

BUSINESS AND COMMUNITY DEVELOPMENT IMPACT PLAN OUTLINE

The purpose of Inclusiv/Capital is to provide capital to strengthen the capacity of community development credit unions (CDCUs) in furthering Inclusiv’s mission of “helping low- and moderate-income individuals and communities achieve financial independence.”

Inclusiv and community development credit unions are mission driven organizations and our business models and impact are based on both financial and social metrics. As part of the review process, Inclusiv/Capital’s Committee will assess the credit union’s business and impact model.

Below is an outline and list of guiding questions that should be answered in your business plan:

Executive Summary
Tell us about the current state of your credit union, your vision, impact model, growth strategy and how you will accomplish this goal. Describe your credit union's accomplishments or plans to serve your community, your overall strategic goals, growth plans.
Describe the extent to which the requested secondary capital will affect your credit union’s ability to achieve the identified mission, strategic goals and business objectives.
If you currently have secondary capital, please explain how this additional capital will increase or strengthen the organization’s ability to achieve the identified strategic goals.

Credit Union Description.
History, Current Field of Membership, Organization and Management
Please provide a copy of your organization chart and summary of your key management.

Market Analysis and Competitive Advantage.
Summary of current membership, potential membership, demographic trends of community at large and financial needs/ gaps, competition, challenges.
Describe in detail the neighborhood or community you serve: its particular problems, its needs, and its goals.
Please also include a SWOT analysis and summary of your competitive advantage.

Loan Products and Development Services
Identify how your organization’s financials products and services. What are your main products and services? How do they create short and long-term positive outcomes and create economic opportunities in the community or communities you serve.
What do you currently offer and plan to offer? How will you achieve this?

Growth, Delivery, and Outreach Strategies.

- Summarize your growth strategy:
 - Sustain Continued Growth (Increase Volume of Financial Products or Financial Services)
 - Market Expansion (Geographic and/ or Underserved Communities)
 - Provide New Financial Products, New Financial Services, and/or New Development Services.
 - Other-Please describe.

- Describe the trends and demand in terms of current products and growth.
- Identify and provide information about the new markets you are plan to serve.
- Identify and provide information about the new product(s) or service(s) you will be launching.
- What is your credit union’s ability to serve this market/ develop this product/ service? What is your value proposition?
- Who are the potential members/ borrowers?
- What are the growth prospects (loan / financial product- include quantified volume)?
- Describe the demand in terms of potential members and borrowers, growth prospects, areas covered, types of financial products and services offered, etc.
- What resources will be necessary in order to increase your volume?
- How will you engage this new market? Will strategic or community partnerships be used in your outreach and delivery channels? What process will be used in identifying/ managing these partnerships?
- Will any changes to your policies and procedures be needed in order to achieve your strategic goals? Include specific policies for any new products as part of your application.
- If so, describe and include timeframe for updated these policies. How will your credit union manage this growth and risks?
- Include the #/ \$ amount you intend to deploy in terms of your product/ service. Include a summary of your risk management strategy, including baseline performance indicators.
- Identify and discuss any risks that may inhibit your credit union from achieving its strategic goals and how your credit union will mitigate these risks.

Community Development Impact.

What is the intended impact your credit union will achieve with this investment? Please identify the larger issue (see strategic initiatives above for examples), products and services that will be used to meet those needs and how do you intend to measure these outcomes? (eg metrics, definitions)

Inclusiv invests in scaling existing community development impact plans as well as the development of new products and services. Applicants and investees are not limited to addressing these issues, however successful candidates must demonstrate current initiatives or plans to address financial service gaps and needs within their market (current and prospective), as well as outcomes by which they will measure success.

Examples of Impact Products and Services

Development Services	High Impact Consumer Lending	Capital Intensive Community Development Activities
<ul style="list-style-type: none"> • Financial Counseling/ Housing Counseling • Financial inclusion and 	<ul style="list-style-type: none"> • Affordable small dollar/ emergency loans (alternatives to predatory 	<ul style="list-style-type: none"> • Affordable Home Mortgage Lending • Microfinance and Small

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<p>outreach to target populations including immigrant, older Americans, people with disabilities and/or other underserved population</p> <ul style="list-style-type: none"> • Savings and asset building programs • EITC/ VITA 	<p>products)</p> <ul style="list-style-type: none"> • Credit Building • Debt Consolidation • Workforce or transportation related lending (e.g., Wheels to Work) • Consumer loans 	<p>Business Lending</p> <ul style="list-style-type: none"> • Community Facilities • Non-Profit Lending
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Make sure to include intended results, benchmarks and indicators of success.

Example:

Target issue: Financial services to immigrants and new Americans

Sample Benchmarks and Metrics Tracked on Investment:

New Accounts Opened/ Previously Unbanked Members:

Loans originated:

Financial Position and Projections.

As part of the application process, Inclusiv reviews the credit union’s past and projected financial performance. Please provide a summary of how you view your current financial position and recent financial trends. Explain any large fluctuations or changes.

Please provide a copy of your financial projections and sure to account for the full requested term of the loan and demonstrate, inter alia, proper accounting for the secondary capital loan, interest payments on the loan (minimum debt-service coverage ratio of 2.5 post loan), repayments (see p. 1 of this application for details).

Include your assumptions for the projections.

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