

## Public Benefits Agreement

Enterprise Bank & Trust (“the Bank”) and the St. Louis Equal Housing and Community Reinvestment Alliance (“SLEHCRA”) are together committed to providing outstanding services and products to the St. Louis community, particularly in low-income communities and minority communities.

This Public Benefits Agreement (“Agreement”) demonstrates the commitment of the Bank to increase services, products, and resources in communities that have been traditionally underserved by mainstream financial institutions in the St. Louis metropolitan area and the Kansas City metropolitan area. SLEHCRA and the Bank have created this Agreement together and will work in partnership to uphold the terms of this Agreement. The Agreement is effective for a period of Three (3) years commencing on the Closing Date<sup>1</sup>.

### **1. Branches and Service Locations**

- a. The Bank will commit to opening two new service locations in low- and moderate-income census tracts and in communities of color. These service locations may include Interactive Teller Machines (ITM) but must also include at least one full-time employee that can provide banking services. At least one of these locations must be in a majority minority census tract in the City of St. Louis. The bank will open these service locations in partnership with an existing organization or institution, with the first location opening by December 31, 2017. The Bank will consider feedback from SLEHCRA members when selecting this location.
- b. At least one mortgage loan officer that is a minority person consistent with the demographics of the neighborhood will be assigned to work out of the Ferguson Loan Production Office at 10853 West Florissant Avenue on a full-time basis. Additionally, at least one business banker that is a minority person consistent with the demographics of the neighborhood will be assigned to work out of such location on, at minimum, a part-time basis.

### **2. Residential Lending**

- a. **Target Lending Goals:** The Bank will commit its best efforts to originating a minimum of \$30,000,000 annually for the purpose of funding home loans to qualified LMI Borrowers and/or in LMI communities in the St. Louis metro area, and will commit its best efforts to the same level and type of originations annually in the Kansas City metro area. In the event the Bank is unable to identify qualified applicants allowing it to reach this level of originations, despite its best efforts, SLEHCRA member organizations will commit to providing assistance with

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<sup>1</sup> As used herein, the term “Closing Date” shall mean that date which Eagle Bank and Trust Company of Missouri (“Eagle Bank”) merges with and into the Bank, with the Bank being the surviving entity (the “Merger”), pursuant to that definitive merger agreement between Enterprise Financial Services Corp, the Bank, Jefferson County Bancshares, Inc., and Eagle Bank dated October 10, 2016 (the “Merger Agreement”). The Merger is expected to close early in 2017, subject to certain closing conditions and approvals as detailed in the Merger Agreement.

identifying qualified applicants to the Bank and creating awareness of the Bank's products within the community in order to help support the Bank in its efforts to satisfy the remainder of the committed amount.

- b. **Target Lending Goals:** The Bank will commit its best efforts to originating a minimum of \$15,000,000 annually for the purpose of funding home loans to qualified Minority Borrowers in the St. Louis metro area, and will commit its best efforts to originating a minimum of \$9,000,000 annually for the purpose of funding home loans to qualified Minority Borrowers in the Kansas City metro area. In the event the Bank is unable to identify qualified applicants allowing it to reach this level of originations, despite its best efforts, SLEHCRA member organizations will commit to providing assistance with identifying qualified applicants to the Bank and creating awareness of the Bank's products within the community in order to help support the Bank in its efforts to satisfy the remainder of the committed amount.
- c. **Affordable Mortgage Product or Program:** The Bank will offer a specially designed affordable home mortgage product to meet the needs of qualified low-income borrowers, which may include home purchase loans or home improvement /repair loans. Features of such product may include a lower interest rate, subsidized closing costs, consideration of alternative credit, etc.
- d. **Subsidy Funds:** The Bank will provide a minimum of \$800,000 in subsidy funds to borrowers in predominantly African-American census tracts in its St. Louis assessment area. The Bank may distribute these funds, in its discretion, in one or more various forms, including, without limitation, a discount on interest rates, down-payment assistance, closing cost assistance for qualified borrowers, funding escrow accounts, the payment of any required initial mortgage insurance premium, the purchase of interest free mortgage loans originated by qualified community housing organizations, and as described in Section 3(c) below. In the event, despite the best efforts of the Bank, this minimum subsidy amount has not been fully satisfied upon the expiration of the initial three (3) year term of this Agreement, the term as it relates to this Section 2(d) and Section 10(c) may be extended for an additional one (1) year. In such event, all other provisions of the Agreement shall terminate upon the expiration of the initial three (3) year term.

### 3. Small Business Lending

- a. **Target Lending Goals:** The Bank will commit a minimum of \$60,000,000 in aggregate loan originations annually in small business lending in LMI communities in the St. Louis and Kansas City metro areas.
- b. **Small Business Products and Programs:** The Bank will work to develop and administer a Small Business Loan Fund in partnership with a St. Louis area organization(s). The expectation is that the partner(s) will be located in the North St. Louis City/County area, and the partnership groups may include, but are not limited to, the Hispanic Chamber of Commerce, Prosperity Connection and St. Louis Community Credit Union, MoKan, and the Small Business Development Center. The Bank will



commit a minimum of \$500,000 in loan originations through this program over the term of this agreement. Eligible borrowers will be businesses located in, or will predominantly serve, majority minority census tracts in the St. Louis metropolitan area. In addition, the Bank will continue to serve as a Loan Service Provider in the St. Louis Contractor Loan Fund.

- c. **Subsidy Funds:** The Bank may provide up to 35% of the subsidy funds described in Section 2(d) above to business owners located in or serving predominantly African-American census tracts in its St. Louis assessment area.

#### 4. **Banking Services and Products**

- a. **Credit Building Products:** The Bank will continue offering its credit builder small dollar loan product.
- b. **Products for Unbanked and Underbanked:** The Bank will continue to offer free checking and savings accounts. In addition, in its selection of partners for financial education and other initiatives, the Bank will consider the efforts of local organization(s) to meet the needs of unbanked consumers, those who do not have checking or savings accounts, and underbanked consumers in selecting partners.
- c. **Banking Services for Immigrants:** The Bank will continue its policies that accept alternative forms of identification, like ITINs and consular ID cards. The Bank has offered ITIN-Loan products in the Kansas City area since February 2014 and will commit to expand this product line to the St. Louis metro area.
- d. **Asset-Building and Savings Products:** The Bank will commit to supporting Individual Development Accounts (IDAs) or other matched savings programs by providing a minimum of \$60,000 in the St. Louis metro area and \$60,000 in the Kansas City metro area over the term of this agreement to IDA or other matched savings programs that are designed to serve low and moderate income consumers.

#### 5. **Community Development**

- a. **Loan Officers:** The Bank will maintain the roles of SVP – Strategic Alliances and Inclusion and Community Development Relationship Manager. Loan officer positions in both the Mortgage Division and Business Banking will continue to be filled with individuals that are culturally competent and have experience and/or contacts in low- and moderate-income communities and minority communities.
- b. **Target Goals:** The Bank commits to maintaining its status as a leader in Community Development lending by maintaining a minimum of 10% CD Loans/Total Assets Ratio, as measured at the end of each calendar year falling within the term of this Agreement.
- c. **Lines of Credit:** The Bank will commit to establishing lines of credit to qualified non-profits to support community development and economic development activities.

- d. **Ending Funding for Predatory Lenders:** The Bank agrees to refrain from establishing any new financing relationships with payday lenders and title lenders.

**6. Financial Education**

- a. **Workshops and Classes:** The Bank will conduct a minimum of 12 workshops or classes per year in low- and moderate-income communities or for other traditionally underserved populations. This will be done in partnership with a community organization.
- b. **Financial Support:** The Bank will commit a minimum of \$40,000 a year in support of financial education programs. These resources may be provided to partner community organizations.
- c. **Enterprise University:** The Bank will continue to provide Enterprise University courses free of charge and allow for attendance by non-Bank clients.

**7. Affirmative Marketing and Outreach**

- a. **Targeted Resources:** The Bank will conduct targeted marketing and advertising in minority communities. This can include print, radio, or television media outlets, as well as non-traditional media outlets including sponsorship of events with a primary audience of LMI communities or communities of color. The Bank will commit to a minimum of \$40,000 a year on this targeted marketing. When appropriate based on the outlet, these materials will be made available and will be actively marketed in Spanish or other demographically appropriate languages.

**8. Community Engagement**

- a. **Partnership with Organizations:** The Bank commits to actively increasing its relationships with non-profits and community organizations in the St. Louis and Kansas City metro areas by providing a combined aggregate amount of a minimum of \$200,000 per year in philanthropic grant funding to these types of organizations. During the first year of the term of this Agreement, at least 10% of these grants must go to small organizations with annual operating budgets of \$500,000 or less, with this percentage increasing to 12% in the second year of the term, and 15% in the third year of the term.
- b. **Collaborative Efforts:** The Bank commits to joining collaborative efforts to increase financial services and resources to underserved communities.

**9. Diversity in Employees and Leadership**

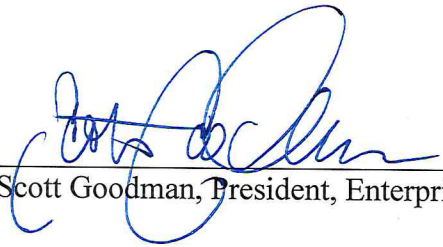
- a. **Target Goals:** The Bank commits to increasing the diversity of the staff and leaders. The bank will increase representation of minorities and women within levels of senior managements, and board of directors. It will continue its dedicated, intentional approach to improving diversity & inclusion, both internally and externally. Specific examples will include a Reciprocal Mentoring Program, Engagement Initiatives, and ongoing training/communication regarding inclusion, unconscious bias, etc.



**10. Fair Lending and Community Reinvestment Compliance**


- a. **Collaboration with SLEHCRA:** The Bank will collaborate with SLEHCRA by providing a minimum of \$40,000 per year in grant funding.
  
- b. **Training:** The Bank will require all of its employees with significant involvement in lending to complete annual fair lending training. This training shall include, but not be limited to, the Fair Housing Act, the Community Reinvestment Act, the Equal Credit Opportunity Act, and the Home Mortgage Disclosure Act. The Bank will consider partnering with the National Community Reinvestment Coalition (NCRC) to provide these trainings.
  
- c. **Updates:** The Bank will meet annually with SLEHCRA to report on updates and progress regarding this Agreement as well as other relevant activities of the Bank regarding community reinvestment or fair lending. The Bank will prepare a written report documenting data and updates for each item in the agreement that will be made publicly available at branch locations and by request. In addition, the Bank commits to fully completing SLEHCRA's annual survey of banking practices.

Signatures:



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Scott Goodman, President, Enterprise Bank & Trust



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Jackie Hutchinson, Co-Chair, SLEHCRA



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Elisabeth Risch, Co-Chair, SLEHCRA