understand the impact/risks/benefits of mandating a CDFI repurchase or redeem CDFI Fund equity investments at a specific future date.

3. How does your organization determine the value of equity shares on its balance sheet?

4. What is your policy for redeeming or repurchasing equity from shareholders?

5. What is your preferred schedule for redeeming or repurchasing equity from shareholders? Is your schedule to return equity to shareholders based on percentages of shares or specific deadlines?

II. CDFI Fund Control Restriction

1. The Riegle Act requires that the CDFI Fund may not own more than fifty percent (50%) equity in a CDFI.

a. How frequently does your organization assess the percent of equity controlled by all shareholders, including the CDFI Fund?

b. Are there specific policies and procedures CDFIs should have in place for ensuring that the CDFI Fund does not own more than fifty percent (50%) of the organization’s equity? If so, what are they?

2. A possible solution for reducing the percentage of CDFI Fund ownership to below fifty percent (50%) would be for an organization to issue more equity. What other ways can CDFIs reduce the percentage of CDFI Fund ownership?

3. What factors should the CDFI Fund consider if it were to require CDFIs to repurchase or redeem shares versus increasing the number of shares?

4. Are there any other factors the CDFI Fund should consider when evaluating compliance with the CDFI Fund Control restriction?

III. CDFI Fund Investment Exit Strategy

1. In general, what impact does repurchasing or redeeming CDFI Fund equity shares have on the mission and business model of a CDFI?

2. What are the primary considerations the CDFI Fund should consider when developing an equity strategy including an exit strategy?

3. What is a typical or reasonable exit strategy for equity investments in CDFIs? Is there a minimum amount of time the CDFI Fund should hold an equity investment in a CDFI?

4. Are there any other factors the CDFI Fund should consider when developing an Investment Exit Strategy?