

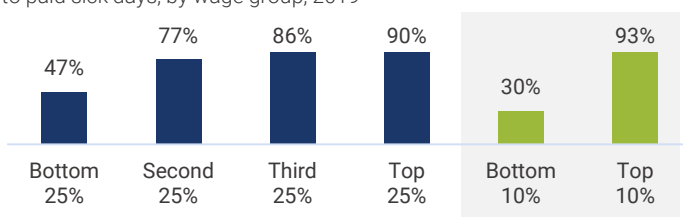
CRA Investments and COVID-19

The spread of COVID-19 continues to impact the financial markets and has led to unprecedented actions by state and Federal governments and by the Federal Reserve. We fully expect tremendous social and economic strains for society as a result of this crisis and its repercussions. Underserved communities and individuals are certain to be the hardest hit. **Our mandate from clients to provide needed capital to low- and moderate-income communities and families is more important than ever. Banks have a unique opportunity to help those most in need through the Community Reinvestment Act (CRA).**

Inequality and COVID-19

While most agree the two major risk factors thought to make COVID-19 deadlier for those who catch it are old age and pre-existing health conditions, a recent New York Times story¹ pointed out a third: low socioeconomic status. People at the lower ends of society are about 10 percent likelier to have a chronic health condition. Such conditions can make COVID-19 up to 10 times as deadly, according to recent data from the Chinese Centers for Disease Control and Prevention. Taken together, these two statistics suggest that COVID-19 can be about twice as deadly for those along their society's lower rungs. Additionally, in the United States, 90 percent of people whose income is in the top quarter have paid sick leave at work, while only 47 percent of those in the bottom quarter do.

High-Wage Workers Have Paid Sick Days; Most Low-Wage Workers Do Not | Share of private-sector workers with access to paid sick days, by wage group, 2019



Source: <https://www.epi.org/blog/lack-of-paid-sick-days-and-large-numbers-of-uninsured-increase-risks-of-spreading-the-coronavirus/>

How Banks Can Help Through the CRA

The CRA requires banks to lend and provide services equitably and support community development in the communities where they do business. The CRA has leveraged trillions of dollars nationwide for a wide range of investments, including affordable housing, quality jobs, and community services.² The income inequality gap will continue to widen as this pandemic persists. Supporting these individuals and families and helping small businesses is imperative. Banks have an opportunity to help those likely to be most affected through the CRA.

The CRA Qualified Investment Fund is distributed by SEI Investments Distribution Co. (SIDCO), 1 Freedom Valley Drive, Oaks, PA, which is not affiliated with Community Capital Management, Inc. Investing involves risk including loss of principal. Bonds and bond funds will decrease in value as interest rates rise. The Fund is not diversified.

Carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information can be found in the Fund's prospectus, which can be obtained by calling 866-202-3573. Please read carefully before investing. There is no guarantee the objective will be achieved.

Community Capital Management, Inc. is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940.

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CRA Consideration for Activities in Response to COVID-19³

A recent update to the CRA includes the agencies providing favorable consideration of certain retail banking services, retail lending activities, and community development activities related to this national emergency. Given our focus on CRA investments, we have highlighted information to this response as it relates to community development activities.

Community Development Activities: In light of the declaration of a national emergency, this statement clarifies that financial institutions will receive CRA consideration for community development activities.

Qualifying activities include those that help to revitalize or stabilize low- or moderate-income geographies as well as distressed or underserved nonmetropolitan middle-income geographies, and that support community services targeted to low- or moderate-income individuals. Such activities may include, but are not limited to:

- Loans, investments, or services that support digital access for low- and moderate-income individuals or communities;
- Loans, investments, or services that support access to health care, particularly for low- and moderate-income individuals or communities;
- Economic development activities that sustain small business operations, particularly in low- and moderate-income communities; and
- Investment or service activities that support provision of food supplies and services for low- and moderate-income individuals or communities.

The CRA Qualified Investment Fund

The CRA Qualified Investment Fund (ticker: CRAIX), launched in 1999, invests in high credit quality fixed income securities that finance community development initiatives. The Fund has over \$2 billion in assets, making it one of the nation's largest mutual funds of community development investments. Over the last 20 years, Community Capital Management (CCM), the registered investment advisor to the CRA Qualified Investment Fund, has launched several initiatives, many in times of crisis, supporting small businesses, disaster recovery, and rural community development. In an effort to continue being at the forefront of helping those in need, CCM will look to find investments on behalf of banks supporting efforts to assist with the current pandemic. Banks that invest in the Fund to support these essential needs may earn CRA credit for their investments.

¹ <https://www.nytimes.com/2020/03/15/world/europe/coronavirus-inequality.html>

² <https://shelterforce.org/2019/12/18/protecting-the-community-reinvestment-act-is-an-investment-in-economic-justice/>

³ https://www.fdic.gov/news/news/financial/2020/fil20019.html?source=govdelivery&utm_medium=email&utm_source=govdelivery