



Illinois State Treasurer's

COMMUNITY DEVELOPMENT LINKED DEPOSIT PROGRAM

INVEST IN ILLINOIS - BUSINESS INVEST COMMUNITY UPLIFT PROGRAM

APPLICATION TO PARTICIPATE IN THE TREASURER'S INVEST IN ILLINOIS: BUSINESS INVEST - COMMUNITY UPLIFT PROGRAM

This form ("Application") is to be completed by both the financial institution seeking a deposit ("Financial Institution") and the business seeking to borrow funds from the Financial Institution ("Business") for a project that is eligible for community development support under the Business Invest-Community Uplift Program ("Business Invest Program"). This Community Development Linked Deposit Program is facilitated by the Office of Illinois State Treasurer (the "Treasurer"). The Business Invest Program is a business-focused loan impact investment program that enables qualified financial institutions serving or operating in economically depressed areas (e.g., Illinois Enterprise Zones, Opportunity Zones, Low-Income Communities) access to state investment capital at below-market rates, in the form of an impact investment time deposit. The impact investment time deposits shall be used to provide lower rate loans to businesses in Illinois.

This form should be completed by both the Financial Institution that will be the lender and Business that will be the borrower. The person completing this form on behalf of the Financial Institution must be an authorized representative of the Financial Institution. The person completing this form on behalf of the Business seeking a loan must be an authorized representative of the Business. The information on this form will be relied on by the Treasurer to determine eligibility for participation in the Business Invest Program.

SECTION 1 FINANCIAL INSTITUTION INFORMATION

This section is to be filled out by an authorized representative of the Financial Institution.

Financial Institution Information:

Name of Financial Institution: _____

Authorized Representative (Printed): _____

Title: _____

Address: _____

City, County, State, Zip: _____

Telephone Number: _____ Fax Number: _____

Email Address: _____ F.E.I.N.: _____

How did you hear about the program? _____

Financial institution designated area - (refer to Section 3 - Financial Institution Certifications & Deposit Request for definitions of each zone mentioned below)
(check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> Illinois Enterprise Zone | <input type="checkbox"/> Opportunity Zone |
| <input type="checkbox"/> Low-Income Community | <input type="checkbox"/> None |
| <input type="checkbox"/> Other _____ | |

Please explain the community development project

SECTION 2 BUSINESS AND LOAN INFORMATION

This section is to be filled out by an authorized representative ("Authorized Business Representative") of the Business loan applicant.

Project Information and Operations:

Business Information:

Business Name: _____

Business Authorized Representative (Printed): _____

Title: _____

Business Address: _____

County: _____

Business City, State, Zip: _____

Phone number: _____ Email Address: _____

F.E.I.N: _____

How did you hear about this program? _____

A. Project Information and Operations:

1. Business designated area - (refer to Section 3 - Financial Institution Certifications & Deposit Request for definitions of each zone mentioned below) (check all that apply):

Illinois Enterprise Zone Opportunity Zone

Low-Income Community None

Other _____

Please explain the community development project

2. Provide details of business and purpose of project (please check appropriate boxes):

Acquisitions

Buyout

Building - Purchase

Construction

Debt Consolidation

Equipment - Purchase

Expansion

Inventory - Purchasing

Land - Purchase

Line of Credit

Marketing

Modernization

Refinancing

Remodeling

Salaries

Start-Up Costs

Workforce Improvement

Working Capital

Other _____

3. Check the appropriate box that describes your business operation:

- Accommodation & Food Services
- Administrative & Support & Waste
- Management & Remediation Services
- Agriculture, Forestry, Fishing & Hunting
- Arts, Entertainment & Recreation
- Construction
- Educational Services
- Finance & Insurance
- Healthcare and Social Assistance
- Information Technology
- Management of Companies
- Enterprises
- Manufacturing
- Mining
- Other Services (Except Public Administration)
- Professional, Scientific & Technical
- Services
- Public Administration
- Real Estate Rental & Leasing
- Retail Trade
- Transportation & Warehousing
- Utilities
- Wholesale Trade

4. On a separate sheet of paper, provide a description of the proposed use of funds, along with the proposed expenses for the project. Attach supporting documentation, as necessary.

5. How long has the Business been operating in Illinois? _____

6. Does the business owner(s) own other businesses in Illinois? _____
If yes, please identify other businesses: _____

7. Does the Business currently own or lease its office(s)? Own Rent Lease

8. Current number of employees
_____ Full-Time _____ % F _____ % M
_____ Part-Time _____ % F _____ % M
_____ Seasonal _____ % F _____ % M

9. Special Ownership Status (check all that apply)¹:

- Minority Owned
- Women Owned
- Military Veteran Owned
- Owned by Persons with a Disability
- N/A

¹ See the requirements for an organization to be owned or under the control of MWVD Persons, in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, 30 ILCS 575, ("Act") available at: <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=550&ChapterID=7>. Selecting one of these designations constitutes a representation that the Business meets the applicable criteria set forth in the Act.

10. Ownership type:

- Partnership
- Sole Proprietorship
- C-Corp
- S-Corp
- LLC
- Non-Profit
- Other _____

11. Ownership Percentage by MWVD status:

_____ % (Minority)
 _____ % (Women)
 _____ % (Military Veteran)
 _____ % (Persons with a Disability)

B. Financials & Forecasts (complete each section)

1. Current Calendar Year: _____

Revenues: \$ _____
 Profits: \$ _____
 Assets: \$ _____
 Expenses: \$ _____
 # of Employees: _____

2. Project Timeline: _____ Years

C. Business and Community Benefits:

1. How will the loan benefit the business or community (check all that apply)?

- Access to Capital for Regular Operating Expenses
- Grow Current Business Operations
If yes, please explain: _____
- New Line of Service Opportunity
If yes, please explain: _____
- Below Market Rate Loan
- Create Jobs
- Facilitate access to capital for previously ineligible borrower
- Other (explain) _____

2. Job creation or retention

_____ expected # of jobs created
 _____ expected # of jobs retained

3. Please identify anticipated growth in the following areas for the subsequent calendar year:

Revenues: \$ _____
 Profits: \$ _____
 Assets: \$ _____
 Expenses: \$ _____
 # of Employees: _____

SECTION 3 FINANCIAL INSTITUTION CERTIFICATIONS & DEPOSIT REQUEST

Dear Treasurer Frerichs:

_____ (Authorized Representative) of _____ ("Financial Institution") hereby applies for a deposit under the Office of the Illinois State Treasurer's Invest In Illinois: Business Invest- Community Uplift Program ("Business Invest Program").

Financial Institution acknowledges and understands that, in order to participate in the Program, Financial Institution must meet the following requirements:

- (1) have a maximum asset size of \$500,000,000 at the time of the deposit, or be a Single Institution located in a town/city, as defined by the Federal Deposit Insurance Corporation (FDIC);
- (2) have at least one branch or Business located in one of the following:
 - (a) an Illinois Enterprise Zone, as defined by the Illinois Department of Commerce and Economic Opportunity ("DCEO");
 - (b) a Qualified Opportunity Zone as defined by Section 1400z-1 of the Internal Revenue Code of 1986, as amended (26 USC § 1400z-1) ("Code"); or
 - (c) a Low-Income Community, as defined by the Community Development Financial Institutions Fund ("CDFI Fund");
- (3) have a Community Reinvestment Act ("CRA") rating of Satisfactory or above (if Financial Institution is a credit union, a CRA rating is not required); and
- (4) have an IDC Financial Publishing, Inc. ("IDC") rating of at least 75.

Financial Institution hereby certifies that it meets all of the requirements listed above, or a written exception has been granted by the Treasurer's Deputy Treasurer and Chief Investment Officer for any requirement not met, and will immediately notify the Treasurer if, at some point, the Financial Institution no longer meets the requirements listed above.

Financial Institution further acknowledges that it must collateralize all deposits in accordance with the Treasurer's Acceptable Collateral Listing: List of Financial Assets Qualified for Collateral to Secure Deposits and Repurchase Agreements (located on the Treasurer's website). Further, Financial Institution acknowledges that if an IDC rating exception is granted to Financial Institution, Financial Institution must collateralize all deposits at 110% and in the form of Federal Home Loan Bank Letter of Credit ("FHLB LOC") and Non-Mortgage-Backed ("NMB") U.S. Treasury and U.S. Agency securities.

I hereby attest and certify that the following statements are true and accurate:

1. I am _____ (title) of Financial Institution and I am authorized to execute this application on behalf of Financial Institution;
2. I am authorized to act on behalf of the Financial Institution and have authority to bind the Financial Institution;
3. I have such familiarity with the business and affairs of Financial Institution so as to be able to knowledgeably make the statements set forth in this attestation and certification;
4. I understand that the Treasurer will rely, in part, on the statements set forth herein in determining whether Financial Institution will be granted a deposit under the Program and such statements must be accurate;
5. Financial Institution has a maximum asset size of \$500,000,000, or the Treasurer's Deputy Treasurer and Chief Investment Officer granted Financial Institution a written exception on asset size;
6. I understand that the Treasurer may request documentation be provided specifying local development efforts for which these loaned funds are used, including, but not limited to, stimulating business growth, job creation and neighborhood revitalization;

7. Financial Institution is submitting a community development project proposal for the Treasurer's approval; or has at least one branch or the applicable business is located in at least one of the following areas: (a) an Illinois Enterprise Zone, as defined by DCEO; (b) a Qualified Opportunity Zone as defined by Section 1400z-1 of the Internal Revenue Code; or (c) a Low-Income Community as defined by the CDFI Fund;
8. Financial Institution (a) has a CRA rating of Satisfactory or above, or (b) is a credit union that does not receive a CRA rating;
9. Financial Institution has an IDC rating of at least 75, or the Treasurer's Deputy Treasurer and Chief Investment Officer granted Financial Institution a written exception from the IDC rating requirement;
10. Financial Institution will collateralize all deposits received as a result of this Application in accordance with the Treasurer's Acceptable Collateral Listing: List of Financial Assets Qualified for Collateral to Secure Deposits and Repurchase Agreements, available at:

<https://www.illinoistreasurer.gov/TWOCMS/media/doc/bankingServicesAppendixEAcceptableCollateralList.pdf>;

11. If an IDC rating exception was granted to Financial Institution, Financial Institution will collateralize all deposits at 110% and in the form of: FHLB LOC, and NMB U.S. Treasury and U.S. Agency securities;
12. Financial Institution recognizes the Treasurer finds this partnership critical to enhancing community development, and that the Treasurer aims to educate and support the community by promoting the partnership of the Treasurer and Financial Institution;
13. Financial Institution understands the Treasurer does not assume any liability for acts or omissions of the Financial Institution. This liability rests solely with the Financial Institution;
14. Financial Institution understands that the Business Invest program is a business-focused impact investment program that enables qualified financial institutions serving or operating in economically depressed areas (e.g., Illinois Enterprise Zones, Opportunity Zones, Low-Income Communities) access to state investment capital at below-market rates, in the form of impact investment time deposits. Financial Institution understands that the impact investment time deposits from the Treasurer shall be used to provide lower rate loans to businesses in Illinois. For the Business Invest Program, the borrower's loan rate may not exceed the deposit rate by more than 375 basis points;
15. Financial Institution acknowledges the following: that (a) any deposit provided pursuant to this Application may be used only for the purpose of community or economic development, job creation, and/or neighborhood revitalization; (b) the Treasurer may use any information provided by Financial Institution for internal and external purposes, including marketing; (c) the Treasurer may terminate the deposit should Financial Institution fail to meet any requirement or term related thereto; and (d) the Treasurer will consider failure of Financial Institution to comply with any term or requirement related to the deposit in assessing any future applications for participation in any of the Invest in Illinois programs;
16. Financial Institution understands that the Treasurer requires the Financial Institution to submit information regarding usage of program funds. An Economic Development Metrics form is one of the requirements that must be completed upon request of the Treasurer. This form will be provided to the Financial Institution (through its Authorized Representative) at a minimum, on the following timeline: 6-month post deposit period for all 1-year term loans; 1-year post deposit for all 2+3 year term loans; 2-year post deposit for all 3+2 year term loans, with a final evaluation at the 5 year maturity. All forms will be required to be completed and returned to the Treasurer within

fifteen calendar days following the date of receipt. If forms are not received, the deposit may be terminated, and the Financial Institution may be required to return the funds. Additionally, failure to comply with requests for information from the Treasurer regarding the usage of program funds may be considered in assessing any future applications for participation in any of the Treasurer's Invest in Illinois programs;

17. Financial Institution understands that in order to receive State funds for this Program, the Financial Institution must be an approved Depository and have executed a Deposit Agreement with the Treasurer, and if the Deposit Agreement is terminated by the Treasurer for any reason, the State funds provided under this Program may be withdrawn by the Treasurer; and

18. Financial Institution understands that the Treasurer may withdraw this deposit at any time upon 30 calendar days' advance notice. Both principal and interest will be due on the 30th calendar day following such notice of withdrawal, or as otherwise mutually agreed to in writing by the parties.

Deposit Request

The aggregate amount of deposit requests cannot exceed 10% of the total deposit size of Financial Institution. Financial Institution will be contacted to finalize the deposit amount, term, rate, and deposit date upon completion of the Treasurer's review and approval process and the receipt of all required documentation from Financial Institution.

1. Amount of Deposit: _____
2. Name of Business for this Deposit: _____
3. What is the conventional interest rate Financial Institution would have used for this loan:
_____ %
4. What is the anticipated spread you will be charging the Authorized Business (cannot exceed 3.75%) _____ %
5. Term of Deposit: _____ 1 year no renewal _____ 2 year with 3-year renewal option
_____ 3 year with 2-year renewal option (all renewals granted at the current rates)

The deposit shall be eligible for a single renewal term upon completion of application documentation for both 2 and 3 year terms. Should Financial Institution seek an additional term, a renewal document must be completed. Following the Treasurer's approval of this application, Financial Institution will receive an Addendum to the Deposit Agreement between Financial Institution and Treasurer upon completion of the ACH funding that requires execution and return to the Treasurer within ten business days of the deposit date. The Addendum will be incorporated in to the Financial Institution Deposit Agreement as Exhibit A.

SECTION 4 BUSINESS CERTIFICATIONS & ACKNOWLEDGMENTS

By signing below, the Business agrees and certifies as follows:

1. I am _____ (title) at _____ ("Business") and I am authorized to execute this application on behalf of the Business;
2. I am authorized to act on behalf of the Business and have authority to bind the Business;
3. I have such familiarity with the business and affairs of the Business so as to be able to knowledgeably make the statements set forth in this attestation and certification; and
4. I understand that the Treasurer will rely, in part, on the statements set forth in this Application in determining whether the Business will be granted funds under the Business Invest Program and such statements must be accurate.

The Business understands that:

1. The Treasurer may withdraw the deposit and the Financial Institution may accelerate repayment of the loan if the Business fails to satisfy all of the requirements of the Business Invest Program;
2. Neither the Business, nor an immediate family member of the Business, is a director, officer, or employee with lending authority at the Financial Institution or the Treasurer;
3. This deposit is being provided for the purposes set forth in this Application and these funds must be used for such purposes;
4. All information and documentation regarding the Treasurer's Business Invest Program are public records under the Illinois Freedom of Information Act, 5 ILCS 140. The Treasurer may release any information provided to it by the Business and may also release any information regarding the approval or rejection of the application;
5. The Treasurer may reject any Application for any reason at its sole discretion and in accordance with applicable law; and
6. The Treasurer may perform site visits at the project location for compliance purposes; the Applicant agrees to cooperate with the Treasurer in carrying out the site visit; and in cases where a site visit is not performed, a telephone interview will be required.
7. I (we) certify, to the best of my (our) knowledge, that the foregoing statements and the information provided in this Application are true and complete. I (we) shall promptly notify the Treasurer of any changes in the information provided. I (we) understand that a false or incomplete statement may result in the Treasurer withdrawing the deposit and the Financial Institution accelerating the repayment of the loan without penalty and both entities seeking any other available relief. I (we) also understand that an individual who provides a false statement may be subject to criminal prosecution under the Illinois Criminal Code (720 ILCS 5/ et seq.) or civil prosecution.

Authorized Business Representative Signature: _____

Title: _____ Print Name: _____ Date: _____

Authorized Financial Institution Representative Signature: _____

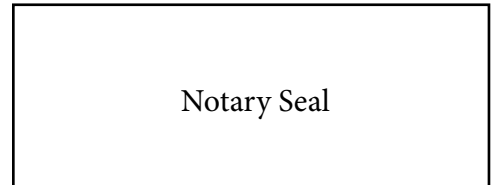
Date: _____ Title: _____

Print Name: _____

SUBSCRIBED and SWORN to before me (Notary signature date should match that of the authorized representative signature date)

_____ This _____ day of _____, _____.

(Notary Public Signature)



Please return this completed application and Project/Loan Information to:

Illinois State Treasurer Michael W. Frerichs

Invest in Illinois: Business Invest Program

400 West Monroe St., Ste. 401

Springfield, Illinois 62704

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