

BankIMPACT LENDS

Lending Initiatives in Underserved Communities

NCIF SMALL BUSINESS TRANSACTION INITIATIVE (SBTI)

A platform for NCIF Network Banks* created to help them thrive and win new business from competitors who are offering lower rates to their best borrowers. This competitive lending product partnership with NCIF uses New Market Tax Credit (NMTC) financing for loans of \$1-2 million.

OPPORTUNITY

- Increase lending volume
- Increase profitability
- Offer low rates to customers without compromising yield**
- Expand existing borrower relationships by offering optimal financing terms and amounts
- Expand social impact for the banks and their borrowers

BENEFITS TO LENDER

- Win new customers
- Provide competitive rates
- Preserve yield
- Receive contingent impact bonus

BENEFITS TO BORROWER

- Pay lower interest rates
- Access additional capital
- Receive longer terms to maturity
- Receive contingent impact bonus

COMPARISON OF A TRADITIONAL LOAN TO A NCIF SBTI LOAN

(From the Borrower's Perspective)

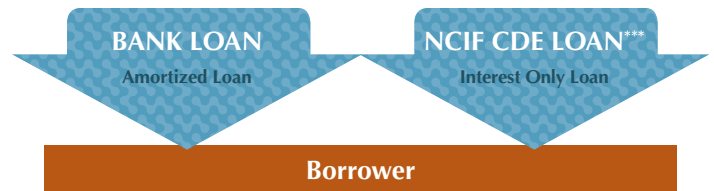
Traditional Loan



KEY TERMS:

- Amount Borrowed: \$1-2MM
- Term to Maturity: Typically 3-5 years
- Interest Rate: Market
- Loan Origination Fee: Market
- Location Requirement: Not applicable
- Collateral: Fully collateralized[†]
- Contingent Impact Bonus: Not applicable
- Other Conditions: Not applicable

SBTI Loan



KEY TERMS:

- Amount Borrowed: Same as Traditional
- Term to Maturity: 7 years or longer
- Interest Rate: 20-25% Below Market
- Loan Origination Fee: No Fee on NCIF Loan
- Location Requirement: Severely Distressed
- Collateral: Fully collateralized[†]
- Contingent Impact Bonus: 2-4% of NCIF Loan^{††}
- Other Conditions: Typical NMTC Conditions Apply

BENEFITS TO BORROWER

- Interest expense savings
- Fee savings
- Contingent Impact Bonus



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* NCIF's Network is comprised of Mission Oriented Financial Institutions that increase access to capital in underserved communities.

**Bank's yield is subsidized with NMTC equity.

***A NMTC Subsidiary of NCIF

[†] Collateral consists of real estate or other assets acceptable to bank and NCIF

^{††} Dependent on interest rate, and contingent upon full repayment of the loan amount and compliance with NMTC impact requirements