

EXAMINER'S BANKING PRACTICES SURVEY RESULTS

Division of Finance
State of Missouri

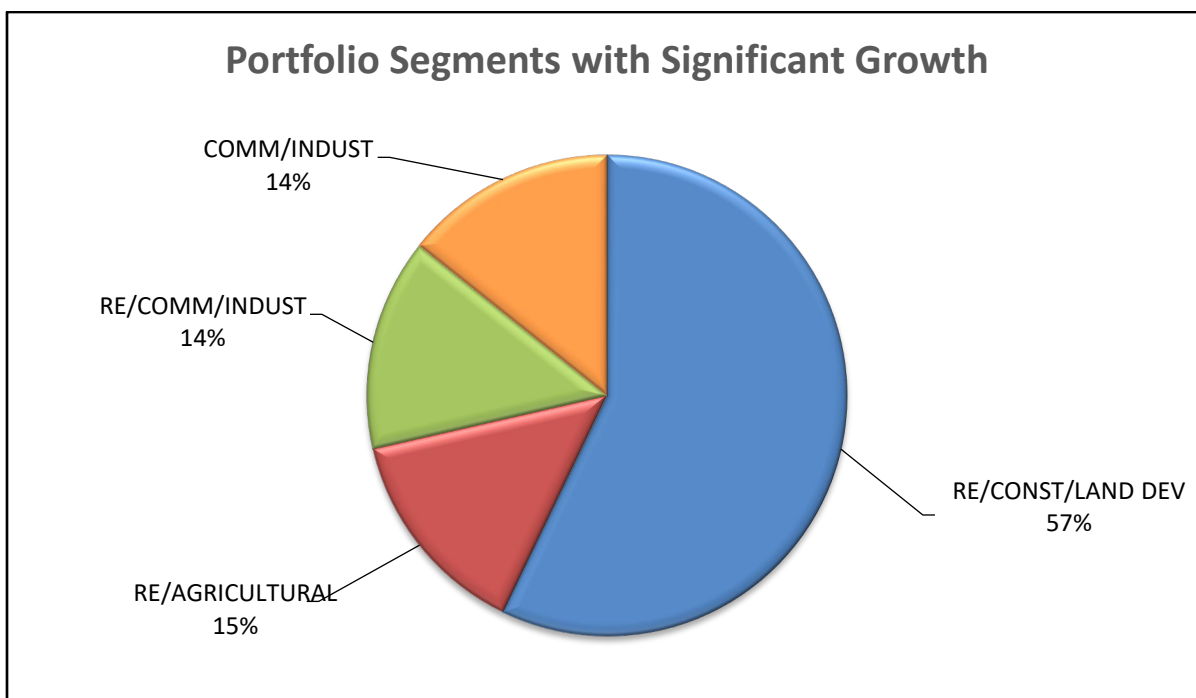
This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **THIRD QUARTER 2025**

Number of Banks Examined: **15**

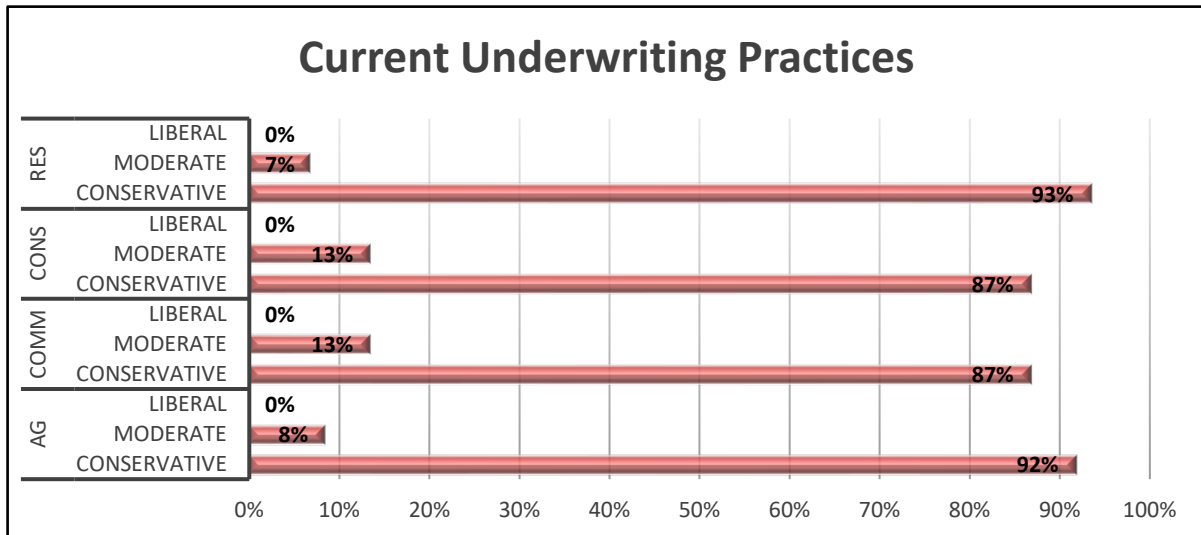
LENDING

1. Since their last examinations, **6** 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 **6** banks for the identified growth.

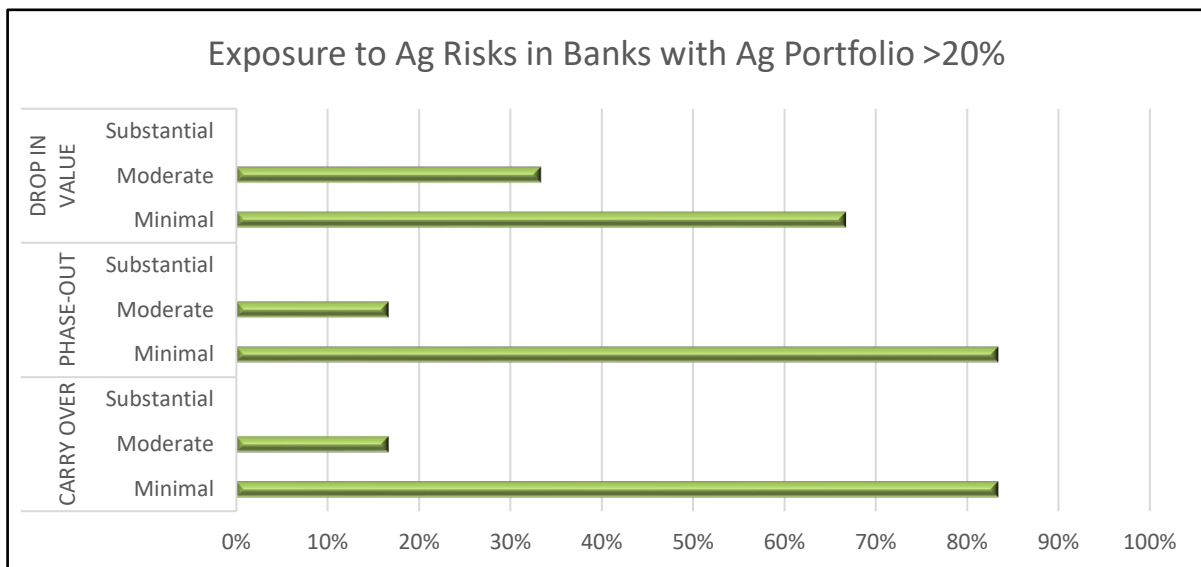


2. Indications of incurring “more than normal” risk when booking new loans or modifying existing credits was noted in **one** bank during the quarter. Risk identified was liberal repayment terms.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. No liberal practices were identified. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

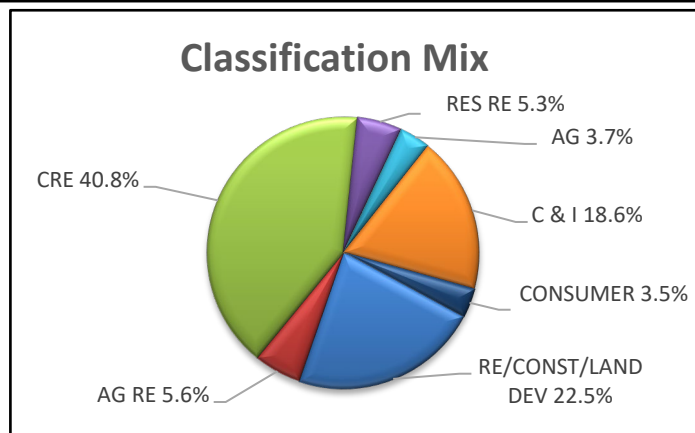


4. Agriculture loans represent more than 20% of total loans in only **6** banks examined. Exposure is similar across all **6** banks with no substantial exposure identified.



5. The Adversely Classified Items Coverage ratio increased in **10** of the banks examined. Deterioration in existing credits was noted as the primary factor, with lax underwriting and participations purchased also cited.

6. The mix of total loan classifications for the **15** banks is illustrated in the adjacent pie chart. Classifications continue to be largely comprised of commercial related credits.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **3** banks.
8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **2** banks.
9. Examiners identified a funding concentration in **2** of the banks examined.
10. Examiners noted **no** banks that hold a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.
11. Examiners identified **5** with Internal Routine and Control weaknesses. Audit environment weaknesses were noted in all **5** with additional varied weaknesses in the areas of employee account review, correspondent accounts, official checks, and BSA compliance.
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. Office space rentals comprise the other category.

