

**FARMERS &
MERCHANTS
SAVINGS BANK**

CRA PUBLIC FILE

DATE:

JANUARY 2, 2025

Community Reinvestment Act Notice

Under the federal community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us. Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA including for example information about our branch's, such as their location and services provided by them the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Kansas City Regional Manager, Federal Deposit Insurance Corporation, 1100 Walnut St., Suite 2100, Kansas City, Missouri 64106.

You may send written comments about our performance in helping to meet community credit needs to:

**Chris J. Carlson, Vice President
Farmers & Merchants Savings Bank
2235 Mormon Trek Blvd
Iowa City, Iowa 52246**

And to the FDIC Regional Manager. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comment received by the FDIC Regional Manager. You may also request from the FDIC Regional Manager an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Lone Tree Service Company, a bank holding company. You may request from the Regional Director, Federal Reserve Bank of Chicago, 230 South LaSalle St., Chicago, Il 60604 an announcement of applications covered by the CRA filed by bank holding companies.

PUBLIC DISCLOSURE

February 20, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Farmers and Merchants Savings Bank
Certificate Number: 10492

2235 Mormon Trek Boulevard
Iowa City, Iowa 52246

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Kansas City Regional Office

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated Satisfactory.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Farmers and Merchants Savings Bank's (F&M) satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. The following points summarize the bank's CRA performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and the credit needs of the assessment areas.
- A majority of the small business, small farm, and home mortgage loans reviewed were located inside the assessment areas.
- The geographic distribution of loans reflects reasonable dispersion throughout the Iowa City Metro Assessment Area.
- The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

F&M is headquartered in Iowa City, Iowa, and is wholly owned by multi-bank holding company, Country Bancorporation, Crawfordsville, Iowa. The institution is affiliated by common ownership through the bank holding company with three other banks: Hiawatha Bank and Trust Company, Hiawatha, Iowa; The Exchange State Bank, Springville, Iowa; and White State Bank, South English, Iowa. The institution has no subsidiaries. HBTC received a Satisfactory rating at its previous Federal Deposit Insurance Corporation CRA Performance Evaluation dated November 13, 2017, based upon Interagency Small Institution Examination Procedures.

In addition to its main office in Iowa City, F&M operates a full-service branch in Lone Tree, Iowa, and a limited-service branch in Nichols, Iowa. On December 8, 2023, F&M merged with its affiliate Peoples Trust and Savings Bank, located in Riverside, Iowa. At the time of merger, Peoples Trust and Savings Bank's sole office became a branch of F&M. F&M operates full-service 24-hour automated teller machines (ATMs) at two of its office locations.

F&M offers a variety of loan products, including commercial, agricultural, residential, and consumer loans. Additionally, the bank assists with special financing alternatives through programs offered by the Small Business Administration and the U.S. Department of Agriculture's Farm Service Agency. These programs are generally designed to assist small businesses, small farmers, and other individuals that may not qualify for loans through conventional financing methods. The institution also facilitates access to long-term, fixed-rate home mortgage loans through the secondary market, including Federal Housing Administration, and rural development programs. Further, F&M participated in the Small Business Administration's Paycheck Protection Program in 2020 and 2021. This loan program provided financial assistance to businesses and farms adversely impacted by the COVID-19 pandemic. Although offering all credit types, management continues to focus predominantly on commercial lending, with a secondary focus of agricultural lending, specifically in nonmetropolitan areas.

In conjunction with an array of credit offerings, F&M offers a variety of deposit products, including checking, savings, and individual retirement accounts, as well as certificates of deposit. Alternative banking services include internet and mobile banking, electronic bill pay, and electronic delivery of periodic statements.

Assets totaled approximately \$120.6 million as of December 31, 2023, representing an increase of 47.5 percent since the September 30, 2017, Consolidated Reports of Condition and Income (Call Reports). Total deposits equaled approximately \$100.4 million, representing a 44.0 percent increase, and total loans were approximately \$81.3 million, representing a 66.0 percent increase, during the same timeframe. Although F&M did experience some organic growth, the majority of growth is attributed to the merger with Peoples Trust and Savings Bank. The merger did not significantly change the composition of the loan portfolio. Since the prior evaluation, commercial loans have increased slightly while agricultural and residential real estate loans have decreased slightly by loan portfolio percentage. The following table details the loan portfolio distribution.

Loan Portfolio Distribution as of 12/31/2023		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	3,959	4.9
Secured by Farmland	8,588	10.6
Secured by 1-4 Family Residential Properties	24,643	30.3
Secured by Multifamily (5 or more) Residential Properties	2,810	3.4
Secured by Nonfarm Nonresidential Properties	21,213	26.1
Total Real Estate Loans	61,213	75.3
Commercial and Industrial Loans	11,940	14.7
Agricultural Production and Other Loans to Farmers	6,796	8.3
Consumer Loans	1,355	1.7
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(0)	(0.0)
Total Loans	81,304	100.0
<i>Source: Call Report</i>		

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet the credit needs of its assessment areas.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. F&M has designated two separate assessment areas within the State of Iowa, which will be referred to as the Iowa City Metropolitan (Metro) Assessment Area and the Non-Metro Assessment Area. At the previous CRA evaluation, the Iowa City Metro Assessment Area included a portion of Johnson County. Because of the merger, this assessment area expanded to include one additional census tract in northern Washington County. Both of these counties comprise the Iowa City, Iowa Metropolitan Statistical Area. Due to the timing of the merger and universe of loans reviewed, demographics and performance context will be demonstrated using the former, pre-merger Iowa City Metro Assessment Area. There have been no changes in the geographic boundaries of F&M's Non-Metro Assessment Area since the prior evaluation. Refer to the individual assessment area sections for more details.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated November 13, 2017, to the current evaluation dated February 20, 2024. Examiners used Small Institution Examination Procedures to evaluate F&M's CRA performance, which focus on the bank's performance under the Lending Test. Refer to the Appendices for a description of this test.

Examiners conducted a full-scope review of each assessment area to evaluate performance, after considering factors such as branching structure, deposit volume, loan volume, market share, and

reviews performed at previous CRA evaluations. The vast majority of F&M’s loans, deposits, and branches are in the Iowa City Metro Assessment Area. Therefore, the bank’s performance in the Iowa City Metro Assessment Area received the most weight in the overall evaluation. The following table reflects the distribution of loans, deposits, and office locations by assessment area.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Iowa City Metro	74,928	98.8	66,451	91.6	2	66.7
Non-Metro	940	1.2	6,112	8.4	1	33.3
Total	75,868	100.0	72,563	100.0	3	100.0

Source: Bank Data; FDIC Summary of Deposits (6/30/2023)

Activities Reviewed

Examiners determined the bank’s major product lines to be commercial, agricultural, and residential real estate loans. This conclusion was based on the bank’s business strategy, loan portfolio distribution, and bank records regarding the number and dollar volume of loans originated or renewed during the evaluation period. Call Report information as of December 31, 2023, shows that commercial loans, including commercial real estate loans, represent the largest loan category, equaling 40.8 percent of total loans. Residential real estate rank second at 33.7 percent of total loans, largely due to high dollar loans used for rental or investment purposes. Agricultural loans, including loans secured by farmland, comprise 18.9 percent of the portfolio. As such, small business, small farm, and home mortgage lending were reviewed to evaluate the bank’s performance. Given the portfolio composition and management’s comments regarding the institution’s lending focus, small business lending performance was given greater weight in this evaluation.

Examiners utilized the bank’s automated loan download to assemble the loan universe for the Lending Test. The universe of loans reviewed included all small business, small farm, and home mortgage loans originated or renewed from January 1, 2023, through December 31, 2023. Management agreed that the loan activity reviewed is representative of the institution’s performance throughout the evaluation period.

For the Assessment Area Concentration performance criterion, examiners reviewed the entire universe of small business, small farm, and home mortgage loans. Specifically, examiners reviewed 46 small business loans totaling approximately \$5.5 million, 42 small farm loans totaling approximately \$5.5 million, and 16 home mortgage loans totaling approximately \$2.9 million.

For the Geographic Distribution performance criterion, examiners reviewed all small business, small farm, and home mortgage loans located inside the Iowa City Metro Assessment Area. Geographic distribution was not reviewed in the Non-Metro Assessment Area, as there are no low- or moderate-income census tracts in this assessment area. Specifically, examiners reviewed 25 small business loans totaling approximately \$2.7 million, 22 small farm loans totaling approximately \$2.7 million, and 10 home mortgage loans totaling approximately \$1.8 million.

For the Borrower Profile performance criterion, examiners analyzed all small business, small farm,

and home mortgage loans inside the Iowa City Metro Assessment Area. Examiners also reviewed all small business and small farm loans inside the Non-Metro Assessment Area. However, the Borrower Profile analysis did not include home mortgage loans in the Non-Metro Assessment Area due to the absence of originated or renewed loans during calendar year 2023, and the lack of emphasis on home mortgage lending as a business focus. Specifically, examiners reviewed 28 small business loans totaling approximately \$2.9 million, 27 small farm loans totaling approximately \$3.7 million, and 10 home mortgage loans totaling approximately \$1.8 million.

For small business and small farm conclusions, 2023 D&B data provided a standard of comparison for the institution's lending performance. When arriving at home mortgage conclusions, 2020 U.S. Census data provided a standard of comparison. Examiners obtained the data necessary for this evaluation from individual customer loan files and interviews with bank management. Examiners analyzed lending performance by both the number and dollar volume of loans; however, the performance by number of loans is emphasized, as it is generally a better indicator of the number of businesses, farms, and individuals served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

F&M demonstrated overall reasonable performance under the Lending Test. The bank's reasonable Loan-to-Deposit Ratio, Assessment Area Concentration, Geographic Distribution, and Borrower Profile performance supports this conclusion. The following is a discussion of each performance criterion and how they support the bank's overall rating.

Loan-to-Deposit Ratio

F&M's net loan-to-deposit ratio is reasonable given the bank's size, financial condition, and credit needs of the assessment areas. The bank's net loan-to-deposit ratio, calculated from Call Report data, averaged 87.3 percent over the 24 calendar quarters from March 31, 2018, to December 31, 2023. The net loan-to-deposit ratio ranged from a high of 95.3 percent as of September 30, 2020, to a low of 73.9 percent as of March 31, 2018. The ratio has remained steady during the review period with a slight increase in the second and third quarters of 2020 due to influx of deposits while loans also increased slightly.

Examiners compared the bank's average net loan-to-deposit ratio to four similarly-situated institutions to help evaluate F&M's performance. Comparable institutions were selected based on their asset size, geographic location, and lending focus. As shown in the following table, F&M's average net loan-to-deposit ratio compares reasonably to the similarly-situated institutions.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2023 (\$000s)	Average Net Loan-to-Deposit Ratio (%)
F&M, Iowa City, Iowa	120,557	87.3
Hiawatha Bank and Trust Company, Hiawatha, Iowa	142,240	97.2
Keystone Savings Bank, Marengo, Iowa	175,482	64.2
Bridge Community Bank, Mount Vernon, Iowa	117,356	74.5
Solon State Bank, Solon, Iowa	123,397	71.7
<i>Source: Call Reports 3/31/2018 - 12/31/2023</i>		

Assessment Area Concentration

F&M extended a majority of the small business, small farm, and home mortgage loans, by number and dollar volume, in the assessment areas. See the following table.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	28	60.9	18	39.1	46	2,862	52.3	2,613	47.7	5,475
Small Farm	27	64.3	15	35.7	42	3,704	67.9	1,750	32.1	5,454
Home Mortgage	10	62.5	6	37.5	16	1,788	60.8	1,156	39.2	2,944
<i>Source: Bank Data 1/1/2023 – 12/31/2023</i>										
<i>Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

The geographic distribution of small business, small farm, and home mortgage loans reflects overall reasonable dispersion throughout the Iowa City Metro Assessment Area. Examiners focused on the bank’s record of lending in low- and moderate-income geographies. Geographic distribution was not reviewed in the Non-Metro Assessment Area, as there are no low- or moderate-income census tracts in this assessment area and a review would not result in meaningful conclusions. Refer to comments under the Iowa City Metro Assessment Area for a more specific analysis.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different revenue sizes and individuals of different income levels. The bank’s reasonable lending performance in each assessment area supports this conclusion. Examiners focused on the percentage, by number of loans, to farms and businesses generating gross annual revenues of \$1 million or less, and on the percentage, by number of loans, to low- and moderate-income borrowers. All loans originated inside the assessment areas were reviewed for this analysis. Refer to comments under each separately analyzed assessment area for a more specific analysis.

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping meet community credit needs.

IOWA CITY METRO ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE IOWA CITY METRO ASSESSMENT AREA

The Iowa City Metro Assessment Area consists of the eastern half of Johnson County. Johnson County is part of the Iowa City, Iowa Metropolitan Statistical Area. This assessment area encompasses the main office located in Iowa City and one full-service branch located in Lone Tree. The bank also operates two full-service ATMs in this assessment area.

Economic and Demographic Data

According to 2020 U.S. Census data, the Iowa City Metro Assessment Area is comprised of 27 census tracts: three low-, nine moderate-, eight middle-, and seven upper-income geographies. The three low-income geographies are located in downtown Iowa City-University Heights, while the moderate-income geographies are scattered throughout Iowa City and Coralville in Johnson County. The main office in Iowa City is located in moderate-income census tract 5.01 and the Lone Tree branch is located in middle-income census tract 105.02.

Since the last evaluation, six Johnson County census tracts split due to population growth, creating an additional seven geographies in the Iowa City area. At the prior evaluation, the Iowa City Metro Assessment Area was comprised of 20 census tracts. Based on 2010 U.S. Census data used at the prior evaluation, the assessment area consisted of six moderate-, eight middle-, and six upper-income geographies. According to the 2015 American Community Survey, performed midway between the 2010 and 2020 U.S. Censuses, the former assessment area was comprised of one low-, seven moderate-, eight middle-, and four upper-income census tracts.

The following table illustrates selected demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	27	11.1	33.3	29.6	25.9	0.0
Population by Geography	109,725	11.5	31.5	26.0	31.1	0.0
Housing Units by Geography	48,628	10.4	33.4	27.9	28.3	0.0
Owner-Occupied Units by Geography	23,279	2.6	23.1	34.5	39.9	0.0
Occupied Rental Units by Geography	21,711	17.5	43.9	22.6	15.9	0.0
Vacant Units by Geography	3,638	18.6	35.9	17.5	28.0	0.0
Businesses by Geography	14,022	11.3	31.8	24.0	32.9	0.0
Farms by Geography	501	2.8	13.8	38.9	44.5	0.0
Family Distribution by Income Level	21,873	21.7	18.6	20.8	38.9	0.0
Household Distribution by Income Level	44,990	32.2	14.8	15.9	37.1	0.0
Median Family Income - Iowa City, Iowa Metropolitan Statistical Area		\$93,237	Median Housing Value			\$244,178
			Median Gross Rent			\$985
			Families Below Poverty Level			8.1%

Source: 2020 U.S. Census and 2023 D&B Data. () The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%*

According to 2023 D&B data, service industries represent the largest portion of businesses and farms at 37.8 percent; followed by non-classifiable establishments at 24.5 percent; finance, insurance, and real estate at 13.0 percent; and retail trade at 9.7 percent. In addition, 61.7 percent of assessment area businesses and farms have four or fewer employees, and 92.4 percent operate from a single location.

The FFIEC-estimated median family income levels are used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories for the Iowa City, Iowa Metropolitan Statistical Area for 2023 are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2023 (\$104,300)	<\$52,150	\$52,150 to <\$83,440	\$83,440 to <\$125,160	≥\$125,160

Source: FFIEC

Competition

The Iowa City Metro Assessment Area is considered highly competitive in the market for financial services. According to Call Reports filed by financial institutions, 16 banks operate from 27 offices within the Iowa City Metro Assessment Area. These institutions range from small community banks to larger financial institutions operating branch offices in the area. Of these institutions, F&M is ranked 11th with 0.6 percent of the deposit market share.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in understanding economic conditions and identifying credit needs. This information helps to determine whether local financial institutions are responsive to community credit needs and provides context regarding available lending opportunities. Examiners contacted an individual from an economic development organization that serves the assessment area.

The community contact stated that the economy is generally stable, economic growth continues, and unemployment is low; however, small businesses continue to struggle, mainly due to labor shortages and changing consumer preferences. Main street businesses in rural areas are struggling due to the preference of shoppers to go to larger retail areas or online. The rise in prices has also negatively impacted customer demand for goods. Low unemployment has had an effect on both commercial and agricultural employers, forcing wages up and making hiring harder for smaller entities. The agricultural sector has become stronger, mainly due to increasing commodity prices. Agricultural-related industries are doing well, especially the larger companies. Lastly, the contact stated that affordable housing remains a credit need given the nature of the communities in Johnson County, particularly the Iowa City area.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that small business, small farm, and home mortgage loans are primary credit needs of the Iowa City Metro Assessment Area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE IOWA CITY METRO ASSESSMENT AREA

LENDING TEST

F&M demonstrated reasonable performance under the Lending Test in the Iowa City Metro Assessment Area. The results of the Geographic Distribution and Borrower Profile analyses support this conclusion. As previously mentioned, greater weight was given to overall conclusions derived from this assessment area.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the Iowa City Metro Assessment Area. The bank's reasonable lending performance in all three products supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area when considering additional factors. As shown in the following table, F&M's lending in the low-income geographies compares reasonably to D&B data. F&M performed below demographics in the moderate-income tracts, but examiners noted that competition is highly prevalent in the moderate-income geographies. According to Call Report information, nine banks operate from 12 locations within the moderate-income census tracts. Seven of those banks report that commercial loans comprise the largest segment of their loan portfolio. Management agreed that competition is a

factor in the moderate-income census tracts. The bank’s performance has also improved since last evaluation where no loans were made in moderate-income geographies. Management stated that considerable effort has been made to attract and retain commercial customers in the recent years.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	11.3	2	8.0	100	3.7
Moderate	31.8	5	20.0	1,062	38.9
Middle	24.0	11	44.0	341	12.5
Upper	32.9	7	28.0	1,224	44.9
Totals	100.0	25	100.0	2,727	100.0

*Source: 2023 D&B Data; Bank Data.
Due to rounding, totals may not equal 100.0%*

Small Farm Loans

The geographic distribution of small farm loans reflects reasonable dispersion. Although no loans were originated in low- and moderate-income geographies, F&M’s lending demonstrates reasonable performance when considering additional factors. The assessment area’s low- and moderate-income census tracts are located within the cities of Coralville and Iowa City, which contains limited farm lending opportunities. In addition, the rural areas within Johnson County are middle-income geographies. Furthermore, the majority of the bank’s agricultural lending is managed out of the Lone Tree branch, which is located in a middle-income census tract. As exhibited in the following table, F&M’s small farm loans are concentrated in middle-income geographies.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low	2.8	0	0.0	0	0.0
Moderate	13.8	0	0.0	0	0.0
Middle	38.9	22	100.0	2,660	100.0
Upper	44.5	0	0.0	0	0.0
Totals	100.0	22	100.0	2,660	100.0

*Source: 2023 D&B Data; Bank Data.
Due to rounding, totals may not equal 100.0%*

Home Mortgage Loans

The distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area, including low- and moderate-income census tracts. As shown in the following table, the bank did not originate any home mortgage loans in the low-income geographies; however, U.S. Census data shows that the percentage of owner-occupied housing units is low at 2.6 percent. Low-income census tracts are located on the University of Iowa campus where there is a highly transient population. Total rental units comprise 83.9 percent of the housing units in the low-income

geographies, thereby limiting the opportunity to make home mortgage loans. F&M’s lending percentage in moderate-income census tracts compares favorably to demographic data.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low	2.6	0	0.0	0	0.0
Moderate	23.1	3	30.0	392	21.9
Middle	34.5	3	30.0	376	21.0
Upper	39.9	4	40.0	1,020	57.0
Total	100.0	10	100.0	1,788	100.0

*Source: 2020 U.S. Census; Bank Data.
Due to rounding, totals may not equal 100.0%*

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different revenue sizes and individuals of different income levels. This conclusion is supported by reasonable performance in all three products reviewed.

Small Business Loans

The distribution of small business loans among commercial operations generating gross annual revenues of \$1 million or less reflects reasonable penetration. F&M’s reasonable small business lending performance is demonstrated in the following table.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	90.2	24	96.0	2,642	96.9
>\$1,000,000	2.0	1	4.0	85	3.1
Revenue Not Available	7.8	0	0.0	0	0.0
Total	100.0	25	100.0	2,727	100.0

*Source: 2023 D&B Data; Bank Data.
Due to rounding, totals may not equal 100.0%*

Small Farm Loans

The distribution of small farm loans among agricultural operations generating gross annual revenues of \$1 million or less reflects reasonable penetration. F&M’s small farm lending closely mirrors demographic data, showing reasonable performance. See the following table.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	98.2	22	100.0	2,660	100.0
>\$1,000,000	0.8	0	0.0	0	0.0
Revenue Not Available	1.0	0	0.0	0	0.0
Total	100.0	22	100.0	2,660	100.0
<i>Source: 2023 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The bank’s performance in extending home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable when considering additional factors. F&M originates a significant portion of its home mortgage loans to individuals and other entities for investment purposes. Out of the ten home mortgage loans reviewed, six were for non-owner occupied, residential investment properties, granted to corporate entities that do not report income. As illustrated in the following table, 60.0 percent of the bank’s home mortgage loans are not categorized by borrower income level but reflected as “Not Available.” This disproportionately high number of loans without borrower income classification affects lending within the other categories. The high percentage of loans for residential investment purposes skews the numbers when bank performance is compared to the percentage of assessment area families. Given these factors and the bank’s business focus, F&M’s performance in this area is considered reasonable.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	21.7	1	10.0	145	8.1
Moderate	18.6	1	10.0	101	5.6
Middle	20.8	1	10.0	117	6.6
Upper	38.9	1	10.0	116	6.5
Not Available	0.0	6	60.0	1,309	73.2
Total	100.0	10	100.0	1,788	100.0
<i>Source: 2020 U.S. Census; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

NON-METRO ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE NON-METRO ASSESSMENT AREA

The Non-Metro Assessment Area consists of census tract 503 in the southwest portion of Muscatine County, in the nonmetropolitan areas of Iowa. This assessment area encompasses F&M’s Nichols branch. The Nichols branch is primarily a drive-up facility, and the lobby is generally not open to customers. No loan personnel are permanently assigned to the Nichols branch, but customers can make an appointment and a lender will travel from another office to meet them at this branch location. As previously noted, only 1.2 percent of the bank’s total loans and 8.4 percent of total deposits are from this assessment area.

Economic and Demographic Data

According to 2020 U.S. Census data, the Non-Metro Assessment Area is comprised of one middle-income geography. The income designation of this tract has not changed since the previous evaluation. The following table illustrates selected demographic characteristics of the Non-Metro Assessment Area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1	0.0	0.0	100.0	0.0	0.0
Population by Geography	5,382	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	2,033	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	1,413	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	385	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	235	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	598	0.0	0.0	100.0	0.0	0.0
Farms by Geography	80	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	1,243	10.7	20.0	29.7	39.6	0.0
Household Distribution by Income Level	1,798	11.6	12.1	31.8	44.4	0.0
Median Family Income -Nonmetropolitan Iowa		\$71,763	Median Housing Value			\$125,200
			Median Gross Rent			\$935
			Families Below Poverty Level			0.8%

Source: 2020 U.S. Census and 2023 D&B Data. () The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%*

According to 2023 D&B data, service industries represent the largest portion of businesses and farms at 28.3 percent; followed by non-classifiable establishments at 19.2 percent; agriculture, forestry, and fishing at 11.8 percent; construction at 11.5 percent; and finance, insurance, and real

estate at 11.1 percent. In addition, 70.4 percent of assessment area businesses and farms have four or fewer employees, and 93.1 percent operate from a single location.

Competition

The Non-Metro Assessment Area is considered moderately competitive in the market for financial services. According to Call Reports filed by financial institutions, three banks operate from three offices within this assessment area. These institutions range from small community banks to larger financial institutions operating branch offices in the area. F&M ranked 3rd with 23.9 percent of the deposit market share in the Non-Metro Assessment Area.

Community Contact

Examiners referenced a recent community contact with an individual possessing specific knowledge of the economic conditions within the Non-Metro Assessment Area. The majority of businesses in the area are connected to agriculture, and the current economic conditions are steady. However, there is a high poverty rate and an aging population in the local economy. More people commute into the area for work compared to those who commute to nearby cities. There is still a demand for credit for small businesses. According to the source, small businesses are generally performing well in all local communities, although some are facing challenges. The pandemic caused some decline, with ongoing effects such as reduced working hours and difficulties in hiring and retaining employees due to a shortage of labor and the aging population. The source also mentioned that there is an ongoing need for credit for small farms, and some farmers have additional jobs to supplement their income. The primary credit needs identified by the contact include commercial loans, agricultural loans, and affordable housing. The source confirmed that local banks are effectively meeting the credit needs of the community.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that small farm, small business, and home mortgage loans are primary credit needs of the Non-Metro Assessment Area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE NON-METRO ASSESSMENT AREA

LENDING TEST

F&M demonstrated reasonable performance under the Lending Test in the Non-Metro Assessment Area, supported by Borrower Profile performance. This assessment area received the least amount of weight due to the limited lending and deposit activity occurring in this area.

Geographic Distribution

This assessment area does not include any low- or moderate-income geographies, and a review of the Geographic Distribution criterion would not result in meaningful conclusions. Therefore, this criterion was not evaluated.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different revenue sizes. F&M’s reasonable small farm lending performance primarily supports this conclusion. Performance data for small business lending was insufficient to draw any meaningful conclusions.

Small Business Loans

F&M originated only three small business farm loans totaling approximately \$135,000 in the Non-Metro Assessment Area, all to businesses generating gross annual revenues of \$1 million or less. Due to the limited number of loans, no meaningful conclusions could be drawn from this review.

Small Farm Loans

The distribution of small farm loans among agricultural operations with gross annual revenues of \$1 million or less reflects reasonable penetration. As shown in the following table, all small farm loans reviewed were extended to farms generating gross annual revenues of \$1 million or less, and performance is comparable to demographics.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	98.8	5	100.0	1,044	100.0
>\$1,000,000	1.3	0	0.0	0	0.0
Revenue Not Available	0.0	0	0.0	0	0.0
Total	100.0	5	100.0	1,044	100.0

*Source: 2023 D&B Data; Bank Data.
Due to rounding, totals may not equal 100.0%*

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The institution's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the institution under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as non-MSA): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

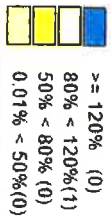
“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

Farmers and Merchants Savings Bank, Iowa City, Iowa -- #10492 -- Non-Metropolitan CRA Assessment Area by Median Family Income

Branches
Color by Institution

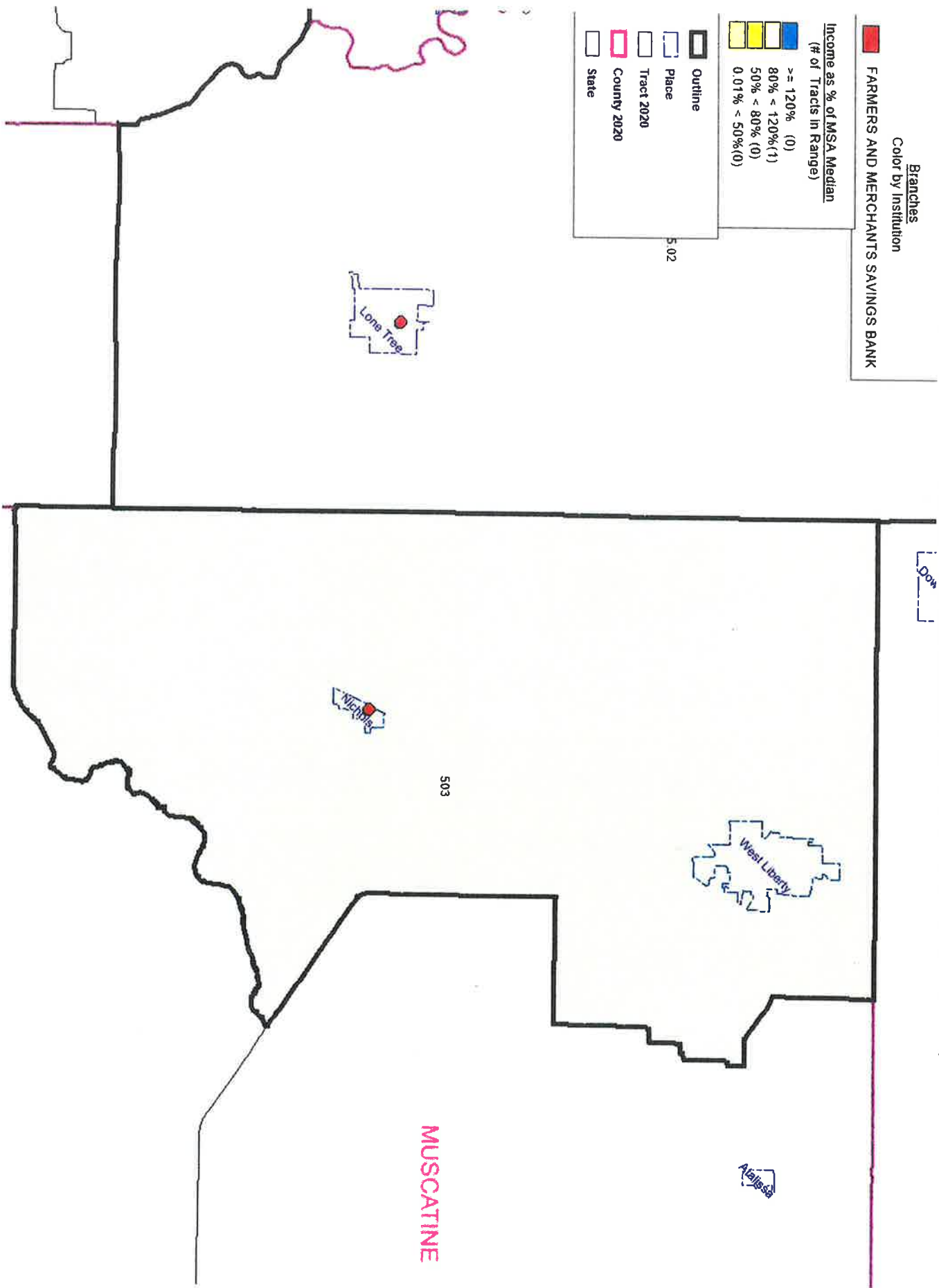
■ FARMERS AND MERCHANTS SAVINGS BANK

Income as % of MSA Median
(# of Tracts in Range)



5.02

Outline
 Place
 Tract 2020
 County 2020
 State



COMMUNITY REINVESTMENT ACT STATEMENT

FARMERS AND MERCHANTS SAVINGS BANK

IOWA CITY, IOWA
LONE TREE, IOWA
NICHOLS, IOWA
RIVERSIDE, IOWA

JANUARY 2025

1. **Delineation of Community:** In accordance with Section 345.3 of the FDIC Rules and Regulations, the bank has reviewed its lending policies and trade area. The attached map contains the bank's delineation of its community and is considered a part of its statement. See Exhibit "A".
2. **After reviewing Section 345.7 of the FDIC Rules and Regulations, the Community Reinvestment Act statement as provided in 345.4 is adopted.**

Locations:

Main Office – 2235 Mormon Trek Blvd

Iowa City, IA 52246
Johnson County (103)
Census Tract 0005.00
MSA: Iowa City, IA
Cash Dispensing ATM at this location
Lobby Hours M-F 9am-4:30pm
Drive Up Hours M-F 8am-4:30pm

Branch Office- 200 N Devoe Street

Lone Tree, IA 52755
Johnson County (103)
Census Tract 0105.00
MSA: Iowa City, IA
Cash Dispensing ATM at this location
Lobby Hours M-Th 8:30am-4pm F 8:30am-5pm
Drive Up Hours M-Th 8:30am-4pm F 8:30am-5pm Sat 9am-11am

Branch Office- 431 Main Street

Nichols, IA 52766
Muscatine County (139)
Census Tract 0503.00
MSA: NA (Outside of MSA/MD)
Drive Up Only - Hours Monday and Wednesday 8:30am-11:30am & 12pm-3pm
Friday 8:30-11:30 & 12pm-4pm

**Farmers and Merchants Savings Bank
January 2025**

Branch Office- 90 E Railroad Street
Riverside, IA 52327
Washington County (183)
Census Tract 9601.02
MSA: Iowa City, IA
Cash Dispensing ATM at this location
Lobby Hours M-Th 9-3:30 F 9-5
Drive Up Hours M-Th 8-4, F 8-5, S 9-11

ATM Machines

The following Cash Dispensing only ATM machines are owned by Farmers & Merchants Savings Bank

- 2235 Mormon Trek Boulevard, Iowa City, IA
- 200 N Devoe Street, Lone Tree, IA
- 90 E Railroad St, Riverside, IA

We opened an office in Riverside, Iowa by acquisition on December 11th, 2023 after no changes to our footprint in the prior 2 years. There were no changes to the footprint in 2024. The same basic services are offered at the main bank and all three branch locations. Lock boxes and ATM are NOT available at the Nichols location but are available in Iowa City, Lone Tree, and Riverside.

TYPES OF LOANS OFFERED:

Your Community Lending Partner

Our experienced loan staff can help you with your financing needs. We offer a variety of loan services at competitive rates:

- Agricultural loans
- Consumer loans
- Commercial/Business loans
- Commercial Real Estate
- Residential Real Estate
- Real estate loans serviced in-house or long-term on the secondary market

Commercial and Ag Loans

Working Capital Financing

- Line of credit to support accounts receivable and inventory
- Seasonal line of credit to support a temporary spike in working capital needs
- Ag Lines of Credit
- Livestock loans

Term Loans

- Machinery and equipment
- Rolling stock and vehicles
- Capital assets
- Commercial real estate
- Construction loans

Farmers and Merchants Savings Bank
January 2025

Mortgage Loans

- First time home buyers
- In-house loans
- Construction loans
- FHA Loans
- VA Loans

Consumer Loans

- Auto Loans
- Secured Personal Loans

DEPOSIT PRODUCTS OFFERED:

Checking Accounts

Not everyone has the same banking needs. We offer a variety of personal and business checking account to allow you to manage your money in the way that best suits your lifestyle and financial goals.

Savings Accounts

Choose the account that is right for you and watch your money grow while earning competitive rates.

Certificates of Deposit

A safe place for your hard-earned money. We offer competitive rates and a variety of maturity terms to fit your long and short-term needs. Check out our specials on the Rates page.

Retirement and Savings Accounts

We want to help you achieve all of your financial goals, both during and after your working years. We have terms and rates that will assure your investment will grow safely. See how easy it is to open a new account or rollover a current one by talking to us. We offer:

- Traditional, Roth, Simple, and Savings Accounts
- Simplified Employee Pension (SEP) plans

Christmas Club Accounts

Be ready for Christmas. Set aside a few extra dollars in this fund throughout the year and receive a Christmas Club check in October of these funds plus interest earned on them. Be ready for all your Christmas shopping!

Direct Deposit

Get your payroll check, Social Security, interest payments, or other regular payment deposited electronically to your Farmers & Merchants Savings Bank account. It is easy and secure plus your money gets to the bank quickly and you save a trip!

OTHER PRODUCTS OFFERED:

Cards for Your Personal or Business Banking Needs

ShazamChek® Debit Cards

Access your checking account quickly and conveniently without the hassle of writing a check. Get cash and make purchases quickly and easily. Money is deducted right from your checking account.

Farmers and Merchants Savings Bank
January 2025

For additional security your photo and signature are digitally imprinted on the face of the card. Use it worldwide wherever you see the Shazam logo, Cirrus logo, or the Debit MasterCard Symbol.

Business Debit Cards

A debit card for business customers that allows for better record keeping of business expenses and instant purchase power for business needs. Enjoy special MasterCard privileges while having the flexibility of assigning cards for multiple employees each with assigned spending limits.

If your ATM/Debit card is lost or stolen, report this immediately. During banking hours call 888-383-2265. If it is after hours, be sure to call Shazam @ 800-383-8000. Don't hesitate to call!

Visa® Credit Cards

Whether you are a business or consumer we have a low interest credit card product designed for you. Enjoy the convenience, reliability, and flexibility you expect from Farmers & Merchants Savings Bank.

OTHER CONVENIENT SERVICES:

INTERNET BANKING

Our website was completely redesigned in 2019 to be more streamlined and user friendly. This intuitive online banking solution enables you to connect with us when you want, how you want through secure and simple Internet banking.

- Conduct online banking transactions, such as viewing account balances and history, making transfers, viewing check images, and accessing electronic statements
- Perform self-service functions on a variety of financial accounts
- Manage personal and business finances online and download information to accounting or tax preparation software
- Manage user access and function

TELEPHONE BANKING

F&M has offered telephone banking since 2019. It provides you with more information and capabilities. You will continue to use our toll-free number, 877-226-5366. When calling for the first time, you will need to enter the last 4 digits of the primary account holder's social security number. You will then be prompted to enter a new personal identification number (PIN).

STATEMENTS

All statements will be sent at the end of the month. These statements will be sent out from another location, by one of our partners. Their enhanced accuracy and efficiency will ensure you receive your statements quickly. In time, all of your accounts will be visible on a single statement, including your checking, savings, loans, certificates, and IRAs.

EXTENDED PROCESSING HOURS

With our new technology, we will no longer have an early cutoff time. Your deposits and withdrawals will be processed any time our doors are open. These transactions will be processed quickly, ensuing your account is updated in the most efficient manner.

WIRE TRANSFER

Need to send money quickly? Domestic wires are available.

NONDISCRIMINATION

The Farmers & Merchants Savings Bank shall not discriminate against credit applications on the basis of race, color, religion, national origin, sex, marital status, physical condition, developmental disability or age (provided the applicant has the capacity to contract); or because all or part of the applicant's income is derived from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Protection Act.

The Bank's Board of Directors has encouraged the bank staff to become active members in the community for the betterment of all residents. Donations of time and money have been made to local charities and community improvement projects, such as Red Cross, Economic Development Committee, Community Betterment Committee, local churches of various denominations, local school, tennis courts, volunteer fire department and first responders, etc. Bank staff are always available to conduct classes at the local school on a variety of pertinent subjects. Members of the Board of Directors, through their outside business interests and bank staff, through bank business, are in constant contact with members of the community regarding our efforts to meet the community's credit needs. The Board of Directors on a continuing basis, reviews the many services the bank has to offer in an effort to provide every convenience to our customers.

Herein attached and made a part of this statement is the Public Notice required by section 345.6, a copy of which shall be placed in the lobby of the main bank and at the Lone Tree, Nichols, and Riverside branch offices. See Exhibit "B".

This Community Reinvestment Statement was approved by the Board of Directors on January 9, 1979 and will be reviewed annually and approved.

FARMERS AND MERCHANTS SAVINGS BANK

RE: 2024 HMDA DISCLOSURES

MEMO: IN 2024, FARMERS AND MERCHANTS SAVINGS BANK WAS NOT A HMDA REPORTING INSTITUTION.

FARMERS AND MERCHANTS SAVINGS BANK

RE: 2023 HMDA DISCLOSURES

MEMO: IN 2023, FARMERS AND MERCHANTS WAS NOT A HMDA REPORTING INSTITUTION.

FARMERS AND MERCHANTS SAVINGS BANK

RE: 2022 HMDA DISCLOSURES

MEMO: IN 2022, FARMERS AND MERCHANTS WAS NOT A HMDA REPORTING INSTITUTION.

FARMERS & MERCHANTS SAVINGS BANK

LOAN TO DEPOSIT RATIOS

Q1 2022 90.34%

Q2 2022 87.77%

Q3 2022 89.74%

Q4 2022 85.69%

Q1 2023 82.64%

Q2 2023 88.52%

Q3 2023 94.55%

Q4 2023 79.93%

Q1 2024 77.98%

Q2 2024 78.34%

Q3 2024 79.71%

Q4 2024 77.13%

