



PUBLIC DISCLOSURE

September 15, 2025

ILLINOIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

International Bank of Chicago
Illinois Institution Identification Number: 13540

5069 North Broadway Street
Chicago, Illinois 60640

Illinois Department of Professional Regulation
555 West Monroe Street, 5th Floor Chicago, IL 60661

THIS ILLINOIS COMMUNITY REINVESTMENT ACT (ILCRA) EVALUATION IS AVAILABLE FOR PUBLIC REVIEW AND COMMENT.

This evaluation reflects the Secretary's assessment pursuant to Section 35-10(b) of the Illinois Community Reinvestment Act [205 ILCS 735/35-10(b)] of the performance of this bank in helping to meet the financial services needs of its local communities, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned herein does not represent an analysis, conclusion, or opinion of the Illinois Department of Financial and Professional Regulation, Division of Banking, concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S ILCRA RATING: This institution is rated **Satisfactory**.

An institution in this group has an adequate record of helping to meet the credit needs of its assessment area (AA), including low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities.

The Lending Test is rated Satisfactory.

- The loan-to-deposit (LTD) ratio is more than reasonable given the institution's size, financial condition, and AA credit needs.
- The bank made a majority of its home mortgage loans and small business loans in the AA.
- The distribution of borrowers reflects reasonable penetration of loans among businesses of different sizes and individuals of different income levels.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The institution did not receive any ILCRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Satisfactory.

The institution demonstrated adequate responsiveness to the community development needs of its AA through community development loans, qualified investments, and community development services, as appropriate. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the AA.

Discriminatory or Other Illegal Credit Practices

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, these factors did not affect the institution's ILCRA rating.

Assessment Factors

ILCRA examiners reviewed the bank's activities in its AA to the performance standards outlined in 38 Ill. Admin. Code 345.200 and did not find evidence that the bank is not meeting the financial services needs of its local communities. Therefore, the bank's ILCRA rating was not affected.

DESCRIPTION OF INSTITUTION

Background

International Bank of Chicago (IBC) is a \$982.8 million full-service Illinois state-chartered bank and is designated as both a certified Community Development Financial Institution (CDFI) and a Minority Depository Institution (MDI). Headquartered in the Uptown neighborhood of Chicago, Illinois. IBC is a wholly owned subsidiary of IBC Bancorp, Inc., a one-bank holding company, also headquartered in Chicago. IBC has no affiliates. Federal Deposit Insurance Corporation (FDIC) examiners assigned a “Satisfactory” rating at the previous FDIC Community Reinvestment Act (CRA) evaluation dated November 14, 2022, based on Federal Financial Institutions Examination Council (FFIEC) Interagency Intermediate Small Institution Examination Procedures. There has been no merger or acquisition activity since the prior evaluation.

Operations

International Bank of Chicago operates five full-service branches, including its main office in Cook County, Illinois. In addition, IBC has one out-of-state branch in Orange County, New York. This ILCRA evaluation will focus on Illinois only. The main office is in a low-income census tract. The Chicago Chinatown branch is in a moderate-income census tract and does not provide drive-through access. Additional branches in Cook County include the Des Plaines branch in a moderate-income census tract, the Stone Park branch in a low-income census tract, and the Wilmette branch in an upper-income census tract. The Wilmette branch does not offer drive-through access and is not open on Saturdays. Since the previous FDIC evaluation, the bank has not opened or closed any branches.

Distribution of Branches within the Chicago, IL MSA Assessment Area							
County	N/A	Low	Moderate	Middle	Upper	Total	LMI
	#	#	#	#	#	#	%
Cook	0	2	2	0	1	5	80.0

Source: <https://geomap.ffiec.gov/ffiecgeomap/>
<https://www.inbk.com/about/locations-and-hours>

IBC offers a full range of traditional loan and deposit products to serve consumer and commercial customers. Commercial products include working capital loans, fixed-rate term loans, real estate loans, construction loans, Small Business Administration loans, and business micro loans. Consumer products include home mortgages, micro loans, certificate of deposit secured loans, and auto loans. Deposit products consist of multiple checking account options, money market accounts, savings accounts, and certificates of deposit with varying terms. Alternative banking services include online and mobile banking, automated teller machine access, mobile check deposit, online bill payment, safe deposit boxes, and Zelle.

IBC offers some unique features through its trust service division such as self-directed individual retirement accounts and land trusts. Another unique feature of IBC’s operations is its Language

Assistance Plan (LAP). Through LAP, bilingual employees are available to provide customer service in Vietnamese, Mandarin, Cantonese, Hindi, and Spanish.

Ability and Capacity

According to the June 30, 2025, Consolidated Reports of Condition and Income (Call Report), IBC reported \$982.8 million in total assets, \$763.1 million in total loans, \$873.4 million in total deposits, and net securities of \$116.1 million. Total loans have increased \$90.0 million or 13.4 percent, and total assets have increased \$110.0 million or 12.6 percent since the previous exam. Loans secured by nonfarm nonresidential properties remain the largest segment of the loan portfolio representing 47.3%. The following table illustrates the loan portfolio composition.

Loan Portfolio Distribution as of 6/30/2025		
Loan Category	\$ (000s)	%
Construction and Land Development	54,372	7.1%
Secured by Farmland	738	0.1%
Secured by 1-4 Family Residential Properties	268,930	35.2%
Secured by Multifamily (5 or more) Residential Properties	38,055	5.0%
Secured by Nonfarm Nonresidential Properties	360,702	47.3%
Total Real Estate Loans	722,797	94.7%
Commercial and Industrial Loans	39,846	5.2%
Agricultural Production and Other Loans to Farms	0	0.0%
Consumer Loans	172	0.0%
Obligations of States and Political subdivisions in the U.S.	0	0.0%
Other Loans	293	0.0%
Less: Unearned Income	0	0.0%
Total Loans	763,108	100.0%

Source: Report of Condition and Income. Due to rounding, totals may not equal 100.0

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet AA credit needs.

DESCRIPTION OF ASSESSMENT AREA

The ILCRA requires each financial institution to define one or more AAs within which its ILCRA performance will be evaluated. In Illinois, IBC designated a single AA, composed of Cook County in the Chicago-Naperville-Elgin, IL-IN-WI Metropolitan Statistical Area (Chicago MSA). This AA consists of 1,332 census tracts. While IBC has operations in New York, this AA is outside of Illinois and will not be evaluated. The AA includes contiguous census tracts, conforms to ILCRA regulatory requirements, and does not arbitrarily exclude any LMI geographies.

Economic and Demographic Data

Examiners used demographic data from the 2020 American Community Survey (ACS) and 2025 Dun and Bradstreet (D&B) data to analyze the bank's ILCRA performance. According to these data sources, the AA's census tracts reflect the following income designations:

- 225 low-income census tracts (16.9 percent)
- 351 moderate-income census tracts (26.4 percent)
- 369 middle-income census tracts (27.7 percent)
- 371 upper-income census tracts (27.9 percent)
- 16 census tracts where income data was not available (NA) (1.2 percent)

The following table illustrates select demographic characteristics of the AA.

Demographic Information of the Illinois Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,332	16.9	26.4	27.7	27.9	1.2
Population by Geography	5,275,541	13.4	26.8	30.4	28.8	0.5
Housing Units by Geography	2,198,489	13.3	25.4	29.7	30.9	0.6
Owner-Occupied Units by Geography	1,139,938	7.3	22.8	34.7	34.9	0.3
Occupied Rental Units by Geography	851,536	18.8	28.5	25.1	26.6	1.0
Vacant Units by Geography	207,015	24.0	26.9	21.4	26.8	0.9
Businesses by Geography	723,034	7.5	20.1	28.7	43.1	0.6
Farms by Geography	6,630	8.2	22.2	31.1	38.1	0.4
Family Distribution by Income Level	1,183,425	27.3	16.9	18.1	37.7	0.0
Household Distribution by Income Level	1,991,474	28.8	15.7	16.4	39.2	0.0
Median Family Income MSA - 16984 Chicago-Naperville-Schaumburg, IL	\$92,622	Median Housing Value			\$287,457	
		Median Gross Rent			\$1,230	
		Families Below Poverty Level			10.1%	
Source: 2020 ACS, 2025 D&B Data, and FFIEC Estimated Median Family Income; (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA has 2,198,489 housing units including 1,139,938 owner-occupied units (51.9 percent), 851,536 occupied-rental units (38.7 percent), and 207,015 vacant units (9.4 percent). In assessing the bank's performance with home mortgage loans, the geographic distribution test compares the home mortgage loans to the percentage of owner-occupied units, occupied rental units, and multi-family units located within the geographies by income. These characteristics provide some insight into the overall affordable housing credit needs and demands in LMI geographies, which are considered when evaluating IBC's geographic lending patterns.

Examiners used the 2022, 2023, 2024, and 2025 FFIEC Median Family Income (MFI) Report, which sets forth the criteria by which the borrower profile categories are analyzed. The FFIEC MFI data follows.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Chicago-Naperville-Evanston, IL Median Family Income (16984)				
2022 (\$105,700)	<\$52,850	\$52,850 to <\$84,560	\$84,560 to <\$126,840	≥\$126,840
2023 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
Chicago-Naperville-Schaumburg, IL Median Family Income (16984)				
2024 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
2025 (\$117,400)	<\$58,700	\$58,700 to <\$93,920	\$93,920 to <\$140,880	≥\$140,880

Source: FFIEC

The Borrower Profile criterion compares the distribution of businesses by gross annual revenue (GAR). The GAR of businesses operating in the AA in 2024 were as follows:

- 91.1 percent report \$1.0 million or less,
- 3.2 percent report greater than \$1 million, and
- 5.7 percent did not report revenues to D&B

Service industries represent the largest portion of businesses in the AA at 32.8 percent; followed by non-classifiable establishments (30.2 percent); finance, insurance, and real estate (10.8 percent); retail trade (8.9 percent); and transportation and communication (6.6 percent). In addition, 56.8 percent of businesses employ one to four people, and 93.6 percent of businesses operate from a single location.

According to Crain's Chicago Business's *The Book: 2025*, the top five employers and the number of employees, in the broader Chicagoland area are as follows:

- the United States government (52,315)
- the Chicago Public Schools (43,286)
- the City of Chicago (30,918)
- Amazon.com Inc. (30,110)
- Advocate Health (28,070)

According to the article, “US job growth sharply slows in July, unemployment rate ticks higher,” published by Reuters on August 1, 2025¹, conditions in the labor market have begun to decline following several years of strong post-pandemic recovery. The report noted that employers added fewer jobs than anticipated in July and the national unemployment rate increased in June. Although the increase is modest, it reflects a gradual cooling in hiring as businesses respond to persistent inflationary pressures and the Federal Reserve’s higher interest-rate environment. The AA and the state of Illinois have defied this trend even though the local unemployment rates are higher than the national unemployment rates. The following table presents the most recent

¹ Reuters Pool (2025, August 1). Instant View: U.S. Job Growth Sharply Slows in July, Unemployment Rate Ticks Higher. Reuters <https://www.reuters.com/business/view-us-job-growth-sharply-slows-july-unemployment-rate-ticks-higher-2025-08-01/>.

unemployment rates for the county, state, and nation, providing the context within which the bank operates.

Unemployment Rates			
	2023 Average	2024 Average	July 2025
Area	%	%	%
Cook County, Illinois	4.4	5.4	5.3
State of Illinois	4.5	5.1	4.6
National Average	3.6	4.0	4.2

Source: Bureau of Labor Statistics (State and National are seasonally adjusted, and Counties are not seasonally adjusted.)

Competition

IBC's AA is a highly competitive market for financial services. According to the 2024 Wolters Kluwer Deposit Market Share data, the AA includes 182 financial institutions with 1,263 offices. By dollar volume of deposits, IBC was in the 81st percentile and ranked 34th among these institutions at \$815.1 million, maintaining 0.18 percent of the deposit market share. Large national and regional financial institutions, such as BMO Bank, J.P. Morgan Chase Bank, and Bank of America, operate offices within the AA and hold the majority of the market share. The top five financial institutions control 55.0 percent of the deposit market share.

In 2024, per Wolters Kluwer aggregate data, a total of 710 lenders reported 88,122 home mortgage loans originated or purchased, in the AA. IBC was in the 81st percentile and ranked 135th with 0.08 percent market share by number of loans. The top five lenders, including Guaranteed Rate and J.P. Morgan Chase Bank, control 24.4 percent of the market share.

While IBC is not a CRA Small Business loan reporter, aggregate data can be used to gauge demand. In 2023, per Wolters Kluwer aggregate data, a total of 219 lenders reported 146,679 small business loans originated or purchased, in the AA. The top five institutions, including J.P. Morgan Chase Bank and American Express National Bank, control 74.4 percent of the market share.

Community Contacts

As part of the examination, examiners contact third parties active in the AA to assist in identifying the community credit needs. The information helps examiners determine whether local financial institutions are responsive to these needs.

Interviews with leaders of CDFIs operating in the AA were reviewed by examiners. One interviewee emphasized affordable housing and economic development lending as the most pressing needs, noting that predevelopment financing is particularly critical for projects in LMI neighborhoods. The contact also highlighted opportunities for banks to form deeper, long-term partnerships through investments, loan participations, and technical assistance support. A second interviewee identified affordable housing, public safety, and small business vitality as the top priorities, particularly for minority- and women-owned firms seeking loans under \$100,000. The

contact reported that while banks often provide CRA-motivated investments, direct small-dollar lending remains limited, leaving others to fill the gap.

Credit and Community Development Needs and Opportunities

Considering the information from community contacts, discussions with management, and demographic data, examiners determined that the community development needs in the AA are affordable housing, small business lending, and financial literacy for small businesses and retail customers.

There are substantial opportunities for community development throughout the AA. Financial institutions serve a vital role in expanding affordable housing, small business lending, and community facilities by leveraging tools such as loan participations, equity-equivalent investments, and empowerment zones. Banks may also support economic development by providing grants or sponsorships for technical assistance programs that build capacity among nonprofit developers and emerging entrepreneurs. Strong opportunities for loans under \$100,000 exist for underserved small businesses and neighborhoods. The U.S. Department of Housing and Urban Development, State of Illinois and local community groups promote and sponsor many programs to assist with affordable housing and small business lending. With the presence of CDFIs, local banks have multiple channels to achieve CRA objectives while directly supporting revitalization and job creation.

SCOPE OF EVALUATION

General Information

The evaluation encompasses the period from the previous FDIC performance evaluation dated November 14, 2022, to the current ILCRA evaluation conducted by the Illinois Department of Financial and Professional Regulation (IDFPR), Division of Banking, dated September 15, 2025. Examiners completed a full scope review of the bank's Illinois AA. IBC's New York operations were not evaluated. Examiners used the FFIEC Interagency Intermediate Small Institution Examination Procedures to evaluate IBC's ILCRA performance. These procedures include the Lending Test and the Community Development Test. The criteria for these tests are detailed in the Appendices. IDFPR also provides comments regarding the institution's fair lending policies and procedures pursuant to 205 ILCS 735/35-15. Examiners conducted the fair lending review in accordance with the FFIEC Interagency Fair Lending Examination Procedures. In addition, under Section 345.200 of the implementing rules of ILCRA, assessment factors as described on page 32 were considered in the evaluation of IBC's record of ILCRA performance.

Financial institutions must achieve a satisfactory rating under the Lending Test and Community Development Test to obtain an overall satisfactory rating. However, evidence of discrimination and/or a negative evaluation of assessment factors can lower the overall ILCRA rating.

Activities Reviewed

Examiners reviewed IBC's business strategy, loan portfolio composition, and the number and dollar volume of loan originations during the review period and determined the bank's major

loan products to be home mortgage and small business loans. Small business loans received slightly greater weight than home mortgage loans based on the loan portfolio distribution table. Home mortgage loans are further subdivided into owner-occupied 1-4 family, non-owner occupied 1-4 family, and multi-family loans in order of weight. The bank's record of originating owner-occupied 1-4 family loans received the greatest weight because this product has the highest number of loans. Non-owner occupied 1-4 family has the second greatest number of loans, and multi-family has the least number of loans.

Small farm, and consumer loans do not represent a significant portion of the loan portfolio. Therefore, these loan products were not reviewed and have no material impact on the conclusions.

Examiners analyzed the institution's home mortgages originated and purchased from January 1, 2023, through December 31, 2024, in Chicago MSA. The Chicago MSA was chosen because it reflects activities from operations in the Illinois AA. The bank originated and purchased 163 home mortgage loans, totaling \$47.1 million in 2023. In 2024, the bank originated and purchased 95 home mortgage loans, totaling \$41.1 million. Examiners analyzed the institution's small business loans originated and purchased from January 1, 2024, through December 31, 2024, as the bank indicated this year's performance was representative of their activities. Examiner sampled 27 loans at \$11.2 million in the Chicago MSA. The Chicago MSA was chosen because it reflects activities from operations in the Illinois AA.

Community development loans, qualified investments, and community development services since the prior FDIC CRA evaluation were considered under the Community Development Test.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

IBC demonstrated reasonable performance under the Lending Test. Overall, the performance under the AA Concentration, Geographic Distribution, and Borrower Profile criteria supports the conclusion.

Loan-to-Deposit Ratio

IBC's net LTD ratio is more than reasonable given the institution's size, capacity, and AA credit needs. IBC maintained an average net LTD ratio of 91.0 percent from September 30, 2022, to June 30, 2025, over 12 quarters. The net LTD ratio fluctuated throughout the evaluation period and ranged from a low of 83.2 percent as of December 31, 2022, to a high of 103.6 percent as of December 31, 2023. IBC's average net LTD ratio is above the four net LTD ratios of similarly-situated institutions (SSIs), as shown in the table below. One SSI was under IBC, and this institution was also deemed more than reasonable in its FDIC CRA exam. Examiners identified SSIs based on asset size, areas served, and lending emphasis.

Loan-to-Deposit Ratio Comparison		
Institution	Total Assets as of 6/30/2025 (\$000s)	Average Net LTD Ratio (%)
International Bank of Chicago	982,762	91.0
Similarly Situated Institution #1	517,814	89.6
Similarly-Situated Institution #2	963,792	83.7
Similarly-Situated Institution #3	861,081	80.6
Similarly-Situated Institution #4	604,325	87.5
Similarly-Situated Institution #5	829,713	88.2

Source: Reports of Condition and Income 9/30/2022 through 6/30/2025

Assessment Area Concentration

The bank made a majority of loans and engaged in a majority of other lending-related activities in its AA. This conclusion is reflected, by number and dollar volume, in its home mortgage and small business loans. This table reflects the definition that all loans in Cook County, Illinois, are inside the AA. The total loans include loans in the Chicago MSA only. The area was chosen because it reflects activities from operations in the Illinois AA. The bank's loans outside the Chicago MSA are not included in the table. The following table summarizes loan concentrations inside and outside of the AA.

Lending Inside and Outside of the Cook County, IL AA Within the Chicago MSA												
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$ (000s)		
	Inside		Outside			Inside		Outside				
	#	%	#	%		\$ (000s)	%	\$ (000s)	%			
Home Mortgage												
2023	118	72.4	45	27.6	163	35,210	74.7	11,905	25.3	47,115		
2024	74	77.9	21	22.1	95	35,348	86.1	5,708	13.9	41,056		
Subtotal	192	74.4	66	25.6	258	70,558	80.0	17,613	20.0	88,171		
Small Business (Sample)												
2024	24	88.9	3	11.1	27	10,322	92.2	869	7.8	11,191		
Subtotal	24	88.9	3	11.1	27	10,322	92.2	869	7.8	11,191		
Total	216	75.8	69	24.2	285	80,880	81.4	18,482	18.6	99,362		

*Source: Bank Data
Due to rounding, totals may not equal 100.0*

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, reasonable penetration among individuals of different incomes and businesses of different sizes. Only lending in the AA was considered in the borrower profile analysis. Examiners focused on performance by number of loans as the number of loans is a better indicator of the number of borrowers served. Only owner-occupied and non-owner-occupied 1-4 family home mortgages were used in the home mortgage analysis. IBC does not collect income information for Home Mortgage Disclosure Act (HMDA) multi-family home mortgage lending; therefore, multi-family loans were not analyzed and are not included in the tables below. Performance under small business loans supports this conclusion.

Home Mortgages

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among individuals of different incomes. Performance under both the owner-occupied and non-owner-occupied 1-4 family home mortgages supports this conclusion.

Owner-Occupied 1-4 Family Home Mortgages

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among individuals of different incomes. The data below shows that lending to low-income borrowers was lower than the demographic data in 2023 and 2024. When comparing bank home mortgage levels to the percentage of families, it is common to see banks trailing, sometimes significantly, the percentage of low-income families. This seemingly deficient performance is often a direct result of poverty levels. Borrowers at or below the poverty level face significant challenges to obtaining home ownership. When comparing bank performance to the percentage of low-income families, it is generally appropriate to compare the bank to the percentage of low-income families less the percentage below the poverty level. In this AA, families generating income below the poverty level consist of 10.1 percent of all families. This closes the gap.

Examiners focused more on comparing aggregate data, as it better reflects the demand and opportunities for originating loans in the AA. The bank's performance with low-income borrowers trailed the aggregate in 2023, and the bank's performance exceeded the aggregate in 2024. With moderate-income borrowers, the bank exceeded the demographic and aggregate in both years significantly. In addition, the bank's growth in 2024 from 2023 with moderate-income borrowers supports an excellent rating. The table below provides details.

Distribution of Owner-Occupied 1-4 Family Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	27.3	9.7	2	2.3	260	1.2
2024	27.3	7.4	6	13.6	773	7.4
Moderate						
2023	16.9	24.3	30	34.5	5,688	25.3
2024	16.9	21.4	18	40.9	4,017	38.4
Middle						
2023	18.1	21.9	40	46.0	11,070	49.2
2024	18.1	21.7	12	27.3	3,044	29.1
Upper						
2023	37.7	29.9	15	17.2	5,497	24.4
2024	37.7	33.5	7	15.9	2,538	24.3
Not Available						
2023	0.0	14.2	0	0.0	0	0.0
2024	0.0	15.9	1	2.3	80	0.8
Total						
2023	100.0	100.0	87	100.0	22,515	100.0
2024	100.0	100.0	44	100.0	10,452	100.0

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Non-Owner-Occupied 1-4 Family Home Mortgages

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among individuals of different incomes. The data below demonstrates in 2023 the bank outperformed the aggregate by fivefold but is below the demographic by 8.3 percentage points. In 2024, the bank has no loans to low-income borrowers. The bank's performance in moderate-income tracts in 2023 and 2024 exceeds both the aggregate and demographic. The following table illustrates the bank's performance.

Distribution of Home Mortgage Loans by Non-Owner-Occupied 1-4 Family Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	27.3	3.8	4	19.0	591	15.6
2024	27.3	4.4	0	0.0	0	0.0
Moderate						
2023	16.9	6.8	4	19.0	764	20.1
2024	16.9	5.1	5	22.7	1,569	18.3
Middle						
2023	18.1	9.5	1	4.8	391	10.3
2024	18.1	9.0	1	4.5	315	3.7
Upper						
2023	37.7	27.4	10	47.6	1,627	42.9
2024	37.7	26.3	3	13.6	753	8.8
Not Available						
2023	0.0	52.5	2	9.5	421	11.1
2024	0.0	55.2	13	59.1	5,949	69.3
Total						
2023	100.0	100.0	21	100.0	3,793	100.0
2024	100.0	100.0	22	100.0	8,586	100.0

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business Loans

The distribution of small business loans reflects, given the product lines offered by the institution, reasonable penetration among businesses of different sizes. The bank's performance is measured against the percentage of businesses with GARs of a \$1.0 million or less. The bank's performance in lending to businesses with GARs of \$1.0 million or less trailed the demographic. However, the demographic represents all businesses, not just those seeking credit. Moreover, demographic data does not necessarily represent the demand in the market. Many small businesses seek credit through other mechanisms such as credit cards, home equity loans, or financing through non-bank sources to fund their businesses. Examiners compared the bank's small business lending to two SSIs recently evaluated for CRA performance. IBC's performance exceeded one institution and trailed the other institution. Both institutions performed reasonably in their FDIC CRA exams. The following table illustrates the bank's performance.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Business Revenue Level	% of Businesses	#	%	\$ (000s)	%
<=\$1,000,000					
2024	91.1	10	41.7	3,636	35.2
>\$1,000,000					
2024	3.2	13	54.2	6,486	62.8
Revenue Not Available					
2024	5.7	1	4.2	200	1.9
Total					
2024	100.0	24	100.0	10,322	100.0

Source: 2024 D&B Data; "--" data not available.
Due to rounding, totals may not equal 100.0%

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. Examiners concentrated on lending penetration in LMI census tracts and focused on performance by the number of loans as it is a better indicator of the number of borrowers served. Only lending in the AA was considered in the geographic distribution analysis. Performance under small business loans supports this conclusion.

Home Mortgage

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the AA. Performance under owner-occupied 1-4 family home mortgages and multi-family home mortgages supports this conclusion.

Owner-Occupied 1-4 Family Home Mortgage Loans

The geographic distribution of owner-occupied 1-4 family home mortgage loans reflects excellent dispersion throughout the AA. In low-income tracts, the bank exceeds the aggregate and demographic. In moderate-income tracts, the bank exceeds the aggregate and demographic by nearly double. Performance was compared to three SSIs, operating in the AA, and IBC's performance exceeded these SSIs. The following table illustrates the bank's performance.

Geographic Distribution of Owner-Occupied 1-4 Family Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$ (000s)	%
Low						
2023	7.3	7.3	9	10.3	3,144	14.0
2024	7.3	7.2	7	15.9	1,445	13.8
Moderate						
2023	22.8	21.3	38	43.7	8,453	37.5
2024	22.8	21.1	18	40.9	3,919	37.5
Middle						
2023	34.7	33.6	32	36.8	8,956	39.8
2024	34.7	33.6	16	36.4	4,067	38.9
Upper						
2023	34.9	37.4	8	9.2	1,962	8.7
2024	34.9	37.9	3	6.8	1,021	9.8
Not Available						
2023	0.3	0.3	0	0.0	0	0.0
2024	0.3	0.2	0	0.0	0	0.0
Total						
2023	100.0	100.0	87	100.0	22,515	100.0
2024	100.0	100.0	44	100.0	10,452	100.0

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Non-Owner-Occupied 1-4 Family Home Mortgage Loans

The geographic distribution of non-owner-occupied 1-4 family home mortgage loans reflects reasonable dispersion throughout the AA. In low-income tracts, the bank exceeds the aggregate and demographic in 2023 but is limited to one loan in low-income tracts in 2024. In moderate-income tracts, the bank exceeds the aggregate and demographic in 2023 and is below the aggregate and demographic in 2024. The following table illustrates the bank's performance.

Geographic Distribution of Non-Owner Occupied 1-4 Home Mortgage Loans						
Tract Income Level	% of Occupied Rental Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	18.8	18.3	6	28.6	513	13.5
2024	18.8	17.8	1	4.5	200	2.3
Moderate						
2023	28.5	32.1	8	38.1	1,678	44.2
2024	28.5	29.5	6	27.3	1,604	18.7
Middle						
2023	25.1	26.2	5	23.8	1,061	28.0
2024	25.1	27.7	7	31.8	1,859	21.7
Upper						
2023	26.6	22.9	2	9.5	541	14.3
2024	26.6	24.6	8	36.4	4,922	57.3
Not Available						
2023	1.0	0.4	0	0.0	0	0.0
2024	1.0	0.4	0	0.0	0	0.0
Total						
2023	100.0	100.0	21	100.0	3,793	100.0
2024	100.0	100.0	22	100.0	8,586	100.0

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Multi-Family Home Mortgage Loans

The geographic distribution of multi-family home mortgage loans reflects excellent dispersion throughout the AA. In low-income tracts, performance varied by year. In 2023, performance was well above both the aggregate and demographic and was comparable to the demographic and the aggregate in 2024. With moderate-income tracts, the bank significantly exceeded the aggregate and demographic in both years. Combined, this performance is excellent. In addition, performance was compared to one SSI, and IBC's performance was significantly above the SSI. The following table illustrates the bank's performance.

Geographic Distribution of Multi-Family Home Mortgage Loans						
Tract Income Level	% of Multi-Family Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	11.3	20.7	5	50.0	4,420	49.7
2024	11.3	19.1	1	12.5	386	2.4
Moderate						
2023	21.6	30.0	4	40.0	4,003	45.0
2024	21.6	28.6	6	75.0	3,714	22.8
Middle						
2023	26.3	24.9	1	10.0	480	5.4
2024	26.3	26.2	1	12.5	12,210	74.9
Upper						
2023	39.8	23.1	0	0.0	0	0.0
2024	39.8	25.0	0	0.0	0	0.0
Not Available						
2023	1.0	1.3	0	0.0	0	0.0
2024	1.0	1.0	0	0.0	0	0.0
Total						
2023	100.0	100.0	10	100.0	8,902	100.0
2024	100.0	100.0	8	100.0	16,310	100.0

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. Performance exceeded the demographic in low-income tracts, and performance trailed the demographic in moderate-income tracts. The performance is comparable. In addition, performance was compared to a recently evaluated SSI, and these two institutions were similar in performance. The following table illustrates the bank's performance.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2024	7.8	4	16.7	1,540	14.9
Moderate					
2024	20.1	3	12.5	1,695	16.4
Middle					
2024	28.6	9	37.5	4,101	39.7
Upper					
2024	42.8	8	33.3	2,986	28.9
Not Available					
2024	0.7	0	0.0	0	0.0
Total					
2024	100.0	24	100.0	10,322	100.0

Source: 2024 D&B Data; "--" data not available.
Due to rounding, totals may not equal 100.0%

Response to Complaints

The bank did not receive any CRA or ILCRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

Overall, IBC demonstrated adequate responsiveness to the community development needs of its AA through community development loans, qualified investments, and community development services. The scope of the community development review encompasses the interval since the bank's previous FDIC CRA evaluation dated November 14, 2022, to September 15, 2025. Examiners considered the institution's capacity to participate in such activities, as well as the availability of community development opportunities and the performance of the bank compared to its prior evaluation and SSIs.

Community Development Loans

During the evaluation period, the bank made 56 community development loans, totaling approximately \$61.9 million in the AA over 34 months. The bank's level of community development loans to average net loans and average total assets were 8.2 percent of average net loans and 6.4 percent of average total assets or 0.24 percent and 0.19 percent per month, respectively. In the bank's prior examination, there were 51 loans totaling \$80.4 million over 39 months. This was 10.2 percent of average assets or 0.26 percent per month and 14.4 percent of average net loans or 0.37 percent per month. While IBC made more loans in this shorter review

period, IBC's community development loan volume is lower than the prior examination's performance.

IBC's community development lending performance was compared to SSIs recently evaluated by the FDIC. The five SSIs operating in the AA averaged 12.5 percent of average net loans or 0.37 percent per month and ranged from 3.6 percent to 23.6 percent or 0.09 to 0.76 percent per month. In addition, the five SSIs averaged 6.9 percent of average total assets or 0.20 percent per month and ranged from 1.9 percent to 11.2 percent or 0.05 percent per month to 0.36 percent per month. The following table provides additional information regarding community development lending.

Community Development Lending										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
11/14/2022– 12/31/2022	0	0	0	0	1	363	0	0	1	363
2023	8	3,405	0	0	11	11,000	8	16,752	27	31,157
2024	3	3,495	1	437	8	3,906	4	6,959	16	14,797
YTD 2025	4	4,053	0	0	4	1,845	4	9,716	12	15,614
Total	15	10,953	1	437	24	17,114	16	33,427	56	61,931

Source: Bank Data

Notable examples of the bank's qualified community development loans include:

- \$1.4 million loan to build a new property to lease to new small businesses and promote economic development and growth.
- \$2.1 million loan to acquire and rehab a 54-unit apartment building. The property is in a low-income tract. The units are part of a Housing Assistance Program to help house LMI families.
- \$2.8 million loan to acquire and improve a gas station with convenience store in a moderate-income census tract. This loan helped retain jobs for LMI residents.

Innovative and Flexible Lending Programs

Micro Loan Program

Introduced in 2014, the bank's Micro Loan Program continues to assist LMI residents in the AA. These micro loans, or small dollar loans, help both LMI individuals and small businesses with \$2,500 and \$5,000 per loan, respectively. These funds include pre-credit financial counseling, instruction and analysis of credit reports, budgeting, debt servicing, and follow up counseling. IBC originated 87 loans, totaling \$217,500 during the review period.

Foreign Investor Lending Program

This program helps create jobs and addresses the financial needs of minority communities in the AA, especially immigrants who are often “unbanked” or “under-banked.” Introduced in 2016, IBC’s program helps new immigrants or foreign investors invest in the community. With this lending program, IBC originated 12 loans, totaling \$53.2 million in 2024, four loans, totaling \$4.0 million in 2023, and 14 loans, totaling \$12.2 million in 2022.

USCIS EB5 Program

According to the bank’s loan policy, this loan program “provides foreign investors the opportunity to receive US Permanent residency by investing in US businesses for job creation without direct involvement in the business operations.” Currently, the bank has 4 customers totaling \$750,000 in deposits under this program.

Federal Home Loan Bank Programs (FHLB)

The Community First Accelerated Grants Program allows banks to submit up to two small business loan applications each calendar year to fund the purchase or improvement of property, equipment, supplies, workforce development training, and technology. It is a competitive program that provides the small business a grant. The bank submitted one application in 2022, but the business was not selected. In 2023, one application was submitted where the business was selected, but the 2023 \$25,000 grant was not paid until 2024. In 2024, two applications were submitted, and both received 2024 grants of \$15,000 each.

Qualified Investments

IBC made 16 donations and 13 investments, totaling \$8.8 million over 34 months. The bank’s level of qualified investments to average total assets and average net securities were 0.91 percent of average assets or 0.027 percent per month and 7.3 percent of average net securities or 0.21 percent per month. In the bank’s prior examination, there were 30 qualified investments and donations, totaling \$10.1 million over 39 months. This translates to 1.3 percent of average total assets or 0.033 percent per month and 6.3 percent of average net securities or 0.16 percent per month. IBC’s current investment volume is similar to its prior performance.

IBC’s qualified investments performance was compared to SSIs recently evaluated by the FDIC. The five SSIs averaged 2.4 percent of average net securities or 0.07 percent per month and ranged from 0.21 percent to 4.1 percent or 0.01 percent per month to 0.12 percent per month. The five SSIs averaged 0.90 percent of average total assets or 0.025 percent per month and ranged from 0.02 percent to 1.8 percent or 0.001 percent per month to 0.117 percent per month. IBC’s investments are notable as a majority of them are affordable housing, which is responsive to the community development needs. The following table details qualified investments by year and type.

Qualified Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	8	6,222	0	0	0	0	0	0	8	6,222
11/14/2022 – 12/31/2022	0	0	0	0	0	0	0	0	0	0
2023	2	1,198	0	0	0	0	0	0	2	1,198
2024	2	1,361	0	0	0	0	0	0	2	1,361
YTD 2025	1	38	0	0	0	0	0	0	1	38
Subtotal	13	8,819	0	0	0	0	0	0	13	8,819
Qualified Grants and Donations	0	0	16	16	0	0	0	0	16	16
Total	13	8,819	16	16	0	0	0	0	29	8,835

Source: Bank Data

Notable examples of the bank's qualified investments and donations include:

- \$1.7 million in a CRA Qualified Investment Mutual Fund specializing in affordable housing.
- \$1.0 million in Fannie Mae or Freddie Mac affordable housing pools.
- \$12,200 donated to agencies serving LMI immigrant populations.

Community Development Services

During the 34-month evaluation period, the bank completed 919 hours or 27.0 hours per month of community development services. The level of community development services is higher than its prior performance. In the prior exam, IBC completed 765 hours or 19.6 hours per month. IBC's community development services performance was compared to SSIs recently evaluated by the FDIC. The four SSIs averaged 1273 hours or 36.4 hours per month and ranged from 416 to 2,048 hours or 35.2 to 67.2 hours per month. The following table provides additional details regarding the bank's community development services.

Community Development Services						
Activity Year	Affordable Housing		Community Services	Economic Development	Revitalize or Stabilize	Total
	Hours	Hours	Hours	Hours	Hours	
11/14/2022 – 12/31/2022	0	4	0	0	0	4
2023	178	201	0	0	0	379
2024	92	193	0	0	0	285
YTD 2025	46	205	0	0	0	251
Total	316	603	0	0	0	919

Source: Bank Records

Notable examples of the bank's CD services include:

- Senior officer serves on Board of Directors of a community service organization that serves LMI immigrants.
- Lending officers provided credit counseling through the bank's microlending program.
- Lending officers conducted multiple first-time buyer home ownership seminars.

FAIR LENDING, DISCRIMINATORY, OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The IDFPR Division of Banking provides comments regarding the institution's fair lending policies and procedures pursuant to 205 ILCS 735/35-15. Examiners conducted the fair lending review in accordance with the FFIEC Interagency Fair Lending Examination Procedures. Based on an application of these procedures, examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, the results did not affect the institution's overall ILCRA rating.

APPENDICES

INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

1. The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
2. The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
3. The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes;
4. The geographic distribution of the bank's loans; and
5. The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

1. The number and amount of community development loans;
2. The number and amount of qualified investments;
3. The extent to which the bank provides community development services; and
4. The bank's responsiveness through such activities to community development lending, investment, and service needs.

ASSESSMENT FACTORS
(38 Ill. Admin. Code 345.200)

As used in this Part, "assessment factors" means the assessment of the following factors to determine whether a bank is meeting the financial services needs of local communities:

- a) activities to ascertain the financial services needs of the community, including communication with community members regarding the financial services provided;
- b) extent of marketing to make members of the community aware of the financial services offered;
- c) origination of mortgage loans including, but not limited to, home improvement and rehabilitation loans, and other efforts to assist existing low-income and moderate-income resident to be able to remain in affordable housing in their neighborhoods;
- d) for small business lenders, the origination of loans to businesses with gross annual revenues of \$1,000,000.00 or less, particularly those in low-income and moderate-income neighborhoods;
- e) participation, including investments, in community development and redevelopment programs, small business technical assistance programs, minority-owned depository institutions, community development financial institutions, and mutually owned financial institutions;
- f) efforts working with delinquent customers to facilitate a resolution of the delinquency;
- g) origination of loans that show an under concentration and a systemic pattern of lending resulting in the loss of affordable housing units;
- h) evidence of discriminatory and prohibited practices; and
- i) offering retail banking services to unbanked and underbanked persons.

GLOSSARY

Affiliate: This means any company that controls, is controlled by, or is under common control with another company. The term "control" has the meaning given to that term in 12 U.S.C. 1841(a)(2), and a company is under common control with another company if both companies are directly or indirectly controlled by the same company.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Alternative financial products or services: This means financial products or services offered by persons other than an insured depository institution at a higher cost than comparable services offered by an insured depository institution.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five-year estimates based on population thresholds.

Area Median Income: This means the median family income for the Metropolitan Statistical Area (MSA), if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: This means a geographic area delineated in accordance with 38 Ill. Admin. Code 345.400.

Bank: This means a bank that has a charter issued under the Illinois Banking Act [205 ILCS 5], a savings bank that has a charter issued under the Savings Bank Act [205 ILCS 205], and an FDIC-insured banking office of a foreign banking corporation issued a certificate of authority under the Foreign Banking Office Act [205 ILCS 645].

Branch: This means a staffed banking facility defined as a branch under Section 2 of the Illinois Banking Act [205 ILCS 5/2] or Section 1007.20 of the Illinois Savings Bank Act [205 ILCS 205/1007.20], and a branch of a banking office of a foreign banking corporation issued a certificate of authority under the Foreign Banking Office Act [205 ILCS 645], whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: This includes: affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, distressed or underserved nonmetropolitan middle-income geographies designated by the Board of Governors of the Federal Reserve System, FDIC, and Office of the Comptroller of the Currency based on rates of poverty, unemployment, and population loss or based on population size, density, and dispersion. Activities that revitalize and stabilize geographies are designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals; or unbanked or underbanked geographies; and activities targeted to directly and tangibly increase climate resilience in low-income to moderate-income neighborhoods or mitigate environmental harm in LMI neighborhoods.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited-purpose bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan unless the loan is for a multifamily dwelling (as defined in 12 CFR 1003.2(n)); and
 - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under 38 Ill. Admin. Code 345.240(d).

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loan, which is a consumer loan extended for the purchase of and secured by a motor vehicle; credit card loan, which is a line of credit for household, family, or other personal expenditures that is accessed by a borrower's use of a "credit card," as this term is defined in 12 CFR 1026.2; other secured consumer loan, which is a secured consumer loan that is not included in one of the other categories of consumer loans; and other unsecured consumer loan, which is an unsecured consumer loan that is not included in one of the other categories of consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Department: This means the Illinois Department of Financial and Professional Regulation.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also

include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FDIC: This means the Federal Deposit Insurance Corporation.

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants, the amount of loan requested, and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loan: This means a closed-end mortgage loan or an open-end line of credit as these terms are defined under Section 1003.2 and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (10) and (13).

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Income level includes:

Low-income: This means an individual income that is less than 50 percent of the area median income or a median family income that is less than 50 percent in the case of a geography.

Moderate-income: This means an individual income that is at least 50 percent and less than 80 percent of the area median income or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Middle-income: This means an individual income that is at least 80 percent and less than 120 percent of the area median income or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Upper-income: This means an individual income that is 120 percent or more of the area median income or a median family income that is 120 percent or more in the case of a geography.

Limited purpose bank: This means a bank that offers only a narrow product line (such as credit card or motor vehicle loans) to a regional or broader market and for which a designation as a limited purpose bank is in effect, in accordance with 38 Ill. Admin. Code 345.250(b).

Limited-Scope Review: A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Loan Location: This means a loan is located as follows:

A consumer loan is located in the geography where the borrower resides;

A home mortgage loan is located in the geography where the property to which the loan relates is located; and

A small business or small farm loan is located in the geography where the main business facility or farm is located or where the loan proceeds otherwise will be applied, as indicated by the borrower.

Loan production office: This means a staffed facility of a bank, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

Low-Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and the other having incomes below the median.

Metropolitan Division (MD): This means a metropolitan division as defined by the United States Director of the Office of Management and Budget.

Metropolitan Statistical Area (MSA): This means a metropolitan statistical area as defined by the United States Director of the Office of Management and Budget.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as non-MSA): This means any area that is not located in an MSA.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Remote Service Facility (RSF): This means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank, such as an automated teller machine, cash dispensing machine, point-of-sale terminal, or other remote electronic facility, at which deposits are received, cash dispersed, or money lent.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Bank: This means a bank that is a small bank under federal administrative rules established by the bank's primary federal financial supervisory agency pursuant to the federal Community Reinvestment Act and an intermediate small bank means a bank that is an intermediate small bank under federal administrative rules established by the bank's primary federal financial supervisory agency pursuant to the federal Community Reinvestment Act.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms.

Small business loan: This means a loan included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Federal Financial Institution Examination Council (FFIEC) 031 and 041).

Small farm loan: This means a loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (FFIEC 031 and 041).

Special credit program: This means any credit program offered by a bank to meet special social needs which is in conformity with and explicitly authorized by the Equal Credit Opportunity Act (15 U.S.C. 1691(c)) and Regulation B (12 C.F.R. 1002.8).

Substantial majority: This means a portion of the bank's lending activity so significant by number and dollar volume of loans that the lending test evaluation would not meaningfully reflect its lending performance if consumer loans were excluded.

Unbanked person: This means an individual that does not have a checking or savings account with an insured depository institution.

Underbanked person: This means an individual that has a checking or saving account with an insured depository institution but that used financial products or services from a person other than an insured depository institution in the past 12 months.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

Very Small Bank: This means a bank that is eligible for the Very Small Bank Examination Procedure set forth in 38 Ill. Admin. Code 345.450(b).

Wholesale bank: This means a bank that is not in the business of extending home mortgage, small business, small farm, or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with 38 Ill. Admin. Code 345.450(b).