

**SUMMARY OF \$5.7 MILLION CONSENT ORDER
BETWEEN FIRST AMERICAN BANK AND THE DEPARTMENT OF JUSTICE**

The United States' lawsuit alleges that First American Bank engaged in a pattern of discrimination on the basis of race, color, and national origin in the extension of residential real estate-related, consumer, and small business loans in the Chicago and Kankakee, Illinois areas. Specifically, the Complaint alleges that the Bank avoided marketing itself and doing business in minority census tracts because of the race or national origin of the residents. This is a discriminatory practice known as redlining, which violates both the Fair Housing and Equal Credit Opportunity Acts. The parties have agreed to resolve the suit through this Consent Order.

Nondiscrimination Injunction

First American Bank is enjoined from engaging in any practice which discriminates on the basis of race, color, or national origin in any aspect of a residential real estate-related or credit transaction.

Lending Initiatives - Monetary Relief

In order to remedy the alleged discrimination and ensure that all types of credit offered by First American are marketed and made available in minority residential areas on no less favorable a basis than in majority white residential areas, First American will:

- Open four new full-service branch offices in minority communities within three years. Three of the branches will be in majority African American census tracts and one in a majority Hispanic census tract.
- Invest a minimum of \$5 million over five years in a special financing program for home mortgage, home equity, small business, community development, and consumer lending for residents of and small businesses located in minority census tracts. This special financing program will provide subsidized interest rates for qualified residents and businesses in minority census tracts of a minimum of ½ of a percentage point below the standard interest rate then set by the Bank for that product. The Bank will use its best efforts to make 30% of the subsidized loans each year to small businesses, including community development loans for small businesses located in minority census tracts.
- Spend a minimum of \$400,000 over the five-year term of the Order to expand the Bank's marketing and outreach program by advertising in print media and on radio stations targeted to African American and Hispanic audiences, and by creating point-of-sale materials, published in English, Spanish, and other foreign languages commonly used in minority census tracts, to advertise its products and services. The Bank will also utilize direct mailings to residents and small businesses located in minority census tracts within the neighborhoods surrounding the four new bank branches required under the Order.
- Invest a minimum of \$300,000 in consumer education over the term of the Order to provide credit counseling, financial literacy, business planning, and other related educational programs for residents of the minority census tracts.

- Deploy deposit-taking ATMs at all new branches, while locating off-premises ATMs on a nondiscriminatory basis, principally in high-rise office buildings or the central business district of Chicago.
- Employ a full-time person to direct its community lending program with responsibility to oversee development of residential, consumer and small business lending in minority census tracts and compliance with the Order.
- Provide fair lending training at least annually to all employees and agents involved in residential, consumer, and small business lending.
- Assess its progress in meeting the goals of the Order after two years by evaluating how its residential, consumer, and small business lending operations are serving the minority communities of the Chicago and Kankakee areas; reviewing the availability of government programs that could enhance its lending operations in minority communities; and meeting with community organizations involved in promoting fair lending, home ownership, and development in minority areas.
- Continue to include the entire Chicago and Kankakee Metropolitan Statistical Areas in its Community Reinvestment Act assessment area.

Monitoring Compliance

During the five-year term of the Order, First American will submit annually to the United States reports on its progress in fulfilling the goals of the Order, as well as the lending data it submits to the Federal Financial Institutions Examinations Council. First American will retain all records relating to its obligations under the Order and make them available to the United States upon request. If the Bank does not comply with the terms of the Order, which becomes effective when it is signed by the judge, the United States can seek court enforcement of its terms.

The Order will last for five years, with the option to terminate the Order at any time after it has been in effect for four years, if the United States concludes that the Bank has fully complied with all the provisions of the Order.