

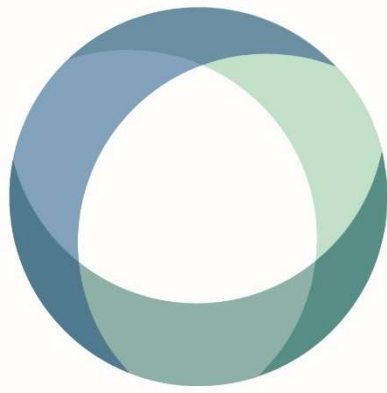


**Alliance**  
Community Bank®

# COMMUNITY REINVESTMENT ACT (CRA)

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Public  
File



**Alliance**  
Community Bank

## **Written Comments and Responses**

No written comments have been received from the public [related to Alliance Community Bank's CRA performance] for the current year or the preceding two (2) calendar years.

# **PUBLIC DISCLOSURE**

January 27, 2023

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Alliance Community Bank  
Certificate Number: 9631

321 North 6th Street  
Petersburg, Illinois 62675

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. The following factors support the institution's rating:

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- The bank made a majority of its home mortgage and small farm loans in the assessment area.
- The geographic distribution of loan reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration of loans among individuals of different income levels and farms of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the overall rating.

## DESCRIPTION OF INSTITUTION

### **Background**

Alliance Community Bank (Alliance) is a \$361.1 million commercial bank, and a wholly owned subsidiary of AC Bancorp, Inc., a one-bank holding company and both are headquartered in Petersburg, Illinois. Alliance acquired 1<sup>st</sup> State Bank of Mason City (FSBMC) effective October 1, 2021. Alliance received a Satisfactory rating at the previous FDIC Performance Evaluation, dated October 2, 2019 and FSBMC received a Satisfactory rating at its previous FDIC Performance Evaluation, dated December 16, 2019. Both institutions were evaluated utilizing the Interagency Small Institution CRA Examination Procedures.

### **Operations**

Alliance operates five full-service branch offices throughout a five county area in Central Illinois. The Mason City location, which is in a moderate-income geography, is new since the previous evaluation, and was added as a result of the FSBMC acquisition. Alliance formerly operated one loan production office (LPO) in Riverton, Illinois, which was outside of the assessment area, approximately 27 miles from the main office in Petersburg; however, it was closed effective April 30, 2021. No other merger or acquisition activities or operational changes occurred during this review period.

Alliance's business focus remains on agricultural and residential home mortgage lending, which were also primary product lines for FSBMC. Agricultural loan offerings include operating lines of credit, equipment loans, and farm real estate loans. An array of home mortgage lending products and other consumer-purpose loans are offered as well. The bank offers a wide range of deposit products and services for both commercial and retail customers. Commercial credit products include term and capital improvement loans, commercial real estate loans, and lines of credit. Credit applications are accepted online, in person, and via telephone. Retail deposit products include checking, savings, and money market accounts, as well as certificates of deposit. Alternative banking services include online banking and bill pay, mobile banking, and access to automated teller machines.

Alliance continues to offer various loan programs, including some that have flexible lending guidelines that often benefit low- and moderate-income individuals and areas. The bank originates long-term fixed rate loans that are sold on the secondary market. Additionally, the bank continues to offer long-term fixed-rate guaranteed loans through a third party lender. The government guaranteed loans are no or low-down payment programs originated and serviced by the third party. In 2021, the bank originated 18 loans totaling \$2 million through the third party's programs. The bank also participates in the Federal Home Loan Bank's Downpayment Plus Program. This program offers down payment and closing cost assistance to qualifying low- and moderate-income homebuyers. Since the prior CRA evaluation, the bank provided 63 grants totaling \$367,060 to homebuyers. Alliance also participates in secondary market lending programs for agricultural loans. Some of the loan programs provide assistance to new farmers that are purchasing or expanding agricultural operations. Since the previous evaluation, the bank originated 5 loans totaling \$1.7 million.

### **Ability and Capacity**

Alliance reported total assets of \$361.1 million as of September 30, 2022, total loans of \$178.4 million, and total securities of \$151.2 million. These figures represent growth in both assets and loans since the previous CRA evaluation, which is partially attributed to the acquisition. Both Alliance and the former FSBMC had a similar product focus, so the composition of the loan portfolio reflects limited change. Examiners did not identify any financial or other legal impediments that hinder the bank's ability to provide credit within its assessment areas. Additional details regarding the loan portfolio are included in the following table.

<b>Loan Portfolio Distribution as of 9/30/2022</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	2,430	1.4
Secured by Farmland	49,474	27.8
Secured by 1-4 Family Residential Properties	43,548	24.4
Secured by Multi-family (5 or more) Residential Properties	1,520	0.8
Secured by Non-farm Non-Residential Properties	19,844	11.1
<b>Total Real Estate Loans</b>	<b>116,816</b>	<b>65.5</b>
Commercial and Industrial Loans	11,986	6.7
Agricultural Production and Other Loans to Farmers	27,101	15.2
Consumer	19,245	10.8
Obligations of States and Political Subdivisions in the United States	3,177	1.8
Other Loans	27	0.0
Lease Financing Receivables (net of unearned income)	61	0.0
Less: Unearned Income	-	-
<b>Total Loans</b>	<b>178,413</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income</i>		

## **DESCRIPTION OF ASSESSMENT AREAS**

The CRA requires each financial institution to define one or more assessment areas within which its performance will be evaluated. Alliance has designated two separate assessment areas, which reflects a change from the previous evaluation. As a result of the merger, Alliance added FSBMC's former assessment area and several additional contiguous tracts throughout the combined area. The bank's two assessment areas now include the Springfield, IL MSA and the Illinois Non-MSA. Tazewell County is part of the Peoria, IL MSA; however, the tract included in the delineated area is very similar in nature to the adjoining non-MSA tracts. Additionally, Alliance does not operate any offices in Tazewell County. As a result, CRA performance in Tazewell County is evaluated with the adjoining non-metropolitan areas. The following table presents a brief description of each assessment area, including the respective counties, number of census tracts, and number of branches.

<b>Composition of Assessment Areas</b>			
<b>Assessment Area</b>	<b>Counties in Assessment Area</b>	<b># of CTs</b>	<b># of Branches</b>
Springfield, IL MSA	Menard and Sangamon	9	4
IL Non-MSA	Logan, Mason, and Tazewell	9	1
<i>Source: Bank Records; CT = Census Tract</i>			

These assessment areas do not arbitrarily exclude any low- or moderate-income census tracts, do not reflect illegal discrimination, and otherwise meet the requirements of the CRA regulations. A more detailed discussion of each assessment area, including economic and demographic data, competition, and community contacts, is found in the separate MSA and non-MSA sections of this evaluation.

## **SCOPE OF EVALUATION**

### **General Information**

Examiners used the Interagency Small Institution Examination Procedures to evaluate Alliance's CRA performance. This evaluation covers the period from Alliance's prior FDIC performance evaluation dated October 2, 2019, to the current evaluation dated January 27, 2023. The overall CRA rating is influenced by the bank's performance in the Springfield, IL MSA (full-scope review). The majority of lending and deposit-taking activities take place in the Springfield MSA; however, parts of this market are considerably different from the more rural areas of the assessment area. Performance in the IL Non-MSA (full-scope review) assessment area is equally considered even though there is a lower level of activity in the area and a limited length of time since the assessment area was added (October 2021). The bank's product focus in agricultural lending aligns with the rural nature and demographics of the assessment area. In addition, limited lending levels for home mortgage loans in the Non-MSA are attributed to the former FSBMC \*not subject to Home Mortgage Disclosure Act (HMDA) reporting requirements; therefore, no related data was included in the analysis.

### **Activities Reviewed**

Examiners determined that the bank's major product lines are home mortgage and small farm loans and both product lines received equal weight in this evaluation. Both Alliance and FSBMC shared this focus so no significant changes were noted as a result of the merger. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period. Commercial and consumer lending were not reviewed for this evaluation as they are not major product lines in the loan portfolio and are not a lending focus of the bank. While the number and dollar volume of home mortgage and small farm loans are presented, examiners emphasized performance by number of loans because it is a better indicator of the number of individuals and farms served.

Home mortgage loans subject to HMDA reporting requirements in 2020 and 2021 were reviewed. Alliance originated or purchased 630 HMDA loans totaling \$92.9 million in 2020 and 313 loans totaling \$39.4 million in 2021. Lending volume decreased from 2020 to 2021, but there were no

anomalies identified that reflected changes in business strategy from year to year. As previously noted, FSBMC was not subject HMDA reporting requirements; therefore, the impact of the merger activity could not be fully assessed during this review period. Although examiners reviewed each full year of reported activity since the previous evaluation, only 2021 lending data is presented as it is considered representative of activity throughout the entire review period. The bank's home mortgage lending performance is compared to 2021 aggregate lending data, as well as demographic data housing data obtained from the 2015 American Community Survey (ACS) conducted by the U.S. Census Bureau. Examiners placed more weight on comparisons to aggregate data as it provides a more accurate assessment of lending opportunities within the assessment areas.

Examiners reviewed all farm loans originated or renewed in the period January 1, 2022 to December 31, 2022. This timeframe is representative of the bank's performance during the evaluation period. The bank originated 207 small farm loans totaling \$25.0 million in 2022. Examiners used the universe to evaluate the bank's assessment area concentration and geographic distribution performance. Sampling procedures were used when analyzing the borrower profile criterion. The sample includes 113 loans totaling \$14.1 million. D&B data for 2021 was the most recent information available and provided a standard of comparison for the small farm loans.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

The institution's lending performance is reasonable given the assessment areas credit needs. Examiners evaluated the bank's lending activity, assessment area concentration, geographic distribution, and borrowers' profile. Of these factors, performance under the borrower profile criterion carried more weight due to the lack of low-income and limited number of moderate-income geographies in the assessment area.

### **Loan-to-Deposit Ratio (LTD)**

The LTD ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's LTD ratio, calculated from Call Report data, averaged 56.0 percent over the past 12 calendar quarters from December 31, 2019 to September 30, 2022. The LTD ratio generally reflected a downward trend throughout the review period and ranged from a high of 64.6 percent as of March 31, 2020 to a low of 47.1 percent as of March 31, 2022. Alliance's average ratio is lower than that of similarly situated institutions, as shown in the following table. Examiners selected comparable institutions based on their asset size, geographic location, and lending focus. The LTD ratios for these institutions also reflected a similar downward trend throughout the period.

<b>Loan-to-Deposit (LTD) Ratio Comparison</b>		
<b>Bank</b>	<b>Total Assets as of 9/30/2022 (\$000s)</b>	<b>Average Net LTD Ratio (%)</b>
<b>Alliance Community Bank</b>	<b>361,078</b>	<b>56.0</b>
Similarly-Situated Institution #1	444,626	73.9
Similarly-Situated Institution #2	303,870	73.6
Similarly-Situated Institution #3	268,514	76.7
Similarly-Situated Institution #4	276,256	66.3
<i>Source: Reports of Condition and Income 12/31/2019 - 9/30/2022</i>		

### **Assessment Area Concentration**

The bank originated a majority of home mortgage and small farm loans, by number and dollar volume, within its assessment area. Additional details are included in the following table.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total  #	Dollar Amount of Loans \$(000s)				Total  \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	487	77.3	143	22.7	630	71,755	77.2	21,157	22.8	92,912
2021	203	64.9	110	35.1	313	27,730	70.3	11,714	29.7	39,445
Subtotal	690	73.2	253	26.8	943	99,485	75.2	32,871	24.8	132,356
Small Farm										
2022	175	84.5	32	15.5	207	21,467	85.9	3,530	14.1	24,997
Sources: Evaluation Period: 1/1/2020 - 12/31/2022. Alliance HMDA data; Small Farm Bank Records. Due to rounding, totals may not equal 100.0%.										

### **Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout the assessment areas. This conclusion is primarily derived by the bank's performance in the Non-MSA assessment area; however, performance in the Springfield, IL MSA did not have a detrimental impact. Examiners considered the area demographics, the lack of low-income tracts, and the presence of only one moderate-income geography in each assessment area. Examiners also considered the timing of merger activities and the availability of lending data when drawing conclusions. A complete discussion of the bank's performance for this criterion is in the separate assessment area sections of this evaluation.

### **Borrower Profile**

The distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels and farm operations of different sizes, given the demographics of the assessment areas. This conclusion is primarily supported by borrower profile performance in the Springfield, IL MSA assessment area. Examiners considered the timing of merger activities and the availability of lending data when drawing conclusions. Please refer to the separate assessment area sections of this evaluation for further discussion of the bank's performance under this criterion.

### **Response to Complaints**

The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the overall rating of the institution.

## **DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution's overall CRA rating.

### **SPRINGFIELD, IL MSA – Full-Scope Review**

#### **DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE SPRINGFIELD, IL MSA**

Alliance has designated all of Menard County and a portion of Sangamon County as one of its assessment areas. Both of these counties comprise the Springfield, IL MSA. The bank operates four of its five offices in this assessment area. No new offices were opened in this assessment area during the review period, but the area was expanded following the FSBMC acquisition in October 2021. The bank previously operated a Loan Production Office in Sangamon County, but it was closed in April 2021. A majority of the bank's operations are conducted in this assessment area. As of June 30, 2022, the bank reported \$315,759 million in deposits in this assessment area, which represents 91.3 percent of the bank's total deposits as of the same date.

### **Economic and Demographic Data**

This assessment area encompasses nine census tracts, and includes all three census tracts in Menard County and six census tracts Sangamon County, which include 1.0, 5.01, 36.01, 37.0, 38.01, and 38.02. According to the 2015 ACS, these tracts reflect the following income designations: one moderate-, six middle-, and two upper-income tracts. As a result of the FSBMC merger, the assessment area was expanded in October 2021 to include three middle-income tracts in Sangamon County (5.01, 38.01, and 38.02). The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	9	0.0	11.1	66.7	22.2	0.0
Population by Geography	38,425	0.0	9.2	61.0	29.8	0.0
Housing Units by Geography	16,469	0.0	11.9	61.0	27.2	0.0
Owner-Occupied Units by Geography	12,447	0.0	9.5	58.9	31.5	0.0
Occupied Rental Units by Geography	2,830	0.0	18.2	67.0	14.9	0.0
Vacant Units by Geography	1,192	0.0	21.1	68.3	10.6	0.0
Businesses by Geography	2,359	0.0	12.4	58.8	28.8	0.0
Farms by Geography	229	0.0	4.8	60.7	34.5	0.0
Family Distribution by Income Level	10,664	15.9	14.3	23.4	46.4	0.0
Household Distribution by Income Level	15,277	19.8	12.8	17.5	49.9	0.0
Median Family Income MSA - 44100 Springfield, IL MSA		\$73,402	Median Housing Value			\$138,721
			Median Gross Rent			\$711
			Families Below Poverty Level			7.1%
Sources: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%. (*) NA category all geographies have an assigned income classification.						

The bank's performance under the geographic distribution criterion was compared to the respective area demographics and aggregate lending data, as applicable. For home mortgage lending, the bank's performance was compared to the percentage of owner-occupied units located within the geographies by income level and HMDA aggregate lending. Small farm lending was evaluated by comparing the bank's performance to the percentage of operations in the respective tract income categories based on D&B data. These characteristics provide some insight into the credit needs and demand, which are considered when evaluating geographic lending patterns.

Performance under the borrower profile criterion also compares the respective area demographics and aggregate lending data, as applicable. The 2020-2021 FFIEC-updated median family income levels are used to analyze home mortgage loans under this criterion. The following table illustrates how those figures translate to low-, moderate-, middle-, and upper-income bands for determining the bank's lending to borrowers of different income levels. The bank's performance under this criterion is compared to the percentage of families by income level and to HMDA aggregate lending levels.

Median Family Income Ranges - Springfield, IL MSA				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Springfield, IL MSA Median Family Income (44100)				
2020 (\$85,200)	<\$42,600	\$42,600 to <\$68,160	\$68,160 to <\$102,240	≥\$102,240
2021 (\$85,500)	<\$42,750	\$42,750 to <\$68,400	\$68,400 to <\$102,600	≥\$102,600
Source: FFIEC				

Agricultural and related business remain prevalent in the area. The analysis of small farm lending under the borrower profile criterion compares the distribution of farms by gross annual revenues (GAR) level. According to 2021 D&B data, the assessment area contains 299 farming operations reporting the following GARs: 98.7 percent have \$1 million or less, 0.4 percent have more than \$1 million, and 0.9 percent have unknown revenues. These demographics indicate the potential for the banks to participate in small farm lending within the assessment area.

Information from Moody's Analytics dated October 2022, notes the following with respect to the Springfield, Illinois economy. Springfield's economy is recovering and jobs lost from the pandemic have largely been recouped. Healthcare is still the strongest performer while state government payrolls have been flat. The area continues to experience population loss. A shortage of high-wage industries are discouraging working-age adults from moving to Springfield, which will impact future economic growth. Information from the IL Department of Commerce and Economic Opportunity confirms that Menard County is still comprised of mostly rural areas that are used for farming and agricultural-related activities. The population has remained stable and unemployment rates are low. Non-farm related employment is primarily in healthcare and social assistance, government and public administration, and education.

Unemployment rates have generally been consistent with the state and national rates throughout the review period. All of these rates were elevated in 2020 and 2021, primarily due to the impact of the COVID-19 pandemic, but are returning to normal levels. On an annual basis, Sangamon County's average unemployment rate was 6.5 percent in 2020 and 5.5 percent in 2021 while rates in Menard County were 6.6 percent in 2020 and 4.1 percent in 2021. These rates were similar to statewide and national averages during that time. In November 2022, Sangamon County's unemployment rate was 4.0 percent and Menard County's rate was 3.4 percent, which are similar to both the Illinois and national unemployment rates of 4.4 and 3.4 percent, respectively.

### **Competition**

The assessment area is competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2022, 26 financial institutions operated 80 full-service branches within the bank's assessment area. Of these institutions, Alliance Community Bank ranked 11<sup>th</sup> with a 3.5 percent deposit share. There is also a high level of competition for loans among banks, credit unions, and non-depository mortgage lenders in this assessment area. The most recent aggregate lending data available reflects the following: 1,613 HMDA reportable home mortgage originations and purchases by 114 lenders. Of these lenders, Alliance ranked first with 11.2 percent market share.

## CONCLUSIONS ON PERFORMANCE CRITERIA IN THE SPRINGFIELD, IL MSA

### LENDING TEST

Lending levels reflect reasonable responsiveness to the assessment area's credit needs. Performance under the borrower profile criterion primarily supports this conclusion.

#### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and farms of different sizes. The bank's reasonable performance of home mortgage and small farm lending supports this conclusion. Examiners focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers, as well as the number of loans to small farms with GARs of \$1 million or less.

#### ***Home Mortgage Loans***

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable. As detailed in the table below, home mortgage lending to low-income borrowers exceeded aggregate lending levels by 1.4 percent. A low-income family in the assessment area in 2021, with an income of less than \$42,750, would not likely qualify for a mortgage under conventional underwriting standards, especially with a median housing value of \$138,721. This helps illustrate why aggregate lending levels trail area demographics, and can be indicative of the limited lending opportunities faced by all lenders in the area. Home mortgage lending to moderate-income borrowers was comparable to aggregate performance and other lenders in the area for borrowers in this income segment. These levels of lending demonstrate that the bank is meeting the needs of low- and moderate-income individuals in the assessment area. Market share data provides further support as Alliance was the market leader in lending to both low- and moderate-income borrowers in 2021.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	15.9	10.8	22	12.2	1,944	7.8
Moderate	14.3	21.3	36	20.0	3,852	15.4
Middle	23.4	22.9	41	22.8	5,105	20.4
Upper	46.4	29.0	73	40.6	13,223	52.9
Not Available	0.0	15.9	8	4.4	879	3.5
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>180</b>	<b>100.0</b>	<b>25,003</b>	<b>100.0</b>
<i>Sources: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

### ***Small Farm Loans***

The distribution of small farm loans reflects reasonable penetration of loans to farms with GARs of \$1 million or less. The following table shows that 81.5 percent of the sampled loans were originated to farms reporting revenues in this category, which compares reasonably with the percent of farms in this revenue category. Examiners considered that the bank continues to offer specialized programs that are designed to assist new and smaller farming operations. Additionally, some of the borrowers reporting revenues greater than \$1 million had multiple loans captured in the sample.

<b>Distribution of Small Farm Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	98.7	75	81.5	8,222	74.4
>\$1,000,000	0.4	17	18.5	2,836	25.6
Revenue Not Available	0.9	--	--	--	--
<b>Total</b>	<b>100.0</b>	<b>92</b>	<b>100.0</b>	<b>11,058</b>	<b>100.0</b>
<i>Source: 2021 D&amp;B Data, Bank Data. Due to rounding, totals may not equal 100.0%.</i>					

### **Geographic Distribution**

The geographic distribution of loans reflects poor dispersion throughout the assessment area. When considering various factors impacting lending opportunities, this performance is not considered unreasonable. Home mortgage and small farm lending performance supports this conclusion. Examiners focused on the percentage by number of loans in the moderate-income census tract.

### ***Home Mortgage Loans***

The geographic distribution of home mortgage loans reflects poor dispersion throughout the assessment area. The bank's limited lending in the moderate-income geography trailed aggregate performance and area demographics. The following table also reflects aggregate lending performance in this geography that trails area demographics, which is indicative of limited lending opportunities and demand among all lenders. Limited lending opportunities are also reflected by housing demographics indicating that just over half (61 percent) of the housing units in this geography are owner-occupied. Approximately half (53 percent) of the housing units are 1-4 family units, and the remainder are comprised of mobile homes (43 percent) and multi-family units (4 percent).

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Moderate	9.5	7.0	2	1.1	200	0.8
Middle	58.9	58.5	147	81.7	19,689	78.7
Upper	31.6	34.5	31	17.2	5,114	20.5
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>180</b>	<b>100.0</b>	<b>25,003</b>	<b>100.0</b>
<i>Sources: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.</i>						

The sole moderate-income tract is located in Sangamon County, where a small portion of the bank's lending activity occurs. The closest location is the branch at Andrew Road in Springfield, which is approximately two miles from the boundary of the moderate-income tract. The main office is approximately 20 miles from the moderate-income tract. There are several other mortgage companies, credit unions, and financial institutions in and around the moderate-income tract that are competing for this low level of applications. According to 2021 HMDA data, there were only 175 loan applications received in this tract among 49 lenders, demonstrating a high level of competition in the area. HMDA market share data reflects that Alliance and a group of 10 other lenders tied for the 7<sup>th</sup> place ranking in the moderate-income geography. When considering the level of lending opportunities, and the bank's operations in this geography, this performance is not unreasonable.

### ***Small Farm Loans***

The geographic distribution of small farm loans reflects poor dispersion. The following table shows that the bank did not lend in the moderate-income tract in 2022. As previously mentioned, the sole moderate-income tract is in the city of Springfield and includes an airport and other industrial businesses, but very few farms. D&B data from 2021 shows only 11 farms and 292 businesses in the moderate-income tract. The lack of lending in the sole moderate-income tract is not unreasonable when considering the distance from the bank's office, limited farming operations in this geography, and the level of competition.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Moderate	4.8	--	--	--	--
Middle	60.7	133	93.0	15,311	91.6
Upper	34.5	10	7.0	1,401	8.4
<b>Totals</b>	<b>100.0</b>	<b>143</b>	<b>100.0</b>	<b>16,712</b>	<b>100.0</b>
<i>Sources: 2021 D&amp;B Data; Bank Data. Due to rounding, totals may not equal 100.0%.</i>					

## ILLINOIS NON-MSA – Full-Scope Review

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE ILLINOIS NON-MSA

Alliance designated an assessment area comprised of tracts located in Logan, Mason, and Tazewell Counties. This assessment area is new since the previous evaluation and was added following the FSBMC acquisition. The bank operates one office in this assessment area, which is located in Mason City. Only a small portion of Alliance’s business operations was conducted in this assessment area during this review period; however, the former FSBMC was well established in this area. As of June 30, 2022, Alliance reported \$30,009,000 in deposits in this assessment area, representing 8.7 percent of the bank’s total deposits as of the same date.

#### **Economic and Demographic Data**

This assessment area encompasses nine contiguous census tracts in three counties. Specifically, the bank selected all five tracts in Mason County, two tracts in Logan County (9530 and 9535), and one tract in southwestern Tazewell County (219). According to the 2015 ACS, these tracts reflect the following income designations: one moderate-, seven middle-, and one upper-income tract. The bank’s sole office is located in census tract 9568, which is the only moderate -income geography in the assessment area. This is also the smallest tract, by population and area, and is completely contained within tract 9567. The following table provides a summary of the demographics, housing, and business information for the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	9	0.0	11.1	77.8	11.1	0.0
Population by Geography	28,412	0.0	8.3	65.3	26.5	0.0
Housing Units by Geography	10,875	0.0	10.5	80.5	9.0	0.0
Owner-Occupied Units by Geography	7,553	0.0	10.1	80.8	9.1	0.0
Occupied Rental Units by Geography	2,086	0.0	15.5	77.0	7.5	0.0
Vacant Units by Geography	1,236	0.0	4.4	84.3	11.2	0.0
Businesses by Geography	1,171	0.0	9.7	78.7	11.5	0.0
Farms by Geography	257	0.0	3.5	77.4	19.1	0.0
Family Distribution by Income Level	6,465	18.7	19.4	22.7	39.2	0.0
Household Distribution by Income Level	9,639	22.2	16.7	18.6	42.5	0.0
Median Family Income MSA - 37900 Peoria, IL MSA		\$67,308	Median Housing Value			\$91,055
Median Family Income Non-MSAs – IL		\$59,323	Median Gross Rent			\$608
			Families Below Poverty Level			8.4%
Sources: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%. (*) NA category all geographies have an assigned income classification.						

The remaining census tracts in Mason County continues to be designated as distressed areas due to population loss. Annual designations are made for areas that experience a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of five percent or more over the five-year period preceding the most recent census. Most of the tracts in Mason County were designated as distressed dating back to at least 2008.

The bank's performance under the geographic distribution criterion was compared to the respective area demographics and aggregate lending data, as applicable. For home mortgage lending, the bank's performance was compared to the percentage of owner-occupied units located within geographies by income level and HMDA aggregate lending. Small farm performance was evaluated by comparing the bank's lending to the percentage of operations in the respective tract income categories based on D&B data. These characteristics provide some insight into the credit needs and demand in the moderate-income geography, which is considered when evaluating geographic lending patterns.

Performance under the borrower profile criterion also compares the respective area demographics and aggregate lending data, as applicable. The 2020-2021 FFIEC-updated median family income levels are used to analyze home mortgage loans under this criterion. The following table illustrates how those figures translate to low-, moderate-, middle-, and upper-income bands for determining the bank's lending to borrowers of different income levels. The bank's performance under this criterion was compared to the percentage of families by income level and HMDA aggregate lending levels.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Peoria, IL MSA Median Family Income (37900)</b>				
2020 (\$75,400)	<\$37,700	\$37,700 to <\$60,320	\$60,320 to <\$90,480	≥\$90,480
2021 (\$76,000)	<\$38,000	\$38,000 to <\$60,800	\$60,800 to <\$91,200	≥\$91,200
<b>IL Non-MSA Median Family Income (99999)</b>				
2020 (\$65,800)	<\$32,900	\$32,900 to <\$52,640	\$52,640 to <\$78,960	≥\$78,960
2021 (\$66,700)	<\$33,350	\$33,350 to <\$53,360	\$53,360 to <\$80,040	≥\$80,040
<i>Source: FFIEC</i>				

Agriculture and related businesses remain prevalent in the area. The analysis of small farm lending under the Borrower Profile criterion compares the distribution of farms by gross annual revenues (GAR) level. According to 2021 D&B data, the assessment area contains 257 farming operations reporting the following GARs: 98.0 percent have \$1 million or less, 0.8 percent have more than \$1 million, and 1.2 percent have unknown revenues. These demographics indicate the potential for the banks to participate in small farm lending within the assessment area.

The majority of the assessment area is primarily rural in nature and largely dependent upon agriculture and related businesses. The primary non-farm employers are services and retail trade. The largest employers in the assessment area include schools and medical facilities. Many residents work outside of the assessment area, which is located within reasonable commuting distance of four

cities with employment opportunities: Lincoln (15 miles east), Peoria (30 miles north), Bloomington (52 miles northeast), and Springfield (32 miles south). Unemployment rates in the area were elevated in 2020 and 2021, primarily due to the impact of the COVID-19 pandemic, but have generally returned to normal levels. In November 2022, Mason County's unemployment rate was 4.7 percent and rates in Logan and Tazewell Counties were similar at 4.4 percent and 3.9 percent, respectively. These levels were comparable to both the Illinois and national unemployment rates of 4.4 and 3.4 percent, respectively.

### **Competition**

The assessment area is competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2022, 30 financial institutions operated 65 full-service branches within the bank's assessment area. Of these institutions, Alliance Community Bank ranked 22<sup>nd</sup> with a 0.6 percent deposit share. There is also high level of competition for loans among banks, credit unions, and non-depository mortgage lenders in this assessment area. The most recent aggregate lending data available reflects that 690 HMDA reportable originations and purchases by 114 lenders. Of these lenders, Alliance ranked 6<sup>th</sup> with 3.3 percent market share.

### **Community Contact and Credit Needs**

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

One recently conducted community contact was reviewed for this evaluation. The contact primarily focused on economic development throughout this assessment area including activities for commercial and agricultural operations and the well-being of residents in the community. The contact noted some of the challenges faced by various industries, such as hospitality, manufacturing, and retail, throughout the pandemic. In addition, many businesses in the area are doing well and that growth is occurring; however, there is a need for more employees. The employee shortage has had an impact on local economies, which is partially observed through housing data. The contact noted that housing prices have increased and the supply of housing is at a historical low. These housing trends have particularly impacted the large low-income population that could benefit from increased access to credit.

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that home mortgage, agricultural, and commercial loans represent primary credit needs in the area. The percentage of low- and moderate-income families in the assessment area at 38.1 percent and the high percentage of farms with GARs of \$1 million or less support this conclusion. Additionally, Tax Increment Financing districts and other efforts have been established to support economic development activities throughout the area. There are also numerous non-profit agencies in the area that provide essential services to low- and moderate-income individuals. The contact shared comments indicating that local financial institutions have been responsive to credit needs in the area.

## CONCLUSIONS ON PERFORMANCE CRITERIA IN THE ILLINOIS NON-MSA

### LENDING TEST

Lending levels reflect reasonable responsiveness to the assessment area's credit needs. Performance under the borrower profile criterion primarily supports this conclusion.

#### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and farms of different sizes, especially when considering factors such as assessment area changes and targeted programs offered by Alliance.

#### ***Home Mortgage Loans***

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is poor. As detailed in the table below, home mortgage lending to low-income borrowers trailed aggregate lending levels by 5.4 percent. A low-income family in the assessment area in 2021, with an income of less than \$33,350, would not likely qualify for a mortgage under conventional underwriting standards, especially with a median housing value of \$91,055. This helps illustrate why aggregate lending levels trail area demographics; however, Alliance's lending trails aggregate levels. Home mortgage lending to moderate-income borrowers also significantly trailed aggregate performance.

As previously mentioned, the former FSBMC was not required to report home mortgage lending data under HMDA. As a result, only loans originated by Alliance after October 2021 are reflected in the table. Alliance did not previously have a significant market presence in this area, as reflected by the limited volume of loans. Alliance continues to offer home mortgage programs that help meet the needs of low- and moderate-income individuals in the assessment area. These programs include flexible lending programs offered through a third party relationship and the bank also participates in the Downpayment Plus program. All of these factors were taken into consideration and support the conclusion that this performance is not unreasonable.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	18.7	9.7	1	4.3	66	2.4
Moderate	19.4	21.4	2	8.7	244	8.9
Middle	22.7	24.3	8	34.8	823	30.2
Upper	39.2	27.1	11	47.8	1,300	47.7
Not Available	0.0	17.4	1	4.3	295	10.8
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>23</b>	<b>100.0</b>	<b>2,728</b>	<b>100.0</b>
<i>Sources: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.</i>						

### ***Small Farm Loans***

The distribution of small farm loans reflects reasonable penetration of loans to farms with GARs of \$1 million or less. The following table shows that 85.7 percent of the sampled loans were originated to farms with GARs of \$1 million or less. Despite the bank's level of lending trailing area demographics, a substantial majority of the sampled loans, by number and dollar amount, were made to farming operations reporting GARs of \$1 million or less. Additionally, several of the borrowers reporting GARs of \$1 million or less had additional loans throughout the period that were not captured in the random sample. This level of lending is reflects reasonable performance.

<b>Distribution of Small Farm Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	98.1	18	85.7	2,387	79.1
>\$1,000,000	0.8	3	14.3	630	20.9
Revenue Not Available	1.2	--	--	--	--
<b>Total</b>	<b>100.0</b>	<b>21</b>	<b>100.0</b>	<b>3,017</b>	<b>100.0</b>
<i>Sources: 2021 D&amp;B Data, Bank Data. Due to rounding, totals may not equal 100.0%.</i>					

### **Geographic Distribution**

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. The home mortgage and small farm lending performance presented in the following sections supports this conclusion. Examiners focused on the percentage by number of loans in the moderate-income census tract. In addition to Alliance's office, there is another financial institution in the moderate tract and there are several other institutions operating throughout the area.

### ***Home Mortgage Loans***

The geographic distribution of home mortgage loans reflects excellent dispersion. The bank's level of lending in the moderate-income geography was more than double aggregate lending performance and area demographic levels. However, this lending data only reflects HMDA-reportable loans originated after the merger in October 2021, as the former FSBMC was not required to report HMDA lending data.

<b>Geographic Distribution of Home Mortgage Loans</b>						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Moderate	10.1	8.6	5	21.7	395	14.5
Middle	80.8	79.9	15	65.2	1,733	63.5
Upper	9.1	11.6	3	13.0	600	22.0
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>23</b>	<b>100.0</b>	<b>2,728</b>	<b>100.0</b>
<i>Sources: 2015 ACS; Bank Data, 2021 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.</i>						

***Small Farm Loans***

The geographic distribution of small farm loans reflects excellent dispersion. As illustrated in the following table, the bank's level of lending in the moderate-income geography far exceeded the area demographics. D&B data from 2021 shows only nine farms in the moderate-income tract, which would likely result in limited lending opportunities. Strong performance was demonstrated despite the level of lending opportunities and competition in this geography.

<b>Geographic Distribution of Small Farm Loans</b>					
<b>Tract Income Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Moderate	3.5	3	9.4	536	11.3
Middle	77.4	23	71.9	3,454	72.6
Upper	19.1	6	18.8	765	16.1
<b>Totals</b>	<b>100.0</b>	<b>32</b>	<b>100.0</b>	<b>4,755</b>	<b>100.0</b>
<i>Sources: 2021 D&amp;B Data; Bank Data. Due to rounding, totals may not equal 100.0%.</i>					

## **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.

# **Alliance Community Bank Assessment Area**

**Alliance Community Bank has designated all of Mason, Menard, and Sangamon Counties in Illinois as its assessment area, which totals sixty-three (63) census tracts.**

## **Mason County Census Tracts (6):**

**9563.00  
9564.00  
9565.00  
9566.00  
9567.00  
9568.00**

## **Menard County Census Tracts (3):**

**0101.00  
0102.00  
0103.00**

## **Sangamon County Census Tracts (54):**

**0001.00  
0002.01  
0002.02  
0003.00  
0004.00  
0005.01  
0005.03**

## **Sangamon County Census Tracts (54) Cont.:**

**0005.04**  
**0006.00**  
**0007.00**  
**0008.00**  
**0009.00**  
**0010.01**  
**0010.03**  
**0010.04**  
**0011.00**  
**0012.00**  
**0013.00**  
**0014.00**  
**0016.00**  
**0018.00**  
**0019.00**  
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**0020.02**  
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**0024.00**  
**0025.00**  
**0026.00**  
**0027.00**  
**0028.01**  
**0028.02**  
**0029.00**  
**0030.00**  
**0031.00**  
**0032.01**  
**0032.02**

## Sangamon County Census Tracts (54) Cont.:

**0032.03**

**0033.00**

**0034.00**

**0035.00**

**0036.01**

**0036.02**

**0036.03**

**0036.04**

**0037.01**

**0037.02**

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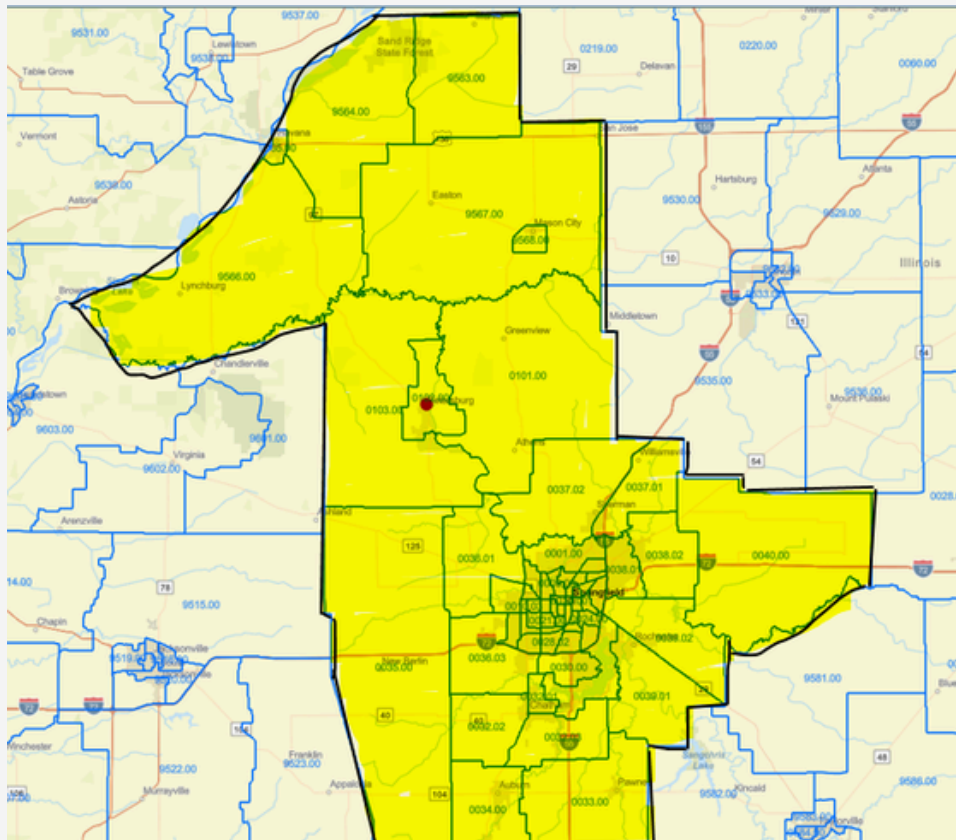
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**0042.00**





**Alliance**  
Community Bank®

## Branch & ATM Locations



### **Petersburg – Main Office**

**Census Tract 0102.00**

321 North Sixth Street

P.O. Box 470

Petersburg, IL 62675

**Phone:** (217) 632-3241

**Fax:** (217) 632-3835

#### **Lobby Hours:**

Monday - Friday 8:00am - 4:00pm

Saturday 8:00am - Noon

#### **Drive-up Hours:**

Monday - Friday 8:00am - 5:30pm

Saturday 8:00am - Noon

#### **ATM Onsite**



### **Route 29/Andrew Road Facility**

**Census Tract 0037.00**

6530 North State Route 29

Springfield, IL 62707

**Phone:** (217) 487-7766

**Fax:** (217) 632-3835

#### **Lobby Hours:**

Monday - Friday 8:00am - 4:00pm

Saturday 8:00am - Noon

#### **Drive-up Hours:**

Monday - Friday 8:00am - 5:00pm

Saturday 8:00am - Noon

#### **ATM Onsite**



### Athens Facility

#### Census Tract 0101.00

200 North West Street

P.O. Box 319

Athens, IL 62613

**Phone:** (217) 636-8214

**Fax:** (217) 632-3835

#### Lobby Hours:

Monday - Friday 8:00am - 4:00pm

Saturday 8:00am - Noon

#### Drive-up Hours:

Monday - Friday 8:00am - 5:30pm

Saturday 8am - Noon

#### ATM:

105 East Hargrave Street

Athens, IL 62613



### New Salem Facility

#### Census Tract 0103.00

14202 State Highway 97

Petersburg, IL 62675

**Phone:** (217) 632-2100

**Fax:** (217) 632-3835

#### Lobby Hours:

Monday - Friday 8:00am - 4:00pm

Saturday Closed

#### Drive-up Hours:

Monday - Friday 8:00am - 5:00pm

Saturday Closed

#### ATM Onsite



### Mason City Facility

#### Census Tract 9568

123 West Elm Street

P.O. Box 146

Mason City, IL 62664

**Phone:** (217) 482-3285

**Fax:** (217) 632-3835

#### Lobby Hours:

Monday - Friday 8:00am - 4:00pm

Saturday 8:00am - Noon

#### Drive-up Hours:

Monday - Friday 8:00am - 5:00pm

Saturday 8:00am - Noon

#### ATM Onsite



### **Yucan Drive Facility**

**Census Tract 0036.04**

4427 Yucan Drive  
Springfield, IL 62711

**Phone:** (217) 920-0166

**Fax:** (217) 632-3835

#### **Lobby Hours:**

Monday - Friday 9:00am - 5:00pm  
Saturday 9:00am - Noon

#### **Drive-up Hours:**

Monday - Friday 8:00am - 5:00pm  
Saturday 9:00am - Noon

**ATM Onsite**

## **Offsite ATM Locations**

### **Boar's Nest Bar and Grill**

**Census Tract 0101.00**

1000 North State Route 29  
Athens, IL 62613

### **Menard County Courthouse**

**Census Tract 0102.00**

102 South 7th Street  
Petersburg, IL 62675

**Alliance Community Bank debit cardholders also have fee-free ATM access at every Casey's in the state of Illinois.**



## **Branches Opened and Closed**

### **Opened:**

**Yucan Drive Facility**  
**Opened December 19, 2024**  
Census Tract 0036.04  
4427 Yucan Drive  
Springfield, IL 62711  
**Phone:** (217) 920-0166  
**Fax:** (217) 632-3835

#### **Lobby Hours:**

Monday – Friday 9:00am – 5:00pm  
Saturday 9:00am – Noon

#### **Drive-up Hours:**

Monday – Friday 8:00am – 5:00pm  
Saturday 9:00am – Noon

**ATM Onsite**

### **Closed:**

**No branches have closed during the current year  
or the preceding two (2) calendar years.**

# **HOME MORTGAGE DISCLOSURE ACT NOTICE**

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The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age, and income of applicants and borrowers; and information about loan approvals and denials.

These data are available online at the Consumer Financial Protection Bureau's website ([www.consumerfinance.gov/hmda](http://www.consumerfinance.gov/hmda)).

HMDA data for many other financial institutions are also available at this website.



## Loans to Deposits

Dec 2025	Sep 2025	Jun 2025	Mar 2025
		67.54%	67.19%

Dec 2024	Sep 2024	Jun 2024	Mar 2024
68.22%	64.50%	64.16%	62.58%



# PRODUCTS & SERVICES

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## DEPOSIT PRODUCTS

STANDARD CHECKING  
SUPER NOW CHECKING  
STARS AND STRIPES CHECKING  
ALLIANCE ADVANTAGE CHECKING  
BUSINESS INTEREST CHECKING  
ALLIANCE COMMUNITY CHECKING  
ALLIANCE BASIC SAVINGS  
ALLIANCE CHRISTMAS CLUB  
ALLIANCE MONEY MARKET  
ALLIANCE COMMUNITY SAVINGS  
IRA SAVINGS  
IRA CD  
HSA CHECKING  
HEALTH SAVINGS ACCOUNT  
CERTIFICATES OF DEPOSIT

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## NON-REAL ESTATE LOANS

### PERSONAL LOANS - UNSECURED

Installments  
Single Pay  
Ready Reserve

### SECURED BY ACB DEPOSITS

### SECURED BY ACB STOCK

### TITLED COLLATERAL LOANS (EXCLUDING MOBILE HOMES)

### COMMERCIAL/FARM LOANS

Operating  
Non-RE Term

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## REAL ESTATE LOANS

### Owner-Occupied Residential RE

#### Primary Mortgages

Construction  
ARM  
Fixed Rate Term  
USDA/RD  
FHA  
VA

### **Other Mortgages**

Lot  
Balloon  
Fixed Rate Term Second Mortgage  
HELOC- Variable  
HELOC- Fixed

### **COMMERCIAL RE (Non-OO 1-4 Fam Rental/Commercial/Commercial Lot)**

Construction/SPEC/"Flip"  
ARM

### **FARM RE**

ARM  
Fixed Rate Term

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## **ELECTRONIC BANKING SERVICES**

ONLINE BANKING  
BILL PAY  
APPLE PAY/SAMSUNG PAY/GOOGLE PAY  
E-STATEMENTS  
MOBILE BANKING  
MOBILE DEPOSIT  
PAY-A-PERSON  
ONLINE LOAN APPLICATION  
CASH MANAGEMENT - BUSINESS

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## **CARD SERVICES**

VISA DEBIT CARDS - CONSUMER & BUSINESS  
VISA CREDIT CARDS - CONSUMER & BUSINESS  
MASTERCARD CREDIT CARDS - CONSUMER ONLY  
CARDVALET MOBILE APP

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## **MISCELLANEOUS PRODUCTS & SERVICES**

SAFE DEPOSIT BOXES  
CASHIER'S CHECKS & MONEY ORDERS  
WIRE TRANSFERS  
NIGHT DEPOSITORY  
ATMs  
TRUST AND FARM MANAGEMENT SERVICES

# TERMS AND CONDITIONS- BROCHURE

ALLIANCE COMMUNITY BANK  
PETERSBURG FACILITY  
321 N. SIXTH ST  
PETERSBURG, IL 62675  
July 3, 2025

This disclosure contains information about terms, fees, and interest rates for some of the accounts we offer.

## STANDARD CHECKING

Our checking account requires a \$100.00 initial deposit, there is also a \$5.00 monthly service charge if the average daily balance for the statement cycle falls below \$400.00. The monthly service charge is also waived with direct deposit or e-statements. The fee is also waived for customers age 22 or younger and senior citizens age 62 and older. There is no per check fee and this account does not earn interest. This account offers 24-hour accessibility with our Debit Card. The Debit Card is available to approved customers.

**Limitations:** You must deposit \$100.00 to open this account.

**Account Fees:** If during any statement cycle, your average daily balance falls below \$400.00, your account will be subject to a \$5.00 service charge for that statement cycle.

**This fee will be waived for customers who have automatic direct deposit of payroll, retirement, or social security, or who set up e-statements on this account. This fee is also waived for customers age 22 or younger and senior citizens age 62 and older. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.**

## SUPER NOW CHECKING - CONSUMER

This checking account allows you to earn interest on your money and still have easy access like a regular checking account. Interest is compounded and credited to your account monthly. A \$5.00 monthly service charge is applied if the average daily balance falls below \$2,000 for the statement cycle.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

**Balance Information:** We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

**Limitations:** You must deposit \$100.00 to open this account.

**Account Fees:** If during any statement cycle, your average daily balance falls below \$2000.00, your account will be subject to a \$5.00 service charge for that statement cycle. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

## STARS AND STRIPES CHECKING

Current or former military get this account free with no minimum balance requirement. No fee for Cashier's Checks or Money Orders. Free personal checks with the AMERICAN PRIDE or bank logo style. Proof of military service required. \$100 minimum deposit to open the account. This account offers 24-hour accessibility with our VISA Debit Card and Online Banking.

**Limitations:** You must deposit \$100.00 to open this account.

**Account Fees:** There is no monthly service fee on this account. The account is only available for current or former military members.

## ALLIANCE ADVANTAGE CHECKING

For a \$5 monthly service fee, this account comes with great perks like fee waived cashier's checks, fee waived money orders, fee waived personal basic style checks (limited to two boxes per order), up to \$10,000 in accidental death and dismemberment (AD&D) insurance coverage, credit monitoring, extended warranty coverage, cell phone protection, roadside assistance, travel & leisure discounts, and health discount savings. See the Alliance Advantage brochure and disclosures for more details.

**Limitations:** You must deposit \$100.00 to open this account.

**Account Fees:** There is a \$5 monthly service charge for this account.

## BUSINESS INTEREST CHECKING

This checking account allows you to earn interest with unlimited transactions. Interest is compounded and credited to your account monthly. A \$10.00 monthly service charge is applied if the average daily balance falls below \$5,000 for the statement cycle.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield will depend upon the average daily balance in the account as shown on the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

**Balance Information:** We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

**Limitations:** You must deposit \$100.00 to open this account.

**Account Fees:** If during any statement cycle, your average daily balance falls below \$5,000.00, your account will be subject to a \$10.00 service charge for that statement cycle. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

## ALLIANCE COMMUNITY CHECKING

This interest bearing checking account is exclusively for documented non-profit organizations and public entities. Let Alliance help your organization by earning a competitive interest rate on your checking account. \$100 minimum to open.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield will depend upon the average daily balance in the account as shown on the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

**Balance Information:** We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

**Limitations:** You must deposit \$100.00 to open this account.

#### ALLIANCE BASIC SAVINGS

This savings account requires \$100 minimum to open. A \$5 monthly service fee will be assessed if your average monthly balance falls below \$100. This fee is waived for those age 22 and under and 62 and older. The fee is also waived for those with e-statements or direct deposit of payroll or retirement. .

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day.

**Limitations:** You must deposit \$100.00 to open this account.

**Account Fees:** A service charge fee of \$5.00 will be imposed each statement cycle if the average daily balance of the statement cycle falls below \$100.00. This fee is waived for customers age 22 or younger and senior citizens age 62 and older. The fee is also waived by enrolling in e-statements or by having a monthly direct deposit of your payroll or retirement. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

#### ALLIANCE CHRISTMAS CLUB

This savings account will have you ready for your holiday spending needs . Enjoy no minimum balance and no monthly service fee. Withdrawals are not permitted unless you are closing the account. If the account is closed, a new Christmas Club account cannot be opened until after that year's payout. Balance will be paid out by check in October. The account will be closed unless a new deposit occurs within 90 days of the annual payout, or upon customer request.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded quarterly and will be credited to the account quarterly. At the end of the club account period October 15, 2025, the funds in the account will be mailed to you by check.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You may not make withdrawals from your account until the maturity date.

#### ALLIANCE MONEY MARKET

This account requires \$100 minimum to open. A \$10 monthly service fee will be assessed if your daily balance falls below \$2,500 any day of the cycle. This interest bearing account features tiered interest rates. Debit card purchases are not allowed on this account.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield will depend upon the daily balance in the account as shown on the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day.

**Limitations:** You must deposit \$100.00 to open this account. This account type does not allow a debit card linked for purchases.

**Account Fees:** A maintenance fee of \$10.00 will be imposed every statement cycle if the balance in the account falls below \$2,500 any day of the cycle. .

#### ALLIANCE COMMUNITY SAVINGS

Exclusively for documented non-profit organizations or public entities. Let Alliance help your organization with this free savings and competitive interest rate. \$100 minimum to open.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day.

**Limitations:** You must deposit \$100.00 to open this account. There is no limit to the number of deposits on this account. There is no limit to the number of withdrawals on this account.

#### IRA-SAVINGS

Let Alliance Community Bank help you save for retirement. Contributions and Withdrawal limits are subject to IRS regulations. Please consult your tax advisor for more information. This account has no annual fee.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at any time. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly. If the account is closed before interest is credited, you will not receive the accrued interest.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day.

**Limitations:** The maximum amount you can deposit will depend on current tax laws. Early withdrawal for those under age 59 1/2 may incur a tax penalty. Please consult your tax advisor for more information.

#### HSA CHECKING

This checking product is a way for eligible customers to access funds their Health Savings Account by either check or debit card. There is no monthly service charge on this account. Check orders must be paid for at the time of purchase.

**Limitations:** Contribution limits as defined by current HSA regulations. Distribution eligibility as defined by current HSA regulations. .

#### HEALTH SAVINGS ACCOUNT

A health savings account (HSA) is used exclusively for the purpose of paying or reimbursing qualified medical expenses of the account owner, his or her spouse, and dependents. The account owner represents that he or she is eligible to contribute to this HSA, specifically that he or she: (1) is covered under a high deductible health plan (HDHP), (2) is not also covered by any other health plan that is not an HDHP, (3) is not enrolled in Medicare, and (4) cannot be claimed as a dependent on another person's tax return.

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield may change. At our discretion, we may change the interest rate on the account at the institution's discretion. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited to the account monthly.

**Balance Information:** We use the average daily balance method to calculate interest on your account. This method applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the principal in the account for each day of the period and dividing that figure by the number of days in the period.

**Limitations:** You must deposit \$0.01 to open this account. It is the responsibility of the account owner to determine whether contributions to this HSA have exceeded the maximum annual contribution limit. The account owner is responsible for substantiating that the distribution is for qualified medical expenses and must maintain records sufficient to show that the distribution is tax-free.

#### 01 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 1 MONTH. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited at maturity. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 1 MONTH. If you withdraw any of the principal before the maturity date, we will impose a penalty of 1 MONTH INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

#### 03 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 3 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 3 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 1 MONTH INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

#### 06 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 6 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 6 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 1 MONTH INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

## 07 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 7 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 7 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 1 MONTH INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

## 10 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 10 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$10,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$10,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed up to the product minimum and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 10 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 1 MONTH INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

## 12 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 12 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 12 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 1 MONTH INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

## 18 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 18 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 18 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 3 MONTHS INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

## 24 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 24 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual

percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 24 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 3 MONTHS INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

### 30 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 30 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 30 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 3 MONTHS INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

### 36 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 36 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 36 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 3 MONTHS INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

### 48 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 48 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 48 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 6 MONTHS INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

### 60 MONTH CERTIFICATE OF DEPOSIT

**Rate Information:** This Account is an interest bearing account. The interest rate and annual percentage yield are included in the Rate Chart. The interest rate and annual percentage yield will not change for the term of the account. The interest rate will be in effect for 60 MONTHS. Interest begins to accrue on the business day you deposit noncash items (for example, checks). Interest will be compounded monthly and will be credited monthly. We will mail the interest in a check to you or deposit the interest in an account that you designate. The annual percentage yield assumes interest will remain on deposit until maturity. A withdrawal will reduce earnings.

**Balance Information:** We use the daily balance method to calculate the interest on the account. This method applies a daily periodic rate to the principal in the account each day. You must maintain a minimum balance of \$1,000.00 in the account each day to obtain the disclosed annual percentage yield.

**Limitations:** You must deposit \$1,000.00 to open this account. Additional deposits are only allowed within the grace period. Early withdrawals are allowed and will incur a penalty charge unless it falls under the listed exceptions to waive the penalty.

**Time Account Information:** Your account will mature in 60 MONTHS. If you withdraw any of the principal before the maturity date, we will impose a penalty of 6 MONTHS INTEREST ON THE PRINCIPAL BALANCE OF THE ACCOUNT. If the account is closed before interest is credited, you will not receive the accrued interest. This account will automatically renew. You will have 10 DAYS after the maturity date to withdraw funds without penalty. If you do not withdraw the funds, each renewal term will be for an identical period of time as the original term.

### OTHER ACCOUNT FEES

**The following fees apply to all of your accounts with us except Certificates of Deposit and Time Deposit Accounts:**

CHECK PRINTING:	FEE DEPENDS ON STYLE OF CHECK ORDERED AND SPECIFIC ACCOUNT FEATURES
ATM/DEBIT CARD :	NO CHARGE
DORMANT ACCOUNT FEE:	\$5.00 PER MONTH
OVERDRAFT / NON-SUFFICIENT FUNDS / BOUNCE PRIVILEGE:	\$25 FOR EACH ITEM PAID
RETURNED ITEM FEES:	\$25 FOR EACH ITEM RETURNED UNPAID EACH TIME PRESENTED
DEPOSITED CHECKS RETURNED UNPAID (CHARGE BACK):	\$3.00
STOP PAYMENT - EACH:	\$10.00
REPLACEMENT ATM/DEBIT CARD :	NO CHARGE
STATEMENT REPRINT - EACH:	\$5.00

**INDIVIDUAL RETIREMENT ACCOUNTS**

You may put your IRA funds in the following accounts: 30 MONTH CERTIFICATE OF DEPOSIT, 36 MONTH CERTIFICATE OF DEPOSIT, 48 MONTH CERTIFICATE OF DEPOSIT, IRA-SAVINGS, 07 MONTH CERTIFICATE OF DEPOSIT, 01 MONTH CERTIFICATE OF DEPOSIT, 60 MONTH CERTIFICATE OF DEPOSIT, 03 MONTH CERTIFICATE OF DEPOSIT, 06 MONTH CERTIFICATE OF DEPOSIT, 12 MONTH CERTIFICATE OF DEPOSIT, 18 MONTH CERTIFICATE OF DEPOSIT, 24 MONTH CERTIFICATE OF DEPOSIT and 10 MONTH CERTIFICATE OF DEPOSIT.

**If you open an IRA, the account will be subject to the following fee:**

**MISCELLANEOUS FEES AND CHARGES**

**CASHIERS CHECKS OR MONEY ORDERS**

CASHIERS CHECKS OR MONEY ORDERS: \$2.00 (NO CHARGE FOR STARS & STRIPES CHECKING, ALLIANCE ADVANTAGE CHECKING, AND GOLDEN EAGLE CLUB MEMBERS)

**GARNISHMENTS AND JUDGEMENTS**

GARNISHMENTS AND JUDGEMENTS: \$50.00

**ACCOUNT RESEARCH OR BALANCING**

ACCOUNT RESEARCH & BALANCING: \$10.00 PER HR. (1 HR. MINIMUM)

**CASH ADVANCE**

CASH ADVANCE FEE: \$10.00

**DOMESTIC WIRE TRANSFERS (OUTGOING)**

DOMESTIC WIRE TRANSFERS (OUTGOING): \$25.00

**INTERNATIONAL WIRE TRANSFERS (OUTGOING)**

INTERNATIONAL WIRE TRANSFERS (OUTGOING): \$50.00

**COLLECTIONS - EACH**

COLLECTIONS - EACH: \$15.00

**SAFE DEPOSIT BOX - 3 X 5**

SAFE DEPOSIT BOX - 3 X 5: \$10.00 PER YEAR

**SAFE DEPOSIT BOX - 5 X 5**

SAFE DEPOSIT BOX - 5 X 5: \$15.00 PER YEAR

**SAFE DEPOSIT BOX - 3 X 10**

SAFE DEPOSIT BOX - 3 X 10: \$20.00 PER YEAR

**SAFE DEPOSIT BOX - 4 X 10**

SAFE DEPOSIT BOX - 4 X 10: \$25.00 PER YEAR

**SAFE DEPOSIT BOX - 5 X 10**

SAFE DEPOSIT BOX - 5 X 10: \$35.00 PER YEAR

**SAFE DEPOSIT BOX - 10 X 10**

SAFE DEPOSIT BOX - 10 X 10: \$50.00 PER YEAR

**FUNDS AVAILABILITY POLICY DISCLOSURE**

**YOUR ABILITY TO WITHDRAW FUNDS AT ALLIANCE COMMUNITY BANK.** Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. However, funds from electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and/or we will use them to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before each location's closing time, on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after each location's closing time, or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

**Reservation of Right to Hold.** In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$275.00 of your deposit, however, may be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

**Longer Delays May Apply.** We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- \* You deposit checks totaling more than \$6,725.00 on any one day.
- \* You redeposit a check that has been returned unpaid.

- \* You have overdrawn your account repeatedly in the last six months.
- \* We believe a check you deposit will not be paid.
- \* There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

**Holds On Other Funds.** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

**Special Rules For New Accounts.** If you are a new customer, the following special rules will apply during the first 30 days your account is open:

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$6,725.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$6,725.00 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$6,725.00 will not be available until the second business day after the day of your deposit.

Funds from deposits of checks drawn on ALLIANCE COMMUNITY BANK will be available on the same business day as the day of your deposit.

Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

**Mobile Deposits.** Mobile deposits made before 3:00pm CST that are approved will post on the same business day during the end of day processing. Mobile deposits made after 3:00pm CST that are approved will post on the next business day during the end of day processing.

### **ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURES**

This Agreement and Disclosure is made in compliance with federal law regulating electronic funds transfer (EFT) services. Electronic funds transfers are electronically initiated transfers of money involving an account at the Financial Institution. The following disclosures set forth your and our rights and responsibilities concerning the electronic funds transfers. In this Agreement, the words "you" and "your" mean those who sign as applicants or any authorized user(s). The words "we", "us" and "our" mean the Financial Institution. The abbreviation "PIN" or word "code" means a personal identification number.

#### **ONLINE BANKING**

**Types of Transactions:** You may access certain account(s) you maintain with us by computer, using your assigned user ID and password, through the online banking service. You may use the online banking service to perform the following functions:

- \* Transfer funds between eligible accounts.
- \* Obtain balance information on eligible accounts.
- \* Review transactions on eligible accounts.
- \* Make loan payments.
- \* Advance funds from credit line.
- \* Online bill payment.

**Fees and Charges for Online Service:**

- \* There is no charge for online banking with us.

#### **BUSINESS ONLINE BANKING**

**Types of Transactions:** You may access certain account(s) you maintain with us by computer, using your assigned user ID and password, through the online banking service. You may use the online banking service to perform the following functions:

- \* Transfer funds between eligible accounts.
- \* Obtain balance information on eligible accounts.
- \* Review transactions on eligible accounts.
- \* Make loan payments.
- \* Stop payment requests.
- \* Advance funds from credit line.
- \* Online bill payment.

**Fees and Charges for Online Service:**

- \* There is no charge for online banking with us.

#### **VISA DEBIT CARD**

**Types of Transactions/Transfers:** You may use the card and PIN issued you to pay for purchases from merchants who have agreed to accept the card at Point of Sale (POS) terminals within the networks identified on your card and such other terminals as the Bank may designate from time to time. Point of Sale (POS) transactions will be deducted from your Primary Account. Point of Sale (POS) transactions involving a refund will be credited to your Primary Account. You may also use the card to pay for purchases from merchants that accept the POS debit card with a VISA symbol. You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate from time to time. Unless you specify a different account during Automated Teller Machine (ATM) transactions, your Primary Account will be used for your transactions. Your Primary Account number and information may be obtained from the Combined ATM/POS/Debit Card Request Form. At present you may use your card to (some of these services may not be available at all ATMs):

- \* Withdraw cash from your checking account.

- \* Withdraw cash from your savings account.
- \* Transfer funds between your checking and savings accounts.
- \* Obtain balance information on your deposit accounts.

#### **Limitations on Frequency and Amount:**

- \* You may withdraw up to a maximum of \$510.00 (if there are sufficient funds in your account) per day.
- \* You may purchase up to a maximum of \$2510.00 worth of goods and services per day, exclusive of ATM withdrawals.

#### **Fees and Charges:**

- \* We do not charge for ATM transactions at the present time.
- \* We do not charge for any POS transactions.

**ATM Fees.** When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

**Other EFT Transactions.** You may access certain account(s) you maintain with us by other EFT transaction types as described below.

**Electronic Check Conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your account using information from your check to pay for purchases or pay bills. Electronic check conversion is a payment process in which a merchant or other payee (after obtaining your authorization) uses your check to gather routing, account, and check number information to initiate a one-time EFT. When information from your check is used to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement.

**Re-presented Check Transactions and Fees.** You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction if debited as an EFT from a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Funds Transfer Act or this disclosure. A description of the transaction will appear on your statement.

**Liability for Unauthorized VISA Debit Card Transactions.** The following limitations may be applicable to your accounts, except as provided by law:

The zero liability limit described below only applies to debit cards that are United States issued VISA Consumer Cards or VISA Business Cards for transactions processed through a VISA network or, for ATM transactions, a Plus network. The zero liability limit described below does not apply to: (a) other types of VISA commercial debit cards that are not VISA Business Cards; (b) transactions using your personal identification number that are not processed through a VISA network; and (c) ATM transactions which are not sent over VISA or Plus networks.

Tell us **AT ONCE** if you believe your VISA debit card has been lost or stolen or if you believe any unauthorized transactions have been made using your VISA debit card. Your liability for unauthorized VISA debit card transactions that are processed through a VISA or Plus network, as applicable, will be zero dollars (\$0.00). However, to the extent allowed under applicable law (see for example the **Liability for Unauthorized Transfers** paragraph below) we may hold you liable for the entire amount of an unauthorized transaction if we find, based on substantial evidence, that you have been negligent or fraudulent in the handling of your deposit account or VISA debit card.

For VISA Business Cards: An "unauthorized transaction" does not include any transaction allegedly conducted by (a) a business co-owner, (b) the cardholder or person authorized by the cardholder, or (c) any other person with an interest in or authority to transact business on the account.

To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address set forth in the **Liability for Unauthorized Transfers** paragraph below. This will help prevent unauthorized access to your account and minimize any inconvenience.

VISA is a registered trademark of Visa in the United States and other countries.

**In addition to the limitations set forth above, the following limitations may be applicable to your consumer accounts:**

**Liability for Unauthorized Transfers.** Tell us AT ONCE if you believe your card, ATM PIN, POS card or PIN, or online and/or mobile banking PIN has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days after you learn of the loss or theft of your card or code, you can lose no more than \$50.00 if someone used your card or code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or code, and we can prove that we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, including those made by card, code or other such means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you believe that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (217) 632-3241, or write us at ALLIANCE COMMUNITY BANK, 321 N. SIXTH ST, PETERSBURG, IL 62675. You should also call the number or write this address if you believe a transfer has been made using the information from your check without your permission.

The above limitations do not apply to business accounts, unless otherwise required by law. You accept responsibility for implementing commercially reasonable security measures to safeguard your business account card, ATM PIN, or POS card or PIN, Audio Response PIN, or online and/or mobile banking PIN from unauthorized use. If you authorize employees, agents, or others to use your card or code, you shall be liable for transactions conducted by such additional users. You are responsible for promptly examining your statement each statement period and reporting any unauthorized transaction within a reasonable time, not to exceed Sixty (60) calendar days after the statement is made available. If you believe that your card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (217) 632-3241.

**Illegal Transactions.** You may not use your ATM, POS, or Debit Card, or other access device for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, we may

collect on any debt arising out of any illegal or unlawful transaction.

**Business Days.** For purposes of these electronic funds transfer disclosures, our business days are Monday through Saturday. Holidays are not included.

**Stop Payments on ATM, POS, or Debit Card Transactions.** You may not place a stop payment order on any ATM, POS, or debit card transaction.

**Documentation.**

**Periodic Statement.** You will get a monthly account statement from us, unless there are no transactions in a particular month. In any case you will get a statement quarterly. You will get a quarterly statement from us on your savings account if this is the only account you maintain and the only possible electronic transfer to or from the account is a preauthorized deposit.

**Terminal Receipt.** You can get a receipt at the time you make a transfer to or from your account using an ATM or a POS terminal. However, receipts for transactions of \$15.00 or less may not always be available.

**Direct Deposits.** If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at (217) 632-3241 to find out whether or not the deposit has been made.

**Our Liability for Failure to Make Transfers.** For consumer accounts, if we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will **NOT** be liable for instance:

- \* If, through no fault of ours, you do not have enough money in your account to make the transfer.
- \* If the money in your account is subject to legal process or other claim restricting such transfer.
- \* If the transfer would go over the credit limit on your overdraft line.
- \* If the ATM where you are making the transfer does not have enough cash.
- \* If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- \* If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.
- \* There may be other exceptions stated in our agreement with you.

For business accounts, refer to your account agreement(s) with us.

**In Case of Errors or Questions About Your Electronic Transfers.** For consumer accounts, telephone us at **(217) 632-3241**, or write us at **ALLIANCE COMMUNITY BANK, 321 N. SIXTH ST, PETERSBURG, IL 62675** as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- \* Tell us your name and account number (if any).
- \* Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- \* Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

If a notice of error involves unauthorized use of your point of sale debit card with the VISA logo when it is used as a VISA point of sale debit card, we will provide provisional credit within five (5) business days after you notify us instead of within ten (10) or twenty (20) business days. We may withhold providing this accelerated provisional credit, to the extent allowed under applicable law, if the circumstances or account history warrants the delay.

For business accounts, we will generally follow the procedures for error resolution described above, but we are not required to process a claim if you do not notify us within Sixty (60) calendar days after the statement is made available, to give provisional credit, or to investigate your claim within the time periods described above.

**Confidentiality.** We will disclose information to third parties about your account or the transfers you make:

- \* To complete transfers as necessary;
- \* To verify the existence and condition of your account upon the request of a third party, such as a credit bureau or merchant; or
- \* To comply with government agency or court orders; or
- \* If you give us your written permission.

**Personal Identification Number (PIN).** The ATM PIN or POS PIN issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on the card. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your ATM PIN or POS PIN available to anyone not authorized to sign on your accounts.

**Notices.** All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Notices from you will be effective when received by us at the telephone number or the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

**Enforcement.** In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any Account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

**Termination of ATM and POS Services.** You agree that we may terminate this Agreement and your use of the ATM Card or POS services, if:

- \* You or any authorized user of your ATM PIN or POS card or PIN breach this or any other agreement with us;
- \* We have reason to believe that there has been an unauthorized use of your ATM PIN or POS card or PIN;
- \* We notify you or any other party to your account that we have cancelled or will cancel this Agreement. You or any other party to your account can terminate this Agreement by notifying us in writing.

Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

**Other Provisions.** There may be a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds deposited at ATMs. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

**Preauthorized Electronic Fund Transfers. Stop Payment Rights.** If you have told us in advance to make regular electronic fund transfers out of your account(s), you can stop any of these payments. Here's how: Call us at 217-632-3241 or write to us at 321 N 6th St, PO Box 470, Petersburg, IL 62675, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. An oral stop-payment request ceases to be binding after 14 days if the consumer fails to provide the required written confirmation. We will charge you \$10.00 for each stop payment order you give.

#### **ATM SAFETY TIPS**

As issuers of Automated Teller Machine (ATM) access devices, we have provided for your information a list of safety precautions regarding the use of automated teller machines. Please read the following safety tips:

- \* Be aware of your surroundings, particularly at night.
- \* Consider having someone accompany you when the automated teller machine is used after dark.
- \* It is appropriate to politely ask someone who is uncomfortably close to you to step back before you complete your transaction.
- \* Refrain from displaying your cash. Pocket it as soon as your transaction is completed. Count the cash later in the safety of your locked car or home.
- \* Consider using another automated teller machine or coming back later if you notice anything suspicious. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, pocket your ATM access device and leave.
- \* Go to the nearest public area where people are located if you are followed after making a transaction.
- \* Report all crimes to the operator of the ATM or to law enforcement officials immediately.

#### **SUBSTITUTE CHECK POLICY DISCLOSURE**

##### **Substitute Checks and Your Rights**

##### **What is a substitute check?**

To make check processing faster, federal law permits credit unions and banks to replace original checks with "substitute checks". These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

##### **What are my rights regarding substitute checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500.00 of your refund (plus interest if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

##### **How do I make a claim for a refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at ALLIANCE COMMUNITY BANK, PO BOX 470, PETERSBURG, IL, 62675, (217) 632-3241, data@bankacb.com. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include--

- \* A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- \* An estimate of the amount of your loss;
- \* An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- \* A copy of the Substitute Check

## DEPOSIT ACCOUNT AGREEMENT AND DISCLOSURE

**INTRODUCTION.** In this Deposit Account Agreement and Disclosure, each and all of the depositors are referred to as "you" and "your." The Financial Institution is referred to as "we," "our," and "us." This Deposit Account Agreement contains the terms and conditions governing certain of your deposit accounts with us. As used in this document, the term "Agreement" means this document, the signature card, a rate and fee schedule (which may be in the form of a Rate and Fee Schedule, Time Certificate of Deposit, or Confirmation of Time Deposit, hereinafter called the "Schedule"), Truth in Savings disclosures, a Funds Availability Policy Disclosure, and an Electronic Funds Transfer Agreement and Disclosure, if applicable. Each of you signing the signature card for a deposit account acknowledges receipt of this Agreement, and agrees to the terms set forth in the Agreement, as amended from time to time. You agree that we may waive, in our sole discretion, any fee, charge, term, or condition set forth in this Agreement at the time the Account is opened or subsequent thereto, on a one-time basis or for any period or duration, without changing the terms of the Agreement or your obligation to be bound by the Agreement, and we are not obligated to provide similar waivers in the future or waive our rights to enforce the terms of this Agreement.

**DEPOSIT ACCOUNTS.** From time to time, we may offer or you may open a variety of deposit accounts. Each such account (the "Account") is subject to the general terms and conditions and any specific terms and conditions relating to that type of account that may be set forth in this Agreement. If you open multiple Accounts, you may receive Schedule information for each Account, but this Agreement will cover all your Accounts with us. Each of you will be jointly and severally liable to us for debit balances in the Account, including without limitation overdrafts and Account charges, and jointly and severally promise to pay, upon demand, any and all debit balances, all fees and charges, and our reasonable attorneys' fees and costs and expenses of collection, including but not limited to those incurred at trial and on any appeal.

**INTEREST.** If your Account earns interest, the following information applies: **(A) Payment of Interest.** We will pay interest at the annual rate specified on the Schedule, which does not reflect compounding ("Interest Rate"). The Schedule also sets forth the frequency of interest payments, the frequency of any compounding and crediting, the interest accrual basis, the balance on which interest will be paid, and any minimum balance requirements. **(B) Minimum Balance Requirements.** The Schedule may specify a minimum balance that you are required to maintain in your Account. If the minimum balance is not maintained during a specified period, we, at our option, may not pay interest on your Account and/or may charge a fee for that period. You should review any minimum balance requirements on the Schedule. **(C) Initial Interest Rate.** The initial interest rate is the current annual rate of interest that we will pay on the specified balance in your Account. We may pay interest at different rates, depending on the amount deposited and the type of depositor (individual, business, non-profit organization, etc.). **(D) Interest Compounding and Crediting.** The Schedule will indicate the interest compounding and crediting frequency for your Account (if any). Compounding generally means that interest is being accrued on earned interest. Interest may be compounded more frequently than interest is credited to your Account. **(E) Interest Accrual.** We may accrue interest on your Account more frequently than we pay or credit interest. The interest that has been calculated, but not paid to the Account, is called accrued unpaid interest. **(F) Changes.** We have the right to change the rates and fees in accordance with the terms of the Schedule. We also reserve the right to change any other term of this Agreement at our sole discretion.

**FEES AND CHARGES.** Subject to applicable law, you agree to pay us the fees and charges shown in the Schedules as are applicable to your Account or for other services performed by us. You agree the fees and charges may be changed by us from time to time and authorize us to charge your account for their payment whether or not each charge results in an overdraft of your account. Existing and future charges may be based upon the overall costs of providing account services and may or may not be based upon the direct cost or expense associated with providing the particular service involved. The charges may be based on consideration of profit, competitive position, deterrence of misuse of account privileges by customers, and the safety and soundness of the financial institution. We will notify you of the changes, to the extent required by law.

**BALANCE METHODS.** As used in this Agreement, the "average daily balance" method means "the application of a periodic rate to the average daily balance in the account for the period, determined by adding the full amount of principal in the account for each day of the period and dividing that figure by the number of days in the period." The "daily balance" method means "the application of a daily periodic rate to the full amount of principal in the account each day."

**DEPOSIT RULES.** The following terms apply to deposits made to your Account: **(A) Endorsements.** You authorize us to accept transfers, checks, and other items for deposit to your Account if they are made payable to, or to the order of, any one or more of you, whether or not they are endorsed by you. You authorize us to supply missing endorsements, and you warrant that all endorsements are genuine. All checks and other items deposited to your Account should be endorsed payable to the order of us for deposit only, followed by your signature and Account number. We may permit you to deposit an electronic image or other electronic information related to a paper check through a service we provide that allows you to use a device, such as a mobile phone, to create and send to us such electronic image or information electronically. Before capturing an electronic image or electronic information of a paper check, you must endorse the check payable to the order of us "for mobile deposit only", followed by your signature and Account number, or any alternative restrictive endorsement we may allow and communicate to you. All endorsements must appear on the back of the check or other item within the first 1-1/2 inches from the left side of the item when looking at it from the front. Endorsements should be in black ink. While we may accept non-conforming endorsements, you will be responsible for any loss incurred by us due to the delay in processing or returning the item for payment. **(B) Final Payment.** All non-cash items (for example, checks) deposited to your Account are posted subject to our receipt of final payment by the payor bank. Upon receipt of final payment, the item becomes a collected item. If final payment is not received or if any item you have deposited or cashed is charged back to us for any reason, you authorize us to charge any of your Accounts, without prior notice and at any time, for the amount of the returned item, our returned item fee, any interest paid on that item, and any other fee we pay or incur. If an item to be charged back is lost in the process of collection or unavailable for return, we may rely upon a photocopy of the item or upon any other generally accepted notification of return of the item, in charging you or any of your Accounts for the amount of the returned item. We reserve the right to refuse any item for deposit into your Account. **(C) Direct Deposits.** If we offer direct deposit services for automatic preauthorized deposits to your Account of Social Security payments or automatic transfers from your other accounts with us, you must notify us at least 30 days prior to the next scheduled direct deposit or preauthorized transfer if you wish to cancel the direct deposit or transfer service. If any amount deposited must be returned to the government for any reason, you authorize us to deduct the amount from your Account as provided in the Final Payment paragraph above. **(D) Crediting of Deposits.** The Funds Availability Policy Disclosure provided to you reflects our policies relating to the availability of deposited funds. **(E) Substitute Checks and Electronic Files Pertaining to Original Checks.** If you deposit a "substitute check" (as defined in Regulation CC § Section 229.2(aaa)) or a purported substitute check into your Account, you agree to reimburse us for losses, costs and expenses we may pay or incur associated with the item not meeting applicable substitute check standards and/or from duplicate payments associated with the item. If you provide us with an electronic representation of a substitute check for deposit into your account instead of an original check, you agree to reimburse us for losses, costs and expenses we may pay or incur associated with the substitute check resulting

from the electronic representation not meeting applicable substitute check standards and/or from duplicate payments associated with the item. If you provide us with an electronic image or electronic information related to a paper check for deposit into your Account, you agree to reimburse us for losses, costs, and expenses we may pay or incur associated with the electronic image or information not meeting applicable standards for such images and/or from duplicate payment associated with the check. **(F) Deposit Discrepancies.** When you make a deposit to your account, we will credit your account for the amount stated on your deposit slip and we may provide you with a deposit receipt. We reserve the right to review the deposit and confirm the amount of funds you deposited but are not required to do so. If after any review we determine that the amount credited to your account is incorrect, we may adjust your account for the amount of the discrepancy but reserve the right not to do so if the discrepancy would not be a disadvantage to you. This may be the case, for example, if the amount credited to your account was more than the amount actually deposited by you. Notwithstanding the foregoing, we are not required to adjust your account unless within one year of the date of your account statement that shows the deposit either you notify us of the discrepancy or we discover it on our own. If you do not notify us of the error or we do not discover it on our own during this notice period, the amount credited to the account will be considered final.

**WITHDRAWAL RULES.** The following terms apply to withdrawals from your Account: **(A) Manner of Withdrawal.** You may make withdrawals from your Account in any manner that is permitted by us for the type of Account that you have opened. Withdrawals by mail will be posted to your Account as of the day the transaction is processed by us. We may refuse to accept any check other than standard checks provided by us, or approved by us in advance. Withdrawals and transfers from your Account may be restricted as provided in the Agreement, or in the Schedule, or by applicable law. **(B) Withdrawal Restrictions and Overdrafts.** We do not have to allow you to make a withdrawal from your Account if you don't have sufficient available funds in the Account to cover the full amount of the withdrawal. **If there are available funds to cover some, but not all, of the withdrawals or other debits to your Account on a single business day, we will post the checks for which there are sufficient available funds from the smallest dollar check to the largest.** We may pay other withdrawals or debit items (such as charges) prior to paying any checks, and we may post those other withdrawals or debit items in any order we may choose at our sole discretion. If there are insufficient funds available in your Account to cover a withdrawal or debit presented against your Account, this is called an "overdraft". We will handle each overdraft in accordance with our Standard Overdraft Policy (described below) or in accordance with any other agreement you may have with us (such as an overdraft protection agreement). Even if we choose to pay one or more overdrafts, we are not obligated to cover any future overdrafts. When we determine whether payment of an item will create an overdraft, we may determine the balance of your account at any time between the time we receive the item and the deadline for us to take action on the item. We are not required to determine your account balance more than one (1) time during this period. **(C) Standard Overdraft Policy.** Unless we have agreed to a separate overdraft protection agreement with you, the following rules apply. We are not obligated to pay any overdraft. Subject to the special rules discussed below for transactions at an ATM and one-time debit card transactions, we may assess a service charge on any withdrawal created by check, in-person withdrawal, ATM withdrawal, or other electronic means that results in an overdraft, whether we pay the overdraft or not. If we pay the overdraft, you agree, immediately upon notice from us, to deposit funds sufficient to cover the overdraft plus any service charge we impose. For consumer accounts, we may not impose a service charge in connection with an overdraft that results from a transaction at an ATM or a one-time debit card transaction unless you have given us your consent to pay service charges in connection with overdrafts that result from these transactions and we have sent written confirmation of that consent to you. You may revoke that consent at any time. **(D) Notice Requirements.** Federal regulations require us to retain the right to require you to give at least seven (7) days notice in writing prior to any intended withdrawal from a savings, negotiable order of withdrawal ("NOW"), or money market account. Although we usually pay withdrawals or checks without notice on these accounts, doing so does not mean that we give up this right. **(E) Postdated Items.** You agree that when you write a check, you will not date the check in the future. If you do and the check is presented for payment before the date of the check, we may pay it or return it unpaid. You agree that if we pay the check, the check will be posted to your Account on the date we pay the check, even though the posting date is prior to the date of the check. You further agree that we are not responsible for any loss to you in doing so. We will not honor a postdated check if we receive advance notice from you at such a time and in such a manner as to afford us reasonable opportunity to act. The notice must be in writing, and it must specify the date, amount, and number of the check, along with the name of the payee. Notices are effective for the time periods stated under STOP PAYMENT ORDERS. You agree that we may return a postdated check to the presenter. **(F) Power of Attorney.** The person executing a power of attorney will be referred to as the principal and the person acting for the principal as the agent. We may refuse to comply with a power of attorney for reasonable cause, or until we receive an affidavit from the agent stating that the Power of Attorney presented is a true copy and that, to the best of the agent's knowledge, the principal is alive and that the relevant powers of the agent have not been altered or terminated. **(G) Signatures.** You recognize that we have adopted automated collection and payment procedures so that we can process the greatest volume of items at the lowest possible cost to our customers. In light of this, you agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for the sight examination of items with a face amount below an amount specified by us from time to time. You authorize us to store and use Signature Card information in any reasonable form we deem necessary, including any digitized signature capture process. If you use a facsimile signature or other form of mechanically reproduced signature (such as, but not limited to, desktop publishing, digitized, or computer software generated signature), you agree you shall have the sole responsibility for maintaining security of the facsimile or mechanically reproduced signature and the device by which the facsimile or mechanically reproduced signature is affixed and you shall bear the entire risk for unauthorized use thereof whether or not you are negligent. You agree that no facsimile or mechanically reproduced signature we have been authorized to honor may be considered a forgery or an unauthorized signature, but that such facsimile or mechanically reproduced signature shall be effective as your signature or endorsement whether or not you have been negligent. You further agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure (including reasonable attorney's fees) we or you may suffer or incur as a result of the unlawful use, unauthorized use, or misuse by any person of any such facsimile or mechanically reproduced signature or the device by which it is affixed. If you use any form of facsimile or mechanically reproduced signature device, you agree to deliver a sample to us if we request it. **(H) Preauthorized Drafts.** If we are unable to enforce presentment and transfer warranties on remotely created checks under Regulation CC, then if you voluntarily give information about your Account (such as our routing number and your account number) to a party who is seeking to sell you goods or services, and you do not physically deliver a check to the party, any debit to your account initiated by the party to whom you gave the information is deemed authorized by you. **(I) Electronic Check Conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your account using information from your check to pay for purchases or pay bills. The merchant or other payee uses the check information, along with the transaction amount, to initiate an ACH debit transaction. The transaction is electronically transferred through the ACH system and the funds will be debited directly from your account and deposited automatically into the merchant or payee's account. When information from your check is used to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment. A description of the transaction will appear on your statement from us. Checks used in these types of transactions will not be returned with your statement. This type of electronic funds transfer from a consumer account is governed by the Electronic Funds Transfer Act and subject to the Electronic Funds Transfer Agreement and Disclosure(s). **(J) Re-presented Checks.** If a merchant electronically re-presents a check returned due to insufficient or uncollected funds, that transaction is not covered by the Electronic Funds Transfer Act. Checks involved in this type of transaction will not be included with your statement. You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check. If a merchant electronically collects a fee associated with the re-presentation of a check, the fee transaction is covered by the Electronic Funds Transfer Act and subject to the Electronic Funds Transfer Agreement and Disclosures if the fee is debited as an electronic funds transfer from a consumer account. A description of the transaction will appear on your statement. **(K) Check Legends.** We may disregard information on any check or item other than the signature of the drawer, the identification of the drawee financial institution and payee, the amount, the endorsements, and any other information that appears on the MICR line. In addition, we are not responsible to take action on, or for failure to notify you of restrictive language placed on checks or other items, including but not limited to terms such as, "Void after 90 Days," "Paid in Full," "Two Signatures Required," "Void Over \$100" or similar

statements. In accordance with reasonable banking standards, most checks and other items are processed through automated processing and, except in limited circumstances and in our discretion, most items are not individually examined. You agree that we act within reasonable banking standards by processing most checks and other items through automated processing systems. We may agree to adhere to extraneous legends if you notify us of such legends and we have agreed in writing to honor such legends. **(L) Non-Customer Check Cashing Fee.** If a person who is not a customer of ours presents a check drawn against one of your accounts for payment over the counter, we may charge the person a service charge for cashing the check. You agree that if the person refuses to pay the service charge, we may not cash the check and we have no liability to you for refusing to cash the check.

**STALE CHECKS.** We reserve the right to pay or dishonor a check more than six (6) months old without prior notice to you.

**CHECKING ACCOUNTS.** If your account is a checking account, the following terms may apply. If we offer NOW accounts, the account must consist solely of funds in which the entire beneficial interest is held by one or more individuals in an individual capacity, a sole proprietor, or a governmental unit, but not professional corporations or business partnerships. A NOW account may also be held by a for profit organization serving in a fiduciary or trustee capacity for an entity that is itself permitted to hold a NOW account. Otherwise, an organization may hold a NOW account only if it is operated primarily for religious, philanthropic, charitable, educational, or other similar purpose.

**SAVINGS ACCOUNTS.** A savings account is an interest bearing account and is not a NOW account or time deposit.

**TIME DEPOSITS.** If your Account is a time deposit, you have agreed to keep the funds on deposit until the maturity of your Account. If your Account has not matured, any withdrawal of all or part of the funds from your Account may result in an early withdrawal penalty. We will consider requests for early withdrawal and, if granted, the penalty provided in the Schedule will apply. **(A) Penalty.** The early withdrawal penalty is calculated as a forfeiture of part of the accrued interest that has or would be earned on the Account. If your Account has not yet earned enough interest so that the penalty can be deducted from earned interest, or if the interest already has been paid, the difference will be deducted from the principal amount of your Account. For fixed rate Accounts, we will use the rate in effect for your deposit. **(B) Exceptions.** We may let you withdraw money from your Account before the maturity date without an early withdrawal penalty: (1) when one or more of you dies or is determined legally incompetent by a court or other administrative body of competent jurisdiction; or (2) when the Account is an Individual Retirement Account (IRA) established in accordance with 26 USC 408 and the money is paid within seven (7) days after the Account is opened; or (3) when the Account is a Keogh Plan (Keogh), if you forfeit at least the interest earned on the withdrawn funds; or (4) if the time deposit is an IRA or Keogh Plan established pursuant to 26 USC 408 or 26 USC 401, when you reach age 59 1/2 or become disabled; or (5) within an applicable grace period (if any).

**STOP PAYMENT ORDERS.** Subject to certain limitations, you may order us to stop payment on any check, automated clearing house/pre-authorized electronic funds transfer ("ACH/EFT"), or other item payable from your Account, whether drawn or authorized by you or any other account holder, as follows:

**Stop Payment Against a Check or Other Item.** A stop payment request against a check or other item payable from your Account will be effective if we receive the order at such time and in such manner as to afford us a reasonable opportunity to act upon the order. A stop payment order against a check or other item payable from your Account is effective for six (6) months, but it lapses after fourteen (14) calendar days if the original order was oral and was not confirmed in writing within that period. A stop payment order against a check or other item payable from your Account may be renewed for additional six (6) month periods if renewed during a period within which the stop payment order is effective.

**Stop Payment Against an ACH/EFT.** For consumer accounts, a stop payment order against an ACH/EFT may be honored if received at least three (3) banking days before the scheduled date of the transfer. If we honor a stop payment request against an ACH/EFT received on or within three (3) banking days of the scheduled transfer, we do so without any liability or responsibility to any party having any interest in the entry. A stop payment order against an ACH/EFT is effective until the earlier of: (i) you withdraw the stop payment order, or (ii) the debit entry is returned, or, where a stop payment order is applied to more than one debit entry under a specific authorization involving a specific party, all such debit entries are returned. We may require you to provide us written confirmation of a verbal stop order request against an ACH/EFT within fourteen (14) calendar days. Additionally, if you request us to stop all future payments pursuant to a specific ACH/EFT authorization involving a particular party, we may require you to confirm in writing that you have revoked such authorization. For business accounts, a stop payment against an ACH/EFT is effective until the earlier of (i) you withdraw the stop payment order, (ii) the return of the debit entry, or (iii) six months from the date of the stop payment order, unless renewed in writing.

All stop payment order requests will require you to provide the date, the amount, and the number of the item or authorization, together with the name of the payee. If you give us incorrect information, we will not be liable for failing to stop payment on the item or authorization. Our acceptance of a stop payment order will not constitute a representation that the item or authorization has not already been paid or that we have a reasonable opportunity to act upon the order. You may not stop payment on an official, certified, cashier's, or teller's check issued by us, or request us to stop payment if we have otherwise become accountable for the item or authorization. In addition, you may not stop payment on checks governed by a separate agreement, such as a check guaranty agreement. Further you may not stop payment on an item or authorization after acceptance of the same by us.

Based upon the type of account ownership that you have designated, the following terms and conditions apply.

**INDIVIDUAL ACCOUNTS.** An Individual Account is an account in the name of one depositor only. Only that person may write checks against the Account or withdraw money, regardless of who actually owns the funds.

**MULTIPLE-PARTY ACCOUNTS.** This section pertains to multiple party accounts:

**(A) Joint Account Ownership.** An account with two or more Account Holders is a joint account. Unless you designate otherwise on the Signature Card, joint Account Holders will be considered joint tenants with right of survivorship.

**(1) Joint Tenants With Right of Survivorship.** If your Account is a joint account with right of survivorship, upon the death of one of the joint Account Holders, that person's ownership interest in the Account will immediately pass to the other joint Account Holder(s).

**(2) Joint With No Right of Survivorship.** If your Account is a joint account with no right of survivorship (Joint as Tenants in Common), upon the death of one of the joint Account Holders, that person's proportionate ownership interest will pass to the estate of the deceased Account Holder.

Each joint Account Holder, without the consent of any other Account Holder, may, and hereby is authorized by every other joint Account Holder, to make any transaction permitted under the Agreement, including without limitation: to withdraw all or any part of the account funds; to pledge the account funds as collateral to us for any obligation, whether that of one or more Account Holders or of a third party; to endorse and deposit checks and other items payable to any joint Account Holder; to give stop payment orders on any check or item, whether drawn by that Account Holder or not; to consent to or revoke consent to payment of service charges on overdrafts that result from ATM transactions or one-time debit card transactions under the Standard Overdraft Policy; and, to close the account, with the disbursement of account proceeds as instructed by the joint Account Holder. Each joint Account Holder is authorized to act for the other Account Holder(s) and we may accept orders and instructions regarding the account from any joint Account Holder. If we believe there to be a dispute between joint Account Holders or we receive inconsistent instructions from the Account Holders, we may suspend or close the account, require a court order to act, and/or require that all joint Account Holders agree in writing to any transaction concerning the account.

Your obligations under the Agreement are joint and several. This means that each joint Account Holder is fully and personally obligated under the terms of the Agreement, including liability for overdrafts and debit balances as set forth above, irrespective of which joint Account Holder benefited from the withdrawal. If you establish a joint account without the signature of the other joint Account Holder(s), you agree to hold us harmless for our reliance upon your designation of the other joint Account Holder(s) listed on our documents. Further, the Account is subject to the right of setoff as set forth below.

**(B) Totten Trust Account.** A Totten Trust Account is an informal trust account, reflected on our records, but without a written trust agreement, where the Account is owned by the trustee(s). The beneficiaries have no right to any funds in the Account during the trustee's lifetime. As the owner of the Account, the trustee may withdraw money from the Account and may, by written direction to us, change the beneficiary(ies) under the Account. Each trustee may change the beneficiary(ies) under the Account without the consent of other trustee(s) and beneficiary(ies). If the Totten Trust Account is held by more than one trustee, the trustees will be subject to the rules pertaining to joint account ownership as set forth above. To the extent permitted under this Agreement, each trustee may withdraw funds from the account. As between trustees, the account is held as a Joint Account With Right of Survivorship. When the last trustee dies, the Account is owned by the named beneficiary or beneficiaries that survive the last trustee. If there is more than one surviving beneficiary, the beneficiaries shall hold the Account in equal shares as Tenants in Common with no right of survivorship. If there is no surviving beneficiary upon the death of the last trustee, account proceeds shall vest in the estate of the last surviving trustee of the account.

**(C) P.O.D. Account.** A Payable on Death (P.O.D.) Account is an account payable to the Account Holder(s) during his or her lifetime. As the owner of the Account, you may withdraw money from the Account and may, by written direction to us, change the P.O.D. payee(s) under the Account. Each Account Holder may change the P.O.D. payee(s) under the Account without the consent of other Account Holder(s) and/or P.O.D. payee(s). If the P.O.D. Account is held by more than one person, each Account Holder will be subject to the rules pertaining to joint account ownership as set forth above. To the extent permitted under this Agreement, each Account Holder may withdraw funds from the account. As between Account Holder(s), the Account is held as a Joint Account With Right of Survivorship. When the last Account Holder dies, the Account is owned by the P.O.D. payee(s) that survive the last Account Holder. If there is more than one surviving P.O.D. payee, the payees shall hold the Account in equal shares as Tenants in Common with no right of survivorship. If there is no surviving P.O.D. payee upon the death of the last owner, the proceeds shall vest in the estate of the last surviving Account Holder of the Account.

**ADDITIONAL ACCOUNT TYPES.** This section applies to other deposit account types:

**(A) Formal Trust Account.** A Formal Trust Account is an account held by one or more trustees for the benefit of one or more beneficiaries according to a written trust agreement. Upon our request, the trustee(s) will supply to us a copy of any trust agreement covering the account. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the trustee(s). The trustee(s) and/or any person opening the Account, in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the Account.

**(B) Uniform Transfer to Minors.** If you have established the account as a custodian for a minor beneficiary under our state version of the Uniform Transfers to Minors Act, your rights and duties are governed by the Act. You will not be allowed to pledge the account as collateral for any loan to you. Deposits in the account will be held by us for the exclusive right and benefit of the minor. The custodian and/or any person opening the Account, in their individual capacity, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or other custodian with respect to the authority or actions taken by the custodian in handling or dealing with the Account.

**(C) Representative Payee Accounts.** Subject to applicable law, a Representative Payee Account is a type of fiduciary account in which a representative payee (appointed by the Social Security Administration) manages Social Security and Supplemental Security funds received on behalf of a beneficiary. Upon our request, the representative payee will provide sufficient documentation from the Social Security Administration indicating his or her appointment as a representative payee for the Account Holder. We may require additional documentation from the representative payee indicating his or her authority to act on behalf of the Account Holder. The representative payee does not have an ownership interest in funds in the Account. The representative payee does not have a right of survivorship in the Account on the death of the Account Holder. We act only as custodian of the funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the representative payee. The representative payee agrees to indemnify, and hold us harmless from and against any and all loss, cost, damage, liability, or exposure, including reasonable attorneys' fees, we may suffer or incur arising out of any action or claim by the beneficiary, a government entity or by any other party regarding the authority or actions taken by the representative payee in handling or dealing with the Account.

**(D) Agency Account.** An Agency Account is an account to which funds may be deposited and withdrawals made by an Agent designated by the owner of the funds. An Agent has full authority with regard to the Account but does not have an ownership interest in the account. An Agency Account is revocable at any time by notifying us in writing. An Agency designation may be combined with one of the other forms of account ownership.

**(E) Business Accounts.** If the Account is not owned by a natural person (for example, it is owned by a corporation, partnership, limited liability company, sole proprietorship, unincorporated association, etc.), then the Account Holder must provide us with evidence to our satisfaction of the authority of the individuals who sign the signature card to act on behalf of the Account Holder. On any transactions involving the Account, we may act on the instructions of the person(s) authorized in the resolutions, banking agreement, or certificate of authority to act on behalf of the Account Holder. You agree to notify us in writing of any changes in the person(s) authorized or the form of ownership. If we receive conflicting instructions or a dispute arises as to authorization with regard to the handling of the Account, you agree we may place a hold on the Account until such conflict or dispute is resolved to our satisfaction and we will not be liable for dishonored items as a result of such hold.

**(F) Fiduciary Accounts.** With respect to all fiduciary accounts, including but not limited to estate accounts, guardianship accounts, representative payee accounts, and conservatorship accounts, and any Formal Trust Account, Uniform Transfers to Minors Act Account, or Agency Account, we reserve the right to require such documents and authorizations as we may deem necessary or appropriate to satisfy that the person(s) requesting or directing the withdrawal of funds held in the Account have the authority to withdraw such funds. This applies at the time of account opening and at all times thereafter.

**(G) Attorney Client Trust** Subject to applicable law, an Attorney Client Trust is an account set up by an attorney or law firm to hold client or third party funds in trust, separate from the attorney's or law firm's funds. Upon our request, the authorized signers for an Attorney Client Trust will provide documentation required by applicable state law and applicable bar association (or similar entity) rules. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the attorney or law firm as trustee(s). The attorney, law firm, or any authorized individual on the account agrees to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any beneficiary or third party with respect to the authority, actions, or inaction taken by the trustee(s) or authorized individuals in handling or dealing with the account. Additional account terms are governed by a separate agreement.

**(H) Real Estate Broker Client Trust Accounts** Subject to applicable law, a real estate broker may open account(s) to hold client or third party funds in trust, separate from the broker's funds. We act only as custodian of the funds. We are under no obligation to act as a trustee or to

inquire as to the powers or duties of the broker or other authorized signer(s) as trustee(s). The broker and any authorized individual on the account in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any client or third party with respect to the authority, actions or inaction taken by the broker or authorized signer(s) in handling or dealing with the Account. Upon our request, the authorized signer(s) for this type of account will provide to us any documents required by applicable law and /or real estate professional rules.

**(I) Government/Municipal/Public Funds Accounts.** This type of account is owned by a government or public entity. For this type of account, you agree to provide us with authorization document(s) (in a form acceptable to us) stating that we are designated as a depository for the funds of the government or public entity and such documentation shall state the individual(s) authorized to act on behalf of the government or public entity and the extent of their authority. We may rely upon such documentation until we receive written notice of a change and new authorization documents. We are not responsible for any transaction conducted by a previously authorized individual until we actually receive written notice that the authorized individual's authority has been revoked. Unless specifically stated otherwise in the authorization document(s), we can rely on one authorization for all accounts owned by the government or public entity. If required by law, you agree to enter into a Collateral Security Agreement regarding this type of account.

**(J) Health Savings Account.** A Health Savings Account (HSA) is a tax preferred account that you agree: a) you are eligible to open and maintain, b) to notify us when you are no longer eligible to maintain, c) will be used for contributions, withdrawals, and earnings for qualified medical expenses or as allowed by law, and d) you will execute and comply with the terms and conditions in the Health Savings Account Trust or Custodial Agreement. Consult your tax advisor about the tax treatment of contributions, withdrawals and earnings.

**ASSIGNABILITY.** The account established under this Agreement is not assignable or transferable except with our consent. We must approve any pledge of the Account and any such pledge remains subject to any right we have under the Agreement and applicable state and federal law. If ownership is proposed to be transferred, we may require the Account be closed and a new account opened in the name of the transferee or pledgee.

**FINANCIAL INSTITUTION LIABILITY.** You agree that if we do not properly complete a transaction according to the Agreement, we will not be liable in any event for losses or damages in excess of the amount of the transaction, and we will not be liable if circumstances beyond our control prevent the transaction, or the funds in your Account are or may be subject to legal process or other claim. In no event will we be liable for consequential damages. In receiving items from you for withdrawal or deposit, we act only as your agent. You are responsible for the condition of a check or item when you issue it. If a check or item is returned or payment is delayed as a result of any writing or marking that you or a prior endorser placed on the front or back of the check or item, you will be responsible for any cost and liabilities associated with such return or delay. We reserve the right to refuse any item for deposit or to reverse credit for any deposited items or to charge your Account for items should they become lost in the collection process.

**RIGHT OF SETOFF.** Subject to applicable law, we may exercise our right of setoff or security interest against any and all of your Accounts (except IRA, HSA, Keogh plan and Trust Accounts) without notice, for any liability or debt of any of you, whether joint or individual, whether direct or contingent, whether now or hereafter existing, and whether arising from overdrafts, endorsements, guarantees, loans, attachments, garnishments, levies, attorneys' fees, or other obligations. If the Account is a joint or multiple-party account, each joint or multiple-party account holder authorizes us to exercise our right of setoff against any and all Accounts of each Account Holder. We may not exercise our right of setoff or security interest if prohibited by the Military Lending Act.

**DORMANT ACCOUNTS.** If you have not made a withdrawal from, or a deposit to, your Account for an extended period of time and we have been unable to contact you, your Account may be classified by us as dormant. Subject to applicable law, we may charge a dormant account fee on the Account, and the Account will be presumed to be abandoned. In accordance with state law, funds in abandoned accounts will be remitted to the custody of the applicable state agency, and we will have no further liability to you for such funds. We reserve the right not to send statements on accounts we consider dormant, subject to applicable law.

**ACCOUNT STATEMENTS.** You are responsible for promptly examining your statement each statement period and reporting any irregularities to us. Each account statement will be considered to correctly reflect your transactions, such as deposits, withdrawals, credits, refunds, imposition of fees, interest or dividends, and other additions and subtractions to your Account, unless you notify us in writing within certain time limits after the statement that incorrectly reflects your transactions is made available to you. We will not be liable for any check that is altered or any signature that is forged unless you notify us within Sixty (60) calendar days after the statement and the altered or forged item(s) are made available. Also, we will not be liable for any subsequent items paid, in good faith, containing an unauthorized signature or alteration by the same wrongdoer unless you notify us within Thirty (30) calendar days after the statement and first altered or forged items were made available. You must report any other Account problem including encoding errors, and errors involving additions or subtractions (debits and credits) not otherwise covered herein, including electronic transactions not covered by the Electronic Fund Transfer Act, within Sixty (60) calendar days. If the suspected account problem involves a substitute check that you receive, you may (under some circumstances) be entitled to make a claim for an expedited refund. Such a claim may be subject to different notification timeframes. See the Substitute Check Policy Disclosure (if applicable) for further information. If you have requested us to hold your Account statements, we have the right to mail your statements if you have not claimed them within Sixty (60) calendar days. If we truncate your checks, you understand that your original checks will not be returned to you with your statement. You agree that our retention of checks does not alter or waive your responsibility to examine your statements or change the time limits for notifying us of any errors.

**WHOLESALE WIRE AND ACH TRANSACTIONS.** With respect to wire transfers or other transfers of funds not governed by the Electronic Funds Transfer Act, you agree to enter into and comply with our wire transfer (if applicable) agreement and to comply with our security procedures and this section. We advise you that any receiving financial institution (including us) is entitled to rely on any account or bank number you have provided even though that account or bank number may identify a party different from the person or entity you have described by name in any transfer order.

**(A) Provisional Payment.** Credit given by us to you with respect to an ACH credit or wholesale (wire) funds transfer entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to your Account in connection with such entry, and the party (the originator of the entry) making payment to you via such entry shall not be deemed to have paid you the amount of such entry.

**(B) Notice of Receipt.** We will notify you of the receipt of payments in the periodic account statements we provide to you. You acknowledge that we will not give next day notice to you of receipt of an ACH or wholesale (wire) funds transfer item.

**UNLAWFUL INTERNET GAMBLING TRANSACTIONS PROHIBITED.** If you are a commercial customer, you certify that you are not now engaged in, and during the life of this Agreement will not engage in, any activity or business that is unlawful under the Unlawful Internet Gambling Enforcement Act of 2006, 31 USC 5361, et seq., (the "UIGEA"). You may not use your Account or any other service we offer to receive any funds, transfer, credit, instrument or proceeds that arise out of a business that is unlawful under the UIGEA. You agree that if anyone asks us to process a transaction that we believe is restricted under the UIGEA, we may block the transaction and take any other action we deem to be reasonable under the UIGEA and this Agreement.

**NOTICES.** The following terms apply to notices relating to your Account. **(A) Notice of Amendments.** You agree that the terms and conditions

of the Agreement, including without limitation all rates, fees, and charges, may be amended by us from time to time. We will notify you of amendments as required by applicable law. Your continued use of the Account evidences your agreement to any amendment. Notices will be sent to the most recent address shown on our records for your Account. Only one notice will be given in the case of joint account holders. **(B) Account Changes.** Any account holder or person authorized to sign on an account is required to notify us in writing if any account holder or other person authorized to sign on an account dies or is declared incompetent by a court. It is your responsibility to notify us of any change in your address or name. We are required to honor items drawn only on the listed Account name. Further, we are required to attempt to communicate with you only at the most recent address provided to us.

**ACCOUNT TERMINATION.** You and we agree that either of us may close your Account and terminate this Agreement at any time with or without cause. We will provide written notice to you in advance if we decide to terminate your Account relationship for any reason other than abuse of the account relationship or to prevent a loss. You agree that advance written notice from us will be reasonable if it is mailed to your statement mailing address immediately upon account closure. You agree that in instances of account abuse or to prevent a loss, notice is reasonably given by us if mailed immediately upon account closure. You may close any of your accounts by notifying us in writing. We will consider your Account closed when terminated either by the customer or custodian. When an interest bearing account is closed, there may be accrued interest that has not been credited to the account. In that case, we will pay you the interest UNLESS we have told you otherwise. Further, for security reasons, we may require you to close your Account and to open a new account if: there is a change in authorized signers; there has been a forgery or fraud reported or committed involving your Account; any Account checks are lost or stolen; you have too many transfers from your Account; or, any other provision of our Agreement with you is violated. After the Account is closed, we have no obligation to accept deposits or pay any outstanding checks. You agree to hold us harmless for refusing to honor any check drawn on a closed account. In the event that we close your Account, we may mail you a Cashier's Check for the applicable remaining Account balance. The termination of this Agreement and closing of an account will not release you from any fees or other obligations incurred prior to the date upon which this Agreement is terminated and an account closed, any fees assessed by us in the process of closing an account, or from your responsibility to maintain sufficient funds in an account to cover any outstanding checks or other debit items.

**GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with all applicable federal laws and all applicable substantive laws of the State of Illinois in which we are located and where you opened your account. In addition, we are subject to certain federal and state regulations and local clearing house rules governing the subject matter of the Agreement. You understand that we must comply with these laws, regulations, and rules. You agree that if there is any inconsistency between the terms of the Agreement and any applicable law, regulation, or rule, the terms of the Agreement will prevail to the extent any such law, regulation, or rule may be modified by agreement.

**SYSTEMS AND SOFTWARE.** We shall not be responsible to you for any loss or damages suffered by you as a result of the failure of systems and software used by you to interface with our systems or systems and software utilized by you to initiate or process banking transactions whether such transactions are initiated or processed directly with our systems or through a third party service provider. You acknowledge that you are solely responsible for the adequacy of systems and software utilized by you to process banking transactions and the ability of such systems and software to do so accurately.

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

**CREDIT VERIFICATION.** You authorize us to request and obtain one or more credit reports about you from one or more credit reporting agencies for the purposes of considering your application for the Account, reviewing or collecting any Account opened for you, or for any other legitimate business purpose. You authorize us to disclose information about your account to a credit reporting agency if your Account was closed because you have abused it.

**MISCELLANEOUS PROVISIONS.** If you or your Account becomes involved in any legal proceedings, your use of the Account may be restricted. You agree not to use the Account in any illegal activity. We shall be entitled to act upon any legal process served upon us which we reasonably believe to be binding, with no liability to you for doing so. You understand that supervisory personnel may randomly monitor customer service telephone conversations to ensure that you receive accurate, courteous, and fair treatment. If you ask us to follow instructions that we believe might expose us to any claim, liability, or damages, we may refuse to follow your instructions or may require a bond or other protection, including your agreement to indemnify us. You agree to be liable to us, to the extent permitted by law, for any loss, costs, or expenses that we may incur as a result of any dispute or legal proceeding involving your Account. You authorize us to deduct any such loss, costs, or expenses from your Account without prior notice to you or to bill you separately. This obligation includes disputes between you and us involving your Account and situations where we become involved in disputes between you and an authorized signer, a joint owner, or a third party claiming an interest in your Account. It also includes situations where any action taken on your Account by you, an authorized signer, a joint owner, or a third party causes us to seek the advice of an attorney, whether or not we actually become involved in a dispute. Any action by us for reimbursement from you for any costs or expenses may also be made against your estate, heirs and legal representatives, who shall be liable for any claims made against and expenses incurred by us. If a court finds any provision of the Agreement to be invalid or unenforceable, such finding shall not make the rest of the Agreement invalid or unenforceable. If feasible, any such offending provision shall be deemed to be modified to be within the limits of enforceability or validity; however, if the offending provision cannot be so modified, it shall be stricken and all other provisions of the Agreement in all other respects shall remain valid and enforceable.

2025 List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies

COUNTY NAME	STATE NAME	Distressed Middle-Income Nonmetropolitan Tracts		Underserved Middle-Income Nonmetropolitan Tracts	Previous Year Designation		STATE CODE	COUNTY CODE	TRACT CODE
		POVERTY	UNEMPLOYMENT LOSS	REMOTE RURAL	DISTRESSED	UNDER-SERVED			
BROWN	IL		X	X		X	17	009	9705.00
BUREAU	IL				X		17	011	9647.00
BUREAU	IL				X		17	011	9648.00
BUREAU	IL				X		17	011	9649.00
BUREAU	IL				X		17	011	9650.00
BUREAU	IL				X		17	011	9651.00
BUREAU	IL				X		17	011	9652.00
BUREAU	IL				X		17	011	9653.00
BUREAU	IL				X		17	011	9654.00
BUREAU	IL				X		17	011	9655.00
BUREAU	IL				X		17	011	9656.00
CARROLL	IL			X			17	015	9601.00
CARROLL	IL			X			17	015	9602.00
CARROLL	IL			X			17	015	9604.00
CARROLL	IL			X			17	015	9605.00
CARROLL	IL			X			17	015	9606.00
CASS	IL			X			17	017	9601.00
CASS	IL			X			17	017	9602.00
CASS	IL			X			17	017	9603.00
CLARK	IL			X			17	023	0601.00
CLARK	IL			X			17	023	0602.00
CLARK	IL			X			17	023	0603.00
CLARK	IL			X			17	023	0604.00
CLAY	IL			X			17	025	9719.00
CLAY	IL			X			17	025	9720.00
CLAY	IL			X			17	025	9721.00
CLAY	IL			X			17	025	9722.00
COLES	IL		X				17	029	0001.00
COLES	IL		X				17	029	0002.00
COLES	IL		X				17	029	0003.00
COLES	IL		X				17	029	0004.00

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		POVERTY	UNEMPLOYMENT	POPULATION LOSS	REMOTE RURAL	UNDER-DISTRESSED SERVED			
COLES	IL			X			17	029	0006.00
COLES	IL			X			17	029	0008.00
COLES	IL			X			17	029	0012.00
CRAWFORD	IL				X		17	033	8801.00
CRAWFORD	IL				X		17	033	8802.00
CRAWFORD	IL				X		17	033	8803.00
CRAWFORD	IL				X		17	033	8805.00
DE WITT	IL				X		17	039	9715.00
DE WITT	IL				X		17	039	9717.00
DE WITT	IL				X		17	039	9718.00
DOUGLAS	IL				X		17	041	9520.00
DOUGLAS	IL				X		17	041	9521.00
DOUGLAS	IL				X		17	041	9523.00
DOUGLAS	IL				X		17	041	9524.00
EDGAR	IL				X		17	045	0702.00
EDGAR	IL				X		17	045	0704.00
EDGAR	IL				X		17	045	0705.00
EDWARDS	IL				X	X	17	047	9569.00
EDWARDS	IL				X	X	17	047	9570.00
EDWARDS	IL				X	X	17	047	9571.00
FRANKLIN	IL				X	X	17	055	0401.00
FRANKLIN	IL				X	X	17	055	0402.00
FRANKLIN	IL				X	X	17	055	0404.00
FRANKLIN	IL				X	X	17	055	0405.00
FRANKLIN	IL				X	X	17	055	0406.00
FRANKLIN	IL				X	X	17	055	0407.00
FRANKLIN	IL				X	X	17	055	0408.00
FRANKLIN	IL				X	X	17	055	0412.00
FULTON	IL			X			17	057	9528.00
FULTON	IL			X			17	057	9530.00

2025 List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies

COUNTY NAME	STATE NAME	Distressed Middle-Income Nonmetropolitan Tracts		Underserved Middle-Income Nonmetropolitan Tracts	Previous Year Designation		STATE CODE	COUNTY CODE	TRACT CODE
		POVERTY	UNEMPLOYMENT	POPULATION LOSS	REMOTE RURAL	UNDER-DISTRESSED SERVED			
FULTON	IL			X			17	057	9531.00
FULTON	IL			X			17	057	9534.00
FULTON	IL			X			17	057	9536.00
FULTON	IL			X			17	057	9537.00
GALLATIN	IL			X	X	X X	17	059	9727.00
GREENE	IL			X			17	061	9736.00
GREENE	IL			X			17	061	9740.00
HAMILTON	IL				X		17	065	9731.00
HAMILTON	IL				X		17	065	9732.00
HAMILTON	IL				X		17	065	9733.00
HANCOCK	IL				X		17	067	9537.00
HANCOCK	IL				X		17	067	9539.00
HANCOCK	IL				X		17	067	9540.00
HANCOCK	IL				X		17	067	9542.00
HANCOCK	IL				X		17	067	9543.00
HARDIN	IL			X	X	X X	17	069	9709.00
HARDIN	IL			X	X	X X	17	069	9710.00
HENDERSON	IL			X		X	17	071	9733.00
HENDERSON	IL			X		X	17	071	9734.00
HENDERSON	IL			X		X	17	071	9735.00
IROQUOIS	IL			X			17	075	9501.00
IROQUOIS	IL			X			17	075	9502.00
IROQUOIS	IL			X			17	075	9503.00
IROQUOIS	IL			X			17	075	9505.00
IROQUOIS	IL			X			17	075	9506.00
IROQUOIS	IL			X			17	075	9508.00
IROQUOIS	IL			X			17	075	9509.00
JACKSON	IL	X		X		X	17	077	0101.00
JACKSON	IL	X		X		X	17	077	0103.00
JACKSON	IL	X		X		X	17	077	0114.00

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COUNTY NAME	STATE NAME	Distressed Middle-Income Nonmetropolitan Tracts		Underserved Middle-Income Nonmetropolitan Tracts	Previous Year Designation		STATE CODE	COUNTY CODE	TRACT CODE
		POVERTY	UNEMPLOYMENT	POPULATION LOSS	REMOTE RURAL	UNDER-DISTRESSED SERVED			
JASPER	IL				X		17	079	9773.00
JASPER	IL				X		17	079	9774.00
JASPER	IL				X		17	079	9775.00
JO DAVIESS	IL				X		17	085	0201.02
JO DAVIESS	IL				X		17	085	0203.00
JO DAVIESS	IL				X		17	085	0204.02
JO DAVIESS	IL				X		17	085	0205.00
JOHNSON	IL				X	X	17	087	9776.00
JOHNSON	IL				X	X	17	087	9777.00
KNOX	IL					X	17	095	0001.00
KNOX	IL					X	17	095	0002.00
KNOX	IL					X	17	095	0003.00
KNOX	IL					X	17	095	0004.00
KNOX	IL					X	17	095	0005.00
KNOX	IL					X	17	095	0006.00
KNOX	IL					X	17	095	0010.00
KNOX	IL					X	17	095	0012.00
KNOX	IL					X	17	095	0013.00
KNOX	IL					X	17	095	0015.00
KNOX	IL					X	17	095	0016.00
LASALLE	IL					X	17	099	9617.02
LASALLE	IL					X	17	099	9618.00
LASALLE	IL					X	17	099	9619.00
LASALLE	IL					X	17	099	9620.00
LASALLE	IL					X	17	099	9621.00
LASALLE	IL					X	17	099	9626.00
LASALLE	IL					X	17	099	9628.00
LASALLE	IL					X	17	099	9629.00
LASALLE	IL					X	17	099	9630.00
LASALLE	IL					X	17	099	9631.00

2025 List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies

COUNTY NAME	STATE NAME	Distressed Middle-Income Nonmetropolitan Tracts		Underserved Middle-Income Nonmetropolitan Tracts	Previous Year Designation	STATE CODE	COUNTY CODE	TRACT CODE
		POVERTY	POPULATION UNEMPLOYMENT LOSS	REMOTE RURAL	UNDER-DISTRESSED SERVED			
LASALLE	IL				X	17	099	9632.00
LASALLE	IL				X	17	099	9634.00
LASALLE	IL				X	17	099	9635.00
LASALLE	IL				X	17	099	9636.00
LASALLE	IL				X	17	099	9637.00
LASALLE	IL				X	17	099	9638.00
LASALLE	IL				X	17	099	9639.00
LASALLE	IL				X	17	099	9642.00
LASALLE	IL				X	17	099	9643.00
LAWRENCE	IL		X	X		17	101	8807.00
LAWRENCE	IL		X	X		17	101	8808.00
LAWRENCE	IL		X	X		17	101	8809.00
LAWRENCE	IL		X	X		17	101	8810.00
MCDONOUGH	IL		X		X	17	109	0101.00
MCDONOUGH	IL		X		X	17	109	0102.00
MCDONOUGH	IL		X		X	17	109	0109.00
MCDONOUGH	IL		X		X	17	109	0110.00
MCDONOUGH	IL		X		X	17	109	0111.00
MASON	IL		X	X	X	17	125	9563.00
MASON	IL		X	X	X	17	125	9564.00
MASON	IL		X	X	X	17	125	9565.00
MASON	IL		X	X	X	17	125	9566.00
MASON	IL		X	X	X	17	125	9568.00
MOULTRIE	IL			X		17	139	9770.00
MOULTRIE	IL			X		17	139	9772.00
OGLE	IL				X	17	141	9608.00
OGLE	IL				X	17	141	9609.00
OGLE	IL				X	17	141	9610.01
OGLE	IL				X	17	141	9610.02
OGLE	IL				X	17	141	9611.00

2025 List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies

		Distressed Middle-Income Nonmetropolitan Tracts			Underserved Middle-Income Nonmetropolitan Tracts	Previous Year Designation				
COUNTY NAME	STATE NAME	POVERTY	UNEMPLOYMENT	POPULATION LOSS	REMOTE RURAL	UNDER-DISTRESSED	SERVED	STATE CODE	COUNTY CODE	TRACT CODE
OGLE	IL					X		17	141	9612.00
OGLE	IL					X		17	141	9614.00
OGLE	IL					X		17	141	9615.00
OGLE	IL					X		17	141	9616.00
PERRY	IL				X			17	145	0301.00
PERRY	IL				X			17	145	0302.00
PERRY	IL				X			17	145	0303.00
PERRY	IL				X			17	145	0304.00
PERRY	IL				X			17	145	0305.00
PIKE	IL			X	X			17	149	9524.00
PIKE	IL			X	X			17	149	9525.00
PIKE	IL			X	X			17	149	9526.00
PIKE	IL			X	X			17	149	9527.00
PIKE	IL			X	X			17	149	9528.00
POPE	IL			X	X		X	17	151	9712.00
PULASKI	IL	X	X	X	X	X	X	17	153	9710.00
PUTNAM	IL					X		17	155	9545.00
PUTNAM	IL					X		17	155	9546.00
RANDOLPH	IL			X				17	157	9505.00
RANDOLPH	IL			X				17	157	9506.00
RANDOLPH	IL			X				17	157	9507.00
RANDOLPH	IL			X				17	157	9508.00
RANDOLPH	IL			X				17	157	9509.00
RANDOLPH	IL			X				17	157	9511.00
RANDOLPH	IL			X				17	157	9512.01
RANDOLPH	IL			X				17	157	9513.00
RICHLAND	IL				X		X	17	159	9779.00
RICHLAND	IL				X		X	17	159	9781.00
RICHLAND	IL				X		X	17	159	9782.00
RICHLAND	IL				X		X	17	159	9783.00

2025 List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies

COUNTY NAME	STATE NAME	Distressed Middle-Income Nonmetropolitan Tracts		Underserved Middle-Income Nonmetropolitan Tracts	Previous Year Designation	STATE CODE	COUNTY CODE	TRACT CODE
		POVERTY	UNEMPLOYMENT	POPULATION LOSS				
SALINE	IL				X	17	165	9556.00
SALINE	IL				X	17	165	9557.00
SALINE	IL				X	17	165	9562.00
SCHUYLER	IL				X	17	169	9701.00
SCHUYLER	IL				X	17	169	9703.00
SHELBY	IL				X	17	173	9592.00
SHELBY	IL				X	17	173	9593.00
SHELBY	IL				X	17	173	9594.00
SHELBY	IL				X	17	173	9595.00
SHELBY	IL				X	17	173	9596.00
UNION	IL				X	X	17	181
UNION	IL				X	X	17	181
UNION	IL				X	X	17	181
UNION	IL				X	X	17	181
UNION	IL				X	X	17	181
VERMILION	IL	X		X	X	17	183	0005.00
VERMILION	IL	X		X	X	17	183	0007.00
VERMILION	IL	X		X	X	17	183	0008.00
VERMILION	IL	X		X	X	17	183	0009.00
VERMILION	IL	X		X	X	17	183	0012.00
VERMILION	IL	X		X	X	17	183	0101.00
VERMILION	IL	X		X	X	17	183	0103.00
VERMILION	IL	X		X	X	17	183	0104.00
VERMILION	IL	X		X	X	17	183	0105.00
VERMILION	IL	X		X	X	17	183	0106.00
VERMILION	IL	X		X	X	17	183	0107.01
VERMILION	IL	X		X	X	17	183	0107.02
VERMILION	IL	X		X	X	17	183	0108.00
VERMILION	IL	X		X	X	17	183	0109.00
VERMILION	IL	X		X	X	17	183	0110.00

2025 List of Distressed or Underserved Nonmetropolitan Middle-Income Geographies

COUNTY NAME	STATE NAME	Distressed Middle-Income Nonmetropolitan Tracts		Underserved Middle-Income Nonmetropolitan Tracts	Previous Year Designation		STATE CODE	COUNTY CODE	TRACT CODE
		POVERTY	UNEMPLOYMENT	POPULATION LOSS	REMOTE RURAL	UNDER-DISTRESSED SERVED			
VERMILION	IL		X	X		X	17	183	0111.00
WABASH	IL				X	X	17	185	9572.00
WABASH	IL				X	X	17	185	9573.00
WABASH	IL				X	X	17	185	9574.00
WABASH	IL				X	X	17	185	9575.00
WARREN	IL				X		17	187	8701.00
WARREN	IL				X		17	187	8702.00
WARREN	IL				X		17	187	8704.00
WARREN	IL				X		17	187	8705.00
WAYNE	IL				X		17	191	9549.00
WAYNE	IL				X		17	191	9550.00
WAYNE	IL				X		17	191	9551.00
WAYNE	IL				X		17	191	9552.00
WAYNE	IL				X		17	191	9553.00
WHITE	IL				X		17	193	9581.00
WHITE	IL				X		17	193	9582.00
WHITE	IL				X		17	193	9583.00
WHITE	IL				X		17	193	9584.00



# Federal Housing Finance Agency

## Community Support Statement

FHFA Form 060  
OMB Number 2590-0005  
Expires 04/30/2026

**FHFA Federal Home Loan Bank (FHLBank) Member ID Number:** 55371  
**Name of FHLBank Member Institution:** Alliance Community Bank  
**Mailing Address:** 321 North Sixth Street  
**City:** Petersburg  
**State:** IL  
**Zip Code:** 62675  
**Submitter Name:** Austin Hemberger  
**Title:** SVP-Lending  
**Work Email:** ahemberger@bankacb.com

The information in the Community Support Statement (CSS) submitted by the member, as reflected in this document, may be updated, or changed upon FHFA’s review of the CSS.

Part I. Community Reinvestment Act (CRA) Standard:

**Most recent CRA rating:** Satisfactory  
**Year of most recent CRA rating:** 2023

**Part II. First-time Homebuyer Standard:** All Federal Home Loan Bank members must complete either Section A or B of this part, except that members with "Outstanding" federal CRA ratings need not complete this part. Members should use data or activities for the previous or current calendar year in completing this part.

**A. Complete the following two questions:** If your institution did not make, or did not track, mortgage loans to first-time homebuyers, you must complete Section B of this part.

1. Number of mortgage loans made to first-time homebuyers0
2. Dollar amount of mortgage loans made to first-time homebuyers\$0

B. Check as many as applicable:

1. Offer in-house first-time homebuyer program (e.g., underwriting, marketing plans, outreach programs)No
2. Other in-house lending products that serve first-time homebuyers or low- and moderate-income homebuyersNo
3. Offer flexible underwriting standards for first-time homebuyersYes
4. Participate in nationwide first-time homebuyer programs (e.g., Fannie Mae, Freddie Mac)Yes
5. Participate in federal government programs that serve first-time homebuyers (e.g., FHA, VA, USDA RD)Yes
6. Participate in state or local government programs targeted to first-time homebuyers (e.g., mortgage revenue bond financing)No
7. Provide financial support or technical assistance to community organizations that assist first-time homebuyersNo
8. Participate in loan consortia that make loans to first-time homebuyersNo
9. Participate in or support special counseling or homeownership education targeted to first-time homebuyersNo
10. Hold investments or make loans that support first-time homebuyer programsNo
11. Hold mortgage-backed securities that may include a pool of loans to low- and moderate-income homebuyersNo
12. Use affiliated lenders, credit union service organizations, or other correspondent, brokerage or referral arrangements with specific unaffiliated lenders, that provide mortgage loans to first-time or low- and moderate-income homebuyersNo
13. Participate in the Affordable Housing Program or other targeted community investment/development programs offered by the Federal Home Loan BankNo
14. Other (attach description of other activities supporting first-time homebuyers; see instructions for Part II)No
15. None of the above (attach explanation of any mitigating factors; see instructions for Part II)No

If you checked Question 14 or 15, please explain below. If your explanation will exceed 300 characters, please upload a file containing your explanation and supporting documents:

Supporting documents:

C:\fakepath\CRA Performance Evaluation - Final.pdf

Part III. Certification:

By submitting this Community Support Statement, I certify that I am a senior official of the above institution, that I am authorized to provide this information to FHFA, and that the information in this Statement and any attachments is accurate to the best of my knowledge.

Paperwork Reduction Act Statement: Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number.

# 2024

## Member Benefit Statement

A customized report of your activity with  
the Federal Home Loan Bank of Chicago



**FHLBank**  
Chicago



**Carolyn Jaw**  
Executive Vice President, Group Head  
Sales, Strategy, and Solutions

To Our Members,

On behalf of FHLBank Chicago, I am pleased to share your 2024 Annual Member Benefit Statement, highlighting the value of your membership and our continued partnership.

As a member-owned cooperative, our mission is to support your institution's success by providing reliable liquidity, funding solutions, and community investment opportunities. Over the past year, we have remained committed to delivering financial and strategic benefits that strengthen your business and the communities you serve.

Your statement outlines the tangible benefits you received as a member, including dividend income, utilization of liquidity and funding products, and access to grant programs that help drive economic growth. In 2024, we were proud to provide:

- Advances and letters of credit to support your diverse funding and liquidity needs
- A Low-Income Housing Tax Credit (LIHTC) Pilot Program that returned value through reduced collateral haircuts
- The Community Impact Advance Pilot Program that amplified your community investment activities
- A competitive secondary mortgage market solution through the Mortgage Partnership Finance® (MPF®) Program, and MPF Traditional Housing Impact Pricing Grids to support low-income households
- Strong dividends to enhance your return on investment
- Expanded eligibility and increased funding for community investment programs that make a meaningful impact

In the 2025 year ahead, we also have several, exciting changes planned as we continue to invest in creating a more valuable and engaging member experience:

- Seeking your feedback through an **Annual Member Survey** to improve how we serve you and your customers
- **Refreshing several products** to make them best meet your needs and make a lasting impact to your communities
- Continuing to **modernize your digital experience**, including enhancements to how you receive information from us and how you interact with our platforms

We value our relationship with you and are committed to evolving our offerings to meet your institutions needs in an ever-changing financial landscape. If you have any questions about your statement or how we can further support your goals, please reach out to your Sales Director.

Thank you for your continued trust and partnership. We look forward to working together in the year ahead.

Sincerely,

Carolyn Jaw

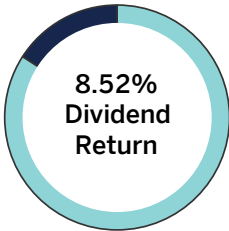
# Member Benefit Statement

January 2024 - December 2024 unless otherwise noted

## Alliance Community Bank

### CAPITAL STOCK

#### Average Stock for Dividend



Class B1 Stock Class B2 Stock

B1 activity stock pays a higher dividend than B2 membership stock to reward members for using the Bank's products and, thereby, supporting the entire cooperative.

Average stock balances are from Q1 - Q4 2024.

Q4 2024 Dividend rates declared on January 31, 2025: **B1: 9.250% and B2: 4.200%**

	Average Balance	Dividend Received	Dividend Return
Class B1 Stock	\$817,187.77	\$75,252.76	9.21%
Class B2 Stock	\$154,312.23	\$7,524.62	4.88%
<b>Total</b>	<b>\$971,500.00</b>	<b>\$82,777.38</b>	<b>8.52%</b>

#### B1 Dividends Based on Quarterly Product Usage

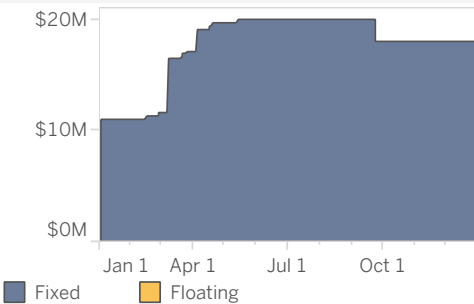
(Dividend payments are made in the following quarter)

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Grand Total
ADVANCES	12,701.20	20,387.42	20,831.38	18,897.98	72,817.98
LETTERS OF CREDIT	592.99	609.46	616.16	616.16	2,434.77
MPF TRADITIONAL	0.00	0.00	0.00	0.00	0.00
<b>TOTAL B1 DIVIDEND</b>	<b>13,294.19</b>	<b>20,996.89</b>	<b>21,447.54</b>	<b>19,514.14</b>	<b>75,252.76</b>

The higher dividend received on Class B1 activity stock has the effect of enhancing the benefits of using the Bank either by lowering the cost on advances and letters of credit or improving the return on Mortgage Partnership Finance (MPF) Traditional loans sold.

### ADVANCE PRODUCTS

#### Daily Advances Outstanding



Advances are a low-cost, reliable source of funding for members. Many product options and structures are available, giving your institution flexible solutions for various funding strategies and liquidity needs in any interest rate environment. Various discounted advances are also available to support our members' community lending initiatives.

Your average daily advance balance during the period was **\$17.57 million**.

### COMMUNITY ADVANCES

#### Community Development Advances

Community Development Advances support small business, agricultural, commercial, and infrastructure lending.

View our current community advance rates today on [fhllbc.com](http://fhllbc.com) to see the impact of the 10.5 basis point discount.

#### Community Housing Advances

Community Housing Advances receive a 10.5 basis point discount to support the purchase, refinancing, construction, and rehabilitation of affordable homes.

Contact your Sales Director to learn how these advances can be used to support your investments in affordable housing.

#### Community Small Business Advances

By leveraging the Community Small Business Advance program, **your institution was able to provide a below market rate loan to 10 small businesses**, supporting your local economy.

In 2024, members were able to pass along the reduced cost of funds to provide loans to over 190 small businesses.

#### Community Impact Advance Pilot Program

FHLBank Chicago launched a Community Impact Advance Pilot Program to amplify members' activities supporting their communities. In 2024, the pilot program supported over 700 jobs, 13 community partners, and approximately 5,000 housing units.

# Member Benefit Statement

January 2024 - December 2024 unless otherwise noted

## Alliance Community Bank

### COLLATERAL

Total Collateral Value	
Loans	\$57.2M
Securities	\$0.0
LIHTC	\$0.0
Other Collateral	\$0.0

Other collateral includes cash and other collateral not otherwise identified.

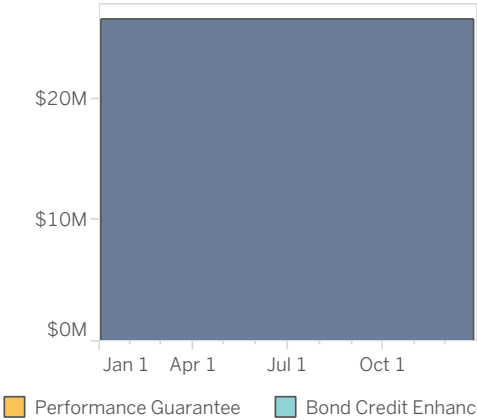
Collateral represents your institution's capacity to utilize FHLBank Chicago's products. As your reliable partner for liquidity and funding needs, we highly encourage members to evaluate their eligible loan and securities collateral to ensure adequate coverage and improve their borrowing capacity.

You had \$12.615M in excess collateral as of December 31, 2024. Excess collateral represents additional borrowing capacity for your institution.

To amplify and incentivize lending in support of affordable housing for low-income households, FHLBank Chicago launched a Low Income Housing Tax Credit (LIHTC) Collateral Pilot Program. The program provides members with a reduced haircut for qualifying mortgage loans on LIHTC multi-family housing projects. For more information on the pilot, contact [collateraleligibility@fhlbc.com](mailto:collateraleligibility@fhlbc.com).

### LETTERS OF CREDIT

#### Daily Letters of Credit Outstanding

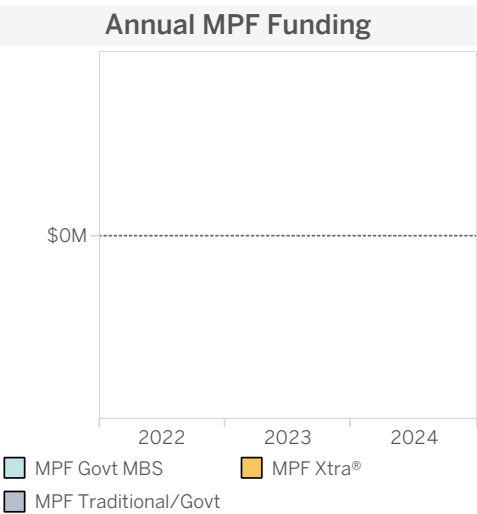


We offer letters of credit (LCs) for public unit deposits, performance guarantees, and bond credit enhancements, providing members a low-cost and effective way to attract and secure agreements with third parties. They can be used to collateralize deposits, secure performance obligations for construction projects or insurance payments (e.g. workers' compensation), enhance bond issuances to finance housing development projects and taxable community economic development projects, and more.

Your average daily letters of credit balance during the period was \$27 million.

Community Letters of Credit offer discounted pricing for standby letters of credit that provide credit enhancement for bond issuances or performance guarantees related to affordable housing development or economic development projects.

### MPF PROGRAM



The MPF Program provides a flexible and competitive secondary mortgage market solution with multiple product offerings to help you meet your mortgage liquidity needs.

Contact your Sales Director to learn more about the MPF Program, including MPF traditional products where you can earn higher gain on sales and additional fee income.

In August 2024, FHLBank Chicago introduced enhanced pricing to support low and very-low income households through Housing Impact Pricing Grids. Reach out to your Sales Director for more information on how to leverage those grids.

#### Lifetime MPF Activity by Product through December 2024

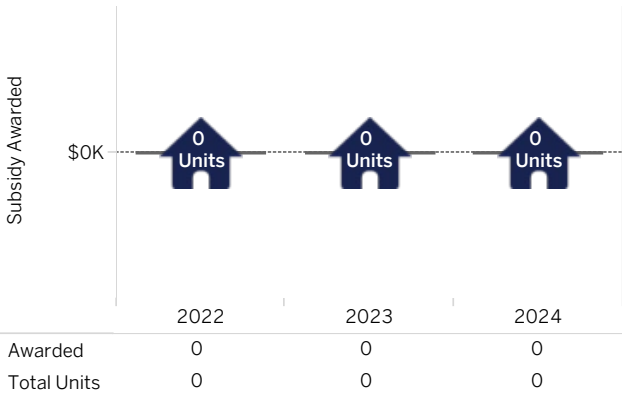
MPF Product	Total Loans Funded	Outstanding UPB	Open Master Commitments	Net Credit Enhancement Income Received
MPF Traditional/Govt	-	-	-	-
MPF Xtra®	-	-	-	-
MPF Govt MBS	-	-	-	-
Total MPF Activity	-	-	-	-

# Member Benefit Statement

## Alliance Community Bank

### COMMUNITY INVESTMENT PRODUCTS

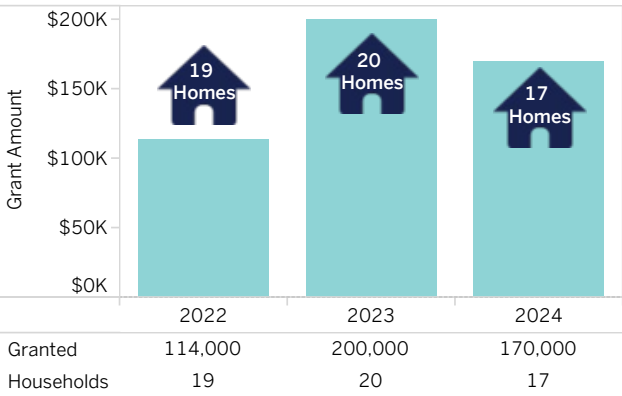
#### Affordable Housing Program



In 2024, almost \$48 million was awarded by FHLBank Chicago’s competitive Affordable Housing Program (AHP) to help finance 35 affordable housing projects. The projects included a combination of urban and rural housing, rental and owner occupied, and new construction and rehabilitation.

As a FHLBank Chicago member, you can partner with community developers and public agencies to apply for AHP funds, which FHLBank Chicago awards through a competitive process. Find out how to apply for these funds by visiting [fhlbc.com](https://fhlbc.com).

#### Downpayment Plus® Programs



In 2024, through the Downpayment Plus (DPP®) Programs, FHLBank Chicago disbursed more than \$42 million in forgivable grants on behalf of over 4,400 homebuyers. DPP allows participating member institutions to assist with down payment and closing costs for eligible households to help income-eligible homebuyers achieve homeownership.

On February 18, 2025, the FHLBank Chicago’s DPP and DPP Advantage® programs opened for the 2025 round. Members may reserve up to \$1,000,000 per program on a first-come, first-served basis for grants of up to \$10,000 per borrower to help with down payment and closing costs.

Thank you for taking advantage of DPP. In the last three years, your institution received \$484,000 in forgivable grants to assist with down payment and closing costs for 56 eligible households.

#### Community First® Programs

<b>Accelerate Grants for Small Businesses Program</b> <p>Accelerate Grants for Small Businesses allow members to help create economic opportunities in their communities by offering grants up to \$30,000 to eligible small businesses.</p> <p>Through the program, your institution was able to award \$30,000 to Hand of Fate Brewing Company and Yellow Door Inc. In 2024, over 520 small businesses received over \$10 million in grants to help their businesses grow and thrive.</p>	<b>Diverse Developer Initiative</b> <p>The Diverse Developer Initiative (DDI) provides organizations grant funds to support career development for diverse developers of affordable housing in FHLBank Chicago’s district of Illinois and Wisconsin.</p> <p>In 2024, over \$3M in grants were awarded to 14 organizations, supporting over 60 fellowships and internships.</p>
<b>Housing Counseling Resource Program</b> <p>In partnership with two FHLBank Chicago housing associates, the Housing Counseling Resource Program (HCRP) provides grants to housing counseling agencies in our district, to facilitate expanded service to minority and low- to moderate-income homebuyers.</p> <p>In 2024, FHLBank Chicago awarded \$3.5M to IHDA and WHEDA in the third year of the program. IHDA and WHEDA supported 29 agencies in 2024.</p>	<b>Community First Fund</b> <p>The Community First Fund (CFF) is a \$50M revolving loan fund that provides low-cost, long-term financing to community development financial institutions, community development loan funds, and state housing finance agencies serving our district.</p> <p>\$14M was disbursed in 2024 to support new or renewed loans. Overall, the revolving loan fund supported eight community organizations throughout the year.</p>

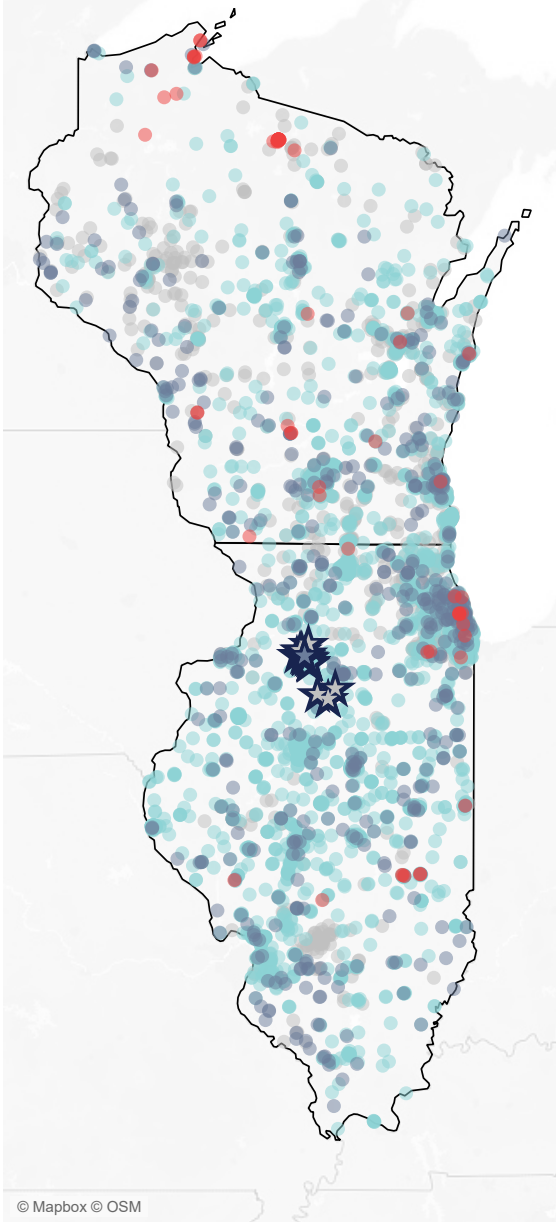
# Member Benefit Statement

Alliance Community Bank

## INVESTMENTS IN YOUR COMMUNITY OUR IMPACT TOGETHER IN 2024

### ★ YOUR IMPACT ★

WITH YOUR PARTNERSHIP, WE WERE ABLE TO  
IMPACT COMMUNITIES ACROSS OUR DISTRICT



#### DPP

**\$0.17M**

Disbursed

**17**

Households

**3**

Counties

Community Advances

**10**

Small Businesses  
& Community Partners

#### Community First Programs

**2** Small Businesses

### TOTAL IMPACT

#### AHP

**\$48M**

Awarded

**35**

Projects

**1,300+**

Units

#### DPP

**\$42M**

Disbursed

**4,400+**

Households

**320+**

Counties

Community Advances

**12,000+**

Housing Units\*

**130+**

Projects

**200+**

Small Businesses  
& Community Partners

#### Community First Programs

**520+** Small Businesses  
(Accelerate)

**60+** Fellowships & Internships  
(DDI)

**29** Agencies (HCRP)

**8** Community Partners (CFF)

*\*Approximately 5,000 housing units are from the Community Impact Advance pilot program that was developed in 2024*

Disclaimer: This statement is for informational purposes only. Certain information included here is as of the particular date(s) presented, and the information may have become out of date. For current balances, please refer to eBanking. Historical dividend rates vary and are provided for reference only, future dividends are at the Board of Directors' discretion and subject to change. This statement is not intended to constitute legal, accounting, investment, or financial advice of any kind. Forward-looking statements are statements other than historical fact, and are based upon our current expectations and speak only as of the date(s) indicated. These statements are subject to risks and uncertainties, including those set forth in our filings with the Securities Exchange Commission. "Mortgage Partnership Finance®", "MPF®", "eMPF", "MPF Xtra®", "Downpayment Plus®", "DPP®", "Downpayment Plus Advantage®", "DPP Advantage®", and "Community First®" are registered trademarks of the Federal Home Loan Bank of Chicago. The "MPF Mortgage Partnership Finance" logo is a trademark of the Federal Home Loan Bank of Chicago. The impact data presented in this report is based on information submitted by our members.

Visit [fhlbc.com](https://fhlbc.com) for more information or contact your Sales Director, Sean Harper at [sharper@fhlbc.com](mailto:sharper@fhlbc.com) or 312.565.5324.