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Novant Health and M&F Bank partner in loan program to support diverse suppliers

Winston-Salem, NC – March 7, 2018 - Novant Health and M&F Bank today announced the joint development of the Diverse Supplier Community Reinvestment Program (DSCRCP), a loan program designed to provide working capital to small business owners located in North Carolina, South Carolina, and Virginia, who currently are part of Novant Health’s supplier network. The process is streamlined and features a full online application process, expedited review by senior commercial lenders and a dedicated underwriting team.

The two North Carolina companies came together to create this program to address a real need. Historically, small, diverse businesses have experienced more difficulties in obtaining adequate working capital to compete as suppliers for large companies. However, small businesses employ nearly 50 percent of the workforce in the private sector, and tend to employ diverse workforces.

“Through a \$5 million dollar investment, Novant Health will provide loan guarantees to its diverse suppliers to enhance the financial health of small, diverse businesses in the communities we serve,” said Fred M. Hargett, executive vice president and chief financial officer at Novant Health. “Our support of this loan program is consistent with our mission and values ‘to improve the health of our communities, one person at a time’ and represents our dedication to one of our core values – diversity and inclusion.”

The program also is in keeping with M&F Bank’s support of small-and minority-owned businesses. Founded to serve those who historically had been underserved by the banking industry, M&F Bank has a long track record of helping small businesses obtain and maintain working capital. James Sills, president and CEO of M&F Bank, said “The DSCRCP serves our mission as a community bank very well, and satisfies our credit risk criteria. It offers the potential of a very positive impact in all the communities served by M&F and by Novant Health.”

The program officially launched on March 5 and additional information can be found at www.novanthealth.or/supplierdiversity.

About Novant Health

Novant Health is an integrated network of physician clinics, outpatient facilities and hospitals that delivers a seamless and convenient healthcare experience to communities in Virginia, North and South Carolina, and Georgia. Named in 2016 by Becker’s Hospital Review as one of the nation’s 150 best places to work in healthcare, Novant Health network consists of more than 1,500 physicians and over 26,000 employees that provide care at over 470 locations, including 14 medical centers and hundreds of outpatient facilities and physician clinics. Headquartered in Winston-Salem, North Carolina, the health system serves more than 4.4 million patients annually and in 2016 provided more than \$725.5 million in community benefit, including financial assistance and services. Diversity MBA has recognized the organization as one of the 50 best places for women and managers of diverse background to work and SK&A ranks Novant Health among the top 25 integrated health systems in the

nation. In 2017, the magazine *Hospitals & Health Networks* also recognized Novant Health as one of the country's "Most Wired Hospitals." Novant Health provides care in Virginia under the joint operating company, Novant Health UVA Health System.

For more information, please visit our website at NovantHealth.org. You can also follow us on Twitter and Facebook.

About M&F Bank

M&F Bank is a state-chartered commercial bank founded in 1907, and has operated continuously since 1908. M&F Bank is one of the few NC banks designated by the United States Treasury as a Community Development Financial Institution (CDFI). Its vision is to be the preferred community bank in its markets. M&F Bank is the wholly owned subsidiary of M&F Bancorp, Inc., which has \$255.1 million in assets as of December 31, 2017. M&F Bancorp's common stock is quoted in the over-the-counter market through the OTC Pink Sheet under the symbol "MFBP." For additional information, contact M&F Bancorp Corporate Headquarters, 2634 Durham Chapel Hill Blvd., Durham, NC at (919) 687-7800 or visit www.mfbonline.com

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