

CDBA and NBA Launch New Program to Boost Deposits at Banks Targeting Underserved Communities

Leading Firms Commit \$35 Million, More Expected Soon

JUNE 4, 2024 – The Community Development Bankers Association (CDBA) and National Bankers Association (NBA) are proud to announce the launch of the Advancing Communities Together (ACT) Deposit Program. This innovative initiative is designed to channel vital funding to banks serving low-income and minority communities while also ensuring all deposits are eligible for FDIC insurance.

At launch, four major financial firms have deposited \$35 million in the program, with additional deposits anticipated from a broad range of depositors, including corporations, foundations, and universities.

“The ACT Deposit Program created a secure and efficient way for community development banks to attract and retain large institutional deposits,” said Jeannine Jacokes, Chief Executive Officer of CDBA, which represents CDFI, MDI, and climate-focused banks. “The support from these firms and future depositors will create a lasting positive impact in underserved areas.”

Nicole Elam, President and CEO of the NBA, emphasized the program’s benefits: “The ACT Deposit Program offers a streamlined approach for providing essential deposits to minority banks serving the underserved and communities of color. This initiative empowers our members to facilitate homeownership, business growth, and financial stability, contributing to job creation and the overall vitality of communities across America.”

The ACT Deposit Program’s four founding firms are Blackstone, BNY Mellon, Warburg Pincus, and IntraFi.

Martin Brand, Head of North America Private Equity at Blackstone, said: “Community banks play an essential role in boosting economic growth and job creation across the country. We’re pleased to support this innovative partnership to help expand access to capital in underserved markets throughout the United States.”

“Empowering our clients and partners with solutions to advance a more inclusive economy, and to enable their own sustainability objectives is core to what we do,” said Laide Majiyagbe, Global Head of Financing and Liquidity at BNY Mellon. “We are proud to play a central role in the ACT Deposit Program via our LiquidityDirect platform to connect socially motivated investors and community banks to help fuel growth for local communities across the country.”

Steven Glenn, Managing Director, Chief Financial Officer, Chief Operating Officer, Warburg Pincus, said the ACT Deposit Program aligns with the firm’s commitment to growth investing. “We look for opportunities where our resources can help organizations grow and make a positive change in the communities they serve,” Glenn said. “Providing access to reliable financial solutions is an incredibly important service. We are excited about the increased lending and financial inclusion provided by the ACT Deposit Program and look forward to following the program’s impact and progress.”

Key Benefits of the Program

The ACT Deposit Program simplifies the process for businesses, nonprofits, community organizations, and high-net worth individuals to place at least \$5 million with a community development financial

institution (CDFI) or minority depository institution (MDI) bank. Deposits made through the program are distributed among the more than 70 participating CDFIs and MDIs, amplifying the impact of each deposit.

The program is powered by IntraFi through its ICS service, which includes 3,000 banks nationwide. This collaboration offers millions of dollars in aggregate FDIC insurance.

Participating depositors can choose a CDFI or MDI as their relationship bank, which will then allocate part of the deposit to other participating banks. This ensures benefits are shared across all banks in the program. Depositors can also choose to spread their funds among all participating CDFIs and MDIs, with all deposits eligible for FDIC insurance.

Why This Program Is Needed Now

CDFI and MDI banks need deposits to leverage the more than \$6 billion in capital they received from the Treasury Department in 2022 as part of the Emergency Capital Investment Program (ECIP), which aims to boost lending in communities hit hard by the pandemic.

To date, 75 CDFIs and MDIs have joined the program. Deposits in the program will yield near-market interest rates, and depositors will receive regular reports on how their funds are being used to support communities.

The ACT Deposit Program is open to any depositor looking to make a positive impact through socially responsible investments in underserved markets while ensuring their deposits are protected by FDIC insurance.

For more information about the ACT Deposit Program, and a list of its participating banks, please visit the program's website: <https://www.intrafi.com/act-deposit-program>.

About CDBA

For over two decades, the [Community Development Bankers Association](#) has led the community development banking movement, advocating for financial inclusion, racial equity, and economic opportunities in the nation's most economically distressed areas. The CDBA and its member banks are located in 26 states and Washington, D.C., and are unwavering in their commitment to making banking a force for good. For more information on the CDBA's mission and initiatives, please visit www.cdbanks.org.

About NBA

Founded in 1927, the [National Bankers Association](#) is the voice for the nation's minority depository institutions (MDIs), and the only organization focused solely on the survival and strengthening of MDIs. Its members include Black, Hispanic, Asian, Pacific Islander, Native American, and women-owned and -operated banks across the country, all working to help minority and low- and moderate-income communities who are underserved by traditional banks and financial service providers. MDIs are located in 32 states and territories. Learn more at www.nationalbankers.org

About Blackstone

Blackstone is the world's largest alternative asset manager. We seek to deliver compelling returns for institutional and individual investors by strengthening the companies in which we invest. Our more than \$1 trillion in assets under management include global investment strategies focused on real estate, private

equity, infrastructure, life sciences, growth equity, credit, real assets, secondaries, and hedge funds. Further information is available at www.blackstone.com.

About BNY Mellon

BNY Mellon is a global financial services company that helps make money work for the world – managing it, moving it and keeping it safe. For 240 years we have partnered alongside our clients, putting our expertise and platforms to work to help them achieve their ambitions. Today we help over 90% of Fortune 100 companies and nearly all the top 100 banks globally access the money they need. We support governments in funding local projects and work with over 90% of the top 100 pension plans to safeguard investments for millions of individuals, and so much more. As of March 31, 2024, we oversee \$48.8 trillion in assets under custody and/or administration and \$2.0 trillion in assets under management.

BNY Mellon is the corporate brand of The Bank of New York Mellon Corporation (NYSE: BK). We are headquartered in New York City, employ over 50,000 people globally, and have been named among Fortune's World's Most Admired Companies and Fast Company's Best Workplaces for Innovators. Additional information is available on www.bnymellon.com. Follow us on LinkedIn or visit our Newsroom for the latest company news.

About Warburg Pincus

Warburg Pincus LLC is a leading global growth investor. The firm has more than \$81 billion in assets under management. The firm's active portfolio of more than 250 companies is highly diversified by stage, sector, and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Since its founding in 1966, Warburg Pincus has invested more than \$116 billion in over 1,000 companies globally across its private equity, real estate, and capital solutions strategies. The firm is headquartered in New York with offices in Amsterdam, Beijing, Berlin, Hong Kong, Houston, London, Luxembourg, Mumbai, Mauritius, San Francisco, São Paulo, Shanghai, and Singapore. For more information please visit www.warburgpincus.com. Follow us on [LinkedIn](#).

About IntraFi

A trusted partner chosen by more than 3,000 financial services companies, IntraFi defines success not by the volume of transactions we enable, but by the quality of relationships we form. Our network, established over 20 years ago, connects institutions of all sizes to help participants build stronger relationships with their customers, fund more loans, seamlessly manage their liquidity needs, and earn fee income. The network brings scale, giving each participant access to tens of billions of dollars in funding, the highest per-depositor and per-bank capacity, and the peace of mind of being able to make large-dollar placements. To learn more, visit www.intrafi.com.