

This Access to Housing and Economic Assistance for Development (AHEAD) Program Agreement (this "Agreement") is entered into this _____ day of _____ among the Federal Home Loan Bank of San Francisco (the "Bank") _____ (the "Member") and _____ (the "Project Sponsor"), in connection with _____ (the "Project"), as the Project is more fully described in the Member's and the Project Sponsor's Application (as such term is defined below) to be attached hereto as Exhibit "A". The Application is incorporated herein by these references.

- A. The Bank has established the AHEAD Program, a recoverable grant fund designed to help members working in conjunction with community-based organizations, to financially support economic development and housing projects in the 11th District during the conception and early development phases of the projects.
- B. The Bank also has established policies, procedures, guidelines and instructions covering, among other things, criteria for eligibility, funding, and status reporting for projects participating in the Bank's AHEAD Program (collectively, the "Bank's AHEAD Program Policies and Procedures").
- C. The Member and the Project Sponsor desire to participate in the Bank's AHEAD Program and have submitted an application through the Member to the Bank, as the same may be amended and conditionally approved by the Bank, pursuant to the Bank's AHEAD Program Policies and Procedures (the "Application"), to obtain a grant in an amount approved by the Bank (the "Grant") for use in the Project. For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Bank, the Member and the Project Sponsor hereby agree as follows:

Agreement

1. **Recitals.** The Recitals set forth in Paragraphs A through C above are incorporated herein in their entirety.

2. **Rules of Construction.**

In this Agreement,

- (a) "Includes", "including", and similar terms are not limiting;
- (b) "May not" and similar terms are prohibitive and not permissive;
- (c) The singular includes the plural;
- (d) "Or" is not exclusive; and
- (e) Any reference to a form, plan, policy, procedure, guideline, instruction, title, code, law, statute, ordinance, rule, regulation, order, or other governmental provision, or any part thereof, shall include the same as it may from time to time be amended.

3. **Effective Date.** The Effective Date is the date that the Bank issues written notice to the Member and Project Sponsor that a Grant has been awarded by the Bank. This Agreement shall be effective: _____

4. **Term of the Agreement.** The Agreement shall terminate upon the earlier of (i) full repayment of the Grant pursuant to Section 15(b), (ii) the Bank's receipt of a Final Status Report and certification from Member and Project Sponsor that the Project has reached its operational goals within three (3) years of the Effective Date, and either (a) despite its best efforts, Project Sponsor is unable to repay to the Bank, all or part of the Grant or (b) Project Sponsor has agreed to repay the Grant to the Bank; or (iii) the Bank's receipt of a Final Status Report and certification from Member and Project Sponsor that the Project has not reached its operational goals within three (3) years after the Effective Date.

5. **Compliance.** The Member and the Project Sponsor, each, agree to comply with the Bank's AHEAD Program Policies and Procedures and the commitments made in the Application.
6. **Approval of Application.** Approval of the Application by the Bank shall be conditional and shall be subject to the Bank's AHEAD Program Policies and Procedures. Approval shall be effective only upon written notice from the Bank to the Member.
7. **Additional Support.** In making this Grant, the Bank assumes no obligation to provide further funding or support to the Member or Project Sponsor beyond the terms stated herein. Contributions made to the Project Sponsor and Member under this Agreement do not by direct reference or implication convey Bank endorsement of the Project Sponsor's products or activities or a partnership arrangement among the Bank, the Project Sponsor and the Member.
8. **Funding of Grant to Member.** Subject to the terms of the Agreement, the AHEAD Program Application and the Bank's AHEAD Program Policies and Procedures, the Bank agrees to make available funds not to exceed in the aggregate _____ and 00/100 dollars (\$ _____) ("Grant") to the Member. The Member may request disbursement of all of the Grant from the Bank at the time the Project is ready to use the Grant. The use of the Grant is subject to the terms and conditions of this Agreement, the Application, and the Bank's AHEAD Program Policies and Procedures as the Bank may publish and as may be amended from time to time. The Member shall, prior to funding, provide the Bank with copies of all related estimates, invoices, contracts or other documentation pertaining to each request, and a certification of the accuracy of the documentation and the need for the expense. The Bank has the sole right and discretion to determine whether an expense is qualified.
9. **Disbursement of Grant to Project Sponsor by the Member.** Subject to the terms and conditions of this Agreement and the satisfaction thereof by the Member and the Project Sponsor, the Member agrees to disburse to the Project Sponsor, the Grant amount received by the Member from the Bank within thirty (30) days of receipt of the funds by the Member. The Project Sponsor must request disbursement of the Grant by the last business day of the calendar year following the Effective Date of this Agreement. If the Project Sponsor does not use the Grant for the approved purposes within three (3) years of the Effective Date, the Bank, in its sole discretion, may cancel the Grant.
10. **Use of Grant.** The Member and the Project Sponsor, each, shall use the Grant only as set forth in the Application, and consistent with the requirements of the Bank's AHEAD Program Policies and Procedures. Under no circumstances may the Grant be used for expenses related to, among other things, litigation costs and expenses and political lobbying.
11. **Modification.** Neither the Member nor the Project Sponsor shall, without the prior written approval of the Bank, materially modify the Project in any way that would make the original description of the Project as represented in the Application misleading, inaccurate or incomplete.
12. **Documentation; Cooperation.** The Project Sponsor hereby agrees to keep records of all expenditures relating to this Grant, including, but not limited to vouchers, time sheets, bills, invoices, cancelled checks, receipts, which will be retained by the Project Sponsor throughout the reporting period until termination of this Agreement. The Member and the Project Sponsor agree to fully cooperate in and with the Bank's review of the Project, and to promptly provide to the Bank all documents and information reasonably requested by the Bank.
13. **Status Reports.**
 - (a) **Annual Status Report.** The Project Sponsor agrees to provide to the Member and the Bank an annual status report regarding the Project for a period of three (3) years from the Effective Date. The status report will outline (i) the current status of the Project, (ii) financial reports showing expenditures of the Grant funds, and (iii) an account of what the Project has accomplished during the report period toward achieving the goals and objectives outlined in the Application, and an assessment of whether the Project has been successful in meeting any of such goals and objectives during the report period. All status reports from the Member and the Project Sponsor will certify that all information is correct to the best of their knowledge. The Member and the Project Sponsor each further agree to provide the Bank with such other information about the Project and the use of the Grant funds as the Bank may request in its sole, reasonable discretion.
 - (b) **Final Status Report.** Concurrent with termination of the Agreement pursuant to Section 4, the Project Sponsor agrees to provide to the Member and the Bank a final status report satisfactory to the Bank, regarding the Project ("Final Status Report"). The Final Status Report should detail (i) the financial status of the Project, showing Grant expenditures according to the purpose of the Grant set forth in the Application, and (ii) a narrative account of what was accomplished toward achieving the goals of the Grant by expenditure of the funds, including the status of the Project.

14. Access to Information. The Member and the Project Sponsor each expressly authorize the Bank, and the Project Sponsor expressly authorizes the Member, to audit the Project, including books and records of account, and to conduct on-site inspections of the Project during normal business hours, and upon reasonable advance notice. The Project Sponsor agrees to fully cooperate in and with the Member's review of the Project, and to promptly provide to the Member all documents and information reasonably requested by the Member.

15. Repayment.

(a) Voluntary Repayment. The Project Sponsor and the Member hereby agree that if within three (3) years after the Effective Date of this Agreement, the operational goals indicating that the Project is successful are reached, and the purpose of the Grant has been served, as outlined in the Application, the Project Sponsor will use its best efforts to repay the Grant (in whole or in part) to the Bank. The Member and the Project Sponsor agree to notify the Bank when the Project has reached its operational goals.

(b) Required Repayment. The Member and the Project Sponsor agree to repay the Grant to the Bank in the event the Grant is not used in compliance with the terms of the Application or the AHEAD Program Policies and Procedures. In addition, the Member and Project Sponsor agree to repay the Grant in the event of fraud or misrepresentation in the terms of the Application or on the part of the Project Sponsor or Member. Following notification of an event that would require repayment of the Grant, the Bank will request repayment of the Grant. The Member will assist the Bank in recovering repayment of the Grant from the Project Sponsor, if necessary. This provision shall survive termination of the Agreement.

(c) Notice. The Member or the Project Sponsor, as the case may be, shall promptly give written notice to the Bank in the event the Grant is not being used in accordance with the uses outlined in the Application.

16. Member and Project Sponsor's Representations and Warranties. The Member and Project Sponsor represent and warrant to the Bank as of the Effective Date hereof, on the funding date of the Grant, and as of the dates that the Member and Project Sponsor provide status information and certifications to the Bank, the following:

(a) Existence. The Member and Project Sponsor are each in good standing in the state(s) of their organization. The Member and Project Sponsor are each duly qualified to do business in each state in which the ownership of their respective property or the nature of their respective business make such qualification necessary and where the failure to so qualify would reasonably be expected to have a materially adverse affect on the business and operations of the Member and the Project Sponsor. The Member and Project Sponsor each have all powers and all material governmental licenses, authorizations, consents and approvals required to carry on their respective business as now conducted, except for such matters, the failure of which to so maintain, would not reasonably be expected to have a material adverse effect on the operations or financial condition of either the Member or Project Sponsor.

(b) Power and Authority. The execution, delivery and performance by the Member and Project Sponsor of this Agreement to which the Member and Project Sponsor are a party are within the corporate or other powers of the Member and Project Sponsor, have been duly authorized by all necessary action, do not contravene or constitute a default under any provision of applicable law or regulation or of any judgment, injunction, order, or decree binding on the Member or Project Sponsor, or their property.

(c) Enforceability. This Agreement is or upon execution will be, the valid and legally binding obligation of the Member and Project Sponsor, enforceable against the Member and Project Sponsor in accordance with its respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws or equitable principles relating to or limiting creditors' rights generally or the availability of equitable remedies.

(d) Statements. To the best knowledge of the Member and Project Sponsor, after reasonable inquiry, the information given by the Member and the information given by the Project Sponsor in the Application and in other documents provided to the Bank, and in any oral statement made by the Member or Project Sponsor, in connection with the Application and the Project, are complete and accurate in all material respects.

17. Assignment or Transfer. Neither the Member nor the Project Sponsor may (voluntarily or involuntarily or by operation of law or otherwise) assign or transfer the AHEAD Grant or any of the rights or obligations of the parties hereunder without the express prior written consent of the Bank.

18. Amendment; Waivers. No modification, amendment, or waiver of any provision of this Agreement or consent to any departure therefrom shall be effective unless executed by the parties to this Agreement. Any forbearance, failure, or delay by a party hereto, in exercising any right, power, or remedy hereunder or under law or regulation shall not be deemed to be a waiver thereof, and any single or partial exercise by a party of any right, power, or remedy shall not preclude the further exercise thereof. Every right, power, and remedy of a party shall continue in full force and effect until specifically waived by the party, in writing.

19. Jurisdiction; Legal Fees.

(a) In any action or proceeding brought by the Bank, the Member or the Project Sponsor in order to enforce any right or remedy under this Agreement, the parties hereby consent to, and agree that they will submit to, the jurisdiction of the United States District Court for the Northern District of California or, if such action or proceeding may not be brought in federal court, the jurisdiction of the Superior Court of the City and County of San Francisco to the exclusion of all other courts.

(b) The Member, the Project Sponsor and the Bank agree that if any action or proceeding is brought by any party seeking to obtain any legal or equitable relief against another party under or arising out of this Agreement or any transaction contemplated hereby, and such relief is not granted by the final decision, after any and all appeals, of a court of competent jurisdiction, the party that brought the unsuccessful action or proceeding will pay all attorneys' fees and other costs incurred by the other party(ies) in connection therewith.

20. Applicable Law; Severability. This Agreement shall be governed by the statutory and common law of the United States and, to the extent federal law incorporates or defers to state law, the laws of the State of California (excluding, however, the conflict of laws rules of such state). In the event that any portion of this Agreement conflicts with applicable law, such conflict shall not affect other provisions of this Agreement that can be given effect without the conflicting provision, and to this end the provisions of this Agreement are declared to be severable.

21. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and permitted assigns of the Member, the Project Sponsor and the Bank. In addition, if after disbursement of the Grant to the Member, the Member undergoes an acquisition or a consolidation resulting in a successor organization that is not a member of the Bank, the nonmember successor organization assumes the Member's remaining obligations, if any, under the Member's approved Application.

22. Notices. All notices and other communications shall be mailed, sent by facsimile transmission (with confirmation copy), or served personally on a party at the address indicated below, or at such other address as shall be designated by a party by future written notice to the other parties. Notice sent by facsimile transmission shall be effective on the date transmitted; notice sent by personal service shall be effective on the date of delivery; and notice sent by U.S. mail shall be effective three (3) business days after such communication is deposited in the mail with first class postage prepaid, addressed as aforesaid.

23. Counterparts. This Agreement may be executed by the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same Agreement.

24. Headings. Paragraph headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

25. Consents. Any time the Bank's consent or approval is required hereunder, such consent or approval shall be consistent with the applicable requirements of the Bank's AHEAD Program Policies and Procedures, and shall otherwise not be unreasonably withheld or delayed.

26. Other Rights and Remedies. Nothing in this Agreement shall be deemed in any way to limit the Bank's rights and remedies under law, or prevent the Bank from taking any action pursuant to law in the event of the Member's or the Project Sponsor's failure, for whatever reason, to comply with any provision of this Agreement, or to perform any promise or obligation or to satisfy any condition or requirement contained in this Agreement, or the Bank's AHEAD Program Policies and Procedures. Nothing in this Agreement shall be deemed in any way to limit the Member's rights and remedies under law, or prevent the Member from taking any action pursuant to law in the event of the Project Sponsor's failure, for whatever reason, to comply with any provision of this Agreement, or to perform any promise or obligation or to satisfy any condition or requirement contained in this Agreement, the Bank's AHEAD Program Policies and Procedures.

27. Compliance With Laws and Indemnification. In conducting its activities relating to the Project, the Project Sponsor and the Member agree to conduct all such activities in compliance with all applicable federal, state, and local laws, regulations, and ordinances; to secure all appropriate necessary public or private permits and consents; and to obtain and maintain all appropriate insurance against liability for injury to persons or property arising from its activities relating to the Project.

Member and Project Sponsor shall indemnify and hold harmless the Bank, its officers, directors, and employees in respect of any and all costs, claims, injuries, losses, damages, or liabilities arising from or in connection with the Project or the use of the Grant and all expenses related thereto (including without limitation, settlement costs and any legal or other expenses for investigating or defending any actions or threatened actions arising from or in connection with the Project, including, but not limited to, environmental laws, regulations, orders and decrees of whatsoever character or nature and damage or injury to persons and property), except to the extent such costs, losses, amounts result from intentional misconduct or gross negligence of the Bank. This indemnification will survive termination of this Agreement.

28. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties hereto relating to the subject matter.

[Signature pages follow]

Project Name
Address

Member Authorization

Authorized Signature*	Name of Authorized Person
Telephone Number	Email Address
Authorized Signature*	Name of Authorized Person
Telephone Number	Email Address

* **Note:** This form must be signed in accordance with the Member's authorizations on file with the Bank.

Project Sponsor Authorization

Project Sponsor	
Name of General Partner (if applicable)	
Signature	Signature
Print Name	Print Name
Title	Title

Mail this form to:

Federal Home Loan Bank of San Francisco
 Community Investment Department
 600 California Street, Suite 300
 San Francisco, CA 94108

Federal Home Loan Bank of San Francisco Use Only

By	By
Name	Name
Title	Title