

PUBLIC DISCLOSURE

June 2, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Town & Country Bank Midwest
Certificate Number: 10460

524 N 30th St
Quincy, Illinois 62301

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

1100 Walnut St, Suite 2100
Kansas City, Missouri 64106

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

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INSTITUTION RATING

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

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas (AAs), including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. The following points summarize Town & Country Bank Midwest's (T&C) performance:

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

DESCRIPTION OF INSTITUTION

Background

T&C is located in Quincy, Illinois, in the west-central part of the State, and is owned by a multi-bank holding company, T&C Bancorp, Inc., Las Vegas, Nevada. T&C has four branch offices in addition to the main office. Three branches are in Illinois, including a drive-thru location and the main office in Quincy as well as a branch in Lima. In addition, the bank has two branches in Missouri in La Grange and La Belle. Since the last evaluation the bank opened the drive-thru location in Quincy and closed two Quincy branches located in grocery stores. The branches closed were in close proximity to the other Quincy locations and did not impact low- and moderate-income census tracts. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation, dated August 5, 2019, based on Interagency Small Institution Examination Procedures.

Operations

The bank offers primarily home mortgage, commercial, and agricultural loans, along with other loan types including consumer loans. The bank provides a variety of deposit services including checking, savings, money market deposit accounts, and certificates of deposit accounts. Alternative banking services include online banking and bill pay, mobile banking, and mobile check deposit.

Ability and Capacity

According to Reports of Condition and Income, assets totaled approximately 222.0 million as of March 30, 2025, and included total loans of \$165.7 million and securities totaling \$23.0 million. The loan portfolio is illustrated in the following table.

Loan Portfolio Distribution as of 3/30/2025		
Loan Category	\$(000s)	%
Construction and Land Development	18,222	11.0
Secured by Farmland	14,267	8.6
Secured by 1-4 Family Residential Properties	31,999	19.3
Secured by Multifamily (5 or more) Residential Properties	3,757	2.3
Secured by Nonfarm Nonresidential Properties	38,425	23.2
Total Real Estate Loans	106,670	64.4
Agricultural Loans	9,881	6.0
Commercial and Industrial Loans	46,997	28.4
Consumer Loans	2,065	1.2
Other Loans	41	<0.1
Total Loans	165,654	100.0

Source: Reports of Condition and Income

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

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more AAs within which its CRA performance will be evaluated. T&C maintains two AAs: 1) Adams and Hancock counties in Illinois, hereafter referred to as the Nonmetropolitan Illinois Assessment Area; and 2) Lewis and Marion counties in Missouri, hereafter referred to as the Nonmetropolitan Missouri Assessment Area. Examiners conducted full-scope reviews for each assessment area. The State of Illinois and State of Missouri sections of this evaluation contain a complete discussion on each AA.

The CRA requires the regulatory agencies to assign a rating for each state in which the bank operates. Consequently, examiners assigned ratings for the States of Illinois and Missouri. Examiners also assigned an overall CRA rating. T&C operates three of its five banking offices within the State of Illinois. As of June 30, 2024, the bank had 79.9 percent of its deposits in its Nonmetropolitan Illinois Assessment Area. For this evaluation, the State of Illinois received higher weight than the State of Missouri as a substantial majority of the bank's operations are located in Illinois.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated August 5, 2019, to the current evaluation dated June 2, 2025. Examiners used the Interagency Small Institution Examination Procedures to evaluate T&C's CRA performance.

Activities Reviewed

Examiners determined that the bank's major product lines are small business, small farm and home mortgage loans. This conclusion considered the bank's business strategy, and the number and dollar volume of loans originated during the evaluation period. Bank records indicate that the lending focus and product offerings remained consistent throughout the evaluation period. This evaluation includes all small business, small farm and home mortgage loans originated in 2024. Bank management confirmed this year was considered representative of the bank's performance during the entire evaluation period. For 2024, the bank originated 142 small business loans totaling \$30.3 million, 81 small farm loans totaling \$10.3 million, and 116 home mortgage loans totaling \$14.2 million. These loans were used to evaluate the bank's performance under the assessment area concentration criterion. All small business, small farm, and home mortgage loans originated within each designated AA were included in the geographic distribution criterion. In addition, all small business loans located within each AA were reviewed for the borrower profile criterion. However, examiners selected a sample of small farm and home mortgage loans originated within each AA to conduct the borrower profile analysis. D&B data for 2024 provided a standard of comparison for the small business and small farm lending. Home mortgage loans were compared to the 2020 U.S. Census.

The bank’s record of originating small business loans contributed more weight to the overall conclusions due to the larger percentage of activity in the loan portfolio compared to small farm and home mortgage lending. No other loan types, such as consumer loans, represent a major product line or provide material support for conclusions or the rating and were not analyzed.

Examiners reviewed and presented both the number and dollar amount of loans but focused more on the number of loans because it is a better indicator of the number of borrowers served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

T&C demonstrated reasonable performance under the Lending Test. Reasonable performance under each of the lending criterion, in both AAs, supports this conclusion.

Loan-to-Deposit Ratio

The LTD ratio is reasonable given the institution’s size, financial condition, and the credit needs of the AAs. The bank’s net loan-to-deposit ratio, calculated from Reports of Condition and Income data, averaged 75.1 percent over the past 23 calendar quarters from September 30, 2019, to March 31, 2025. The ratio has fluctuated over the evaluation period, from a low of 61.7 percent as of September 30, 2021, to a high of 88.5 as of September 30, 2024. Most recently, as of March 31, 2025, the net LTD ratio was 84.7 percent.

As detailed in the following table, T&C maintained a ratio similar to those of comparable institutions in the area. Examiners selected comparable institutions based on asset size, geographic location, and lending focus. The bank’s average LTD ratio is noticeably lower than one comparable bank but similar to the other three.

Loan-to-Deposit Ratio Comparison		
	Total Assets as of 3/31/2025 \$(000s)	Average Net LTD Ratio (%)
Town & Country Bank Midwest	222,045	75.1
Similarly-Situated Bank #1	279,785	79.2
Similarly-Situated Bank #2	148,931	71.1
Similarly-Situated Bank #3	658,628	94.0
Similarly-Situated Bank #4	337,359	80.2
<i>Source: Reports of Condition and Income 09/30/19 through 3/31/2025</i>		

Assessment Area Concentration

The bank made a substantial majority of small business, small farm, and home mortgage loans, by both number and dollar volume, within its AAs. The following table provides additional information.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business										
2024	129	90.2	14	9.8	143	27,252	90.0	3,021	10.0	30,273
Small Farm										
2024	64	79.0	17	21.0	81	8,218	79.6	2,107	20.4	10,325
Home Mortgage										
2024	103	88.8	13	11.2	116	12,088	84.9	2,155	15.1	14,243
Total	296	87.1	44	12.9	340	47,558	86.7	7,283	13.3	54,841

*Source: Bank Data
Due to rounding, totals may not equal 100.0%
Dollar amounts for Small Business, Small Farm and Consumer loans are multiplied by 1000.*

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AAs. This conclusion is supported by reasonable performance in both AAs. Detailed discussions of the bank’s performance are included in the State of Illinois and State of Missouri sections of this evaluation.

Borrower Profile

The distribution of loans to borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels. This conclusion is supported by reasonable performance in both AAs. Detailed discussions of the bank’s performance are included in the State of Illinois and State of Missouri sections of this evaluation.

Response to Complaints

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

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

ILLINOIS – Full-Scope Review

CRA RATING FOR ILLINOIS: Satisfactory.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN ILLINOIS

The bank has one AA in the State of Illinois, referred to as the Nonmetropolitan Illinois Assessment Area, which is comprised of Adams and Hancock counties. The bank operates three offices in the state that are all located in Adams County. Since the last evaluation the bank closed two branches in grocery stores, and opened a drive-thru location, all in Quincy, Illinois. The grocery store locations were in close proximity to the main office and the location of the new drive-thru branch.

Economic and Demographic Data

T&C’s AA includes 26 census tracts. According to the 2020 U.S. Census, the 26 census tracts include 2 low-, 2 moderate-, 17 middle-, and 5 upper-income tracts. This is a change from the last performance evaluation, where there were 25 census tracts in Adams and Hancock counties including 5 moderate-, 17 middle-, and 3 upper-income census tracts. The low- and moderate-income tracts comprise the far west side of Quincy. Select demographics of the AA are depicted in the following table.

Demographic Information of the Assessment Area						
Assessment Area: IL Non-metropolitan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	7.7	7.7	65.4	19.2	0.0
Population by Geography	83,357	4.4	6.6	67.0	21.9	0.0
Housing Units by Geography	39,474	6.1	6.5	66.3	21.1	0.0
Owner-Occupied Units by Geography	25,626	2.4	4.5	69.0	24.0	0.0
Occupied Rental Units by Geography	9,115	12.6	10.1	63.6	13.7	0.0
Vacant Units by Geography	4,733	13.3	10.4	56.9	19.4	0.0
Businesses by Geography	6,995	12.1	4.2	62.2	21.5	0.0
Farms by Geography	768	1.3	0.7	76.6	21.5	0.0
Family Distribution by Income Level	22,283	18.5	16.8	22.0	42.7	0.0
Household Distribution by Income Level	34,741	22.6	16.1	18.6	42.8	0.0
Median Family Income Non-MSAs - IL		\$67,835	Median Housing Value			\$123,405
			Median Gross Rent			\$680
			Families Below Poverty Level			9.2%

*Source: 2020 U.S. Census and 2024 D&B Data
Due to rounding, totals may not equal 100.0%
(* The NA category consists of geographies that have not been assigned an income classification.*

Median family income levels, updated by the Federal Financial Institutions Examination Council (FFIEC), are used to analyze home mortgage loans under the borrower profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
IL NA Median Family Income (99999)				
2024 (\$82,800)	<\$41,400	\$41,400 to <\$66,240	\$66,240 to <\$99,360	≥\$99,360
<i>Source: FFIEC</i>				

The analysis of small business and small farm loans under the borrower profile criterion compares the distribution of businesses and farms by gross annual revenues (GARs). According to 2024 D&B data, there were 6,995 non-farm businesses in the AA. GARs for these non-farm businesses are below:

- 83.1 percent have \$1 million or less;
- 4.4 percent have more than \$1 million; and
- 12.5 percent have unknown revenues.

According to 2024 D&B data, there were 768 farms in the AA. GARs for these farms are below.

- 98.1 percent have \$1 million or less;
- 1.0 percent have more than \$1 million; and
- 0.9 percent have unknown revenues.

Service industries represent the largest portion of businesses in the AA at 32.6 percent; followed by retail trade (11.6 percent), and agriculture, forestry and fishing (9.9 percent). In addition, 90.9 percent of AA businesses have nine or fewer employees and 87.9 percent operate from a single location.

Quincy is the largest city within the two county AA, with a population of 39,463. It is the county seat of Adams County and supports a micropolitan area of 114,649 residents. While the AA is predominantly rural, Quincy is an urban center. The largest employers in the area are Blessing Hospital, Knapheide Manufacturing, Titan Wheel, Quincy Public Schools, and Quincy Medical Group.

Data obtained from the U.S. Bureau of Labor and Statistics indicates that the April 2025 unemployment rate was 4.5 percent statewide. As depicted in the table below, the rate in each of the two counties included in the AA were below both the State of Illinois and National averages.

Unemployment Rates	
County or Area	April 2025 (%)
Adams County	2.5
Hancock County	2.9
State of Illinois	4.5
National Average	3.9
<i>Source: Bureau of Labor Statistics</i>	

Competition

The AA is a moderately competitive market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2024, 18 financial institutions operate 47 full-service branches within the AA. Of these institutions, T&C ranked sixth with 5.2 percent of the deposit market share. The top five institutions accounted for 75.9 percent of the market share. There is also competition from other financial entities, including credit unions, that have a similar business focus.

Community Contact

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

Examiners contacted a representative of an economic development organization in the AA. The contact noted the area’s economic condition is largely trending positive with new manufacturing and retail business openings. With the workforce expanding, there is a need for new childcare businesses. Additionally, the housing stock is dated and new supply in the AA is limited. Overall, the contact identified a need for commercial lending.

Credit Needs

Based on information from the community contact, bank management, and demographic and economic data, examiners determined that small business and home mortgage loans represent a primary credit need for the AA. Opportunity exists for originating small business loans throughout the AA for area banks and government agencies.

SCOPE OF EVALUATION - ILLINOIS

The rating for the State of Illinois is based upon a full-scope evaluation of the bank’s performance in the Nonmetropolitan Illinois Assessment Area. This is the bank’s only assessment area in the State of Illinois. Refer to the overall scope section for weighting and sampling procedures used.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ILLINOIS

LENDING TEST

T&C demonstrated reasonable performance under the Lending Test. Geographic Distribution and Borrower Profile performance support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. The bank’s reasonable performance of small business, small farm, and home mortgage lending supports this conclusion. Examiners focused on the percentage by number of loans in low- and moderate-income census tracts. Only loans originated inside the AA are included in the analysis.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion in the low- and moderate-income census tracts in the AA.

As shown in the following table, the bank’s small business lending in the low- and moderate-income census tracts slightly trailed demographic data for both tract income levels. Competition is high as the bank’s office is over two miles from these census tracts, and there are numerous financial institutions located between the bank and these tracts.

Geographic Distribution of Small Business Loans						
Assessment Area: IL Non-metropolitan						
Tract Income Level	2024	% of Businesses	#	%	\$(000s)	%
Low						
	2024	12.1	10	11.4	1,755	7.8
Moderate						
	2024	4.2	1	1.1	300	1.3
Middle						
	2024	62.2	54	61.4	14,160	62.8
Upper						
	2024	21.5	23	26.1	6,333	28.1
Not Available						
	2024	0.0	--	--	--	--
Totals						
	2024	100.0	88	100.0	22,547	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Farm Loans

The geographic distribution of small farm loans reflects reasonable dispersion in the low- and moderate-income census tracts in the AA.

As shown in the following table, the bank originated or renewed no small farms loans in the low- and moderate-income census tracts. However, these tracts are located in Quincy, in a heavily urban and industrial area on the west side of town, where the demand for and ability to make small farm loans is very limited. Given this performance context, the performance is reasonable.

Geographic Distribution of Small Farm Loans					
Assessment Area: IL Non-metropolitan					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low					
2024	1.3	--	--	--	--
Moderate					
2024	0.7	--	--	--	--
Middle					
2024	76.6	23	79.3	3,112	69.7
Upper					
2024	21.5	6	20.7	1,353	30.3
Not Available					
2024	0.0	--	--	--	--
Totals					
2024	100.0	29	100.0	4,465	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the AA. Examiners compared the bank’s performance to demographic data.

As shown in the following table, in 2024, the bank originated 5.0 percent of home mortgage in both low- and moderate-income census tracts. This is slightly above the demographic data for these tracts.

Geographic Distribution of Home Mortgage Loans					
Assessment Area: IL Non-metropolitan					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low					
2024	2.4	4	5.0	514	5.0
Moderate					
2024	4.5	4	5.0	478	4.7
Middle					
2024	69.0	55	68.8	5,641	55.2
Upper					
2024	24.0	17	21.2	3,593	35.1
Not Available					
2024	0.0	--	--	--	--
Totals					
2024	100.0	80	100.0	10,226	100.0
<i>Source: 2020 U.S. Census; Bank Data, "--" data not available.</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes, and reasonable penetration among individuals of different income levels in the AA. This conclusion is supported by reasonable small business and small farm lending and excellent home mortgage lending. Examiners focused on the percentage by number of small business and small farm loans to businesses and farms with GARs of \$1 million or less. Examiners also focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers.

Small Business Loans

The distribution of small business loans to businesses of different sizes is reasonable.

As shown in the following table, in 2024, the bank originated 72.7 percent of its small business loans to business with GARs of \$1 million or less. This is generally in line with the 2024 demographic data of 83.1 percent. The bank's performance has increased since the last evaluation, which used 2018 lending data, where the bank originated 68.2 percent of its small business loans to businesses with GARs under \$1 million.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: IL Non-metropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2024	83.1	64	72.7	14,703	65.2
>\$1,000,000					
2024	4.5	24	27.3	7,844	34.8
Revenue Not Available					
2024	12.5	--	--	--	--
Totals					
2024	100.0	88	100.0	22,547	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Small Farm Loans

The distribution of small farm loans to farms of different sizes is reasonable. As shown in the following table, in 2024, the bank originated 83.3 percent of its small farm loans to farms with GARs of \$1 million or less. This is generally in line with, but slightly below, the 2024 demographic data of 98.0 percent. Demographic data is not necessarily indicative of loan demand. All three of the loans to farms with gross annual revenues over \$1 million were to the same customer. Exclusion of this one customer’s additional loans would result in 93.8 percent of the bank’s small farm loans being to farms with gross annual revenues of \$1 million or less, which is more comparable to demographics.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Assessment Area: IL Non-metropolitan					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000					
2024	98.0	15	83.3	1,506	57.1
>\$1,000,000					
2024	1.0	3	16.7	1,130	42.9
Revenue Not Available					
2024	0.9	--	--	--	--
Totals					
2024	100.0	18	100.0	2,636	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is excellent. Examiners focused on the comparison to demographic data.

As shown in the following table, 18.5 percent of families in the AA are low income; however, 9.2 percent of families in the AA live below the poverty level. Due to their limited financial resources, these families generally do not have the financial capacity to support a home mortgage, limiting the demand and opportunity for lending to low-income borrowers. Therefore, T&C’s level of home mortgage lending to low-income families in 2024 is above the percentage of families reasonably expected to be able to afford a home loan. The bank’s home mortgage lending to moderate-income borrowers in 2024 was comparable to, though slightly below, demographic data.

Distribution of Home Mortgage Loans by Borrower Income Level					
Assessment Area: IL Non-metropolitan					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low					
2024	18.5	8	22.2	1,284	24.5
Moderate					
2024	16.8	5	13.9	973	18.6
Middle					
2024	22.0	7	19.5	428	8.2
Upper					
2024	42.7	16	44.4	2,553	48.7
Not Available					
2024	0.0	--	--	--	--
Totals					
2024	100.0	36	100.0	5,238	100.0
<i>Source: 2020 U.S. Census; Bank Data, "--" data not available.</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

MISSOURI – Full-Scope Review

CRA RATING FOR MISSOURI: Satisfactory

DESCRIPTION OF INSTITUTION’S OPERATIONS IN MISSOURI

The bank has one AA in the State of Missouri, referred to as the Nonmetropolitan Missouri Assessment Area, which is comprised of Lewis and Marion counties. The bank operates two offices in the state that are both located in Lewis County.

Economic and Demographic Data

T&C’s AA includes 12 census tracts. According to the 2020 U.S. Census, the 12 census tracts include 2 moderate-, 6 middle-, and 4 upper-income tracts. This is a change from the last performance evaluation, where there were 12 census tracts in Lewis and Marion counties including 1 moderate-, 9 middle-, and 2 upper-income census tracts. The moderate-income tracts comprise parts of Hannibal, Missouri, and an adjacent township in the southeast corner of the AA. Select demographics of the AA are depicted in the following table.

Demographic Information of the Assessment Area						
Assessment Area: MO Non-metropolitan						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	12	0.0	16.7	50.0	33.3	0.0
Population by Geography	38,557	0.0	14.0	44.1	41.9	0.0
Housing Units by Geography	17,613	0.0	15.8	44.6	39.6	0.0
Owner-Occupied Units by Geography	10,218	0.0	9.4	45.4	45.3	0.0
Occupied Rental Units by Geography	4,916	0.0	22.7	39.7	37.5	0.0
Vacant Units by Geography	2,479	0.0	28.7	50.9	20.4	0.0
Businesses by Geography	4,249	0.0	16.7	38.9	44.5	0.0
Farms by Geography	377	0.0	11.1	44.3	44.6	0.0
Family Distribution by Income Level	9,990	17.6	15.6	22.0	44.8	0.0
Household Distribution by Income Level	15,134	21.7	14.3	16.5	47.4	0.0
Median Family Income Non-MSAs - MO		\$56,957	Median Housing Value			\$112,619
			Median Gross Rent			\$642
			Families Below Poverty Level			10.6%
<p><i>Source: 2020 U.S. Census and 2024 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> (*) The NA category consists of geographies that have not been assigned an income classification.</p>						

Median family income levels, updated by the FFIEC, are used to analyze home mortgage loans under the borrower profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
MO NA Median Family Income (99999)				
2024 (\$70,600)	<\$35,300	\$35,300 to <\$56,480	\$56,480 to <\$84,720	≥\$84,720
<i>Source: FFIEC</i>				

The analysis of small business and small farm loans under the borrower profile criterion compares the distribution of businesses and farms by GARs. According to 2024 D&B data, there were 4,249 non-farm businesses in the AA. GARs for these non-farm businesses are below:

- 86.9 percent have \$1 million or less;
- 2.8 percent have more than \$1 million; and
- 10.3 percent have unknown revenues.

According to 2024 D&B data, there were 377 farms in the AA. GARs for these farms are below.

- 99.2 percent have \$1 million or less;
- 0.3 percent have more than \$1 million; and
- 0.5 percent have unknown revenues.

Service industries represent the largest portion of businesses in the AA at 30.5 percent; followed retail trade (11.7 percent), and finance, insurance & real estate (10.3 percent). In addition, 93.3 percent of AA businesses have nine or fewer employees and 90.1 percent operate from a single location.

Hannibal is the largest city within the two county AA, with a population of 16,838. Hannibal is the principal city of the Hannibal, Missouri micropolitan area (population 38,948), which consists of both Marion and Ralls counties. The AA is primarily rural, with many smaller towns aside from Hannibal. The largest employers in the area are General Mills, Hannibal Regional Hospital, BASF Chemical Corporation, Hannibal School District, and Watlow Electric Manufacturing Co.

Data obtained from the U.S. Bureau of Labor and Statistics indicates that the April 2025 unemployment rate was 3.8 percent statewide. As depicted in the table below, the rate in each of the two counties included in the AA were slightly above both the State of Missouri and National averages.

Unemployment Rates	
County or Area	April 2025 (%)
Lewis County	4.1
Marion County	4.0
State of Missouri	3.8
National Average	3.9
<i>Source: Bureau of Labor Statistics</i>	

Competition

The AA is a moderately competitive market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2024, 13 financial institutions operate 26 full-service branches within the AA. Of these institutions, T&C ranked eight with 3.1 percent of the deposit market share. The top five institutions accounted for 78.3 percent of the market share. There is also competition from other financial entities, including credit unions, that have a similar business focus.

Community Contact

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

Examiners contacted a representative in the agricultural industry in the AA. The contact noted the area’s economic condition has remained steady, depending primarily on agriculture. Many residents also commute to Illinois, primarily Quincy, due to the availability of non-agricultural jobs. The contact stated most businesses are family owned, and there is a widening gap for residents looking to start a business or farming operation. Additionally, the housing stock is aging and was affected by a storm in the past year that destroyed some affordable housing. Overall, the contact identified a need for commercial, agricultural, and affordable housing lending.

Credit Needs

Based on information from the community contact, bank management, and demographic and economic data, examiners determined that small business, home mortgage, and small farm loans represent a primary credit need for the AA. Opportunity exists for originating small business and small farm loans throughout the AA for area banks and government agencies.

SCOPE OF EVALUATION – MISSOURI

The rating for the State of Missouri is based upon a full-scope evaluation of the bank’s performance in the Nonmetropolitan Missouri Assessment Area. This is the bank’s only assessment area in the State of Missouri. Refer to the overall scope section for weighting and sampling procedures used.

CONCLUSIONS ON PERFORMANCE CRITERIA IN MISSOURI

LENDING TEST

T&C demonstrated reasonable performance under the Lending Test. Geographic Distribution and Borrower Profile performance support this conclusion.

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. The bank's reasonable performance for small business, small farm, and home mortgage lending supports this conclusion. Examiners focused on the percentage by number of loans in low- and moderate-income census tracts. Only loans originated inside the AA are included in the analysis.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion in the low- and moderate-income census tracts in the AA.

As shown in the following table, the bank originated or renewed two (4.8 percent) small business loans in the moderate-income census tracts, which is below the 16.7 percent of businesses in the moderate-income tracts. The moderate-income tracts comprise parts of Hannibal and an adjacent township, which are primarily urban. These moderate-income census tracts are approximately 40 miles from the La Belle branch, 25 miles away from the La Grange branch, and 23 miles from the Quincy main office. Hannibal is competitive for financial services relative to the AA; of the 26 branch offices noted prior, 17 are in Marion County. There are 11 branch offices in Hannibal alone. Therefore, it is unlikely that customers will travel into rural Lewis County to the bank's branches for services. The bank has indicated it primarily maintains relationships with existing customer who move to the Hannibal area. Given this performance context, the performance is reasonable.

Geographic Distribution of Small Business Loans						
Assessment Area: MO Non-metropolitan						
Tract Income Level		% of Businesses	#	%	\$(000s)	%
Low						
	2024	0.0	--	--	--	--
Moderate						
	2024	16.7	2	4.8	1,100	23.4
Middle						
	2024	38.9	34	83.0	3,056	65.0
Upper						
	2024	44.5	5	12.2	549	11.6
Not Available						
	2024	0.0	--	--	--	--
Totals						
	2024	100.0	41	100.0	4,705	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Farm Loans

The geographic distribution of small farm loans reflects reasonable dispersion in the low- and moderate-income census tracts in the AA.

As shown in the following table, the bank originated or renewed no small farms loans in the moderate-income census tracts. However, only 11.1 percent of farms are in moderate-income tracts, limiting the demand for and ability to originate loans in these areas. Additionally, the moderate-income tracts comprise parts of Hannibal and an adjacent township, which are primarily urban. As previously stated, the bank's branches are 23-40 miles from the moderate-income census tracts, with a considerable amount of competition being closer in proximity to these tracts. Given this performance context, the performance is reasonable.

Geographic Distribution of Small Farm Loans					
Assessment Area: MO Non-metropolitan					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low					
2024	0.0	--	--	--	--
Moderate					
2024	11.1	--	--	--	--
Middle					
2024	44.3	33	94.3	3,658	97.5
Upper					
2024	44.6	2	5.7	95	2.5
Not Available					
2024	0.0	--	--	--	--
Totals					
2024	100.0	35	100.0	3,753	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the AA. Examiners compared the bank's performance to demographic data.

As shown in the following table, the bank originated or renewed no home mortgage loans in the moderate-income census tracts. However, only 9.4 percent of owner-occupied housing units are in moderate-income tracts, limiting the demand for and ability to originate loans in these areas. Additionally, the moderate-income tracts comprise parts of Hannibal and an adjacent township, which are primarily urban. As previously stated, the bank's branches are 23 to 40 miles from the moderate-income census tracts, with a considerable amount of competition being closer in proximity to these tracts. Given this performance context, the performance is reasonable.

Geographic Distribution of Home Mortgage Loans					
Assessment Area: MO Non-metropolitan					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low					
2024	0.0	--	--	--	--
Moderate					
2024	9.4	--	--	--	--
Middle					
2024	45.4	20	87.0	1,410	75.7
Upper					
2024	45.3	3	13.0	453	24.3
Not Available					
2024	0.0	--	--	--	--
Totals					
2024	100.0	23	100.0	1,863	100.0
<i>Source: 2020 U.S. Census; Bank Data, "--" data not available.</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels in the AA. This conclusion is supported by reasonable small business lending, which received the most weight in the analysis. While small farm and home mortgage lending were excellent, this performance did not elevate the overall conclusion as these products were given less weight. Examiners focused on the percentage by number of small business and small farm loans to businesses and farms with GARs of \$1 million or less. Examiners also focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers.

Small Business Loans

The distribution of small business loans to businesses of different sizes is reasonable.

As shown in the following table, in 2024, the bank originated 80.5 percent of its small business loans to business with GARs of \$1 million or less. This is generally in line with the 2024 demographic data of 86.9 percent. Demographic data is not necessarily indicative of loan demand. In addition, several of the loans to businesses with gross annual revenues over \$1 million were to the same customer, somewhat skewing the results.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: MO Non-metropolitan					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2024	86.9	33	80.5	1,966	41.8
>\$1,000,000					
2024	2.8	8	19.5	2,739	58.2
Revenue Not Available					
2024	10.3	--	--	--	--
Totals					
2024	100.0	41	100.0	4,705	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Small Farm Loans

The distribution of small farm loans to farms of different sizes is excellent.

As shown in the following table, in 2024, the bank originated 100.0 percent of its small farm loans to farms with GARs of \$1 million or less. This is in line with the 2024 demographic data of 99.2 percent.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Assessment Area: MO Non-metropolitan					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000					
2024	99.2	18	100.0	2,067	100.0
>\$1,000,000					
2024	0.3	--	--	--	--
Revenue Not Available					
2024	0.5	--	--	--	--
Totals					
2024	100.0	18	100.0	2,067	100.0
<i>Source: 2024 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is excellent. Examiners focused on the comparison to demographic data.

As shown in the following table, 17.6 percent of families in the AA are low income; however, 10.6 percent of families in the AA live below the poverty level. Due to their limited financial resources, these families generally do not have the financial capacity to support a home mortgage, limiting the demand and opportunity for lending to low-income borrowers. In addition, some affordable housing stock in the AA was recently destroyed, further limiting opportunities for low- and moderate-income borrowers. T&C’s level of home mortgage lending to low-income families in 2024 of 9.1 percent is above the percentage of families reasonably expected to be able to afford a home loan. Finally, the bank’s home mortgage lending to moderate-income borrowers in 2024 was above the demographic data.

Distribution of Home Mortgage Loans by Borrower Income Level					
Assessment Area: MO Non-metropolitan					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low					
2024	17.6	1	9.1	24	2.8
Moderate					
2024	15.6	2	18.2	107	12.8
Middle					
2024	22.0	1	9.1	78	9.3
Upper					
2024	44.8	7	63.6	629	75.1
Not Available					
2024	0.0	--	--	--	--
Totals					
2024	100.0	11	100.0	838	100.0
<i>Source: 2020 U.S. Census; Bank Data, "--" data not available. 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).

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Rating
ILLINOIS	Satisfactory
MISSOURI	Satisfactory

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.