



MISSION DRIVEN BANK FUND

FUND MISSION

Foster a sustainable, strong, and more inclusive banking system by providing capital and support to mission-driven banks that extend credit and financial services to lower-wealth communities, rural communities, and communities of color across the United States.

IMPACT OBJECTIVES

Drive significant growth and financial resiliency in the mission-driven bank sector in a manner that translates into demonstrated progress in closing the racial income and wealth gap over the Fund's term and beyond.

BACKGROUND

In September 2021, the Federal Deposit Insurance Corp. (FDIC) encouraged the development of a Mission Driven Bank Fund, a private investment vehicle to support insured Minority Depository Institutions (MDIs) and Community Development Financial Institutions (CDFIs). As anchor investors, Microsoft and Truist agreed to lead the investment fund and hire a fund manager.

In late 2022, after a competitive process, the anchor investors appointed Elizabeth Park Capital Management and Calvert Impact as co-general partners of the fund, with Elizabeth Park Capital Management serving as primary investment adviser and Calvert Impact, and Strategic Value Bank Partners serving as sub- advisors.

INVESTMENT OBJECTIVE

The Fund is explicitly mission-first and recognizes that expectations of "market" returns have hindered the sector's growth for decades. The Fund intends to provide a return of capital and a modest return on capital to ensure the portfolio has the flexibility that the mission and mandate require.

KEY FACTS

Announcement Date: Dec. 15, 2022

Pre-announcement commitments: \$120 million

Target fund size: \$500 million - \$1 billion

First close timing: Anticipated Q2 2023

Anchor LPs: Microsoft, Truist

Founding LP: Warner Bros. Discovery

General Partners: Elizabeth Park Capital Management, Calvert Impact

Primary Investment Advisor: Elizabeth Park Capital Management

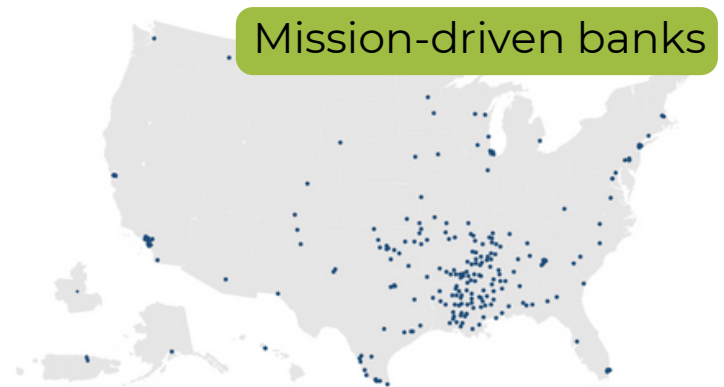
Sub-advisors: Calvert Impact, Strategic Value Bank Partners

Contact:
info@missiondrivenbankfund.org



INVESTIBLE MARKET

The mission driven banking sector comprises ~300 institutions, most of which are small (<\$500mm assets) and privately owned with limited access to capital. The Fund will complement the 2021 federal Emergency Capital Investment Program, which consisted almost entirely of Tier One equity capital and reached only about one-in-three eligible institutions.



INVESTMENT STRATEGY

The Fund will have the flexibility to invest across the capital structure with the investment structure aligned with the needs of the investees. Investments will include but are not limited to equity, subordinated debt, direct credit facilities, deposits, and structured or securitized investments. The Fund can also support the mission driven bank ecosystem with strategic investments in technology platforms or other companies directly enabling the sector's growth and resiliency.

The lead fund manager and sub-advisors also expect to provide operational and technical support to portfolio companies to create sustainably stronger financial institutions. The investments will better equip the banks to address non-financial barriers to growth, including addressing challenges with human capital, technology, and new product development.

The partners will implement a robust and tailored impact management and measurement program across the investment lifecycle to ensure outcomes are measured and reported to all stakeholders.

FUND STRUCTURE

The Mission-Driven Bank Fund LP will be a Delaware limited partnership, with the flexibility to form a feeder fund for tax-exempt investors, as needed. Elizabeth Park and Calvert Impact will serve as General Partners with Elizabeth Park as the lead fund manager. The Fund's Investment Committee will include individuals from Calvert Impact, Elizabeth Park, and Strategic Value Bank Partners. The Fund will have a Mission Advisory Committee and a Limited Partner Advisory Committee, which will provide oversight and counsel to ensure the Fund meets its mission and objectives.



About the partners



Established in 2008, Elizabeth Park Capital Management (Elizabeth Park) is an institutional-focused, independent, and privately held alternative asset manager managing long/short equity, long-only, and bespoke products focusing on U.S. banks. EPCM uses propriety models, processes, and framework to analyze banks and construct investment portfolios. The firm supports community bank technology investment through a partnership with Strandview Capital and the Btech Consortium Fund. More at elizabethparkcm.com.



Calvert Impact is a global nonprofit investment firm that helps investors and financial professionals invest in solutions that people and the planet need. During its 25+ year history, Calvert Impact has mobilized over \$4 billion to grow local community and green finance organizations through its flagship Community Investment Note™ and structuring services. Calvert Impact uses its unique position to bring the capital markets and communities closer together. More at calvertimpact.org.



Strategic Value Bank Partners, LLC is an investment partnership focused on capitalizing community banks. The firm leverages over 80 collective years of successful bank investing and industry operating experience to create a concentrated portfolio of both publicly traded and privately held bank investments. The investment team is based in Cleveland, Ohio.



Disclosures

The Fund has not yet been formed and has not yet commenced operations; it has no operating and performance history. No representation is made that the Fund will or is likely to be formed, and if formed, to achieve its objectives.

This Fact Sheet has been prepared solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. This Fact Sheet contains forward-looking statements and information (including estimates, targets and projections) relating to our business that are based on the beliefs of our management as well as on estimates and assumptions made by third parties and information currently available to us. Forward-looking statements are inherently uncertain.

The recipient should not construe the contents of this Fact Sheet as legal, tax, accounting or investment advice or a recommendation. The recipient should consult its own counsel, tax and financial advisors as to legal and related matters concerning any transaction described herein.

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Any testimonials included herein are being provided by Fund investors, and any endorsements included herein are being provided by persons other than Fund investors. No compensation was provided for any testimonial or endorsement. There is a conflict of interest in that certain of these testimonials and endorsements are being provided by persons affiliated with the Fund.

For full disclosures on the Fund, investments and related risk factors, please refer to the private placement memorandum. A copy of the private placement memorandum will be available upon request.