



# Illinois State Treasurer's

## COMMUNITY DEVELOPMENT LINKED DEPOSIT PROGRAM

### INVEST IN ILLINOIS - COMMUNITY INVEST OPPORTUNITY ILLINOIS

## APPLICATION TO PARTICIPATE IN THE TREASURER'S INVEST IN ILLINOIS: COMMUNITY INVEST - OPPORTUNITY ILLINOIS

This form ("Application") is to be completed by an authorized representative ("Authorized Representative") of the financial institution ("Financial Institution") seeking a deposit under the Community Invest – Opportunity Illinois Program ("Community Invest Program"). This Community Development Linked Deposit Program is facilitated by the Office of Illinois State Treasurer (the "Treasurer"). The Community Invest Program is a consumer-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 individuals and families in Illinois. The information on this form will be relied on by the Treasurer to determine eligibility for participation in the Community Invest Program.

### SECTION 1 FINANCIAL INSTITUTION INFORMATION

#### **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):

☐ Illinois Enterprise Zone

☐ Opportunity Zone

☐ Low-Income Community

☐ None

☐ Other \_\_\_\_\_

Please explain the community development project

SECTION 2 DEPOSIT USAGE INFORMATION

**A. Purpose & Percentage:** (1) Identify the type of loan(s) you anticipate providing with this deposit and the percentage of anticipated usage per loan type; (2) the average loan rates normally charged for the types of loan(s) identified; and (3) the average loan rate consumers would qualify under each loan type. Financial Institution must provide loans to consumers under this program within the range provided below.

	% of Loans	Current Avg. Loan Rate	Proposed Loan Rate Range
Auto Loans	_____ %	_____ %	_____ % - _____ %
Business Micro	_____ %	_____ %	_____ % - _____ %
Home Equity	_____ %	_____ %	_____ % - _____ %
Mortgages	_____ %	_____ %	_____ % - _____ %
Personal Loans	_____ %	_____ %	_____ % - _____ %
Other	_____ %	_____ %	_____ % - _____ %

Note: the loan rate provided to members of the community must be lower than would normally have been charged to the consumer or provided to a consumer that would not have been eligible otherwise.

**B. Community Benefit:**

1. What percentage of customers you anticipate serving under this program are low-income?  
\_\_\_\_\_ % *\*see table for low-income range per county*

2. This Deposit will be used to provide lending opportunity in one or both of the following:

☐ Lower cost loans to borrowers

☐ Loans to borrowers who would normally not qualify for specific reasons

☐ Other (please explain): \_\_\_\_\_

## 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: Community Invest- Opportunity Illinois Program ("Community 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 deposit size of \$2 billion 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 and/or is operating or serving communities 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 herein;
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 deposit size of \$2 billion, or the Treasurer's Deputy Treasurer and Chief Investment Officer granted Financial Institution a written exception on deposit 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 and/or is operating and servicing communities 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 Community Invest Program is a consumer-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 individuals and families in Illinois;
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 at least 60% of funds from this Deposit must be lent to consumers within 1 year of deposit for long term deposit maturities or within 6 months for annual deposit maturities or a written exception has been granted by the Treasurer's Deputy Treasurer and Chief Investment Officer;
17. Financial Institution understands that the loans the Financial Institution provides to the communities the Financial Institution serves with this Deposit must be lower than what Financial Institution would normally have provided to a consumer, or provided to a consumer who Financial Institution would not normally have found eligible, and that the loan rate must be within the range provided in Section 2(A) of this Application;

18. 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;

19. 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

20. 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. 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.

Authorized Financial Institution Representative Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Print Name: \_\_\_\_\_

Date: \_\_\_\_\_

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

\_\_\_\_\_ This \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

(Notary Public Signature)

Notary Seal

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

**Illinois State Treasurer Michael W. Frerichs**  
**Invest in Illinois: Community Invest Program**  
**400 West Monroe St., Ste. 401**  
**Springfield, Illinois 62704**  
**Phone: (217) 558-6217 • Fax: (217) 557-6439**

[www.illinoistreasurer.gov](http://www.illinoistreasurer.gov)

[InvestinIllinois@illinoistreasurer.gov](mailto:InvestinIllinois@illinoistreasurer.gov)