



MISSION DRIVEN BANK FUND

OBJECTIVE

The Mission Driven Bank Fund seeks to foster a stronger and more inclusive banking system by investing capital and providing technical services to Minority Depository Institution (MDI) and Community Development Financial Institution (CDFI) banks that serve African American, Native American, Asian, Hispanic, and Pacific Islander communities. The Fund's mission is to drive significant growth and financial resiliency in the mission-driven bank sector that translates into demonstrated progress in closing the racial wealth gap over the fund's life.

MISSION DRIVEN BANKS



- Over 300 banks, most <\$500MM
- Total Assets: \$419.5Bn
- Total Equity: \$39.2Bn

HISTORY

- 2021** The Federal Deposit Insurance Corp. (FDIC) encouraged the development of a private investment vehicle to support insured MDIs and CDFIs
- 2022** Microsoft and Truist agreed to anchor the Fund, and appointed Elizabeth Park Capital Management and Calvert Impact as co-general partners, with Strategic Value Bank Partners as sub-advisor
- 2023** MDBF team launched the Fund, with a first close in November
- 2024** The Fund began making investments in January, with additional closes and deployment expected throughout the year

A DIFFERENTIATED FUND

Impact Measurement and Management framework supports impact objectives to improve the sustainability and resiliency of bank and financial service products in LMI communities

FUND LIFE

The 10-year fund duration allows organizations to scale, improve and increases the opportunity for timely exits

TECHNICAL SERVICES

A robust network of specialized technical service providers to build organizational capacity, resiliency, and sustainability

RISK MITIGATION

Diversified portfolio across geography, portfolio positions, and financial products diversifies risk

FLEXIBLE INVESTMENT PRODUCTS

Customized financial solutions across assets, liabilities, equity, and off-sheet vehicles are customized to maximize impact and meet the needs of the specific financial institution

FUND STRUCTURE & TERMS

Target Size	\$500 million; target second close 1Q 2024
Term	10-year life, two one-year extensions
Target Net Return	2-4% p.a.
Minimum Investment	\$5 million, with GP exceptions
Fund Qualifications	Public welfare investment, CRA consideration
Management Fee	Progressive: first \$250 million, 2%; \$250 - 500 million, 1.75%; \$500 million and above, 1.5%
Impact Allocation	Starting, after year 5, up to .50% of committed capital

GENERAL PARTNERS



Lead Fund Advisor

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.



Subadvisor

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.

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Target Returns. The actual performance of the Fund's investments may differ, and differ substantially, from the target net returns included herein. There can be no assurance that the actual rate of return achieved by the Fund will equal or exceed the stated target net returns. Target returns are merely objectives and should not be construed as providing assurance as to the results that the Fund will achieve. The target performance results are hypothetical returns that reflect a 1.5%-2.0% management fee, model 0.0%-0.50% incentive fee on distributions and 0.75%-1.00% fund expenses. Further, investors in the Fund will be subject to fees and expenses and therefore the return would be lower, and at times possibly much lower, than the projected net returns included herein. In any case, calculations related to target returns are inherently uncertain, subject to numerous market risks, and may differ materially from actual results. As such, no reliance for investment decision purposes should be placed on the target net returns included herein. Elizabeth Park Capital Advisors, Ltd. will promptly, upon the request of a current or prospective investor, share information surrounding the specific risks and limitations of the target return.