

ANDERSON STATE BANK

Public CRA File

UPDATED 9/30/2026



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 branches, such as their location and services provided at 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 CHICAGO REGIONAL OFFICE, 300 South Riverside Plaza, Suite 1700, Chicago, IL 60606. You may send written comments about our performance in helping to meet community credit needs to Richard Anderson, President & COO PO Box 9 111 Highway West, Oneida, IL 61467 and FDIC Regional Director. You may also submit comments electronically through the FDIC's Web site at www.fdic.gov/regulations/cra. 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 comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC.
- We are an affiliate of Anderson Bancorp, a mutual holding company. You may request from the Officer in Charge of Supervision, Federal Reserve Bank of Chicago, 230 South LaSalle, Chicago, IL 60604-0834, an announcement of applications covered by the CRA filed by mutual holding companies. Online at http://www.chicagofed.org/webpages/utilities/contact_us.cfm

Loan to Deposit Ratio

ANDERSON STATE BANK

Loan to Deposit Ratios for CRA Public File

Year 2020 - 2019

Date	12/31/20	9/30/20	6/30/20	3/31/20	12/31/19
Loan Tot	\$28,330	\$28,855	\$30,399	\$29,200	\$28,955
Dep Total	\$80,612	\$82,031	\$79,422	\$76,667	\$72,553
Ratio	35.14%	35.18%	38.28%	38.09%	39.91%

RC4b
RC13a

Year 2021 - 2020

Date	12/31/21	9/30/21	6/30/21	3/31/21	12/31/20
Loan Tot	\$28,877	\$28,750	\$29,104	\$28,556	\$28,330
Dep Total	\$88,229	\$89,625	\$89,814	\$92,595	\$80,612
Ratio	32.73%	32.08%	32.40%	30.84%	35.14%

RC4b
RC13a

Year 2021 - 2022

Date	12/31/22	9/30/22	6/30/22	3/31/22	12/31/21
Loan Tot	\$29,043	\$28,750	\$29,104	\$27,035	\$28,877
Dep Total	\$90,665	\$89,625	\$89,814	\$95,037	\$88,229
Ratio	32.03%	32.08%	32.40%	28.45%	32.73%

RC4b
RC13a

Year 2022 - 2023

Date	12/31/23	9/30/23	6/30/23	3/31/23	12/31/22
Loan Tot	\$33,092	\$29,866	\$28,614	\$28,126	\$29,043
Dep Total	\$93,807	\$95,611	\$93,294	\$96,190	\$90,665
Ratio	35.28%	31.24%	30.67%	29.24%	32.03%

RC4b
RC13a

Year 2023 - 2024

Date	12/31/24	9/30/24	6/30/24	3/31/24	12/31/23
Loan Tot	\$38,597	\$38,595	\$38,710	\$36,449	\$33,092
Dep Total	\$89,409	\$94,975	\$90,822	\$90,801	\$93,807
Ratio	43.17%	40.64%	42.62%	40.14%	35.28%

RC4b
RC13a

Year 2024 - 2025

Date	12/31/25	9/30/25	6/30/25	3/31/25	12/31/24
Loan Tot	\$47,118	\$46,119	\$44,431	\$42,869	\$38,597
Dep Total	\$86,176	\$99,625	\$95,581	\$94,783	\$89,409
Ratio	54.68%	46.29%	46.49%	45.23%	43.17%

RC4b
RC13a

Year 2025 - 2026

Date	12/31/26	9/30/26	6/30/26	3/31/26	12/31/25
Loan Tot		\$48,380	\$46,227	\$47,318	\$47,118
Dep Total		\$91,260	\$90,314	\$89,135	\$86,176
Ratio	#VALUE!	53.01%	51.18%	53.09%	54.68%

RC4b
RC13a

ANDERSON STATE BANK

Loan to Deposit Ratios for CRA Public File

Year 2013 - 2012

Date	12/31/13	9/30/13	6/30/13	3/31/13	12/31/12
Loan Tot	\$28,846	\$28,651	\$28,641	\$28,375	\$31,994
Dep Total	\$71,367	\$74,222	\$76,839	\$76,976	\$70,393
Ratio	40.42%	38.60%	37.27%	36.86%	45.45%

Year 2014 - 2013

Date	12/31/14	9/30/14	6/30/14	3/31/14	12/31/13
Loan Tot	\$28,600	\$27,325	\$27,313	\$27,826	\$28,846
Dep Total	\$67,187	\$70,710	\$71,383	\$75,283	\$71,367
Ratio	42.57%	38.64%	38.26%	36.96%	40.42%

Year 2015 - 2014

Date	12/31/15	9/30/15	6/30/15	3/31/15	12/31/14
Loan Tot	\$28,658	\$28,689	\$28,316	\$27,137	\$28,600
Dep Total	\$67,785	\$69,004	\$66,855	\$69,003	\$67,187
Ratio	42.28%	41.58%	42.35%	39.33%	42.57%

Year 2016 - 2015

Date	12/31/16	9/30/16	6/30/16	3/31/16	12/31/15
Loan Tot	\$27,778	\$28,237	\$27,781	\$28,237	\$28,658
Dep Total	\$69,499	\$69,456	\$69,232	\$69,456	\$67,785
Ratio	39.97%	40.65%	40.13%	40.65%	42.28%

Year 2017 - 2016

Date	12/31/17	9/30/17	6/30/17	3/31/17	12/31/16
Loan Tot	\$26,301	\$26,320	\$26,930	\$27,457	\$27,778
Dep Total	\$68,686	\$73,466	\$70,104	\$71,457	\$69,499
Ratio	38.29%	35.83%	38.41%	38.42%	39.97%

RC4b
RC13a

Year 2018 - 2017

Date	12/31/18	9/30/18	6/30/18	3/31/18	12/31/17
Loan Tot	\$28,441	\$26,712	\$26,676	\$26,560	\$26,301
Dep Total	\$72,062	\$73,018	\$69,587	\$68,859	\$68,686
Ratio	39.47%	36.58%	38.33%	38.57%	38.29%

RC4b
RC13a

Year 2019 - 2018

Date	12/31/19	9/30/19	6/30/19	3/31/19	12/31/18
Loan Tot	\$28,955	\$28,197	\$29,025	\$29,262	\$28,441
Dep Total	\$72,553	\$75,608	\$70,085	\$71,242	\$72,062
Ratio	39.91%	37.29%	41.41%	41.07%	39.47%

RC4b
RC13a

Hours and Locations

ANDERSON STATE BANK

CRA – Locations & Hours

We have one location and one ATM on the property at

111 US Hwy 34
Oneida, IL 61467

BANK HOURS

HOURS	LOBBY	DRIVE-IN
Monday – Thursday	8:30AM – Noon; 1:00 – 3:30PM	8:30AM – 3:30PM
Friday	8:30AM – Noon; 1:00 – 5:00PM	8:30AM – 5:00PM
Saturday	8:30AM – Noon	8:30AM – Noon

DRIVE-UP ATM

AVAILABLE 24 HOURS A DAY

ONLINE BANKING AND BILL PAY

AVAILABLE 24 HOURS A DAY

We encourage you to visit us on line at
ANDERSONSTATEBANK.COM

THANK YOU FOR YOUR BUSINESS!



Open and Closed Branches

ANDERSON STATE BANK

CRA – Locations & Hours

We have one location and one ATM on the property at

111 US Hwy 34

Oneida, IL 61467

Services

ANDERSON STATE BANK

CRA - LIST OF SERVICES

DEPOSITS/CHECKING

Green Checking

Minimum to open this account is \$100.00

You will incur a \$2.50 monthly service fee if the daily balance falls below \$400.00 at any time during the monthly statement cycle.

Minimum to open this account is \$100.00

Regular Checking

Minimum to open this account is \$100.00

You will incur a \$4.50 monthly service fee if the daily balance falls below \$400.00 at any time during the monthly statement cycle.

Premier Club Checking

Minimum to open this account is \$100.00

For a nominal fee of either \$5.50 (individual account) or \$7.50 (Family Account) you receive all the "Basic" checks you need and money orders at no additional charge.

Senior Checking

Minimum to open this account is \$100.00.

DEPOSIT/SAVINGS

Passbook Savings

A Passbook Savings Account is designed for anyone who wants convenient access to their money.

This Account is an interest-bearing account.

DEPOSITS/CERTIFICATES OF DEPOSIT

03 Month Certificate

06 Month Certificate

12 Month Certificate

18 Month Certificate

24 Month Certificate

30 Month Certificate

48 Month Certificate

60 Month Certificate

DEPOSITS/BUSINESS DEPOSITS

Business Checking

A checking account that earns tiered interest rates and has unlimited check writing.

This is an interest-bearing account.

Minimum to open this account is \$100.00.

You will incur a \$4.50 monthly service fee if the daily balance falls below \$400.00 at any time during the monthly statement cycle.

Business Money Market Account

This Account is an interest-bearing account.

Minimum to open this account is \$2,500.00.

Money Market Account earns bonus interest rates according to your balance; the larger the balance, the higher the rate earned. Immediate access to your funds, limited check writing privileges and a detailed monthly statement provide versatility.

Night Deposit Bags

For your convenience our Night Depository is available 24 Hours a day.

LOANS/AGRICULTURE

OPERATING LOANS

Provide credit for daily cash flow needs for crop & livestock production

Offer flexibility in spending

Competitive Rates

Fast Credit Approval

TERM LOANS

Provide financing for farm land, equipment and improvements including grain bins, drainage, buildings, etc.

Flexible Terms

Competitive Rates

Fast Credit Approval

LOANS/CONSUMER

Vehicle Loans

Whether you want to purchase a new or used vehicle come see us and take advantage of our competitive rates.

Personal Loans

Secured or unsecured, single payment or installment, whatever your needs are, we have a loan to fit you.

LOANS/RESIDENTIAL

Real Estate Loans

Purchase/Refinance/New

LOANS/BUSINESS

Lines of Credit

Business Operating Loans

Business Equipment and Machinery Loans

Business Inventory Loans

Business Improvement Loans

Business Vehicle Loans

Letters of Credit

Commercial Mortgages

OTHER SERVICES

Automated Teller Machine (ATM)

Night Drop

Electronic Funds Transfer

Automatic Transfer Service

Safe Deposit Boxes

LOCATION AND HOURS OF OPERATION

Anderson State Bank

111 West Highway, Oneida, Illinois

Phone: (309) 483-8011

Fax: (309) 483-6207

Lobby Hours

Mon-Thurs: 8:30 am - noon; 1:00 - 3:30 pm

Friday: 8:30 am - noon; 1:00 - 5:00 pm

Saturday: 8:30 am – noon

Drive-In Hours

Mon-Thurs: 8:30 am - 3:30 pm

Friday: 8:30 am - 5:00 pm

Saturday: 8:30 am – noon

Drive-Up ATM

Our drive-up ATM is located at 111 West Highway, Oneida, Illinois.

ATM available 24 hours a day.

Alternative Services

ANDERSON STATE BANK

CRA - ALTERNATIVE SERVICES

Automated Teller Machine

We have one ATM on the property at

111 US Hwy 34

Oneida, IL 61467

Internet Banking:

Available at andersonstatebank.com

Consumer Internet Banking & Bill Pay are provided at no cost to consumers.

Mobile Banking:

Accessible through mobile browsers and downloadable app.

Mobile banking is provided at no cost to consumers.

Mobile Remote Deposit Capture:

Accessible through the mobile banking app and is provided at no cost to consumers.

Fee Schedule

COMMON FEATURES
EFFECTIVE OCTOBER 6, 2025
THE FOLLOWING FEES MAY BE ASSESSED AGAINST YOUR ACCOUNT:

<u>Service</u>	<u>Fee</u>
Check Printing	Based off of customization of check order
Dormant Checking Account (a checking account is dormant if there has been no activity for 1 year)	\$3.00 per quarter
Dormant Savings Account (a savings account is dormant if there has been no activity for 2 years)	\$3.00 per quarter
Overdraft Fee	\$25.00
Overdraft Fee on Bill Pay	\$25.00
Returned Item Fee for Non-Sufficient Funds	\$25.00
Balance Statements	\$25.00 per hour
Stop Payments	\$15.00
Levy/ Garnishments/ Citations	\$50.00
Domestic Wire Transfer:	Incoming: \$10.00 Outgoing: \$20.00
International Wire Transfer:	Incoming: \$100.00 Outgoing: \$100.00
Replace Lost Debit Card	\$10.00
Expedited Shipping for Debit Card	\$10.00
Return of Deposited Check	\$5.00
Closing an Account Within 30 days of Opening	\$20.00
Recover Statements 1 Year or Older	\$25.00 each
Money Orders	\$3.00
Cashier's Checks/ Reissue	\$5.00
Photocopies	.25 per page
Faxes	Outgoing \$3.00 first page \$1.00 each additional page Incoming \$1.00 per page
Request of Paper E-Statement Copy	\$5.00 per document

Safety Deposit Boxes

<u>Box Sizes</u>	<u>Annual Fee</u>
3 x 5 x 24	\$20.00
5 x 5 x 24	\$25.00
3 x 10 x 24	\$30.00
5 x 10 x 24	\$35.00
10 x 10 x 24	\$25.00/ per month
Replace Lost Key	\$25.00
Drill Box	\$200 minimum (plus time and travel costs)

All fees are subject to change without notice

In Bank Cutoff Times Lobby/Drive up:
(Business Days Monday-Thursday) 3:30pm
(Business Day Friday) 4:30pm

Online Banking Services Cutoff Times:
Online: (Business Days Monday-Friday) 6:00pm
Mobile Deposit: (Business Days Monday-Friday) 3:30pm



Report of Condition

Report of Condition

Consolidated domestic subsidiaries of:

Anderson State Bank in the state of IL at the close of business on September 30, 2026

Dollar Amounts in Thousands

ASSETS

Cash and balances due from depository institutions:

Noninterest-bearing balances and currency and coin.	1,612
Interest-bearing balances.	8,410

Securities:

Held-to-maturity securities	0
Available-for-sale debt securities	36,806
Equity securities with readily determinable fair values not held for trading.	11

Federal funds sold and securities purchased under agreements to resell:

Federal funds sold.	9,460
Securities purchased under agreements to resell.	0

Loans and lease financing receivables:

Loans and leases held for sale.	0
Loans and leases held for investment.	48,380
LESS: Allowance for credit losses on loans and leases.	220
Loans and leases held for investment, net of allowance	48,160

Trading assets.	0
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Premises and fixed assets (including right-of-use assets).	191
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Other real estate owned	0
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Investments in unconsolidated subsidiaries and associated companies.	0
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Direct and indirect investments in real estate ventures.	0
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Intangible assets	0
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Other assets	5,188
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Total assets	109,838
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Dollar Amounts in Thousands

LIABILITIES

Deposits:

In domestic offices	91,260
Noninterest-bearing.	18,481
Interest-bearing.	72,779

Federal funds purchased and securities sold under agreements to repurchase:

Federal funds purchased.	0
Securities sold under agreements to repurchase.	0

Trading liabilities.	0
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Other borrowed money (includes mortgage indebtedness)	0
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Subordinated notes and debentures.	0
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Report of Condition (continued)

Other liabilities	281
Total liabilities	91,541

Dollar Amounts in Thousands

EQUITY CAPITAL

Perpetual preferred stock and related surplus.	0
Common stock.	400
Surplus (exclude all surplus related to preferred stock).	1,100
Retained earnings.	17,920
Accumulated other comprehensive income.	-1,123
Other equity capital components.	0
Total bank equity capital	18,297
Noncontrolling (minority) interests in consolidated subsidiaries.	0
Total equity capital	18,297
Total liabilities and equity capital	109,838

We, the undersigned directors (trustees), attest to the correctness of this Report of Condition for this report date and declare that the Report of Condition has been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

John W. Anderson

Director (Trustee)

Director (Trustee)

Director (Trustee)

I, All Contact Information fields below will be (completed after FULL CDR Synchronization.) of the named bank, attest that this Report of Condition for this report date has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct to the best of my knowledge and belief.



Signature of Chief Financial Officer (or Equivalent)

10/20/26

Date of Signature

CRA Assessment Area

Tract Income

- Low (Dark)
- Mod (Green)
- Middle (Medium Blue)
- Upper (Orange)
- Unl/NA (White/No Data)

2024 FYEC Census Data

Map data © OpenStreetMap contributors, Imagery © Mapbox

CRA Performance

PUBLIC DISCLOSURE

December 9, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Anderson State Bank
Certificate Number: 10858

111 W Highway Street
Oneida, Illinois 61467

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

300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

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 area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Anderson State Bank's (ASB) satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. The following points summarize the bank's Lending Test performance.

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area (AA) credit needs.
- A majority of small business, small farm and home mortgage loans are in the institution's AA.
- Overall, the distribution of loans to borrowers reflects reasonable penetration among farms and businesses of different sizes and individuals of different income levels (including low- and moderate-income).
- The geographic distribution of loans criterion was given no weight, as there are not any census tracts in the AA that are classified as low- or moderate-income.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

DESCRIPTION OF INSTITUTION

Background

Anderson State Bank is a \$117 million community bank headquartered in Oneida, Illinois. The Bank is wholly-owned by Anderson Bancorp, Inc., a one-bank holding company with no affiliates or branch offices. The bank has not opened or closed any branches or been involved in any merger or acquisition activity since the previous evaluation. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation dated February 21, 2020, based on Small Institution Examination Procedures.

Operations

ASB offers a variety of products and services to meet the credit and deposit needs of the local area it serves. The principal lending focus continues to be agricultural, commercial, and residential lending. Agricultural and commercial loans are extended for acquiring land, operating funds, and equipment purchases. For home mortgage loans, the bank offers five-year balloon loans, as well as personal loans, including vehicle and consumer credit products. Deposit products offered include checking, savings, money market, NOW accounts, and certificates of deposit. The bank also offers internet and mobile banking and operates one automated teller machine located at the main office in Oneida. A night depository box is also available. Banking hours allow reasonable access to bank services.

Ability and Capacity

The Consolidated Reports of Condition and Income as of September 30, 2025, reported total assets of \$117.5 million, total deposits of \$99.6 million, and total loans of \$46.1 million. Total assets have increased by 35.9 percent; total deposits increased by 37.3 percent; and total loans increased by 59.3 percent since the prior evaluation. The loan portfolio mix is representative of its business strategy and focus, which emphasizes the origination of loans primarily for agricultural, commercial, and residential purposes. Contributing to the rise in total loans is the increased input and machinery costs associated with financing farming operations. The bank implemented an informal marketing and outreach strategy which contributed to an increase in agricultural lending as well. Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet the assessment area's credit needs.

The following table reflects the loan portfolio concentrations as of September 30, 2025.

Loan Portfolio Distribution as of 09/30/2025		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	-	-
Secured by Farmland	14,128	30.6
Secured by 1-4 Family Residential Properties	6,156	13.3
Secured by Multifamily (5 or more) Residential Properties	-	-
Secured by Nonfarm Nonresidential Properties	3,660	7.9
Total Real Estate Loans	23,944	51.9
Commercial and Industrial Loans	2,174	4.8
Agricultural Production and Other Loans to Farmers	16,432	35.6
Consumer Loans	2,026	4.4
Other Loans	1,543	3.3
Total Loans	46,119	100.0
<i>Source: Reports of Condition and Income</i>		

DESCRIPTION OF ASSESSMENT AREA

The Community Reinvestment Act requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated.

ASB has designated one assessment area, which comprises a portion of Knox County, which is located in a non-Metropolitan Statistical Area (MSA) in Illinois. The AA consists of two census tracts and based on 2020 Census data; the tracts reflect middle-income census tract designations. No changes were made to the AA since the prior evaluation. The assessment area does not arbitrarily exclude any low- or moderate-income census tracts, does not reflect illegal discrimination, and otherwise meets the requirements of the CRA regulations.

Economic and Demographic Data

Select demographic characteristics of the assessment area are illustrated in the following table.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Geographies (Census Tracts)	2	0.0	0.0	100.0	0.0	0.0
Population by Geography	5,996	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	3,043	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	1,995	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	361	0.0	0.0	100.0	0.0	0.0

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Vacant Units by Geography	687	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	389	0.0	0.0	100.0	0.0	0.0
Farms by Geography	96	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	1,640	17.4	15.2	23.8	43.4	0.1
Household Distribution by Income Level	2,356	17.1	14.4	17.2	51.4	0.0
Illinois Non-MSA Median Family Income		\$67,835	Median Housing Value			\$ 105,695
			Median Gross Rent			\$639
			Families Below Poverty Level			10.2%
Sources: 2020 Census And 2024 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%.						

Data obtained from the Illinois Department of Employment Security indicates that the August 2025 unemployment rate for Knox County is comparable to the unemployment rates for the State of Illinois and the national average. The unemployment rates for Knox County have slightly increased over the prior 12-month period.

Unemployment Rates		
Area	August 2024	August 2025
Knox County	5.2	5.4
State of Illinois	5.3	4.7
National Average	4.4	4.5
Source: Illinois Department of Employment Security		

The immediate area surrounding the AA remains highly dependent upon health services and education. Some of the largest employers in Knox County are BNSF, OSF St. Mary's Medical Center, Bridgeway, and Knox College. None of the 10 largest employers in Knox County are located in Oneida.

At the prior 2020 evaluation, a total of 81 farming operations were located in the AA. According to 2024 D&B data, there are now 96 farms in the AA, which all reported gross annual revenues (GARs) of \$1 million or less.

The local economy remains highly dependent upon small businesses. According to 2024 D&B data, there are 389 businesses in the AA. Below is a breakdown of gross annual revenues for these businesses.

- 81.8 percent have \$1 million or less,
- 2.3 percent have more than \$1 million, and
- 15.9 percent have unknown revenues

Examiners use the FFIEC-updated median family income level to analyze home mortgage lending performance under the Borrower Profile criterion. Recent demographic data shows that the assessment area has experienced a significant increase in percentage of families living below the poverty level. The poverty rate rose from 3.8 percent to 10.2 percent, which reflects economic pressures among lower-income households. The following table presents income categories.

Estimated Median Family Income Ranges					
Year	MFI	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥ 120%
Non-Metro Median Family Income For ILLINOIS					
2024	\$ 82,800	< \$41,400	\$41,400 to < \$66,240	\$66,240 to < \$99,360	≥ \$99,360
Source: FFIEC					

Competition

ASB's AA fosters a slightly competitive market for deposits. The FDIC Deposit Market Share data as of June 30, 2025, reported 11 financial institutions operating 18 offices in Knox County. Of these institutions, ASB ranked 6th with a 4.7 percent deposit market share. This represents a slight decrease from the previous evaluation when ASB was ranked 6th with a 7.0 percent deposit market share.

Community Contacts

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs. It also shows what credit and community development opportunities are available.

Examiners reviewed a contact conducted with a representative from an agricultural-focused organization that supports local farmers by promoting favorable legislative initiatives, performing public relations, and providing educational meetings and materials. While local farmers are generally able to obtain credit from local financial institutions, the contact stated there is currently a lack of cash flow due to economic conditions and rising interest rates. Crop pricing uncertainty will continue for several months to come.

Local banks seem to be adequately providing working capital and land acquisition loans to area farmers. The contact noted additional financing options for smaller farming operations was a credit need but was unaware of any other unmet credit needs. The representative also indicated significant competition for agricultural loans between financial institutions and other non-bank agricultural lenders in the area. The contact also stated that all of the local financial institutions are generally involved in the community and are committed to assisting consumers, business owners, farmers, and homebuyers with financing.

Credit Needs

Considering information from the community contact and demographic data, examiners determined that agriculture and commercial lending are needed given the number of farms and businesses operating in the AA.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated February 21, 2020, to the current evaluation dated December 9, 2025. Examiners used the Interagency Small Institution Examination Procedures to evaluate ASB's CRA performance, which includes the lending test.

The Lending Test considered the institution's performance according to the following criteria.

- Loan-to-deposit ratio
- Assessment area concentration
- Geographic distribution
- Borrower profile
- Response to CRA-related complaints

Activities Reviewed

As of September 30, 2025, the major product lines at ASB are agricultural (66 percent), commercial (13 percent), and residential (13 percent) loans. This conclusion is consistent with the bank's current business strategy and the number and dollar volume of loans originated during the current evaluation period. The bank's agricultural lending is weighted the heaviest in the overall rating as it makes up the largest percentage of the loan portfolio, followed by small business lending based on the number of originations during the evaluation period. All small farm, small business, and residential loans originated or renewed from January 1, 2024, through December 31, 2024, were reviewed and are included in this evaluation. The bank originated 30 small farm loans totaling \$3,915 million, 26 small business loans totaling \$1,872 million, and 15 home mortgage loans totaling \$3,721 million.

ASB is not required to report residential real estate loan data for the Home Mortgage Disclosure Act (HMDA) purposes or small business and small business loan data under CRA. As such, examiners utilized bank provided data for all three loan products reviewed. Home mortgage lending performance is compared to the applicable population, housing, and income demographics in the AA according to the 2020 Census. D&B data for 2024 provided a standard of comparison for small farm and small business loans.

For the Lending Test, examiners reviewed the number and dollar volume of small farm, small business, and home mortgage loans. While the number and dollar volume of loans are presented, examiners placed more weight on the bank's performance by number of loans, as it is a good

indicator of credit responsiveness to individuals and businesses and farms within the bank's assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Lending performance was evaluated in accordance with the Interagency Small Institution Examination Procedures. Overall, ASB's performance under the Lending Test reflects reasonable responsiveness to assessment area credit needs. As discussed under the Scope of Evaluation section, the bank's primary lending focus is agricultural, commercial, and residential lending. However, the bank's lending performance to small farming operations received the most weight in this evaluation.

Loan-to-Deposit Ratio

Anderson State Bank's net loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The average net LTD ratio was 35.7 percent over the last 23 quarters from March 31, 2020, to September 30, 2025, fluctuating from a low of 28.9 percent on March 31, 2023, to a high of 46.2 percent on June 30, 2025. The most recent LTD as of September 30, 2025, was 46.1 percent, which is an increase from the previous evaluation when the ratio was 38.1 percent as of March 31, 2020. Since the prior evaluation, total deposits and loans increased by 37.3 percent and 59.8 percent, respectively.

Examiners selected five similarly situated institutions (SSI) based on asset size, geographic location, and lending focus. ASB's net LTD ratio is lower than all five SSIs. Although the average net LTD ratio is lower than the SSIs, each of the peer banks experienced declines in their LTD ratios, while ASB's LTD ratio increased over the same period.

Of the similarly-situated institutions, ASB has the highest concentration of agriculture loans, which represents over 66 percent of its loan portfolio. Lending competition continues to increase from non-banking sources such as equipment manufacturers, chemical and fertilizer suppliers, farm credit cooperatives, and other government entities. Of the five SSIs, ASB is the only lender with one location and has the smallest AA. In comparison to the SSIs, ASB's AA also contains the least number of farming operations, which further limits lending opportunities. Given the various factors, ASB's average LTD ratio is considered reasonable. The following table provides additional information.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 9/30/25 \$(000s)	Average Net LTD Ratio (%)
Anderson State Bank	117,486	35.7
Similarly-Situated Institution #1	163,788	47.2
Similarly-Situated Institution #2	302,376	61.9
Similarly-Situated Institution #3	243,003	63.8
Similarly-Situated Institution #4	321,770	70.4
Similarly-Situated Institution #5	64,853	75.9
<i>Source: Reports of Condition and Income 03/31/20 through 9/30/25</i>		

Assessment Area Concentration

ASB originated a majority of its loans within the AA by both number and dollar volume. All small farm, small business, and home mortgage loans originated during 2024 were analyzed to determine the portion of loans extended inside and outside of the assessment area. By number of loans, ASB originated a majority of its small farm and small business loans, and a substantial majority of its home mortgage loans to borrowers within its assessment area. The following table provides further details about the number and dollar volume of loans originated inside and outside the assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000)				Total \$(000)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2024	14	93.3	1	6.7	15	3,681	98.9	40	1.1	3,721
Small Business										
2024	19	73.1	7	26.9	26	1,187	63.4	685	36.6	1,872
Small Farm										
2024	22	73.3	8	26.7	30	3,568	91.1	347	8.9	3,915
Total	55	77.5	16	22.5	71	8,436	88.7	1,072	11.3	9,508
Source: Bank Data										
Due to rounding, totals may not equal 100.0%.										

Geographic Distribution

The assessment area does not include any low- and 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

ASB's overall distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes. The bank's lending performance in originating small farm, small business, and home mortgage loans supports this conclusion. Examiners focused on the percentage by number of small farm and small business loans to farms and businesses with GARs of \$1 million or less. Additionally, examiners focused on the percentage by number of home mortgage loan originations to low- and moderate-income borrowers.

Small Farm Loans

ASB's lending to small farms of different sizes is reasonable. As noticeably, noted in the following table, the bank's lending to farms with GARs of \$1 million or less is noticeably below the percentage of farms in the AA at this GAR level.

Distribution of Small Farm Loans by Gross Annual Revenue Category in 2024					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<= \$1,000,000	100.0	19	86.4	3,178	89.1
> \$1,000,000	0.0	3	13.6	390	10.9
Revenue Not Available	0.0	0	0.0	0	0.0
Total	100.0	22	100.0	3,568	100.0
Sources: 2024 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%.					

However, for farming operations in Knox County, the 2022 USDA Census of Agriculture reflects that 57.2 percent of farms are hobby farms and 53 percent of farms did not report having an interest expense. Additionally, when compared to SSIs, all SSI's percentage of lending was less than the percentage of farms with GARs less than \$1 million in their respective assessment areas. Although data reported to D&B in 2024 reflects all farms having GARs of \$1 million or less, ASB identified three borrowers with GARs of over \$1 million. Given the aforementioned factors, the bank's lending to small farms is reasonable.

Small Business Loans

ASB's lending to small businesses of different sizes is reasonable. As shown in the following table, the bank's lending to businesses with GARs of \$1 million or less is higher than the percentage of businesses at this GAR level.

Distribution of Small Business Loans by Gross Annual Revenue Category in 2024					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<= \$1,000,000	81.8	17	89.5	972	81.9
> \$1,000,000	2.3	2	10.5	215	18.1
Revenue Not Available	15.9	0	0.0	0	0.0
Total	100.0	19	100.0	1,187	100.0
Sources: 2024 D&B Data; Bank Data Due to rounding, totals may not equal 100.0%.					

Home Mortgage Loans

The overall distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable. However, while the bank's performance is reasonable, the overall low volume of home mortgage loan originations somewhat skews the percentages. An analysis was performed to determine the distribution of home mortgage loans according to the borrowers' income as reported on the loan applications completed in 2024. The median family income levels are based on the HUD-estimated median family income levels for the non-MSA portions of Illinois for 2024.

ASB's level of home mortgage lending to low-income borrowers in 2024 was 14.3 percent, which is lower than the percentage of low-income families in the AA at 17.4 percent. According to the 2020

Census, a total of 10.2 percent of the families in the AA had incomes below the poverty level. These families typically do not possess the financial means to qualify for, or afford, a home mortgage loan due to financial constraints, which affects the level of available lending opportunities in the AA to this income segment. This context makes the bank's lower penetration to low-income families in the AA reasonable.

ASB's level of home mortgage lending to moderate-income borrowers was 14.3 percent in 2024, which is slightly below the percentage of moderate-income families at 15.2 percent in the AA. The following table shows the bank's level of lending to families of various income levels.

Distribution of Home Mortgage Loans by Borrower Income Level in 2024					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	17.4	2	14.3	82	2.2
Moderate	15.2	2	14.3	111	3.0
Middle	23.8	1	7.1	124	3.4
Upper	43.4	9	64.3	3,364	91.4
NA	0.1	0	0.0	0	0.0
Total	100.0	14	100.0	3,681	100.0
<i>Source: 2020 Census; Imported Bank Data Due to rounding, totals may not equal 100.0%.</i>					

Response to Complaints

The bank has not received any CRA-related complaints since the prior CRA evaluation; therefore, this criterion did not affect the Lending Test rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

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 bank'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 bank 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.