

Finance Justice Fund Term Sheet – Q1 2024 Round	
Eligibility	OFN members
Term and Interest Rates	<p>5 to 10-year terms</p> <ul style="list-style-type: none"> • Five-year term: 4.0% fixed interest rate • Seven-year term: 4.75% fixed interest rate • Ten-year term: 5.5% fixed interest rate <p>Climate-focused uses of loan funds will be considered for lower rates:</p> <ul style="list-style-type: none"> • Five-year term: 3.25% fixed interest rate • Seven-year term: 4.0% fixed interest rate • Ten-year term: 4.75% fixed interest rate
Draw Period	Loan fully drawn at closing
Repayment	<ul style="list-style-type: none"> • Five-year term: principal typically repaid with a bullet-payment at maturity • Seven-year term: principal typically repaid in two equal payments in years 6 and 7 • 10-year term: principal typically repaid in three equal payments in years 8, 9, and 10 • Interest paid quarterly in arrears
Application Fees	None
Standard Covenants	a) Borrower shall maintain total unrestricted revenue plus restricted interest and fee income equal to or greater than total expenses (less depreciation and unrealized losses) at the end of each fiscal year; or for any fiscal year in which total expenses exceed total unrestricted revenue, the difference

	<p>may be no more than 10% of unrestricted net assets at the beginning of that fiscal year. Total expenses may not exceed total unrestricted revenue for two consecutive fiscal years.</p> <p>b) Borrower shall maintain the ratio of unrestricted net assets to total assets at no less than 20%.</p> <p>c) Borrower shall maintain loan loss reserves at the level indicated by its internal risk assessment of its loan portfolio and consistent with its policies for managing risk, subject to a minimum level required by GAAP.</p> <p>d) OFN’s outstanding loans to Borrower shall not exceed 10% of Borrower’s total assets.</p> <p>e) Borrower’s Portfolio at Risk shall not exceed 10% of loans outstanding. Portfolio at Risk is defined as the sum of all loans that are either on nonaccrual status or more than 90 days past due, or both.</p>
Recourse	Senior unsecured, general recourse to the borrower
Prepayment Penalty	None after year five. Calculated based on Finance Justice Fund grant received (grant amount divided by 60 multiplied by remaining term of loan in months).
Investment Compliance	
Financial Reporting	<p>Annual audit due no later than 120 days following fiscal year end and quarterly internally prepared financial statements prepared 45 days after quarter end, including the following.</p> <ul style="list-style-type: none"> • Portfolio Report • Covenant Compliance Report
Impact Reporting	Client/beneficiary impact reporting is required on an annual basis through OFN’s Annual Member Survey. Additional output and outcome metrics may be required, particularly for climate-related lending. There is a requirement for borrower stories.