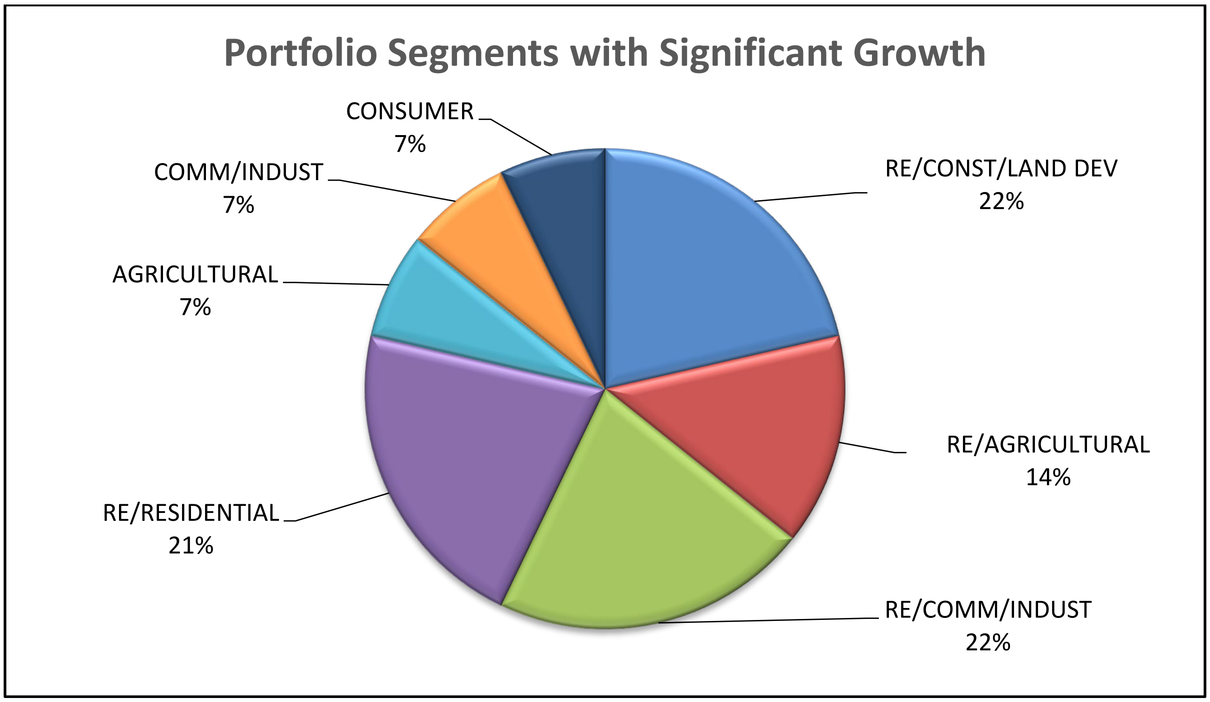
This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **SECOND QUARTER 2026** Number of Banks Examined: **17**

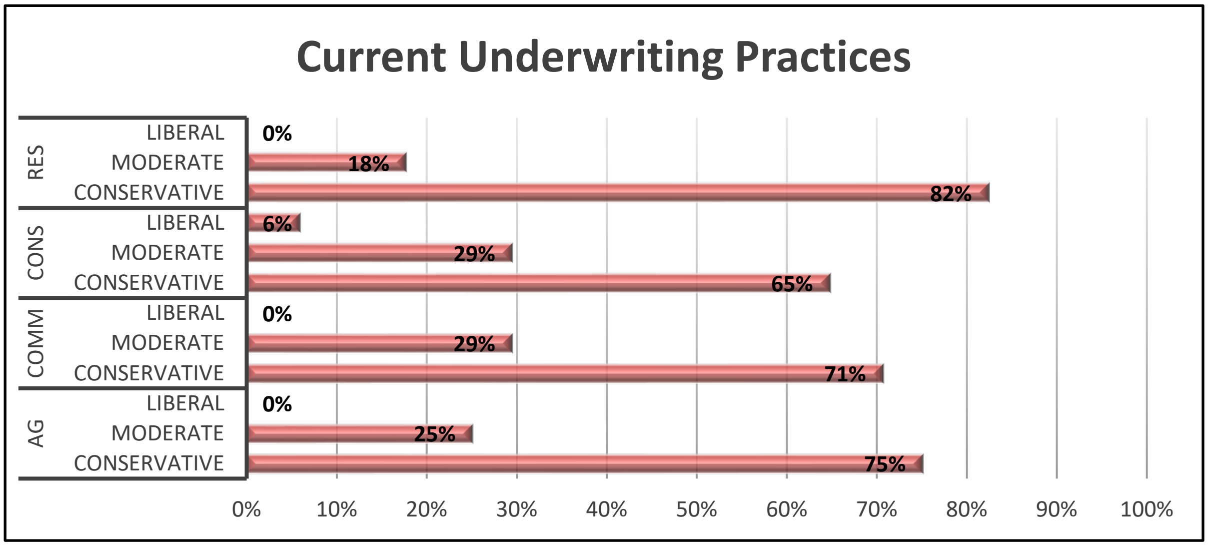
LENDING

1. Since their last examinations, **8** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **8** banks for the identified growth.

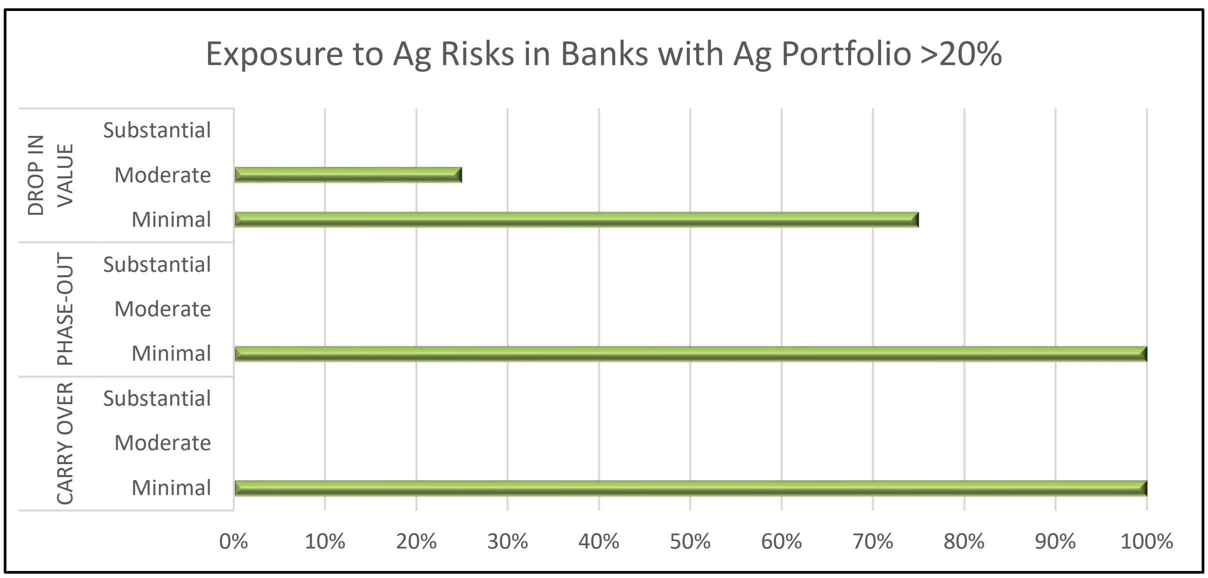


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in **2** of the banks during the quarter. Risks identified included sub-prime lending, high loan-to-value and unsecured loans, and lack of cash flow analysis.

3. Most of the banks examined remain conservative in underwriting practices across all loan types reviewed. Liberal practices were identified in consumer lending. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

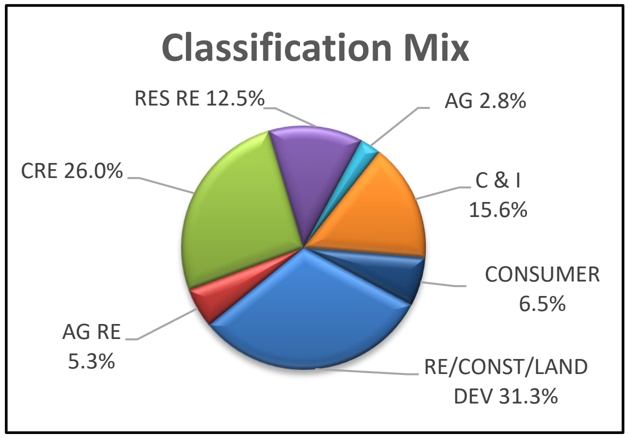


4. Agriculture loans represent more than 20% of total loans in **4** banks examined. Exposure is minimal across all **4** banks with moderate exposure to drops in land values identified in **1** bank. No substantial exposure is noted in any area.



5. The Adversely Classified Items Coverage ratio increased in **11** of the banks examined. Deterioration in existing credits was noted as the primary factor, with economic factors, deterioration in newly originated credits, and management changes noted in a few banks.

6. The mix of total loan classifications for the **17** banks is illustrated in the adjacent pie chart. Commercial real estate loans continue to comprise the largest portion of classifications. While construction and land development classifications increased from prior periods, the increase is primarily the result of a few larger credits with construction delays rather than an overall increase in this area of lending.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **2** banks.

8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate practices were noted in **4** banks, with liberal practices in **1**.

9. Examiners identified a funding concentration in **3** of the banks examined.

10. Examiners noted **1** bank that holds a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners identified **4** banks with Internal Routine and Control weaknesses. Weaknesses were identified in audit and cash procedures, employee account reviews, overdrafts, official checks, repossession practices, and reconcilements.

12. Most of the banks examined engage in nontraditional activities, as shown in the chart below. Secondary market lending continues to be the most common nontraditional activity.