

New Mexico Affordable Housing Tax Credit Program Notice of Funding Availability

Approved by the MFA Board of Directors April 21, 2010 (Effective July 1, 2010)
Amended May 15, 2013 and July 21, 2021

Background and Purpose

The New Mexico Affordable Housing Tax Credit Program, also referred to herein as the State Tax Credit Program, was created by approval of the Affordable Housing Tax Credit Act by the Legislature of the State of New Mexico in March 2005 and signed into law by Governor Bill Richardson in April 2005. The State Tax Credit Program provides tax credits to individuals, businesses and local governments that provide donations to Affordable Housing Projects approved by the New Mexico Mortgage Finance Authority ("MFA"). The state offers credits on income taxes, gross receipts taxes and compensating taxes (excluding local option gross receipts tax imposed by a municipality or county, or the government gross receipts tax) to any eligible individual, tribal government, housing authority, corporation, limited liability company, partnership, joint venture, syndicate, association or nonprofit organization that donates land, buildings, materials, cash or services for an Affordable Housing Project approved by MFA or for a trust fund administered by MFA. The credit is equal to 50 percent of the value of the donation. MFA is a governmental instrumentality separate and apart from the state, created by the New Mexico Mortgage Finance Authority Act for the purpose of financing affordable housing for low and moderate income New Mexico residents. MFA is responsible for adopting rules for the approval, issuance and administration of the investment vouchers.

The purpose of this Notice of Funding Availability (NOFA) is to solicit applications from qualified sponsors for Affordable Housing Projects in accordance with the State Tax Credit Program. Sponsors whose projects are designated as eligible Affordable Housing Projects under the State Tax Credit Program will receive a reservation of available tax credits for a given program year. This reservation will enable the project sponsor to solicit donations to pay for eligible costs for the Affordable Housing Project. Upon acceptance of evidence of donations and valuation and satisfaction of readiness and other program requirements for the project, MFA will issue investment vouchers to the donor.

MFA may also issue investment vouchers to donors who donate directly to a trust fund administered by MFA. MFA created the New Mexico Affordable Housing Charitable Trust ("Charitable Trust") in November 2007 and received IRS approval of tax exempt status under section 501(c)(3) of the Internal Revenue Code in June 2008. For donations made directly to the Charitable Trust administered by MFA, investment vouchers will be issued to donors upon receipt of the donation, and review and approval of documentation. Vouchers for donations to the Charitable Trust, including those earmarked for Affordable Housing Projects with MFA-approved State Tax Credit awards, shall be issued in accordance with the New Mexico Affordable Housing Charitable Trust Policy.

Contact Person

Applicants are encouraged to direct questions regarding this NOFA to:

Clarissa Aragon

New Mexico Mortgage Finance Authority

344 4th Street SW
Albuquerque, NM 87102
Phone: (505) 843-6880 or toll-free statewide (800) 444-6880
Fax: (505) 243-3289
E-mail: caragon@housingnm.org

Application Submission and Due Date

MFA awards New Mexico Affordable Housing Tax Credit reservations on a continuous, first come, first-served basis, subject to the availability of credits, and according to the Project Selection Criteria outlined below. Applications may not be delivered by facsimile transmission or email. Complete applications may be submitted either electronically or as hard copies per the following instructions. For hard copy application submissions, only one complete, original hard copy is required. The required forms will be provided electronically and may be downloaded from MFA's web site at www.housingnm.org/developer/new-mexico-state-affordable-housing-tax-credit. All hard copy applications shall be marked "New Mexico Affordable Housing Tax Credit Program Application" in readily visible print. All electronic applications shall be similarly named. On receipt, MFA will date and time stamp the application. All applications must include an application fee of \$250. To pay electronically, contact the Contact Person named in this NOFA for direction. If an application is successful in receiving a reservation, an additional reservation fee of \$500 is due within 30 days of notification.

Hard copy applications may be delivered by U.S. mail, by courier service, or by hand* to the following address:

New Mexico Mortgage Finance Authority
344 4th Street SW
Albuquerque, NM 87102
(505) 843-6880
Attn: New Mexico Affordable Housing Tax Credit Program Manager

*All in person deliveries must call the main line at (505) 843-6880 to schedule a time to drop off the application.

Electronic applications must be uploaded to MFA's file sharing site:
https://mfa.internal.housingnm.org/SFT_HD/

Complete applications will meet the following standards:

1. Hard copy applications must bear the original signature of the applicant. Electronic applications must bear a scan of the original signature.
2. Include the application form, application checklist, and all mandatory items listed on the application checklist at the time it is submitted.
3. Include the application fee (see instructions regarding payment of the fee in above paragraph).
4. All applications must be self-contained.

Failure to provide or complete any element of the application may result in rejection of the application. MFA may request additional information as deemed necessary for a fair and accurate evaluation; MFA, however, is under no obligation to seek further information or clarification to complete its review of the application. The applicant will

bear full responsibility for submitting its application in accordance with the requirements of this Notice.

Use of Electronic Versions of this NOFA

This NOFA is being made available by electronic means. If accepted by such means, the applicant acknowledges and accepts full responsibility to ensure that no changes are made to the NOFA. In the event of conflict between a version of the NOFA in the applicant's possession and the version maintained by MFA, the version maintained by MFA shall govern.

Program Summary

MFA will make available investment vouchers in the following amounts for eligible Affordable Housing Projects approved by MFA through the application process described herein and for donations made directly to a trust fund administered by MFA.

Amount available

Beginning on January 1, 2008 and during each subsequent calendar year, MFA may issue or approve investment vouchers for an amount each calendar year equal to \$1.85 (adjusted annually) multiplied by the state population.

Eligible Applicants

Eligible applicants include nonprofit or for-profit developers, governmental and tribal instrumentalities. Applicants must be legally able to do business in New Mexico. Nonprofit applicants must be able to demonstrate compliance with the New Mexico Charitable Solicitations Act. Any one applicant, or group of applicants, may not receive aggregate awards in excess of 50 percent of the annual amount of State Tax Credits available in the year the reservations are made.

Additionally, all members of the development team (i.e. developer, project owner, general partner, contractor, management company, consultant(s), architect, attorney and accountant, etc.) of the proposed Affordable Housing Project must be in good standing with MFA and all other state and federal affordable housing agencies. For example, debarment from HUD, MFA or other federal housing programs, bankruptcy, criminal indictments or convictions, poor performance on prior MFA or federally-financed Projects (for example, late payments within the 18-month period prior to the application deadline, misuse of reserves and/or other Affordable Housing Project funds, default, fair housing violations, noncompliance (e.g. with the terms of LURAs on other Projects), or failure to meet development deadlines or documentation requirements), on the part of any proposed development team member or project owner or other principal may result in rejection of an application by MFA.

Third-Party Code of Conduct

Applicant shall conduct themselves in a manner consistent with MFA's Third-Party Code of Conduct which is attached hereto as Exhibit A.

Applicant shall promptly disclose information MFA may reasonably request relating to conflicts or potential conflicts of interest.

Eligible Projects

Affordable Housing Projects include MFA-approved single family homebuyer projects, multifamily rental projects, as well as transitional housing and emergency shelters. Activities may include land and building acquisition, construction, remodeling, improvement, rehabilitation, conversion or weatherization. Down payment and closing cost assistance is an eligible activity related to the acquisition of single family housing. Funding of operating expenses is not an eligible activity under the New Mexico Affordable Housing Tax Credit Program.

Eligible Donations and Investment Vouchers

Donations may include land, buildings, materials, cash (and cash equivalents) or services. Evidence that the donation has been secured and the value of donation (other than cash) satisfactory to MFA will be required prior to issuing an investment voucher to the donor. Donations received by a project sponsor in exchange for tax credits may be used to fund land and building acquisition (including down payment and closing cost assistance for the acquisition of single family housing), construction, remodeling, improvement, rehabilitation, conversion or weatherization throughout the state. The minimum permitted donation to an Affordable Housing Project is \$200; the maximum donation to an Affordable Housing Project which will be eligible for an investment voucher is \$2,000,000. The maximum voucher amount will be the lesser of \$1,000,000 or 25 percent of the annual available amount for the year the reservation is made. Donors will receive an investment voucher for the lesser of: 1) 50 percent of the value of their donations or 2) the amount requested. Investment vouchers issued on behalf of a given project cannot exceed the amount reserved for a project.

Investment vouchers will be issued by MFA only after securing evidence of the donation irrevocably and unconditionally contributed, expended or devoted, and for donations applied directly to a project, evidence of the project meeting certain readiness requirements including, but not limited to:

- 1) Site control,
- 2) Securing other financing commitments, and
- 3) Recording of a Land Use Restriction Agreement (“LURA”).

Alternately, when donations are made to fund a down payment assistance program for Affordable Housing Projects the voucher will be issued to the donor after securing evidence of the donation irrevocably and unconditionally contributed to the sponsor and upon the sponsor entering into a written binding agreement with MFA. This agreement will govern the use of such funds only for eligible homebuyers, eligible Affordable Housing Projects, and outline compliance and reporting requirements.

Unit Set-Asides and Compliance Period

The program will not have minimum set-aside requirements; however the tax credit reservation will be sized based on the number of units that are designated affordable. The housing cost for the affordable unit should be within the guidelines described below.

- Single Family: Mortgage payments for the purchase or rehabilitation of owner-occupied housing as a percentage of the incomes of eligible and targeted households must not exceed acceptable industry standards for secondary market

financing. Mortgage payments include principal, interest, taxes, and insurance (PITI). Although there is no set limit for the purchase price of single family homes, the FIRSTHome first mortgage loan program for first-time homebuyers who have low and moderate incomes will be used as a general guideline. Borrowers must meet income and purchase price guidelines, which vary by household size and location. Income and purchase price guidelines are available on MFA's website.

Rental rates for single family rental units must be no greater than 30 percent of the maximum eligible household target income for the assisted unit. Gross rent includes the cost of all utilities except telephone, internet and cable television. Should the occupant pay any utilities directly, the gross rental rate will be reduced by a utility allowance approved by MFA.

- Multifamily (projects with five or more units): Rental rates must be no greater than 30 percent of the maximum eligible household target income for the assisted unit. Gross rent includes the cost of all utilities except telephone, internet and cable television. Should the occupant pay any utilities directly, the gross rental rate will be reduced by a utility allowance approved by MFA.

The set-aside requirements will be enforced with a LURA (or an alternative acceptable to MFA) for a minimum period of five years for single family housing and 10 years for multifamily housing. The affordability period for down payment assistance is defined as follows:

- If the amount of the donation that is being used for a unit is below \$5,000, it shall be considered impractical for MFA to impose an affordability period.
- If the amount of the donation that is being used for a unit is from \$5,000 to \$14,999, then the affordability period shall be not less than five years.
- If the amount of the donation that is being used for a unit is from \$15,000 to \$40,000, then the affordability period shall be not less than 10 years.
- If the amount of the donation that is being used for a unit is greater than \$40,000 then the affordability period shall be not less than 30 years.

The project sponsor, in its sole discretion, may increase the affordability period in any contract, note mortgage, loan agreement, LURA, restrictive covenant agreements and/or any other agreement which the project sponsor may enter into with any beneficiary of the donation. Affordability shall be achieved by the recapture of assistance upon resale, refinance or transfer of ownership within the applicable affordability period. All recaptured funds shall be paid to project sponsor who shall utilize recaptured funds for affordable housing purposes only.

The owner of a multifamily project will be required to certify annually compliance with use requirements. The project sponsor and the single family owner occupant will provide certification at initial sale/occupancy. Any transfer of ownership requires notification to MFA and an assumption of the remainder of the affordability period by the new owner. Subsequent owners must also provide certifications to MFA as outlined

above. MFA will retain the right to audit records and inspect properties. Any project sponsors that are found to be in non-compliance will be ineligible for future program participation.

Project Selection Criteria

Applications will be scored according to the following criteria:

	Project Selection Criteria	Score
1	<p>Leveraging Funds The degree to which the applicant has leveraged other public or private sector resources appropriate for the proposed type of Affordable Housing Project or activity. Applicants are expected to access other resources that are available for the type of housing project proposed. A maximum of 20 points will be awarded to applicant projects that demonstrate other committed* financing sources.</p> <p>STC award as a percentage of total development cost:</p> <ul style="list-style-type: none"> • 0% to 20% = 20 points; or • 21% to 40% = 15 points; or • 41% to 60% = 10 points; or • 61% to 80% = 5 points; or • Greater than 80% = 0 points <p><i>*For this purpose, committed is evidenced by an executed agreement, award letter, commitment letter, or other documentation acceptable to MFA.</i></p>	Maximum 20 points
2	<p>Demonstrated Demand/Support The degree to which the applicant has demonstrated the need and support for the proposed Affordable Housing Project or activity. Up to 25 points will be awarded to applicant projects that demonstrate market demand through means such as market studies, appraisals, redevelopment plans, or support such as other committed funding. Market Study or evidence of other forms of need or support must be submitted with the application. In addition, points may be awarded to applicant projects that demonstrate the ability to maintain longer-term affordability.</p> <ul style="list-style-type: none"> • Market Study with capture rate of no greater than 10% = 25 points • Rural, Tribal, Senior or Permanent Supportive Housing projects = 25 points • Appraisal demonstrating need = 10 points • Donated land = 10 points • Committed Donated Services/Materials = 10 points • Redevelopment Plan that includes project = 5 points • Committed Donations – Other* = 5 points • Affordability term exceeding minimum required: <ul style="list-style-type: none"> Multifamily – greater than 10 years = 5 points Single family – greater than five years = 5 points Down Payment Assistance – greater than 10 years = 5 points <p><i>*Defined as letters from donors with a specified donation amount, scheduled fundraising events that have historically proven effective in solicitation of donations, donations to the Affordable Housing Charitable Trust, or other documentation acceptable to MFA.</i></p>	Up to 25 points

3	<p>Readiness to Proceed</p> <p>The degree to which the applicant has demonstrated readiness to proceed. Up to 40 points will be awarded to applicant projects that are ready to begin implementation immediately with any environmental review requirements completed, any site control secured, planning design or permitting complete, any availability of utilities, and identification of donors/donations and all other related upfront issues resolved.</p> <ul style="list-style-type: none"> • Environmental site assessment with appropriate clearances = 10 points • Building Permits in place = 10 points • Evidence of site control = 5 points • Site Survey = 5 points • Zoning approval or other proof of permissible zoning = 5 points • Preliminary site and building design provided = 5 points • Utilities available onsite or at site perimeter = 5 points 	Up to 40 points
4	<p>Development Team</p> <p>Strength and experience of the sponsor, development team and management entity. Up to 10 points will be awarded to applicant projects that have at least one member of the development team with the capacity to complete the project as proposed in a timely and efficient manner.</p> <ul style="list-style-type: none"> • Successful completion of more than two previous STC projects (<i>projects that are developed and utilized 100% of previous STC awards</i>) = 5 points • Successful completion of other type of affordable housing project (<i>projects that are developed and have received Certificates of Occupancy</i>) = 5 points • Successful completion of similar housing project development* (<i>projects that are developed and have received Certificates of Occupancy</i>) = 5 points <p><i>*Examples include market rate homeownership or rental projects, transitional housing, shelters, etc.</i></p>	Up to 10 points
5	<p>Housing Priorities</p> <ul style="list-style-type: none"> • Projects which will produce affordable homeownership units = 10 points; or • Tribal, Rural, Senior or Permanent Supportive Housing Projects = 10 points <p><i>For purposes of this criteria, Rural is defined as any area outside the boundaries of Bernalillo County, the City of Rio Rancho, the City of Las Cruces, the City of Santa Fe, the City of Farmington or the City of Roswell.</i></p>	Maximum 10 points
6	<p>Income Limits Served</p> <p>Projects serving the lowest income households appropriate for the type of Affordable Housing Project or activity. For example, appropriate income levels of households served by a permanent supportive or transitional housing project may be at or below 30 percent of the area median, whereas appropriate income levels for a homeownership project may be at or below 80 percent of the area median. Appropriateness may also vary due to the average gross median income for a given area.</p> <p>Points available based on number of lowest income household units as a percentage of total units.</p>	Maximum 15 points

<ul style="list-style-type: none"> • Greater than 25% = 15 points; or • 11% to 25% = 10 points; or • 5% to 10% = 5 points; or • Less than 5% = 0 points 	
Maximum Score Available	120
Minimum Score Required	70

Awarded projects must achieve a minimum score of 70 based on the scoring criteria above. Projects will be reviewed in accordance with the Project Selection Criteria and reservations will be made to projects in the order the completed applications are received, unless they are eliminated under subsequent processing, until all available investment vouchers are reserved.

Staff Analysis and Application Processing

Design Review

Each project will be subject to a design review. All properties must meet applicable state and local building codes, and handicapped accessibility requirements, as well as any applicable requirements from federal funding sources. In addition all projects must comply with MFA Design Standards. Multifamily projects require reviews by an MFA-engaged architect at the owner's expense as required under the MFA Design Standards. Architectural reviews required under another MFA program may be accepted. MFA may waive this requirement in its sole discretion.

Development Team Review

Debarment from MFA programs, HUD or other federal programs, bankruptcy, criminal indictments or convictions, poor performance on prior MFA or HUD financed projects by or on the part of any proposed sponsor or development team member or owner or principal may result in rejection of an application by MFA.

The project sponsor will be evaluated for their capacity to complete the proposed project. Staff will review the qualifications of each development team member to determine capacity to perform in the role proposed. Considerations may include related experience, financial capacity, performance history, references, management, staff, and administrative procedures, among others. An application may be rejected or substitutions requested if the development team or any member thereof is unsuitable as determined by MFA.

Feasibility Analysis

Staff will underwrite the projects completely to ensure soundness, and will apply industry standards in assessing each project proposed. Factors considered in this analysis will include: market need, target market, target set-asides, unit mix and design, development and operating costs, adequacy of reserves, scope of work, terms and availability of other sources of financing, ability to repay debt, and housing cost to tenant/owner. Developer and builder fees will be expected to be at reasonable levels, and may be adjusted by MFA. MFA may also make reservations contingent on specific modifications to the project that MFA, in its sound judgment, considers necessary to enhance the feasibility or safety of the project. Multifamily projects require submission of a market study

following MFA's Market Study Parameters, which can be found at [http://www.housingnm.org/developers/low-income-housing-tax-credits-lihtc/2021 Market Study Parameters](http://www.housingnm.org/developers/low-income-housing-tax-credits-lihtc/2021_Market_Study_Parameters) and a Market Study Professional Certification, which can be found at [http://www.housingnm.org/developers/low-income-housing-tax-credits-lihtc/2021 Market Study Professional Certification](http://www.housingnm.org/developers/low-income-housing-tax-credits-lihtc/2021_Market_Study_Professional_Certification). Market studies required under another MFA program may be accepted and MFA may waive the market study requirement for projects that adequately support the need for the project by other means such as appraisals, redevelopment plans, community support, surveys and prospect lists. Underwriting for down payment and closing cost assistance provided by sponsors of single family affordable housing may be delegated to qualified sponsors, upon review and approval of the sponsor for such activity based on the sponsor's organizational and financial capacity.

Reservation Amount

After evaluation of all the factors described above, MFA will determine the reservation amount based on the amount of donations necessary to fill any remaining and necessary funding gap.

Award Limits

No project will receive an award in excess of 25 percent of the annual available amount for the year the reservation is made, unless there are too few eligible projects requesting a reservation. At MFA's discretion, exceptions to this limit may be made to ensure maximum distribution and/or effective utilization of the investment vouchers.

Notification and Subsequent Requirements

Upon successful review of an application, MFA will issue a reservation letter to an applicant of a qualified Affordable Housing Project. The reservation letter authorizes the sponsor to solicit donations that would be eligible for tax credits up to the credit amount authorized by the reservation letter. The project sponsor is responsible for providing evidence of all eligible donations and satisfactory valuation documentation. Upon receipt and review of the donation documents, and only after the project has met all other readiness requirements as outlined in the reservation letter, MFA will issue investment vouchers to the donors. MFA shall notify Taxation and Revenue within 20 days of the issuance of a voucher. If a donor conveys all or a fraction of the certificate to an eligible individual or business, the donor shall provide notification to MFA and Taxation and Revenue within 10 days of such transfer.

In the event the application is declined or rejected, applicant will be notified in writing within 30 days of the final decision.

Appeals Process

Any applicant who is aggrieved in connection with this NOFA or the award of a reservation pursuant to this NOFA may protest to MFA. The protest must be written and addressed to the Contact Person. Appeal requests must be specific to the decision being appealed, and must include an appeal processing fee of \$500. The protest must be delivered to MFA within five business days after the notice of reservation or rejection. Upon the timely filing of a protest, the Contact Person shall give notice of the protest to all applicants who appear to have a substantial and reasonable prospect of being affected by the outcome of the protest. The applicants receiving notice may file

responses to the protest within five business days of notice of protest. A committee made up of MFA's Policy Committee and staff and/or Members of the MFA Board of Directors, as appropriate, shall review the protest and responses to the protest and shall make a recommendation to the Board of Directors regarding the disposition of the protest.

The Board of Directors shall make a final determination regarding the disposition of the protest within a reasonable time after submission of the protest. Applicants or their representatives shall not communicate with MFA Board of Directors or staff members regarding any proposal under consideration, except when specifically permitted to present testimony to the committee of the Board of Directors. A proposal will be deemed ineligible if the applicant or any person or entity acting on behalf of applicant attempts to influence members of the Board of Directors or staff during any portion of the review process, or does not follow the prescribed Application and Protest process.

Adopted by MFA's Board of Directors on July 21, 2021

EXHIBIT A

NEW MEXICO MORTGAGE FINANCE AUTHORITY THIRD-PARTY CODE OF CONDUCT

- A. Preamble.** The New Mexico Mortgage Finance Authority (“MFA”), an instrumentality of the state government, exists to serve the citizens of the State of New Mexico. To maintain the respect, trust, and confidence of the public, and consistent with MFA’s commitment to conduct its business in an ethical and legal manner, MFA requires that all Third Parties doing business with MFA comply with this Third-Party Code of Conduct and otherwise uphold the highest standards of ethics and behavior.
- B. Purpose.** The purpose of this Code of Conduct is to provide general guidelines and a minimum standard of conduct for Third Parties doing business with MFA.
- C. Definitions.** For the purpose of this Third-Party Code of Conduct, the following words and phrases shall have the following meanings:
- "MFA Employee"** means any person employed directly by MFA and any person employed through a staffing agency or by contract and for whom MFA has the right to direct and control the work performed.
- "MFA Member"** means a Member, and with respect to an ex-officio Member, his or her proxy, of the Board of Directors of the MFA.
- "MFA Management"** means the Executive Director/Chief Executive Officer, Chief Housing Officer, Chief Financial Officer, Chief Lending Officer and Director of Human Resources employed by the MFA.
- "Transaction"** means any transaction including, but not limited to any sale, purchase, or exchange of tangible or intangible property or services; any loan, loan commitment or loan guarantee; any sale, purchase, or exchange of mortgage loans, notes, or bonds; or any other business arrangement or contract therefor.
- D. Conflicts of Interest.** Third Parties should avoid engaging in any activity that would conflict, interfere, or even create the appearance of a conflict with their business with MFA. Third Parties must disclose any potential conflicts to MFA in writing as soon as practicable upon discovery or recognition. Examples of potential conflicts include, but are not limited to:
- Engaging in a conflict-of-interest transaction prohibited by Section F of MFA’s Code of Conduct, which can be found at: (website reference to be added)
 - Providing gifts and entertainment to any MFA Employee, MFA Management or MFA Member in an attempt to improperly influence MFA business decisions.
- MFA shall not enter into any Transaction with a former MFA Member or former

MFA Management for a period of one (1) year after such person ceases to be an MFA Member or MFA Management, except with prior approval of a disinterested majority of all current MFA Members.

To the extent applicable, Third-Party shall disclose conflicts of interest required pursuant to state or federal law, including but not limited to 2 CFR 200.112.

- E. Anti-Discrimination and Anti-Harassment Policy.** MFA is committed to maintaining an employment environment in which all individuals are treated with respect and dignity and expects the same from Third Parties doing business with MFA. MFA expects that Third Parties will maintain a workplace where employment-related decisions are based on performance, ability, or other legitimate, non-discriminatory bases and are never based on race, color, national origin, ancestry, citizenship status, religion, sex, sexual orientation, gender identity, age, physical or mental disability, serious medical condition, marital status, status with regard to public assistance, veteran status, or any other legally-protected status. MFA also maintains and expects Third Parties to maintain a workplace that is free of unlawful harassment. This includes harassment based upon any of the above legally-protected status (such as age, sex, religion, national origin, etc.) and which creates an intimidating, hostile, or offensive working environment. This also includes sexual harassment which is defined as unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature when submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, submission to or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; or such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidated, hostile, or offensive working environment. MFA will also not tolerate any form of unlawful discrimination or harassment of an MFA Employee by any Third-Party including by its employees, owners, managers, members, directors, agents, or representatives.
- F. Confidential Information and Intellectual Property.** Third Parties doing business with MFA must protect any confidential or proprietary information that belongs either to MFA or any other third-party with whom MFA does business, if such other third-party has provided MFA with confidential or proprietary information. Confidential or proprietary information includes, but is not limited to, any non-public financial information, business processes and systems, intellectual property, personally identifiable information of MFA's customers, and personally identifiable or private information about any MFA Employee, MFA Member, MFA Management, third-party, or customer, such as identity, medical, employment, or financial information. To the extent necessary for a Third-Party to share MFA's confidential or proprietary information with a sub-contractor, MFA expects the Third-Party to implement adequate controls at a level no less than those set forth in this Third-Party Code of Conduct with such sub-contractor. Third Parties must not infringe upon the intellectual property rights of other companies or organizations.

Third Parties must return all confidential and proprietary information in their possession to MFA when the contractual relationship between MFA and the Third-Party has terminated, unless otherwise specified by contract. The obligation to protect MFA's confidential and proprietary information continues even after any business relationship between MFA and the Third-Party ends.

MFA may require that Third Parties sign a separate confidentiality and non-disclosure agreement.

- G. Onsite Visitor Requirements.** While on MFA's premises, Third Parties must comply with all MFA rules and procedures, including security measures and requests. These may include but are not limited to:
- Registering with reception.
 - Accessing only authorized areas unless accompanied by an MFA Employee.
 - Promptly reporting known security violations and property loss or damage.
 - Complying with all MFA facility requirements, including maintaining a substance-free and violence-free workplace.
 - Any public health and safety policies in effect, including wearing a face mask.
- H. Compliance with Laws, Regulations, Policies and Procedures and Contracts.** All Third Parties must comply with all applicable state and federal laws, codes, and regulations and MFA's policies and procedures to the extent applicable to the Third-Party and must not violate any terms and conditions established by contract with MFA.
- I. Business Integrity.** Any and all forms of illegal or inappropriate activity by a Third-Party doing business with MFA, including, but not limited to, corruption, misrepresentation, extortion, embezzlement, or bribery, are strictly prohibited and may result in termination of any or all agreements with MFA.

OFFEROR ACKNOWLEDGMENT

DATE