

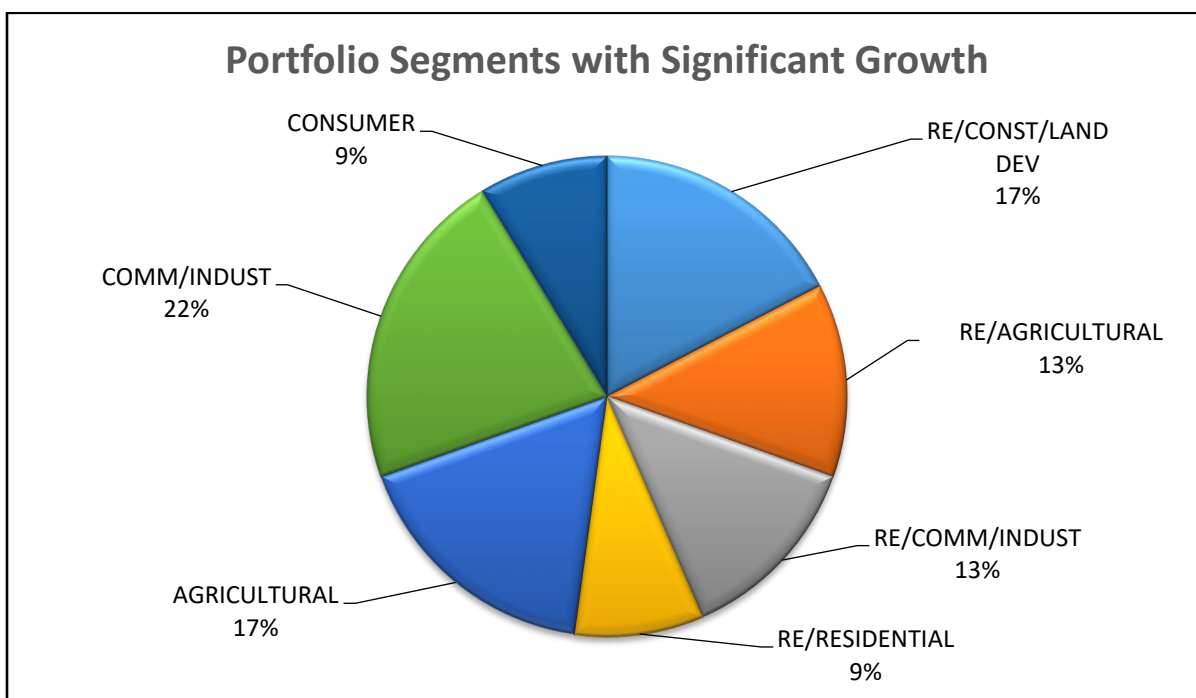
This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **FOURTH QUARTER 2021**

Number of Banks Examined: **19**

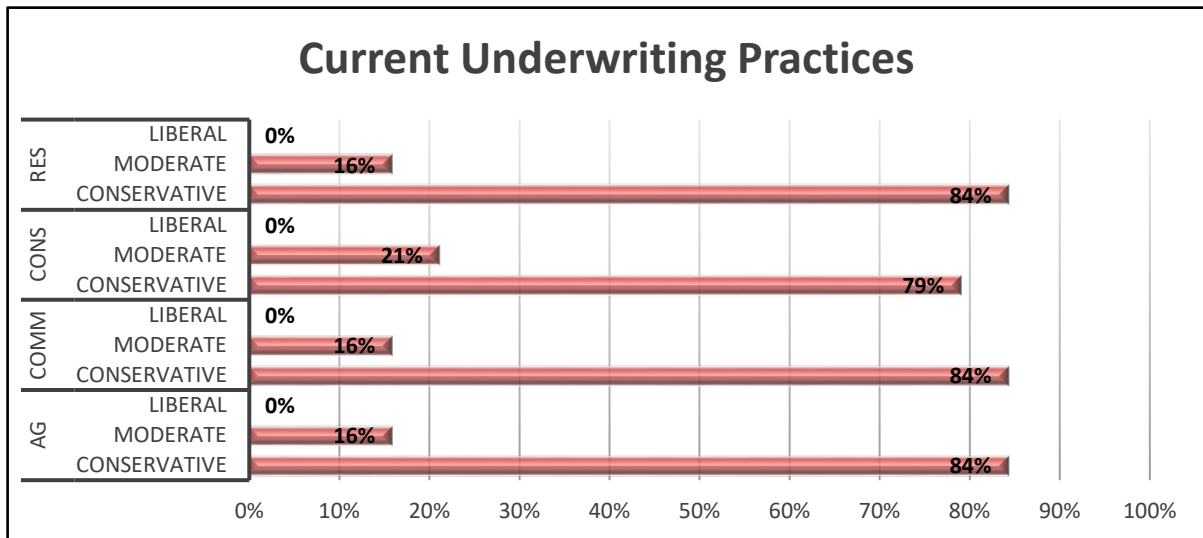
LENDING

1. Since the last examinations, **7** 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 **7** banks for the identified growth. A majority of the growth recognized by these banks was related to PPP loans.

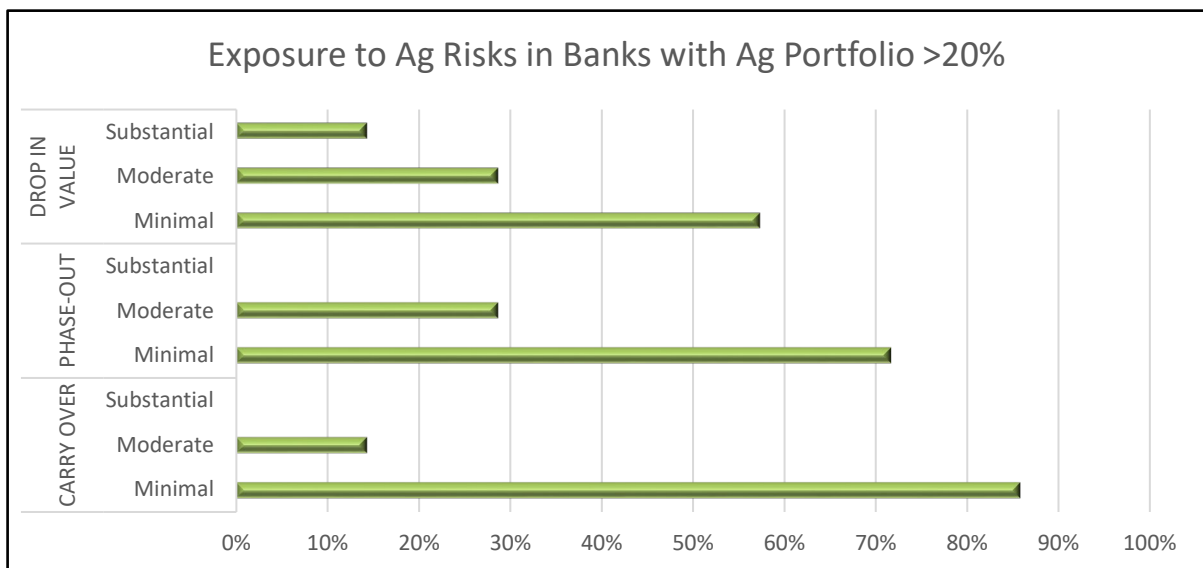


2. Indications of incurring “more than normal” risk when booking new loans or modifying existing credits were noted in **2** of the banks during the quarter. Dependence on collateral, high LTV lending, and limited cash flow analysis were identified.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

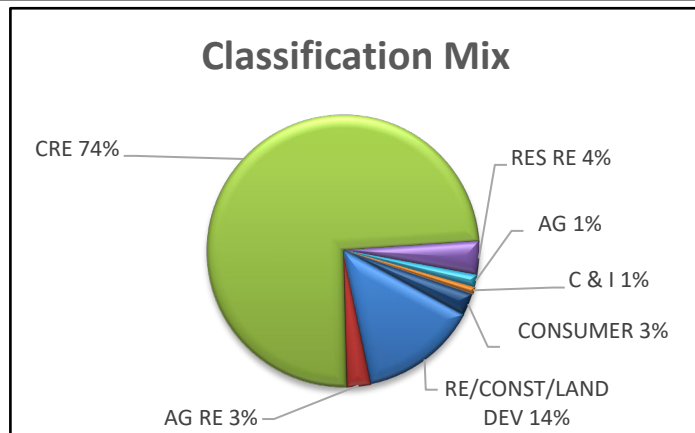


4. Agriculture loans represent more than 20% of total loans in 7 banks examined. The potential exposure to Ag risks in these banks is mostly minimal, though a substantial risk in land value declines was noted in one bank.



5. The Adversely Classified Items Coverage ratio increased in only 3 of the banks examined. The increases were nominal. The primary reason cited was deterioration in existing credits, with the largest increase due to an acquisition.

6. The mix of total loan classifications for the **19** banks is illustrated in the adjacent pie chart. Classifications primarily consist of CRE loans.



OPERATIONAL

7. All banks examined during the quarter exhibit conservative policies and practices in relation to investments. **None** were considered to have moderate or liberal risk.
8. All banks examined during the quarter exhibit conservative funds management policies and practices, with **none** in the moderate or liberal risk categories.
9. Examinations identified funding concentrations in **2** of the banks examined.
10. Examinations noted **no** banks that hold a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.
11. Examiners noted **2** banks during the quarter with Internal Routine and Control weaknesses. Weaknesses were related to employee account review procedures and lack of separation of duties due to size.
12. Several of the banks examined engage in nontraditional activities, as shown in the chart below. Other nontraditional activity includes bank broker dealer activity.

