



## 2021 MISSION-RELATED INVESTMENT TERM SHEET

<b>Purpose</b>	<p>To expand capital to financial intermediaries working to advance child well-being, particularly those whose work aligns with Deaconess' Just for Kids Theory of Change and policy priorities including: Early Childhood Education, Justice and Equity for Youth, Family Economic Mobility, or Comprehensive Health Care.</p>
<b>Eligible Partners</b>	<p>Certified Community Development Finance Institutions (CDFI), Development Finance Agencies (DFA), credit unions, nonprofits, and social enterprises that have been in existence for least three years or with three years of audited financials and are working to benefit children and/or families in the city of St. Louis or St. Louis, St. Charles, Jefferson or Franklin counties in Missouri, or Madison, St. Clair, or Monroe counties in Illinois.</p>
<b>Selection Criteria</b>	<p><b>Alignment and Impact:</b> Proposed need and use of capital aligns with Deaconess mission and policy priorities.</p> <p><b>Financial Strength and Sustainability:</b> Leverage business models that demonstrate reliable revenue sources and repayment capacity to further build organizational strength</p> <p><b>Organizational Capacity:</b> Leadership, governance, staff and systems sufficient to execute business plan</p>
<b>Loan Amount Ranges</b>	<p>Up to \$500,000, with a minimum of \$100,000</p>
<b>Interest Rate</b>	<p>Commensurate with proposed use of funds, 3% minimum annually</p>
<b>Term</b>	<p>As supported by the proposed use of funds, 3-5 years anticipated</p>
<b>Principal Amortization</b>	<p>Interest payments expected quarterly, return of principal expected at conclusion of investment term</p>
<b>Covenant and Reporting Requirements</b>	<p>Partnership agreements will include commitments from Deaconess and MRI partners and may include partner financial covenants.</p> <p>Annual and ongoing reporting will include financial statements and portfolio performance. Annual reporting will also include a narrative update focused on use of funds and progress toward meeting the purpose of capital requested.</p>