the Class B Loans). Following removal, a replacement Manager will be appointed by the Governance & Allocation Committee, subject to consent by IBank.

Advisory Committees: If the Fund forms an advisory committee on recommendation from the Governance & Allocation Committee, IBank shall be notified of the creation of the committee and have a right (but no obligation) to attend the committee meetings.

Program Parameters: The Program Parameters means the set of underwriting and loan terms set forth on **Exhibit D** to this Term Sheet and such other key attributes of the Program as mutually agreed by the Fund and IBank (collectively, the "Program Parameters"). The Manager may make changes to or clarification of Program Parameters with prior approval by the Governance & Allocation Committee; provided that any material changes must receive prior approval from the IBank and a majority in principal of the Class A Lenders (provided that if the Class A Loans have been repaid in full and the commitments thereunder terminated, on such date, the Class B Lenders representing a majority in principal of the Class B Loans); provided further that any changes to the Program Parameters relating to the creditworthiness criteria of the Eligible Blended Loans shall be deemed material.

Legal Counsel: Morrison & Foerster LLP ("Morrison & Foerster") is acting as pro bono legal counsel to the Fund in connection with the transactions contemplated hereby.

Exhibit A

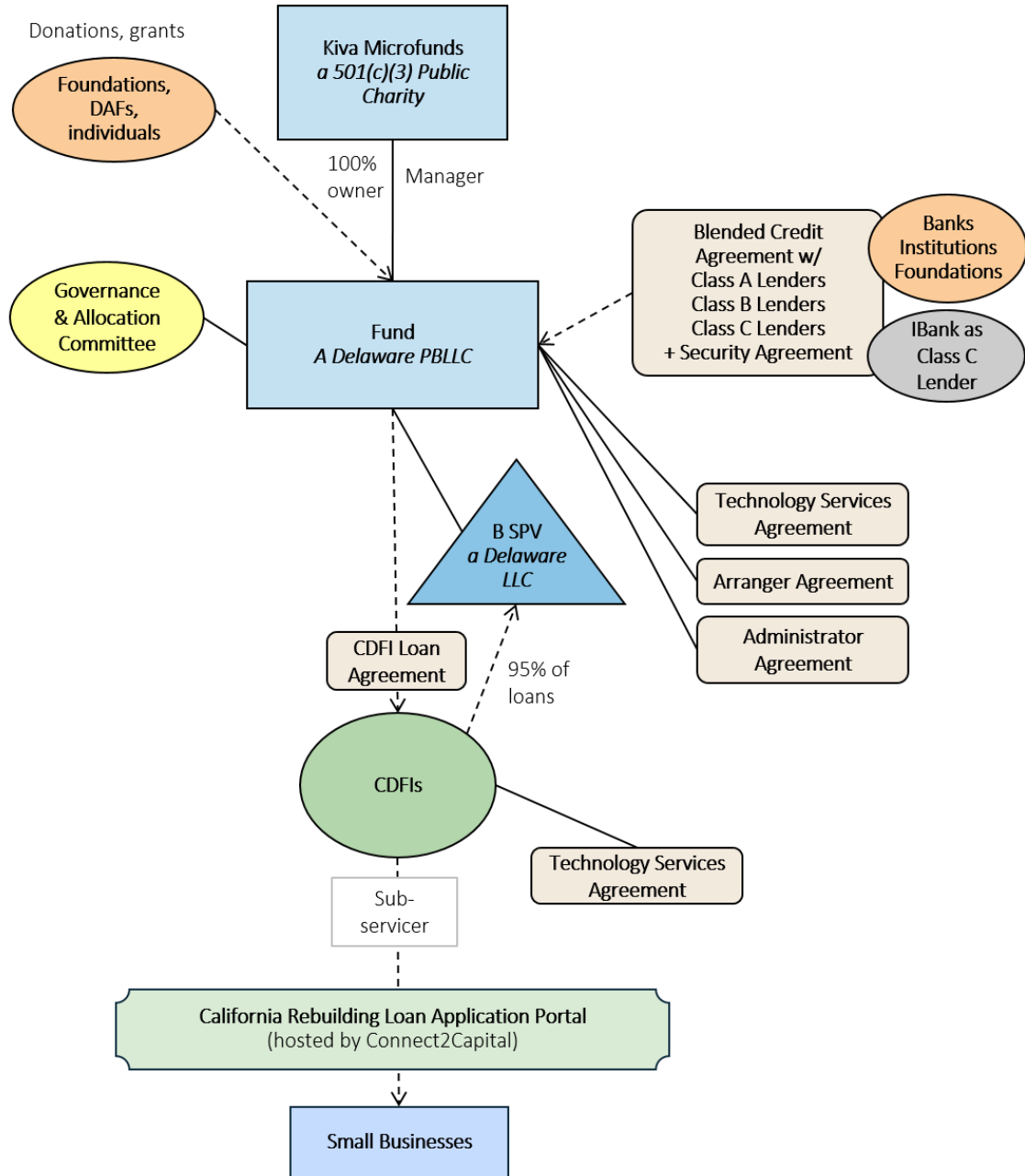
Representatives of Governance and Allocation Committee

The Governance & Allocation Committee will target 10 to 15 Members (but in no event shall its membership exceed 20 members), each independent and disinterested (other than the Owner/Manager and any representative of the Lenders):

- 1-2 Representatives of Lenders
- 1-2 Representatives from government/public sector
- 1-2 Representatives from private sector (with small business and/or lending expertise)
- 1-2 Representatives from community foundations
- 1-2 Representatives from the non-profit community
- 1 Representative of Kiva Asset Management or Affiliate
- 1 Subject matter expert/U. Berkeley
- 1 Lawyer

Exhibit B
Fund Structure Chart

California Rebuilding Fund Structure



Legal entities

 Documents

 Parties

Exhibit C
Small Business Lenders

1. Opportunity Fund
2. Pacific Community Ventures
3. CDC Small Business Finance and/or Bankers Small Business CDC of California
4. Self-Help Federal Credit Union
5. Working Solutions
6. Main Street Launch
7. Mission Economic Development Agency/Fondo Adelante
8. Access Plus
9. Accion Serving Southern California

Exhibit D

Small Business Product Term Summary

Interest rate	For-profit businesses: 4.25% fixed interest based on WSJ Prime + 1.0%; should the WSJP rate change during the Availability Period of the Blended Credit Facility, this rate may be adjusted to reflect WSJ Prime + 1.0%
Repayment term	A. 60-month term <ul style="list-style-type: none">• 0-12 months: interest only payments, paid monthly• 13-60 months: interest and principal payments with flat payments on a 48-month schedule, paid monthly B. 36-month term option for smaller dollar loans
Prepayment	Borrower may prepay the loan without penalty
Loan amount	Lesser of (a) \$100,000 or (b) up to 100% of average revenues for a 3-month period prior to the COVID-19 outbreak; the 3-month period can be any 3-month period from 2019 or January to March 2020
Loan proceeds	<ul style="list-style-type: none">• Working capital including payroll, operating and emergency maintenance, property taxes, utilities, supplies, rent, etc.• Refinancing of an existing community lender loan is not permitted, but refinancing high-cost debt is permitted• Loan applicant will be required to detail anticipated use of funds when they apply
Security	<ul style="list-style-type: none">• A UCC lien filing may be done at the Small Business Lender's discretion• Personal guarantees may be required for individuals that own 20% or more at the Small Business Lender's discretion. Requirements and policies around personal guarantees should follow the Small Business Lender's standard practice
Fees	<ul style="list-style-type: none">• Minimal third party fees and expenses (UCC filing fee, application fees, credit report costs, etc.) can be capitalized into the loan up to a certain per-loan amount• No other fees paid by the small business

Underwriting Terms

Borrower attestations	<p>Loan applicant must attest (with recourse) that:</p> <ul style="list-style-type: none"> • It does not have an active application with any other Small Business Lender for a Rebuilding Loan, or has not applied for more than one Rebuilding Loan • The business has experienced direct economic hardship as a result of COVID-19 in a way that materially impacts their operations and has an ability to document the impact • It is not making false claims
Business size	<ul style="list-style-type: none"> • Loan applicant must have 50 or fewer full time equivalent (FTE) employees and have gross revenues of less than \$2.5 million per year. • FTE counts will be tested prior to March 2020, not at the time of application • FTEs of any and all affiliates are counted in the total, including businesses with shared ownership • This may be verified by the loan applicant's tax return
Profitability and revenue test	<ul style="list-style-type: none"> • Demonstrate a 25% decline in revenues since January 2020 • Returned to or has sustained at least 30% of pre-crisis revenues relative to a similar period the prior year • Positive net income in 2019
Debt eligibility criteria	<p>Monthly business debt service / revenues < 25% where debt service includes existing and new debt (post-IO period) and revenues refers to average monthly sales from 2019 or a comparable 2019 month.</p>
Documentation required from the Loan Applicant	<ul style="list-style-type: none"> • Schedule of ownership (name, address, SSN or EITN, percentage ownership, photo ID for any owners with more than 20% ownership), if applicable • Executed Attestation Certificate • Bank statements or other proof of revenue • 2019 Federal Tax documentation • Personal guarantee (if applicable) • Evidence of organization's legal formation (standard location, business registration, and conflict of interest terms)
Documentation required to process and submit to the Fund	<p>Borrower documentation</p> <ul style="list-style-type: none"> • Loan and Note Agreement • Evidence of organization's legal formation • Schedule of ownership • File stamped copy of the UCC-1 (if applicable) • Executed Attestation Certificate • Personal guarantee (if applicable)
Personal guarantee / credit check	<p>For profit businesses: Personal guarantee (at the discretion of the Small Business Lender) and credit check; signature required by each owner with greater than 20% ownership</p> <ul style="list-style-type: none"> • No active bankruptcies • No 30+ day delinquencies in January or February of 2020 • No more than (1) 60+ day delinquency, no charge offs or discharged bankruptcies in COVID-19 Credit Lookback Window (3/1/19- 2/29/20) • No repossessions or foreclosures in the past 36 months • No outstanding tax liens or judgements unless there is 6-months of an

	<p>active payment plan</p> <ul style="list-style-type: none">• No unpaid child support• No minimum credit score required; credit score preferences to be set by each community lender
Ineligible industries	<p>Businesses that are not eligible include, but may not be limited to:</p> <ul style="list-style-type: none">• Firms engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted• Business engaged in speculative activities that develop profits from fluctuations in price rather than through the normal course of trade• Facilities primarily used for gambling or to facilitate gambling• Firms engaged primarily in lobbying activities
Loan applicant demographic data	<p>The following will be collected on a voluntary basis:</p> <ul style="list-style-type: none">• Race and ethnicity• Gender identity• Veteran status• LGBTQ identity