

FHLBank Chicago COVID-19 Relief Program

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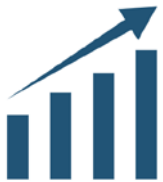
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01 Support and Vision



Our Members are Our Priority

Given the economic environment, there is an expectation that every country, city, community, member, and person will be affected by COVID-19 in one way or another.

It remains very difficult to quantify as expectations on the virus and support for the economy is changing rapidly from one day to the next.

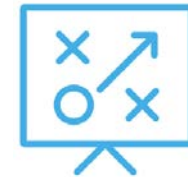
As pillars and major employers in your communities, FHLBank Chicago knows that you are focused on maintaining your business operations and supporting your customers and communities.

Our team is well positioned to maintain the level of assistance and partnership you have come to expect from us. Serving you remains our highest priority.

Feedback from Members and Partners

- Over the past several weeks, we have heard from our members and partners across the district about the impacts they are seeing in their communities as a result of the COVID-19 pandemic.
- The clear, consistent message has been that:
 - Small businesses, nonprofit customers, and community partners of our members are suffering due to sudden, steep declines in revenue, and
 - In order to survive this turbulent time, your local businesses, customers, and partners need immediate injections of cash or funding solutions with flexible repayment terms.

02 COVID-19 Relief Program



COVID-19 Relief Program



COVID-19 Relief Advance

- 0% advance with one year maturity; prepayments permitted
- Maximum of \$4M advance allocated per member or associate member
- An advance application is required, but no extra documentation or support is needed. Standard borrowing requirements still apply.



COVID-19 Relief Grant

- New grant program assisting small businesses and nonprofit organizations selected by members and associate members
- Up to \$20,000 available per member
- A separate application is required



Community First® Capacity-Building Grant Program

- An additional \$250,000 in annual grant funds available to members and associate members to assist small businesses and nonprofits
- 2020 program opened on April 6; application deadline extended to May 22

COVID-19 Relief Advance

COVID-19 Relief Advance Highlights

Immediate Liquidity Available

**0% Financing for
One Year**



**No Prepayment
Fees**



**No Proof of
Community or PPP
Lending Required**



COVID-19 Relief Advance Details

0% Fixed Rate Funding with No Prepayment Fees!

Availability	Available April 27, 2020 through May 22, 2020
Advance Type	A121 Fixed Rate, Fixed Term
Member Eligibility	All Members and Housing Associates (subject to credit and collateral requirements)
Rate	Fixed at 0% for the life of the advance
Term	One year
Capital Stock Requirement	2% Reduced Capitalization Advance Program (RCAP) only (versus 4.5% standard in capital plan)
Prepayment	Prepayable or partially prepayable at any time, without fees
Member Limits	Maximum size of advance of \$4M per member
Documentation	A relief advance application is required, but no other supporting documentation is needed.

How Do I Apply?

01

Someone authorized with Advance Transact Authority at your institution will fill out the Relief Advance application and email the completed application to ReliefAdvance@fhlbc.com.

02

Applications will be processed as they are received and entered as forward-settling to fund on Friday, and you will receive an advance confirmation once processed.

All requests must be in by 3:00 pm CST on Thursday to be eligible to fund on Friday of the same week.

03

All other borrowing requirements (collateral, capital stock, etc.) still apply and must be met on the Friday the advance settles.

04

The advance will be processed on Friday and funds deposited into your DID account.

Application for the COVID-19 Relief Advance

Pursuant to and subject to the terms of an Advances, Collateral Pledge, and Security Agreement and a resolution adopted by the Borrower's Board of Directors ("Resolution"), now on file with the Federal Home Loan Bank of Chicago ("Bank"), the undersigned ("Borrower") hereby applies for a commitment of funds, proceeds of which are to be deposited to applicant's Daily Investment Deposit (DID) account.

The below request for a commitment of funds is subject to the terms and conditions of the Advance Plan. Requests submitted and processed 8:00 a.m. Friday. **The Federal Home Loan Bank of Chicago is not responsible for the advance depending on member demand.** You will receive a Notification of Commitment for Forward-Starting Advance. The Notification of Commitment for Forward-Starting Advance terms are processed. The Notification of Commitment for Forward-Starting Advance

The below advance will be issued in accordance with the terms and conditions of the Advance Plan on the Commitment Date as further described in the Notification of Commitment for Forward-Starting Advance (Member Products Guide); as revised from time to time by the Bank. The Notification of Commitment for Forward-Starting Advance

Advance Plan	Advance Term	Interest Rate	Requested Advance Amount
A121 – Fixed Rate Fixed Term	1 Year	0%	*maximum of \$4M; limit of one advance per member

Special Terms And Conditions

- (1) This advance will incorporate by reference the RCAP Terms and Conditions published in the Federal Home Loan Bank of Chicago's Member Products Guide, and such Terms and Conditions are made a part hereof as if set forth herein in their entirety.
- (2) This advance is prepayable at any time without penalty.
- (3) The funding of this advance is subject to the applicant meeting all credit and collateral requirements on the Funding Date indicated in the Notification of Commitment for Forward-Starting Advance.

The undersigned officer of the Borrower certifies that in accordance with the Resolution, they are authorized to apply to the Bank for this advance.

The undersigned officer further certifies that upon funding of the herein requested advance, the Borrower's total borrowings, including all amounts borrowed from sources other than the Bank, will not exceed any borrowing limitation established by the Borrower's Board of Directors.

It is agreed as a condition of making said advance, that, if pursuant to the Bank's capital plan or the Federal Home Loan Bank Act, the applicant is required to purchase additional capital stock, the Bank may deduct the amount of the required purchase from the proceeds of this advance and apply it to the purchase of such stock.

Member Number	Member Name
Individual with Advance Transact Authorization	
Title	

The application is a simple one page document to be filled out and submitted by someone with Advance Transact Authority at your institution.

You can find the application here:
<https://fhlbc.com/news/covid-19-resource-center>

What Else Do I Need to Know?

- Each member may only apply one time, for one advance.
- All members and associate members are eligible for the advance.
- The FHLBank Chicago has allocated funds for all members and associate members to receive the full \$4 million Advance: if you ask for it, you will get it!
- Applications submitted before 3:00 p.m. CST on Thursdays will be processed and funded on Fridays.
 - If there is a high volume of requests during the week, some advances may be delayed funding to a subsequent Friday.
 - Funds are reserved for all members and all requests received by 3 p.m. CST on Thursday, May 21 will be filled.

COVID-19 Relief Grant

COVID-19 Relief Grant

Grants Available for Small Businesses and Nonprofit Organizations

Availability	Available April 27, 2020 through May 22, 2020
Member Eligibility	All Members and Housing Associates
Eligible Beneficiaries	Small businesses as defined by the member, and nonprofit organizations - Members apply on behalf of their customers and partners and pass funding through to them
Member Limits	Maximum subsidy limited to \$20,000 per member - Total can be distributed across multiple beneficiaries - Member submits one application reflecting all requested grant funds
Eligible Uses	Resource needs arising from the COVID-19 emergency (e.g., coverage for revenue deficits, working capital, relief efforts, etc.)
Documentation	Grant beneficiary information requested at application if known; otherwise, requested post-funding

How do I Apply?

01

Complete the grant application, providing information on the beneficiaries (small businesses and/or nonprofit organizations). Email completed application to ReliefGrant@fhlbc.com

02

Grants will be processed as they are received and entered as forward-settling to that Friday or a subsequent Friday. You will receive a confirmation once processed.

All requests must be in by 3:00 p.m. CST on Thursday to be eligible to fund on Friday of the same week.

03

Members must provide basic information about their grant beneficiaries. If not provided in the application, the FHLBank Chicago will send a follow up request.

04

The grant will be processed on Fridays and funds deposited into your DID account.

Small Business/Nonprofit Type

- 1 Agricultural
- 2 Commercial Office
- 3 Commercial Retail
- 4 Commercial Wholesale
- 5 Day Care
- 6 Education
- 7 Health Care
- 8 Heavy Industrial
- 9 Hotel
- 10 Housing
- 11 Infrastructure
- 12 Light Industrial
- 13 Manufacturing
- 14 Public Facilities
- 15 Real Estate
- 16 Social Services
- 17 Other: _____



The request for grant funds will be processed on a first-come, first-served basis. The request must be received by the FHLB Chicago office on Monday through 3:00 p.m. CST Thursday will be scheduled. (FHLBank Chicago) reserves the right to delay funding.

Application for the COVID-19 Relief Grant Program

Authorization Acknowledgement

- (1) All information provided above is accurate, and necessary.
- (2) Beneficiaries meet the eligibility requirements of the FHLB Chicago COVID-19 Relief Grant Program.
- (3) Funds will be used in accordance with program guidelines.
- (4) Member institution will report back to the FHLB Chicago.

As a duly authorized officer of the Federal Home Loan Bank of Chicago, I certify that:

Name: _____

Title: _____

Member Information

Member Institution: _____ Member Number: _____

Contact Name: _____ Contact Email: _____

Contact Phone Number: _____ Amount Requested: _____

Total Grant Amount Cannot Exceed \$20,000 per Member

Beneficiary Information

Organization	Address (City, State, Zip)	Organization Type	Small Business/Nonprofit Type (Choose number from list below)	Grant Amount
		<input type="radio"/> Small Business <input type="radio"/> Nonprofit Organization		
		<input type="radio"/> Small Business <input type="radio"/> Nonprofit Organization		
		<input type="radio"/> Small Business <input type="radio"/> Nonprofit Organization		
		<input type="radio"/> Small Business <input type="radio"/> Nonprofit Organization		
		<input type="radio"/> Small Business <input type="radio"/> Nonprofit Organization		
Total (Cannot Exceed \$20,000)				\$ 0.00

If supporting more than five entities, please provide beneficiary information on a separate spreadsheet.

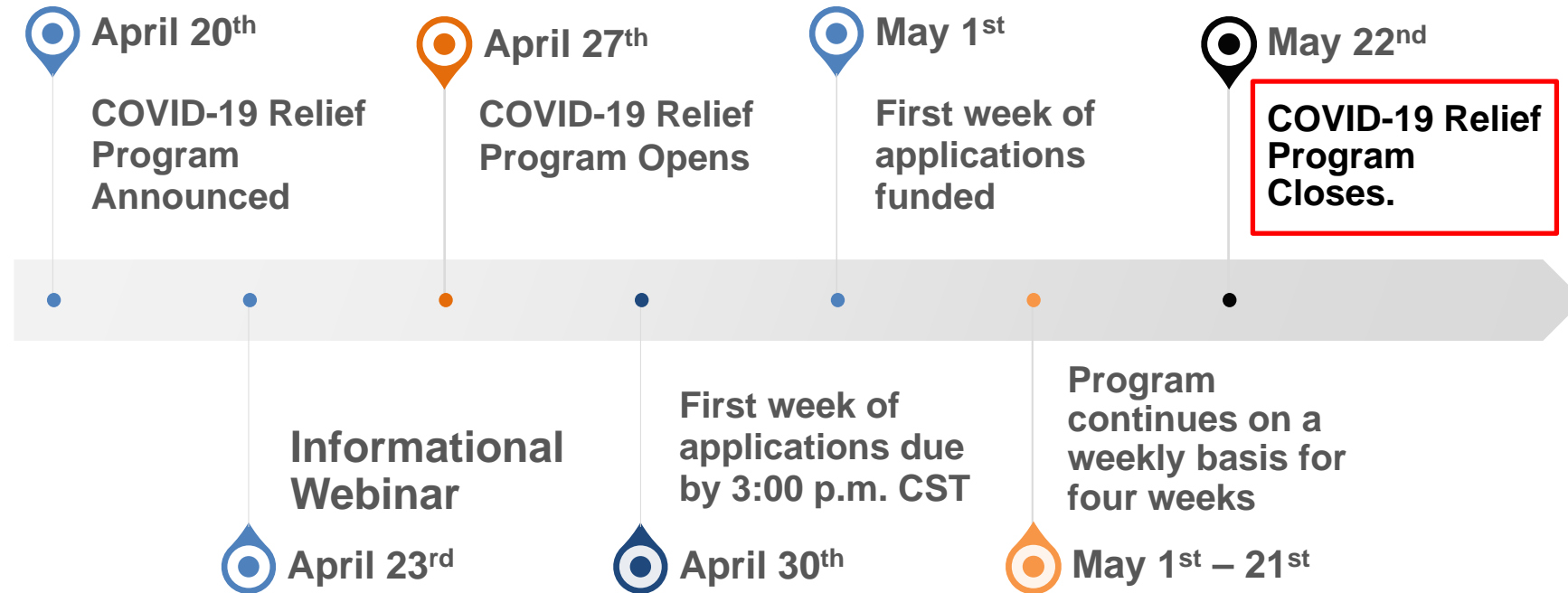
The application is a simple one page document to be filled out and submitted by a Duly Authorized Officer of the Member.

You can find the application here:
<https://fhlbc.com/news/covid-19-resource-center>

What Else Do I Need to Know?

- Each member may only apply for one grant.
- You can apply for up to \$20,000, but if you choose to apply for less, you will not be able to submit a second application.
- The full grant amount does *not* need to go to a single beneficiary. You may allocate it out as you see fit.
- Applications submitted before 3:00 p.m. CST on Thursdays will be processed and funded on Fridays.
 - If there is a high volume of requests during the week, some grants may be delayed funding to the next week.
 - Funds are reserved for all members and all requests received by 3:00 p.m. CST on Thursday, May 21 will be filled.

Important Dates



Community First[®] Capacity-Building Grant Program

Increased Funding for Community First[®] Capacity-Building Grant Program

- FHLBank Chicago has allocated an additional \$250,000 to the Community First Capacity-Building Grant Program, for a total of \$500,000 available in 2020.
- Program provides grants (up to \$50,000) to help nonprofit lenders strengthen their financial position, increase their operational efficiency, and grow their human capital.
- Members apply on behalf of nonprofit partners and pass the funding through to them.
- The program opened April 6, 2020, and applications will be accepted until Friday, May 22.
- Awards will be announced in August.
- Eligible uses of grants:
 - Information technology / systems (including investments in remote work platforms and phone/video conferencing capabilities)
 - Program/product development
 - Professional development
 - Policy/procedure development
 - Strategic planning
 - Market research or marketing

03 Other Forms of Relief



FHLBank Chicago COVID-19 Accommodations and Relief



Advance Products

- Extending deadline to execute some LIBOR-based advances maturing after 2021 to June 30, 2020



Collateral

- Accepting loans granted forbearance due to COVID-19 as eligible collateral
- Accepting loan modifications and renewals executed with an e-signature (with conditions)
- Allowing QCRs to be completed by June 15, 2020 and either deferring or offering desktop collateral reviews



MPF

- Offering flexibility on QC requirements and loan documentation (income verification, tax docs, etc.)
- Suspending evictions on borrowers and granting borrowers forbearance on loans
- Giving flexibility on appraisals by allowing desktop appraisals or exterior-only appraisals



Community Investment Programs

- Offering a COVID-19 Relief Grant of up to \$20,000 per member
- Offering a one-year, 0% interest rate COVID-19 Relief Advance of up to \$4 million per member
- Allocating an additional \$250,000 to the Community First® Capacity-Building Grant Program

04 Member Resources



For the Latest News on FHLBank Chicago's COVID-19 Responses, Visit our Resource Center



Important Information Relating to COVID-19

As pillars and major employers in your communities, FHLBank Chicago knows that you are focused on maintaining your business operations and supporting your customers and communities. Our team is well positioned to maintain the level of assistance and partnership you have come to expect from us. Serving you remains our highest priority.

The following is a resource page to summarize the temporary relief that may be available to you during the COVID-19 pandemic, best practices and suggestions for managing virtual operations, and additional resources that may be useful to you as we navigate these unprecedented times. Check back regularly for the latest updates.

COVID-19 Related Updates from FHLBank Chicago

- **March 31, 2020** | COVID-19 Update: A Message from the Chair of Our Board of Directors
- **March 27, 2020** | Coronavirus Update: We Are Here to Support You

More Information on FHLBank Chicago's COVID-19 Relief Program

- Announcement Letter and FAQ
 - [COVID-19 Relief Program Announcement](#)
 - [COVID-19 Relief Program FAQ](#)
- Application Links
 - [COVID-19 Relief Advance Application](#)
 - [COVID-19 Relief Grant Application](#)
 - [Community First[®] Capacity-Building Grants](#)
- Keep Up to Date with the FHLBank Chicago COVID-19 Resource Center
 - [FHLBank Chicago COVID Resource Center](#)
- Previously Announced Temporary Relief Measures by FHLBank Chicago
 - [FHLBank Chicago Temporary Relief Measures](#)

Contact Information on FHLBank Chicago's COVID-19 Relief Program

- For COVID-19 Relief Advance Questions, contact:
 - ReliefAdvance@fhlbc.com
- To submit a COVID-19 Relief Advance application, send an email with the attached completed application to:
 - ReliefAdvance@fhlbc.com
- For COVID-19 Relief Grant questions and to submit an application, contact:
 - ReliefGrant@fhlbc.com
- For Community First[®] Capacity-Building Grant questions, contact:
 - CI@fhlbc.com

Member Services and Solutions

Economic Analysis

- Daily Market Commentary
- Weekly Market Update Webinars
- Topical Whitepapers
- Guest Speaker Webinars
- Demographic Analysis of Branch Area

Relative Value Analysis

- NIM and Deposit Modeling
- Deposit Studies
- Secondary Mortgage Market Price Comparisons
- Case Studies
- Interest Rate Shock Scenarios

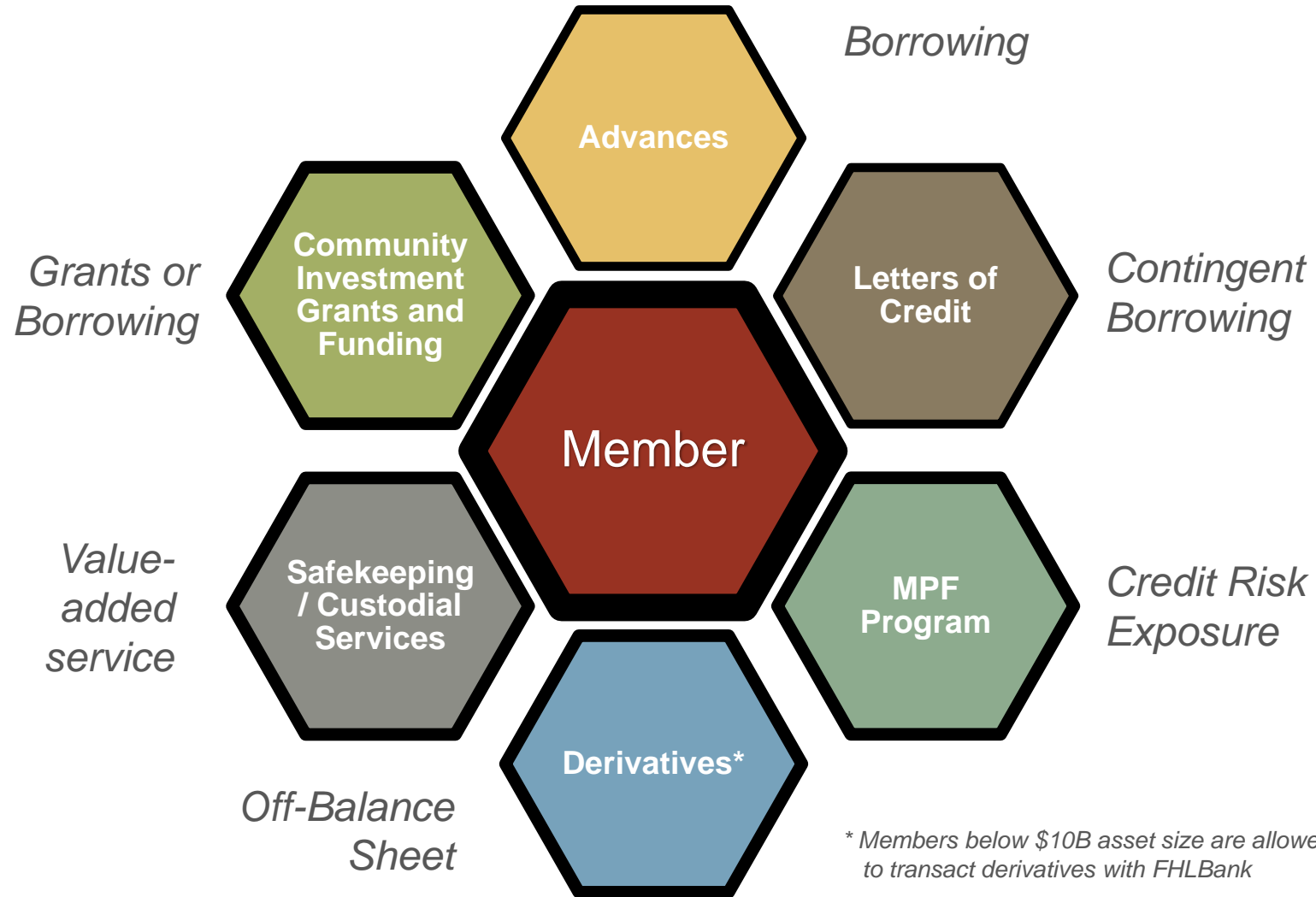
Risk Analysis

- Model NII and IRR of Asset-Liability Portfolios
- Asset / Investment Strategies
- Managing Mortgage Banking Risks

Other Solutions

- Annual Member Benefit Statement
- Workshops and Webinars
- Charter-Specific Conferences
- ALM Learning Sessions

Products Designed to Fit Your Needs



Community Investment Products Designed to Give You a Competitive Advantage



Competitive Affordable Housing Program (AHP) provides grants to subsidize the purchase, construction, or rehabilitation of affordable owner-occupied or rental housing units.



Downpayment Plus® (DPP®) Programs offer down payment assistance in the form of grants through members to assist income-eligible homebuyers with down payment and closing costs.



Community Advances and Letters of Credit offer discounted advances and letters of credit to support affordable housing projects for owner-occupied and rental housing lending, or support for economic development projects. Includes Community Small Business Advance.



Community First Voluntary Programs are funded with retained earnings and provide loans and grants to non-profit lenders, as well as grants to households and businesses impacted by FEMA-declared disasters.

Member Solutions and Market Commentary

- Topical member solutions, whitepapers, and market analysis and commentary are available at www.fhlbc.com/solutions.
- This page is updated regularly with new publications and strategies to meet our member's needs.

The image displays a grid of six content cards, each with a distinct header, a descriptive title, and a 'Read More' button. The cards are arranged in two rows of three. The top row features three cards with the header 'Advances and Relative Value' (two) and 'Residential' (one). The bottom row features three cards with the header 'ALM and Investments' (one) and 'Advances and Relative Value' (two). Each card includes a small image related to its topic.

Header	Title	Image Description
Advances and Relative Value	Notes from the Funding Desk: Swap + Rolling Advance Strategy	Illustration of a person standing over a desk with a calculator and smartphone.
Advances and Relative Value	Notes from the Funding Desk: Four Unique Funding Strategies	Illustration of a person standing over a desk with a calculator and smartphone.
Residential	Residential Lending Solutions: Funding Mortgages: Q1 2020	Photograph of a calculator, a pencil, and a house model on a desk.
ALM and Investments	Highlights of the Investment Spreads Report: Q1 2020	Photograph of hands pointing at a laptop screen displaying charts.
Advances and Relative Value	Generating Income in an Uncertain Environment: Q1 2020	Photograph of hands pointing at a tablet displaying a chart.
Consumer	Consumer Lending: Auto Lending Solutions: Q1 2020	Photograph of a car driving on a winding road through autumn trees.

Weekly Market Update on Thursdays

- The FHLBank Chicago Strategy and Solutions team hosts a weekly market update webinar every Thursday at 3:00 p.m. CST to discuss economic activity over the past week.
- Email your sales director to be added to the distribution list.



Economics and Financial Markets



Weekly Market Update
Guest Speaker: March 5, 2020

[Read More](#)



Economics and Financial Markets



Weekly Market Update:
April 9, 2020

[Read More](#)



Advances and Relative Value



Weekly Market Update
Guest Speaker with our
Community Investment
Group

[Read More](#)



Economics and Financial Markets



Weekly Market Update
Guest Speaker: March 28,
2019

[Read More](#)



Economics and Financial Markets



Weekly Market Update
Guest Speaker Webinar
with Morgan Stanley:
January 31, 2019

[Read More](#)



Economics and Financial Markets



Weekly Market Update
Guest Speaker:
November 1, 2018

[Read More](#)

Questions?

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