PUBLIC SUMMARY

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION OF DEUTSCHE BANK TRUST COMPANY AMERICAS

AS OF SEPTEMBER 30, 2025

New York State Department of Financial Services
Consumer Protection and Financial Enforcement Division
One State Street, New York NY 10004

NOTE: **This Evaluation is not an assessment of the financial condition of this institution. The rating assigned does not represent an analysis, conclusion or opinion of the New York State Department of Financial Services concerning the safety and soundness of this financial institution.**

TABLE OF CONTENTS

Sections

I. General Information

II. Overview of Institution's Performance

III. Performance Context

A. Institution Profile

B. Assessment Area

C. Demographic & Economic Data

D. Community Information

IV. Performance Standards and Assessment Factors

A. Community Development Test

B. Innovative or Complex Practices

C. Responsiveness to Credit and Community Development Needs

D. Additional Factors

V. Glossary

I - GENERAL INFORMATION

This document is an evaluation (the "Evaluation") of the Community Reinvestment Act ("CRA") performance of Deutsche Bank Trust Company Americas ("DBTCA" or the "Bank") prepared by the New York State Department of Financial Services ("DFS" or the "Department"). This Evaluation represents the Department's current assessment and rating of the Bank's CRA performance based on an evaluation conducted as of September 30, 2025.

Section 28-b of the New York Banking Law, as amended, requires that when evaluating certain applications, the Superintendent of Financial Services shall assess a banking institution's record of helping to meet the credit needs of its entire community, including low- and moderate-income ("LMI") areas, consistent with safe and sound operations.

Part 76 of the General Regulations of the Superintendent ("GRS") implements Section 28-b and further requires that the Department assess the CRA performance records of regulated financial institutions. Part 76 establishes the framework and criteria by which the Department will evaluate institutions' performance. Section 76.5 further provides that the Department will prepare a written report summarizing the results of such assessment and will assign to each institution a numerical CRA rating based on a 1 to 4 scoring system. The numerical scores represent an assessment of CRA performance as follows:

(1) Outstanding record of meeting community credit needs;

(2) Satisfactory record of meeting community credit needs;

(3) Needs to improve in meeting community credit needs; and

(4) Substantial noncompliance in meeting community credit needs.

Section 76.5 further requires that the CRA rating and the Evaluation be made available to the public. Evaluations of banking institutions are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Sections 76.8 through 76.13. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York Banking Law.

For an explanation of technical terms used in this report, please consult the **GLOSSARY** at the end of this Evaluation.

II- OVERVIEW OF INSTITUTION'S PERFORMANCE

The Department evaluated DBTCA according to the community development test for wholesale or limited purpose banking institutions pursuant to Section 76.11 of the GRS. The evaluation period covered April 1, 2023 to September 30, 2025. The Department assigned DBTCA a rating of "**1**," indicating an "**Outstanding**" record of helping to meet community credit needs.

This rating is based on the following criteria:

A. Community Development Test:

DBTCA's community development performance demonstrated an excellent level of community development loans, qualified investments and services considering the Bank's capacity and the need and availability of such opportunities for community development in its assessment area.

1. *Community Development Lending:*

During the evaluation period, DBTCA originated $598.9 million in new community development loans, and still had $200.6 million outstanding from prior evaluation periods.

2. *Qualified Investments:*

During the evaluation period, DBTCA made $73.9 million in new qualified investments and still had $177.1 million in qualified investments outstanding from prior evaluation periods. In addition, the Bank made $14.2 million in qualified grants.

3. *Community Development Services:*

During the evaluation period, DBTCA provided 212 instances of community development services.

B. Innovative or Complex Practices:

DBTCA demonstrated an extensive use of innovative or complex community development practices.

C. Responsiveness to Credit and Community Development Needs:

DBTCA demonstrated an excellent level of responsiveness to credit and community development needs.

This Evaluation was conducted based on a review of the 12 assessment factors set forth in Section 28-b of the New York Banking Law and Part 76 of the General Regulations of the Superintendent.

III - PERFORMANCE CONTEXT

A. Institution Profile

DBTCA is a New York State chartered Banking institution. It has a single office which operates in New York County. The Bank is a wholly owned subsidiary of Deutsche Bank USA, which is owned by Deutsche Bank AG. DBTCA is designated as a wholesale bank for CRA purposes. The Bank also makes community development loans and investments through its affiliates, Deutsche Bank AG (New York Branch) and DBAH Capital LLC, and community development grants and philanthropic loans and investments through Deutsche Bank Americas Foundation.

As a wholesale financial institution, DBTCA does not operate retail banking offices or automated teller machines and does not extend home mortgage, small business or consumer loans to the public. DBTCA offers financial services and products to agencies, large corporations, governments, private individuals, and institutions in the Americas.

In its Consolidated Report of Condition (the "Call Report") as of September 30, 2025, filed with the Federal Deposit Insurance Corporation ("FDIC"), DBTCA reported total assets of $40.3 billion, of which $15.3 billion were net loans and lease financing receivables. It also reported total deposits of $28.1 billion, resulting in an LTD ratio of 54.5%. According to the latest available comparative deposit data as of June 30, 2025, DBTCA obtained a market share of 1.6%, or $30.4 billion in a market of $2 trillion, ranking it 9th among 104 deposit-taking institutions in the assessment area.

The following is a summary of the Bank's loan portfolio, based on Schedule RC-C of the Bank's December 31, 2023, December 31, 2024, and September 30, 2025 Call Reports:

TOTAL GROSS LOANS OUTSTANDING						
	12/31/2023		12/31/2024		9/30/2025	
Loan Type	$000's	%	$000's	%	$000's	%
1-4 Family Residential Mortgage Loans	2,194,000	13.4	2,197,000	14.5	2,228,000	14.5
Commercial & Industrial Loans	3,016,000	18.4	2,593,000	17.1	2,356,000	15.3
Commercial Mortgage Loans	2,352,000	14.4	2,009,000	13.3	1,963,000	12.8
Multifamily Mortgages	2,100,000	12.8	2,227,000	14.7	1,954,000	12.7
Consumer Loans	307,000	1.9	197,000	1.3	258,000	1.7
Construction Loans	77,000	0.5	131,000	0.9	132,000	0.9
Obligations of States & Municipalities	0	0.0	128,000	0.8	76,000	0.5
Loans to Nondepository Institutions	58,000	0.4	996,000	6.6	371,000	2.4
Loans to Depository Institutions	1,065,000	6.5	83,000	0.5	1,574,000	10.2
Other Loans	5,178,000	31.7	4,593,000	30.3	4,449,000	29.0
Total Gross Loans	16,347,000		15,154,000		15,361,000	

As illustrated in the above table, DBTCA is primarily a commercial lender, with a combined 40.8% of its loan portfolio in commercial and industrial loans, commercial mortgage loans and multifamily mortgages as of September 30, 2025. One-to-four family residential mortgage loans represented 14.5% and Other Loans representing 29.0% of total gross loans.

Examiners did not find evidence of financial or legal impediments that had an adverse impact on DBTCA's ability to meet the credit needs of its community.

B. Assessment Area

The Bank's assessment area consists of the following counties in their entirety: Bronx, Kings, New York, Queens, and Richmond. [1]

There are 2,327 census tracts in the Bank's assessment area, of which 285 are low-income, 570 are moderate-income, 727 are middle-income, 596 are upper-income, and 149 are tracts with no income indicated.

Assessment Area Census Tracts by Income Level							
County	N/A	Low	Mod	Middle	Upper	Total	LMI %
Bronx	21	129	121	65	25	361	69.3
Kings	46	91	235	263	170	805	40.5
New York	23	36	44	32	175	310	25.8
Queens	52	26	157	325	165	725	25.2
Richmond	7	3	13	42	61	126	12.7
Total	149	285	570	727	596	2,327	36.7

C. Demographic & Economic Data

The assessment area had a population of 8,804,190 during the evaluation period. Approximately 14.2% of the population were over the age of 65 and 22.5% were under the age of 16.

Of the 1,902,630 families in the assessment area, 29.8% were low-income, 16% were moderate-income, 16.2% were middle-income and 38% were upper-income. There were 3,191,691 households in the assessment area, of which 17.2% had income below the poverty level and 4.7% were on public assistance.

The weighted average median family income in the assessment area was $88,081.

[1] Bronx, Kings, New York, and Richmond counties are commonly referred to as, respectively, the Bronx, Brooklyn, Manhattan, and Staten Island.

There were 3,519,595 housing units within the assessment area, of which 38.5% were one- to four-family units and 61.3% were multifamily units. A majority (60.9%) of the housing units were rental-occupied, while 29.8% were owner-occupied.

Of the total 2,143,429 rental-occupied units, 49.4% were in LMI census tracts while 49.1% were in middle- and upper-income census tracts. Average monthly gross rent was $1,590.

Of the 1,048,262 owner-occupied housing units, 20.7% were in LMI census tracts while 78.6% were in middle- and upper-income census tracts. The median age of the housing stock was 74 years and the median home value in the assessment area was $676,656.

There were 1,605,263 non-farm businesses in the assessment area. Of these, 93.4% were businesses with reported revenues of less than or equal to $1 million, 2.2% reported revenues of more than $1 million and 4.4% did not report their revenues. Of all the businesses in the assessment area, 97.4% were businesses with fewer than fifty employees while 96.4% operated from a single location. The largest industries in the area were retail trade (10.6%), finance, insurance & real estate (10.6%) and services (30.3%); 35.8% of businesses in the assessment area were not classified.

According to New York State Department of Labor data, the average annual unemployment rates for New York State and the five counties in the Bank's assessment area remained relatively stable in 2023 and 2024 showing no significant changes. Bronx County consistently had the highest annual average unemployment rates. Additionally, the unemployment rates in all counties in the assessment area exceeded the statewide average in each year of the evaluation period.

Assessment Area Unemployment Rate						
	Statewide	Bronx	Kings	New York	Queens	Richmond
2023	4.1	6.7	5.1	4.5	4.5	4.6
2024	4.3	6.9	5.4	4.8	4.7	4.7
Average of Years above	4.2	6.8	5.3	4.7	4.6	4.7

D. Community Information

DFS examiners conducted community contact interviews with representatives of two nonprofit organizations operating in the Bank's assessment area to gain more insight into the credit needs of the communities and local financial institutions' involvement in meeting their credit needs.

The first organization focuses on advancing racial, social, and economic justice for disadvantaged communities, including minorities, through the creation of affordable housing, and providing financial literacy, immigration, legal and health services, as well as homeownership and small business programs in Kings, Queens, and New York counties. The representative stated that a lack of financial literacy and a lack of affordable housing have resulted in these communities being underserved, and LMI families moving into flood zones with inadequate insurance and a lack of understanding of associated risks. The representative felt that some communities are deteriorating

rather than improving due to the uncertain economic climate. LMI communities face the challenge of finding full-time employment opportunities. While there is a rise in part-time or temporary jobs emerging in the area, these decrease their ability to keep up with the high cost of living. The representative also shared that rising inflation, construction costs, scarcity of labor, and the political climate have translated into high operating costs for buildings that are now being sold to larger real estate development entities resulting in a loss of housing stock.

The second interview was with the representative of an organization whose mission is to provide advocacy and oversight for individuals with physical and intellectual disabilities. Services provided include housing, health, Medicaid, and other benefits designed to ensure a higher standard of living and quality services for families and individuals with disabilities. The representative stated that local financial institutions are not providing an adequate level of banking services to people with disabilities. Many financial institutions have pulled back all their support from supplemental needs trusts while others provide the minimum amount of such services. This has made obtaining trust services for the disabled difficult. The representative also noted that many individuals who are disabled do not have access to credit or debit card services. Many vendors and medical facilities in the assessment area do not accept cash, thus harming people with disabilities. Local financial institutions can help by offering banking services tailored for people with disabilities, as well as participating in programs offered by organizations that provide access to various services for families and individuals with disabilities.

IV - PERFORMANCE TEST AND ASSESSMENT FACTORS

The Department evaluated DBTCA under the wholesale banking institution performance standards pursuant to the "community development test," as provided in Section 76.11 of the GRS.

Performance criteria include:

(1) the number and amount of community development loans, qualified investments or community development services;

(2) the use of innovative or complex qualified investments, community development loans or community development services and the extent to which investments are not routinely provided by private investors; and

(3) the banking institution's responsiveness to credit and community development needs.

In addition, the following factors are also considered in assessing DBTCA's record of performance: the extent of participation by the Board of Directors or Board of Trustees in formulating CRA policies and reviewing CRA performance; any practices intended to discourage credit applications; evidence of prohibited discriminatory or other illegal credit practices; the Bank's record of opening and closing offices and providing services at offices; and process factors such as activities to ascertain credit needs; and the extent of marketing and special credit related programs. Finally, the Evaluation considered other factors as delineated in Section 28-b of the New York Banking Law that reasonably bear upon the extent to which a banking institution is helping to meet the credit needs of its entire community.

DFS derived statistics employed in this Evaluation from various sources. DBTCA submitted bank-specific information both as part of the Evaluation process and in its Call Report submitted to the FDIC.

DFS derived the demographic data referred to in this report from the 2020 U.S. Census and the FFIEC. DFS based business data on Dun & Bradstreet reports, which Dun & Bradstreet updates annually. DFS obtained unemployment data from the New York State Department of Labor.

The evaluation period included the period from April 1, 2023 to September 30, 2025.

In its prior Community Reinvestment Act Performance Evaluation as of March 31, 2023, DFS assigned DBTCA a rating of "1" reflecting an "Outstanding" compliance with regulatory standards.

Current CRA Rating: Outstanding

A. Community Development Test:

DBTCA's community development performance demonstrated an excellent level of community development loans, qualified investments and services considering DBTCA's capacity and the need and availability of such opportunities for community development in its assessment area. DBTCA provided loan and investment capital to finance complex, innovative real estate transactions, such as affordable housing and community facilities. The Bank supported LMI community projects through financing community development financial institutions, small businesses, and social enterprises serving LMI communities.

1. Community Development Lending:

During the evaluation period, DBTCA originated $598.9 million in new community development loans[2] and still had $200.6 million outstanding from prior evaluation periods. The Bank's total community development lending of $799.5 million for the evaluation period (2.50 years) on an annualized basis was $319.8 million, which represented approximately a 42.4% increase from the annualized total community development loans of $224.6 million recorded at the prior evaluation period (2.25 years).

The majority of DBTCA's new community development loans originated were for the purpose of helping to meet affordable housing needs for LMI individuals and families. These loans accounted for 93.8% by dollar value of the Bank's new community development loans originated during the evaluation period. DBTCA demonstrated innovative lending practices and responsiveness to community needs. The Bank's other community development loans supported economic development, community services, and revitalization and stabilization in the Bank's assessment area.

Community Development Loans				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
Purpose	# of Loans	$000	# of Loans	$000
Affordable Housing	28	561,807	19	182,973
Economic Development	13	10,260	2	1,023
Community Services	4	16,500	5	15,458
Revitalization/Stabilization	5	10,353	2	1,120
Total	50	598,919	28	200,574

[2] For analysis purposes, renewals of lines of credit that occur during the evaluation period are considered new extensions of credit. However, the level of lending is reviewed across the period of the evaluation.

Below are highlights of DBTCA's community development lending:

Affordable Housing

- DBTCA originated a $200 million loan for the acquisition and rehabilitation of three multifamily buildings located in Brooklyn. The buildings contain 816 units, 90% of which are rated as affordable housing. The loan financing structure will support the long-term preservation of affordable housing in the Coney Island neighborhood in Brooklyn, New York.

- DBTCA renewed a $30 million line of credit twice during the evaluation period. This line of credit is to a Community Development Financial Institution ("CDFI") that provides low-interest financing to rehabilitate, renovate, and expand affordable housing for LMI individuals and families within the Bank's assessment area.

- DBTCA renewed a $25 million line of credit twice during the evaluation period. This line of credit is to a nonprofit CDFI whose mission is to help LMI individuals and families by providing capital for quality affordable housing and community development. The Bank's extension of credit helps support affordable housing and strengthen LMI communities.

Economic Development

- DBTCA extended three lines of credit totaling $1.5 million to a nonprofit organization that focuses on economic development in New York State. The loan proceeds help support small business lending programs while creating employment opportunities for LMI individuals.

Community Services

- DBTCA extended three lines of credit totaling $15 million to a CDFI whose mission is to strengthen communities and build health equity through strategic primary care investment, expertise, and advocacy. The organization provides financing to build, renovate, and expand community health care facilities, including federally qualified health centers that serve LMI communities.

Revitalization & Stabilization

- DBTCA renewed a line of credit totaling $10 million to a nonprofit organization that finances energy efficient and clean energy projects through debt financing in New York City targeting multifamily buildings that offer affordable housing in low-income, disadvantaged, and underserved communities.

- DBTCA originated a $120,000 loan to a nonprofit community development organization that focuses on youth development and the revitalization of the Hunts Point neighborhood

in the South Bronx. The loan proceeds were used to provide a solar power sharing source to LMI households, thereby contributing to climate resiliency in low- and moderate-income census tracts in the Bronx.

2. Qualified Investments:

During the evaluation period, DBTCA made $73.9 million in new qualified investments and still had $177.1 million investments outstanding from prior evaluation periods. In addition, the Bank made $14.2 million in qualified grants.

DBTCA's new qualified investments primarily supported affordable housing initiatives in the assessment area, accounting for 70.4% by dollar value of new qualified investments made during the evaluation period. The Bank made use of innovative and complex investments utilizing various investment tools that include philanthropic grants, commercial investments, and intellectual capital, and investing significant financial and intellectual capital in collaboration with its public, philanthropic, private, and nonprofit partners to support community development.

Qualified Investments and Grants				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
CD Investments	# of Inv.	$000	# of Inv.	$000
Affordable Housing	3	52,000	13	168,224
Economic Development	2	21,900	9	5,904
Community Services			1	227
Revitalization/Stabilization			1	2,729
Total	5	73,900	24	177,084
CD Grants	# of Grants	$000	Not Applicable	
Affordable Housing	58	3,963		
Economic Development	35	2,239		
Community Services	144	7,132		
Revitalization/Stabilization	21	885		
Total	258	14,218		

Below are highlights of DBTCA's qualified investments and grants:

Investments:

- DBTCA invested $20 million in a private equity fund. The investment's purpose is to finance various affordable housing projects, including multifamily rental housing properties typically larger than 150 units, providing long-term affordability to individuals and families in the Bank's assessment area.

- The Bank invested $20 million in a real estate private equity fund. The fund is innovative as it invests primarily in the preservation, improvement, and creation of affordable and workforce housing, targeting affordable and mixed-income projects through joint ventures

  and operating partners. The investment helps create and preserve affordable housing for LMI individuals and families within the Bank's assessment area.

- DBTCA made a $15 million investment in a Small Business Investment Corporation ("SBIC"), focusing on providing financing to small businesses, including underserved and minority- and women-owned businesses in New York City.

Grants:

- DBTCA made grants totaling $816,073 to a nonprofit organization whose mission is to make quality affordable housing available to low-income and vulnerable residents, including seniors and the formerly homeless, through education, economic and workforce development, and health services, and by supporting revitalization projects in underserved communities.

- The Bank made three donations totaling $450,000 to a nonprofit foundation whose mission is to assist low-income communities in New York City. The foundation provides grants to nonprofit organizations, supports community development initiatives, and works to ensure that low-income residents in New York City have the resources and influence to shape policies that directly affect their neighborhoods.

- DBTCA made four grants totaling $420,000 to a community foundation that focuses on advocating for the creation of thriving and equitable communities by improving school and literacy programs, childcare, and the preparation of young people, including those with disabilities, to become successful members of their communities.

- The Bank made donations totaling $400,000 to a nonprofit organization that works in collaboration with other community development organizations, foundations, government agencies and corporations in the areas of education, small business and workforce development, access to food and benefits, justice, and health services to help improve the lives of low-income residents in New York City.

3. Community Development Services:

During the evaluation period, DBTCA provided 212 instances of community development services.

Community Development Services	
Activity Type	**Number of Activities**
On-Going Board & Committee Memberships	100
Technical Assistance	78
Seminars	24
Financial Literacy	10
Total Community Development Services	212

Below are highlights of DBTCA's community development services.

- A vice president of DBTCA serves on the Board of a nonprofit organization whose mission is to improve social and economic conditions of underserved communities through the development of affordable multifamily housing and opportunities for first-time homebuyers, as well as providing low-interest loans, training and counseling services for small business owners.

- A managing director of DBTCA serves as a member of the Board of Directors of a nonprofit organization that provides employment, skills training, job placement, and ongoing career support to those who have been incarcerated, with the objective of affording them equal access to employment and the opportunity to achieve long-term, sustainable career opportunities.

- DBTCA employees in various capacities participated in career development events hosted by nonprofit organizations, providing technical skills training to immigrants, low-wage workers, and refugees entering the workforce.

- Two senior bank employees provided financial literacy to underprivileged students and at-risk adults through two nonprofit organizations, using their financial expertise to help them develop the skills necessary to become financially capable young adults.

B. Innovative or Complex Practices:

DBTCA demonstrated extensive use of innovative or flexible community development practices. The Bank provided loans and investment capital to finance complex, innovative real estate transactions, such as financing affordable housing and community facilities, Community Development Financial Institutions, social enterprises, and small businesses that serve LMI communities.

DBTCA financed prominent nonprofit organizations for the acquisition of multifamily buildings that were facing foreclosure. This ensured long-term affordability of the related rental units to help keep residents in their homes. The Bank made community development loans that were priced below the market rate with flexible repayment methods and provided funds for improvements of buildings to make them more energy efficient. The Bank also lent to organizations that serve

communities living in persistent poverty, facing high energy costs, lacking access to clean transportation, and disproportionately suffering from the effects of extreme weather.

C. Responsiveness to Credit and Community Development Needs:

DBTCA demonstrated an excellent level of responsiveness to credit and community development needs.

D. Additional Factors

The extent of participation by the banking institution's Board of Directors/Trustees in formulating the banking institution's policies and reviewing its performance with respect to the purposes of the CRA

DBTCA's Board of Directors has appointed a "Committee on Public Responsibility and Concern" to oversee the Bank's CRA program, ensuring that its efforts align with regulatory requirements and community needs. Additionally, the Bank has a management-level CRA committee consisting of executives from various bank businesses and other areas of expertise that provides feedback on the Bank's CRA performance, its efforts to ascertain and respond to community credit needs, and overall CRA strategy.

Ongoing CRA activities are managed by the CRA Officer, who is the head of the Community Development Finance Group ("CDFG"), a team responsible for community outreach and engagement with nonprofit organizations and government stakeholders to identify local credit and community development needs. Twice a year, the CDFG prepares and submits loan and investment activities to senior management to ensure the Board remains informed of DBTCA's CRA activities.

1. Discrimination and other illegal practices

- *Any practices intended to discourage applications for types of credit set forth in the banking institution's CRA Public File.*

DFS did not note any practices that were intended to discourage applications for the types of credit offered by the institution.

- *Evidence of prohibited discriminatory or other illegal credit practices.*

DFS did not note any evidence of prohibited discriminatory or other illegal practices.

2. The banking institution's record of opening and closing offices and providing services at offices

The Bank has not opened or closed any branches since the prior evaluation. As a wholesale bank, DBTCA does not offer retail services at its offices.

3. Process Factors

- *Activities conducted by the banking institution to ascertain the credit needs of its community, including the extent of the banking institution's efforts to communicate with members of its community regarding the credit services being provided by the banking institution*.

DBTCA ascertains the credit needs of its community through its involvement and long-term relationships with various community groups that include nonprofit, community based, and government agencies and through ongoing communications regarding the needs of LMI individuals, the underserved, and low-income neighborhoods within the assessment area. In addition, DBTCA employees participate as volunteers in nonprofits and other community groups and are thus able to provide feedback regarding community needs and outreach opportunities.

- *The extent of the banking institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the banking institution*

As a wholesale bank, DBTCA does not market its credit products and services to the public. However, the Bank regularly produces and distributes reports and publications to highlight its community development activities, market lending, investing, and services opportunities. The Bank also distributes marketing materials when participating in or hosting financial literacy programs. In addition, information on DBTCA products and services and the Bank's community development programs can be found on the Bank's website.

4. Other factors that in the judgment of the Superintendent bear upon the extent to which a banking institution is helping to meet the credit needs of its entire community

In addition to DBTCA's community development activities, the Bank also supports its community development partners in the assessment area by sponsoring annual fundraising and industry events, including marketing campaigns, that raise awareness of the importance of sustainable financing and investing in community development projects and initiatives. The Bank has organized corporate volunteer programs giving DBTCA employees various opportunities to engage directly in these efforts, keeping them informed on community needs and issues experienced by LMI individuals, families, and distressed communities in the Bank's assessment area.

V - GLOSSARY

Aggregate Lending

"Aggregate lending" means the number of loans originated and purchased by all reporting lenders in specified categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Banking Development District ("BDD") Program

The BDD Program is a program designed to encourage the establishment of bank branches in areas across New York State where there is a demonstrated need for banking services, in recognition of the fact that banks can play an important role in promoting individual wealth, community development, and revitalization. Among others, the BDD Program seeks to reduce the number of unbanked and underbanked New Yorkers and enhance access to credit for consumers and small businesses. More information about the program, may be found at https://www.dfs.ny.gov and search for the BDD Program.

Community Development

"Community development" means:

- Affordable housing (including multifamily housing) for LMI individuals;
- Community services targeted to LMI individuals;
- Activities that promote economic development by financing business or farms that meet the size eligibility standards of the United States Small Business Administration ("SBA") Development Company or Small Business Investment Company programs, or have gross annual incomes of $1 million or less;
- Activities that revitalize or stabilize LMI geographies, designated disaster areas, or distressed or underserved metropolitan middle-income geographies designated by the Board of Governors of the Federal Reserve System, FDIC and the Office of Comptroller of the Currency; and
- Activities that seek to prevent defaults and/or foreclosures in loans included in the first and third bullet points above.

Community Development Loan

"Community development loan" means a loan that has its *primary purpose* community development. This includes but is not limited to loans to:

- Borrowers for affordable housing rehabilitation and construction, including construction and permanent financing for multifamily rental property serving LMI persons (DFS multifamily industry letter www.dfs.ny.gov/industry_guidance/industry_letters/il20141204_guidelines_bank_lending_multifamily_properties_cra_updated) ;

- Nonprofit organizations serving primarily LMI or other community development needs;
- Borrowers to construct or rehabilitate community facilities that are located in LMI areas or that primarily serve LMI individuals;

- Financial intermediaries including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds or pools, micro-finance institutions, and low-income or community development credit unions that primarily lend or facilitate lending to promote community development;
- Local, state and tribal governments for community development activities; and
- Borrowers to finance environmental clean-up or redevelopment of an industrial site as part of an effort to revitalize the LMI community in which the property is located.

Community Development Service

"Community development service" means a service that has community development as its *primary purpose*, is related to the provision of financial services, and has not been considered in the evaluation of the banking institution's retail banking services. This includes but is not limited to:

- Providing technical assistance on financial matters to nonprofit, tribal or government organizations serving LMI housing or economic revitalization and development needs;
- Providing technical assistance on financial matters to small businesses or community development organizations;
- Lending employees to provide financial services for organizations facilitating affordable housing construction and rehabilitation or development of affordable housing;
- Providing credit counseling, home buyers and home maintenance counseling, financial planning or other financial services education to promote community development and affordable housing;
- Establishing school savings programs for LMI individuals;
- Providing seminars for LMI persons on banking and bank account record-keeping;
- Making ATM "Training Machines" available for extended periods at LMI community sites or at community facilities that serve LMI individuals; and
- Technical assistance activities to community development organizations such as:
  - Serving on a loan review committee;
  - Developing loan application and underwriting standards;
  - Developing loan processing systems;
  - Developing secondary market vehicles or programs;
  - Assisting in marketing financial services, including the development of advertising and promotions, publications, workshops and conferences;
  - Furnishing financial services training for staff and management;
  - Contributing accounting/bookkeeping services; and
  - Assisting in fund raising, including soliciting or arranging investments.

Community Development Financial Institution ("CDFI")

A CDFI is a financial institution that provides credit and financial services to underserved markets and populations and has a primary mission of community development, serves a target market, is a financing entity, provides development services, remains accountable to its community, and is a non-governmental entity. CDFIs are certified as such by United States Treasury Department's CDFI Fund.

Fair Market Rents ("FMRs")

Fair Market Rents are published and developed annually by the US Department of Housing and Urban Development ("HUD") and used to determine rent payments for affordable housing projects such as Section 8 contracts in defined metropolitan statistical areas ("MSAs") nationwide. For easy reference of annual FMRs in New York MSAs or counties, go to www.huduser.gov/portal/datasets/fmr.html

Geography

"Geography" means a census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act ("HMDA")

The Home Mortgage Disclosure Act, enacted by Congress in 1975, and subsequently amended, requires institutions to annually report data about applications for residential (including multifamily) financing.

Income Level

The income level for borrowers is based on household or family income. A geography's income is categorized by median family income for the geography. In both cases, the income is compared to the Metropolitan Statistical Area ("MSA") or statewide nonmetropolitan median income.

Income level of individual or geography	% of the area median income
Low-income	Less than 50
Moderate-income	At least 50 and less than 80
Middle-income	At least 80 and less than 120
Upper-income	120 or more

LMI Geographies

"LMI geographies" means those census tracts or block numbering areas where, according to the most current U.S. Census, the median family income is less than 80% of the area median family income. In the case of tracted areas that are part of a MSA or Primary Metropolitan Statistical Area ("PMSA"), this would relate to the median family income for the MSA or PMSA in which the tracts are located. In the case of Block Numbering Areas ("BNAs") and tracted areas that are not part of a MSA or PMSA, the area median family income would be the statewide non-metropolitan median family income.

LMI Borrowers

"LMI borrowers" means borrowers whose income, as reported on the loan application which the lender relied upon in making the credit decision, is less than 80% of the area median family income. In cases where the residential property is located in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure borrower income levels are updated annually by the Federal Financial Institutions Examination Council ("FFIEC").

LMI Individuals/Persons

"LMI individuals" or "LMI persons" means individuals or persons whose income is less than 80% of the area median family income. In the case where the individual resides in a MSA or PMSA, this would relate

to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure individual income levels are updated annually by the FFIEC.

LMI Penetration Rate

"LMI penetration rate" means the percentage of a bank's total loans (for a particular product) that was extended to LMI geographies or borrowers. For example, if a bank made 20 out of a total of 100 loans in LMI geographies or to LMI borrowers, the penetration rate would be 20%.

Low-Income Housing Tax Credit ("LIHTC")

LIHTC were created under the Tax Reform Act of 1986, that provides incentives to invest in projects for the utilization of private equity in the development of affordable housing aimed at low-income Americans. The tax credits provide a dollar-for-dollar reduction in a taxpayer's federal income tax. It is more commonly attractive to corporations since the passive loss rules and similar tax changes greatly reduced the value of tax credits and deductions to individual taxpayers.

Minority Depository Institutions ("MDIs")

An MDI is defined as a federal insured depository institution for which (1) 51 percent or more of the voting stock is owned by minority individuals; or (2) a majority of the board of directors is minority and the community that the institution serves is predominantly minority. For more of MDIs, go to FDIC.gov (Minority Depository Institutions Program) including list of MDIs.

New Markets Tax Credit ("NMTC")

The NMTC Program was established by Congress in December 2000 to stimulate economic and community development and job creation in low-income communities. It permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in Community Development Entities ("CDEs"). The credit provided to the investor totals 39% of the cost of the investment and is claimed over a 7-year period. CDEs must use substantially all of the taxpayer's investments to make qualified investments in low-income communities. The Fund is administered by the CDFI Fund, an agency of the United States Department of the Treasury.

Paycheck Protection Program ("PPP") Loans

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") temporarily permits the U.S. Small Business Administration ("SBA") to guarantee 100% of 7(a) loans under a new program titled the "Paycheck Protection Program". The intent of the PPP is to help small business cover payroll costs providing for forgiveness of up to the full principal of qualifying loans guaranteed under the PPP subject to certain rules including how much or percentage of the loan proceeds a borrower spends on payroll costs. A small business owner can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Any amount of the PPP loan that is not forgiven shall be repaid over a 5-year term at a fixed interest rate of 1%. The program officially ended May 31, 2021.

Qualified Investment

"Qualified investment" means a lawful investment, deposit, membership share or grant that has community development as its *primary purpose*. This includes but is not limited to investments, deposits, membership shares or grants in or to:

- Financial intermediaries (including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds, micro-finance institutions and low-income or community development credit unions) that primarily lend or facilitate lending in LMI areas or to LMI individuals in order to promote community development;
- Organizations engaged in affordable housing rehabilitation and construction;
- Organizations, including, for example, small business investment corporations that promote economic development by financing small businesses;
- Facilities that promote community development in LMI areas or LMI individuals, such as youth programs, homeless centers, soup kitchens, health care facilities, battered women's centers, and alcohol and drug recovery centers;
- Projects eligible for low-income housing tax credits;
- State and municipal obligations, such as revenue bonds that specifically support affordable housing or other community development needs;
- Organizations serving LMI housing or other community development needs, such as counseling for credit, home ownership, home maintenance, and other financial services education; and
- Organizations supporting activities essential to the capacity of LMI individuals or geographies to utilize credit to sustain economic development, such as day care operations and job training programs that facilitate access to permanent jobs.

Small Business Loan

A small business loan is a loan less than or equal to $1 million.