

# **COMMUNITY REINVESTMENT ACT PUBLIC FOLDER**



**Member FDIC**

Updated: 2/5/2025

Replaces: 2/17/2024

# Welcome to Banner Banks!

Banner Banks is a locally owned and operated community bank, with its main office in Birnamwood, Wisconsin. In addition to the main office, the Bank also has locations in Hatley, Antigo, and Wittenberg, WI. Since 1900 we have been committed to providing the best in financial services to the communities we serve!

## VISION

To remain a profitable investment for our shareholder(s) while continuing to improve the communities we serve and enhancing the lives of our employees and the individuals living therein.

## MISSION

- To be a profitable, independent community bank.
- To develop a challenged, well-trained, strongly motivated staff to be fairly rewarded for highly productive work.
- To provide a reasonable return for our stockholders/investors and to offer a fair market value for their stock from within our organization
- To continue to serve the traditional banking needs of our immediate communities with individual emphasis on the agricultural and consumer sectors and the expansion of the small business and professional segments of our market.
- To maintain an image of excellence in promising personalized professional service with emphasis on close relationships with our VIP customers.



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- To operate independently, to pool resources, management, technical expertise and personnel when it enhances productivity.

## **STAKEHOLDERS**

At Banner Banks we recognize and value the following stakeholders, each of which plays a critical role in our success, and each of which is impacted by such success or lack thereof:

- Our Customers
- Our Employees
- Our Shareholder(s)
- Our Regulators
- The communities we serve



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# **COMMUNITY REINVESTMENT ACT PUBLIC FOLDER**

**TAB 1 - WRITTEN COMMENTS**



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# **CRA PUBLIC FILE COMMENTS**

The bank has not received any comments for the previous three years.



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# **COMMUNITY REINVESTMENT ACT PUBLIC FOLDER**

**TAB 2 – CRA PUBLIC PERFORMANCE EVALUATION**



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## **PUBLIC DISCLOSURE**

August 26, 2019

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Banner Banks  
Certificate Number: 10374

416 Main Street  
Birnamwood, WI 54414

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

300 South Riverside Plaza – Suite 1700  
Chicago, IL 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 areas (AAs), including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Banner Banks' satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the bank's performance.

- **Loan-to-Deposit Ratio:** The loan-to-deposit ratio is less than reasonable given the institution's size financial condition, and AAs credit needs.
- **Assessment Area Concentration:** The bank originated a substantial majority of its small business and small farm loans in the AAs.
- **Geographic Distribution:** The geographic distribution of small business and small farm loans reflects reasonable dispersion throughout the AAs.
- **Business and Farm Distribution:** The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes.
- **Consumer Complaints:** The institution has not received any CRA-related complaints since the previous evaluation. Therefore, this factor did not affect the rating.



## SCOPE OF EVALUATION

### General Information

This evaluation covers the period from the prior evaluation, dated June 10, 2013, to the current evaluation, dated August 26, 2019. Examiners used Interagency Small Institution Examination Procedures to evaluate the bank's CRA performance. In accordance with these procedures, the institution's CRA performance was evaluated based on its loan-to-deposit ratio, AA concentration, geographic distribution of loans, borrower profile, and response to CRA-related complaints.

### Loan Products Reviewed

Examiners determined that Banner Banks' major product lines are small business and small farm loans. This conclusion was based on the bank's business strategy, as well as the number and dollar volume of loans originated during the evaluation period. Accordingly, both portfolios were included and given equal weight during the analysis of the bank's CRA performance. Residential real estate and consumer loans do not represent major product lines and therefore are not presented as they provide no material support for the rating.

The institution's performance was evaluated using a sample of small business and small farm loans originated during 2018. These samples are representative of the entire evaluation period.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
2018 Small Business	301	\$23,299	57	\$4,103
2018 Small Farm	257	\$27,588	55	\$5,236
Source: Bank Records				

Examiners reviewed the number and dollar volume of small business and small farm loans. While the number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of business and farms served.



## DESCRIPTION OF INSTITUTION

### Background

Banner Banks, a full-service financial institution headquartered in Birnamwood, Wisconsin, is wholly-owned by Banner Bancorporation, Limited, a one-bank holding company also headquartered in Birnamwood. The institution conducts business from its main office, as well as three branch offices located in Wittenberg, Antigo, and Hatley. The branch office in Antigo is located in a moderate-income census tract, while the remaining offices are all located in middle-income census tracts. The bank received a Satisfactory rating at its previous FDIC Performance Evaluation, dated June 10, 2013.

### Operations

Banner Banks offers a variety of products and services to meet the credit needs of the communities it serves. Loans offered include commercial and agricultural loans, as well as consumer and real estate loans. Available deposit products include checking, savings, certificates of deposit, individual retirement accounts and money market accounts. Non-deposit investment and insurance products are offered through LPL Financial, an organization that maintains a physical presence at the main office. Drive-through facilities are available at all locations, with an automated teller machine at the Wittenberg branch office. The bank did not open or close any branches, and no merger or acquisition activities occurred since the previous evaluation.

### Ability and Capacity

As of June 30, 2019, total assets approximated \$98 million which included total loans of \$36 million and total securities of \$32 million. A breakdown of the loan portfolio as of the same date is summarized in the following table:

Loan Portfolio Distribution as of 06/30/2019		
Loan Category	\$(000s)	%
Construction and Land Development	318	.8
Secured by Farmland	14,188	39.0
Secured by 1-4 Family Residential Properties	5,120	14.1
Secured by Multifamily (5 or more) Residential Properties	462	1.3
Secured by Nonfarm Nonresidential Properties	9,454	26.0
<b>Total Real Estate Loans</b>	<b>29,542</b>	<b>81.2</b>
Commercial and Industrial Loans	2,378	6.5
Agricultural Loans	2,039	5.6
Consumer Loans	366	1.0
Municipal Obligations	1,443	4.0
Other Loans	603	1.7
<b>Total Loans</b>	<b>36,371</b>	<b>100.0</b>
<i>Source: 06/30/2019 Call Report</i>		

Examiners did not identify any financial constraints or legal impediments that would affect the bank's ability to meet the credit needs of its AAs.



## DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more AAs within which its CRA performance will be evaluated. Banner Banks has designated two contiguous AAs. One AA is located in the Wausau Metropolitan Statistical Area (MSA), while the other is located in an adjacent Non-MSA area. Both AAs are consistent with the requirements of the regulation, as they include whole geographies and do not arbitrarily exclude any low- or moderate-income areas.

### Economic and Demographic Data

Collectively, the AAs have a total population of approximately 86,000, with 46,000 individuals (53 percent of the population) residing in the MSA AA and 40,000 individuals (47 percent of the population) residing in the Non-MSA AA. Both AAs are primarily comprised of small, rural communities, the majority of which have populations of 5,000 or less.

The Non-MSA AA includes 12 census tracts in Shawano, Langlade and Menominee Counties, of which one has been designated as low-income; three have been designated as moderate-income and eight have been designated as middle-income. The main office and two branch offices are located in the Non-MSA AA. Demographic characteristics of the Non-MSA AA have been summarized below:

Demographic Information of the Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	12	8.3	25.0	66.7	0.0	0.0
Population by Geography	40,392	3.9	29.4	66.7	0.0	0.0
Housing Units by Geography	22,874	1.8	27.7	70.4	0.0	0.0
Owner-Occupied Units by Geography	12,615	1.3	26.5	72.3	0.0	0.0
Occupied Rental Units by Geography	3,808	5.9	37.1	57.1	0.0	0.0
Vacant Units by Geography	6,451	0.5	24.7	74.8	0.0	0.0
Businesses by Geography	1,740	2.0	24.9	73.2	0.0	0.0
Farms by Geography	226	0.0	13.7	86.3	0.0	0.0
Family Distribution by Income Level	10,763	25.2	20.9	22.8	31.0	0.0
Household Distribution by Income Level	16,423	27.4	18.3	19.3	35.0	0.0
Median Family Income Non-MSAs - WI		\$60,911	Median Housing Value			\$116,078
			Median Gross Rent			\$572
			Families Below Poverty Level			12.5%
Source: 2015 ACS Census; 2018 D&B Data; Percentages may not add up to 100% due to rounding.						

The MSA AA includes one moderate-income census tract and eight middle-income census tracts in Marathon County. These tracts include the middle-income Hatley branch office and are located in the Wausau MSA. The table on the following page illustrates select demographic characteristics of the MSA AA.



Demographic Information of the MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA % of #
Geographies (Census Tracts)	9	0.0	11.1	88.9	0.0	0.0
Population by Geography	45,660	0.0	11.8	88.2	0.0	0.0
Housing Units by Geography	20,259	0.0	13.6	86.4	0.0	0.0
Owner-Occupied Units by Geography	13,054	0.0	9.5	90.5	0.0	0.0
Occupied Rental Units by Geography	5,563	0.0	22.7	77.3	0.0	0.0
Vacant Units by Geography	1,642	0.0	15.7	84.3	0.0	0.0
Businesses by Geography	2,078	0.0	12.8	87.2	0.0	0.0
Farms by Geography	146	0.0	3.4	96.6	0.0	0.0
Family Distribution by Income Level	12,253	20.2	18.2	22.6	39.0	0.0
Household Distribution by Income Level	18,617	25.1	15.7	19.0	40.2	0.0
Median Family Income MSA – 48140 Wausau, WI MSA		\$66,112	Median Housing Value			\$144,365
			Median Gross Rent			\$700
			Families Below Poverty Level			8.1%
Sources: 2015 ACS Census; 2018 D&B Data						

According to 2018 D&B data, there are 1,740 businesses and 226 farms in the Non-MSA AA, of which, 74 percent and 93 percent, respectively, earn gross annual revenues (GARs) of \$1 million or less. In addition, 63 percent of these businesses and farms have four or fewer employees, while 84 percent operate from a single location. The same information for the MSA AA shows that there are 2,078 businesses and 146 farms in the MSA AA, of which, 78 percent and 96 percent, respectively, earn GARs of \$1 million or less. In addition, 64 percent of these businesses and farms have four or fewer employees, while 86 percent operate from a single location.

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by GAR level. Service trades represent the largest industry within the AAs (36 percent), followed by retail trade, (14 percent), construction (nine percent) and agriculture (nine percent). The largest employers in the Non-MSA AA are located in and around the cities of Antigo and Shawano, including the Antigo and Shawano School Districts, the Aspirus Langlade Hospital and Shawano Medical Center, Amron (a producer of ammunition cartridge cases), Aarowcast (an iron casting foundry) and the Mohican North Star Casino. Employment in Menominee County is provided primarily by the tribal government and Menominee Casino. The largest employers in the MSA AA are located in and around Wausau and include Wausau Hospital, Liberty Mutual Insurance, Kolbe and Kolbe Millwork and the Wausau School District.

### Competition

Regional and national banks, as well as several large credit unions, pose the greatest degree of competition for financial services within the AAs. According to the June 30, 2018 Summary of Deposits compiled by the FDIC, approximately \$564 million of deposits in Langland and Shawano County are being managed by 11 financial institutions. Banner Banks ranks third with a market share of 11 percent.



The same FDIC Summary of Deposits indicates that 20 financial institutions are managing the deposits in Marathon County. Banner Banks ranks 16<sup>th</sup> with a market share of less than one percent.

#### **Community Contact**

As part of the evaluation process, examiners contact third parties active in the AAs to assist in identifying the credit needs. This information helps determine whether local financial institutions are responsive to those needs.

Examiners contacted a representative of an economic development organization in the Non-MSA AA. According to this contact, the local economy is stable. Unemployment rates are decreasing; businesses are expanding; and affordable housing is available. The contact believes that area farms continue to seek credit for operational expenses and equipment; however, she feels financial institutions have been responsive to these credit needs, as well as the credit needs of businesses and consumers.



## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

Banner Banks demonstrates reasonable performance under the Lending Test, due primarily to the distribution of small business and small farm loans among entities of different sizes.

### Loan-to-Deposit Ratio

The loan-to-deposit ratio is less than reasonable given the institution's size, financial condition, and AAs credit needs. The ratio averages 47 percent since the prior performance evaluation (25 quarters), and has declined from 65 percent at the 2013 performance evaluation and 81 percent at the 2008 performance evaluation. The loan-to-deposit ratio ranged from a high of 52 percent as of September 30, 2013 to a low of 41 percent as of June 30, 2019. The current ratio compares unfavorably to all but one of the similarly-situated financial institutions summarized below. Examiners selected similarly-situated banks based on asset size, portfolio mix and geographic location.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 06/30/2019 (\$000s)	Average Net LTD Ratio (%)
<b>Banner Banks</b>	<b>98,173</b>	<b>46.7</b>
Similarly-Situated Institution #1	60,663	40.7
Similarly-Situated Institution #2	82,542	64.5
Similarly-Situated Institution #3	74,169	65.2
Similarly-Situated Institution #4	27,719	69.3
<i>Source: Reports of Condition and Income</i>		

Banner Banks' low loan-to-deposit ratio is also evidenced in the bank's Uniform Bank Performance Report. The most current report, dated June 30, 2019, reflects a net loan-to-deposit ratio of 41 percent, placing the institution in the eighth percentile as compared to peer group institutions who maintained a net loan-to-deposit ratio of approximately 73 percent.

The bank has also attempted to meet the credit needs of its AAs through security investments. In January 2018 and May 2019, Banner Banks extended \$2.5 million and \$500,000, respectively, to the local telephone company to provide high speed broadband internet access to rural customers. They also purchased a \$55,000 municipal bond issued by a city to finance improvements and extensions to the village's electric system.

### Assessment Area Concentration

Banner Banks extended a substantial majority of small business and small farm loans, by number and dollar amount, within its combined AAs. See the following table:



Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Volume of Loans \$ (000s)				Total \$ (000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business 2018	52	91.2	5	8.8	57	3,493	85.2	607	14.8	4,100
Small Farm 2018	54	98.2	1	1.8	55	5,229	99.8	7	.2	5,236
Source: Bank Records										

Source: Bank Records

### Geographic Distribution

Overall, the geographic distribution of small business and small farm loans reflects reasonable dispersion through the AAs, despite a lack of lending activity in low- and moderate-income census tracts.

### **Small Farm Lending**

#### Small Farm Lending – Non-MSA AA

Banner Banks' geographic distribution of small farms loans within the Non-MSA AA is reasonable, despite the absence of lending activity in moderate-income census tracts.

Geographic Distribution of Small Farm Loans Non-MSA AA					
Tract Income Level	% of Farms	#	%	\$ (000s)	%
Low	0	0	0.0	0	0.0
Moderate	13.7	0	0.0	0	0.0
Middle	86.3	22	100.0	1,404	100.0
<b>TOTAL</b>	<b>100.0</b>	<b>22</b>	<b>100.0</b>	<b>1,404</b>	<b>100.0</b>

Sources: 2018 D&B Data; Bank Data

The Non-MSA AA contains only one low-income census tract. As noted in the chart above, this tract does not contain any farms or opportunities for agricultural lending.

The Non-MSA AA contains three moderate-income census tracts, one of which is located in Langlade County, one in Shawano County; and one in Menominee County. The moderate-income census tract in Menominee County does not contain any farms. The moderate-income tract in Langlade County is located in the city of Antigo where the bank maintains a branch office. According to demographic data provided by D&B, only eight farms are located in this census tract. The lack of farms, coupled with competition from several regional banks, national banks and credit unions that maintain a physical presence in this tract, has negatively impacted the bank's agricultural lending presence in this tract. The third moderate-income census tract in the Non-MSA AA is located in Shawano County. According to demographic data provided by D&B, 23 farms are located in this census tract. This tract, which includes a portion of the Stockbridge Munsee Indian Reservation, is heavily banked by local, regional and national financial institutions that maintain a physical presence in this tract or the nearby city of Shawano.





In consideration of the demographic composition of the Non-MSA AA, as well as significant competition from other financial institutions, the institution's geographic distribution of small farms loans throughout the Non-MSA AA is considered reasonable.

#### Small Farm Lending – MSA AA

Banner Banks' geographic distribution of small farm loans throughout the MSA AA is reasonable, despite the absence of lending activity in the moderate-income census tract.

<b>Geographic Distribution of Small Farm Loans</b>					
<b>MSA AA</b>					
<b>Tract Income Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>
Moderate	3.4	0	0.0	0	0.0
Middle	96.6	32	100.0	3,824	100.0
<b>TOTAL</b>	<b>100.0</b>	<b>32</b>	<b>100.0</b>	<b>3,824</b>	<b>100.0</b>
<i>Sources: 2018 D&amp;B Data; Bank Data</i>					

As noted above, only three percent of the farms in the MSA AA (five farms) are located in the single moderate-income census tract in the AA, significantly limiting the bank's agricultural lending presence in this tract. In consideration of these limitations, the distribution of small farm loans within the MSA AA is reasonable.

#### **Small Business Lending**

#### Small Business Lending – Non-MSA AA

Banner Banks' geographic distribution of small business loans is reasonable, despite the absence of lending activity in the low-income census tract within the AA.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Non-MSA AA</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>
Low	1.9	0	0.0	0	0.0
Moderate	24.9	5	15.1	161	5.8
Middle	73.2	28	84.9	2,617	94.2
<b>TOTAL</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>2,778</b>	<b>100.0</b>
<i>Sources: 2018 D&amp;B Data; Bank Data</i>					

As reflected above, the institution has not extended any small business loans in the single low-income census tract contained in the Non-MSA AA. This tract, which is located in the Menominee Indian Reservation, contains only two percent of the businesses in the AA, negatively impacting the institution's ability to establish a commercial lending presence in this geography.

Approximately 15 percent of the small business loans sampled were extended to entities conducting operations in moderate-income census tracts. In comparison, D&B data indicates that approximately 25 percent of the businesses in the Non-MSA AA are located in moderate-income census tracts. Although the bank's concentration of lending activity lags demographic



data, it is considered reasonable in consideration of significant competition from several regional banks, national banks and credit unions that maintain a physical presence in this tract.

#### Small Business Lending – MSA AA

Banner Banks' geographic distribution of small business loans throughout the MSA AA is reasonable, despite the absence of lending activity in the moderate-income census tract.

<b>Geographic Distribution of Small Business Loans MSA AA</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>
Moderate	12.7	0	0.0	0	0.0
Middle	87.3	19	100.0	716	100.0
<b>TOTAL</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>	<b>716</b>	<b>100.0</b>
<i>Sources: 2018 D&amp;B Data; Bank Data</i>					

The MSA AA contains one moderate-income census tract. This tract is located in downtown Wausau, a city with a population of approximately 40,000. The tract is approximately 20 miles from the nearest branch office of Banner Banks and is heavily banked by national, regional and local financial institutions, as well as several large credit unions. In consideration of the tract's distance from the nearest branch office and the level of competition from other financial institutions that maintain a physical presence in or near this tract, the lack of small business lending activity in this moderate-income census tract is considered reasonable.

#### Borrower Profile

Overall, the distribution of small business and small farm loans reflects excellent dispersion among entities of different sizes.

#### Small Farm Lending

##### Small Farm Lending – Non-MSA AA

The distribution of small farm loans reflects excellent penetration among farms of different size within the Non-MSA AA.

<b>Distribution of Small Business Loans by Gross Annual Revenue Non-MSA AA</b>					
<b>Gross Revenue Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$ (000s)</b>	<b>%</b>
≤ \$1 Million	92.9	22	100.0	1,404	100.0
> \$1 Million	4.9	0	0.0	0	0.0
Revenue Not Available	2.2	0	0.0	0	0.0
<b>TOTAL</b>	<b>100.0</b>	<b>22</b>	<b>100.0</b>	<b>1,404</b>	<b>100.0</b>
<i>Sources: 2018 D&amp;B Data; Bank Records</i>					

All of the small farm loans sampled during this evaluation were extended to entities with GARs of \$1 million or less. This performance exceeds 2018 D&B demographic data, which indicates



that approximately 93 percent of the farms in the Non-MSA AA earn GARs of \$1 million or less. This level of lending reflects excellent performance.

#### Small Farm Lending – MSA AA

The distribution of small farm loans reflects reasonable penetration among farms of different size within the MSA AA.

Distribution of Small Business Loans by Gross Annual Revenue MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$ (000s)	%
< \$1 Million	95.9	30	93.8	3,549	92.8
> \$1 Million	2.0	2	6.2	276	7.2
Revenue Not Available	2.1	0	0.0	0	0.0
<b>TOTAL</b>	<b>100.0</b>	<b>32</b>	<b>100.0</b>	<b>3,825</b>	<b>100.0</b>

*Sources: 2018 D&B Data; Bank Records*

Approximately 94 percent of the small farm loans sampled during this evaluation were extended to entities with GARs of \$1 million or less. This performance is reflective of 2018 D&B demographic data, which indicates that approximately 96 percent of the farms in the MSA AA earn GARs of \$1 million or less. This level of lending reflects reasonable performance.

#### **Small Business Lending**

#### Small Business Lending – Non-MSA AA

The distribution of small business loans reflects reasonable penetration among businesses of different size within the Non-MSA AA.

Distribution of Small Business Loans by Gross Annual Revenue Non-MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$ (000s)	%
< \$1 Million	74.4	28	84.8	1,731	62.3
> \$1 Million	8.3	5	15.2	1,047	37.7
Revenue Not Available	17.3	0	0.0	0	0.0
<b>TOTAL</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>2,778</b>	<b>100.0</b>

*Sources: 2018 D&B Data; Bank Records*

Approximately 85 percent of the small business loans sampled during this evaluation were extended to entities with GARs of \$1 million or less. This performance exceeds 2018 D&B demographic data, which indicates that approximately 74 percent of the businesses in the Non-MSA AA earn GARs of \$1 million or less; however 17 percent of businesses did not report revenues.

#### Small Business Lending – MSA AA

The distribution of small business loans reflects reasonable penetration among businesses of different size within the MSA AA.



Distribution of Small Business Loans by Gross Annual Revenue MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$ (000s)	%
≤ \$1 Million	78.5	16	84.2	610	85.2
> \$1 Million	7.4	3	15.8	106	14.8
Revenue Not Available	14.1	0	0.0	0	0.0
<b>TOTAL</b>	<b>100.0</b>	<b>19</b>	<b>100.0</b>	<b>716</b>	<b>100.0</b>
<i>Sources: 2018 D&amp;B Data; Bank Records</i>					

Approximately 84 percent of the small business loans sampled during this evaluation were extended to entities with GARs of \$1 million or less. This performance exceeds 2018 D&B demographic data, which indicates that approximately 78 percent of the businesses in the MSA AA earn GARs of \$1 million or less; however, 14 percent of businesses did not report incomes.

#### **Response to Complaints**

The bank has not received any complaints regarding its CRA performance since the previous CRA evaluation; therefore, this criterion did not affect the Lending Test rating.

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

No violations of the substantive provisions of the anti-discriminatory laws and regulations or other illegal credit practices were identified during the examination. Therefore, this consideration did not affect the institution's CRA rating.



## 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.

**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 bank 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).

**Family Income:** Includes the income of all members of a family that are age 15 and older.



**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 (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, 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 Disclosure Loan Application Register (HMDA LAR):** The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

**Home Mortgage Loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans to purchase manufactured homes, and refinancings of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Household Income:** Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households are only one person, median household income is usually less than median family income.

**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 (for example, 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.

**Micropolitan Statistical Area:** CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

**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:** 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.





# **COMMUNITY REINVESTMENT ACT PUBLIC FOLDER**

**TAB 3 - MAP OF CRA ASSESSMENT AREA**



**Member FDIC**

Updated: 2/5/2025

Replaces: 2/17/2024



# Assessment Area by Census Tract

STATE CODE	COUNTY CODE	TRACT CODE	TRACT INCOME LEVEL	COUNTY NAME
55	067	9601.00	MIDDLE	LANGLADE
55	067	9603.00	MIDDLE	LANGLADE
55	067	9604.00	MIDDLE	LANGLADE
55	067	9605.00	MIDDLE	LANGLADE
55	067	9606.00	MODERATE	LANGLADE
55	067	9607.00	MIDDLE	LANGLADE
55	073	16.00	MIDDLE	MARATHON
55	073	17.00	MIDDLE	MARATHON
55	115	1006.00	MODERATE	SHAWANO
55	115	1007.00	MIDDLE	SHAWANO
55	115	1008.00	MIDDLE	SHAWANO
55	115	1009.00	MIDDLE	SHAWANO



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Updated: 2/5/2025

Replaces: 2/17/2024

# COMMUNITY REINVESTMENT ACT PUBLIC FOLDER

TAB 4 – LIST OF BRANCHES



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Updated: 2/5/2025

Replaces: 2/17/2024



## BRANCHES AND OFFICES

ASSESSMENT AREA	BRANCH TYPE	NAME OF OFFICE	DATE ESTABLISHED	STREET ADDRESS	CITY STATE ZIP	SERVICES	MSA STATE COUNTY CENSUS TRACT	TRACT INCOME	LOBBY HOURS	DRIVE UP & WALK UP HOURS
SHAWNOCOUNTY	FULL SERVICE BRICK & MOTOR	MAIN OFFICE	JAN 1, 1900	416 Main Street	Biramwood WI 54414	Night Deposit Safe Deposit Box	NA 55 115 1008.00	Middle	M-F 9:00 AM to 3:30 PM	M-F: 7:30 AM to 4:30 PM Saturday 8:00 AM to 10:30 AM
MARATHON COUNTY	FULL SERVICE BRICK & MOTOR	HATLEY OFFICE	NOV 2, 1945 Relocated 5/1/2023	410 State Rd	Hatley WI 54440	Night Deposit Safe Deposit Box	48140 55 073 16.00	Middle	M-F 9:00 AM to 3:30 PM	M-F: 7:30 AM to 4:30 PM Saturday 8:00 AM to 10:30 AM
LANGLADE COUNTY	FULL SERVICE BRICK & MOTOR	ANTIGO OFFICE	OCT 15, 1990	100 South Superior Street	Antigo WI 54409	Night Deposit Safe Deposit Box	NA 55 067 9606.00	Moderate	M-F 9:00 AM to 3:30 PM	M-F: 7:30 AM to 4:30 PM Saturday 8:00 AM to 10:30 AM
SHAWNOCOUNTY	FULL SERVICE BRICK & MOTOR	WITTENBERG OFFICE	APR 4, 2005	201 East Westgor Avenue	Wittenberg WI 54499	ATM Night Deposit Safe Deposit Box	NA 55 115 1008.00	Middle	M-F 9:00 AM to 3:30 PM	M-F: 7:30 AM to 4:30 PM Saturday 8:00 AM to 10:30 AM



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Updated: 2/5/2025

Replaces: 2/17/2024



## BRANCHES AND OFFICES OPENED OR CLOSED WITHIN THE LAST THREE YEARS

ASSESSMENT AREA	BRANCH TYPE	NAME OF OFFICE	DATE OPEN / CLOSED	STREET ADDRESS	CITY STATE ZIP	SERVICES	MSA STATE COUNTY CENSUS TRACT	TRACT INCOME	LOBBY HOURS	DRIVE UP & WALK UP HOURS
MARATHON COUNTY	FULL SERVICE BRICK & MOTOR	HATLEY OFFICE	Closed on May 1, 2023	225 Clark Street	Hatley WI 54440	Night Deposit  Safe Deposit Box	48140 55 073 16.00	Middle	M-F 9:00 AM to 3:30 PM	M-F: 7:30 AM to 4:30 PM  Saturday 8:00 AM to 10:30 AM
MARATHON COUNTY	FULL SERVICE BRICK & MOTOR	HATLEY OFFICE	Relocated May 1, 2023	410 State Rd	Hatley WI 54440	Night Deposit  Safe Deposit Box	48140 55 073 16.00	Middle	M-F 9:00 AM to 3:30 PM	M-F: 7:30 AM to 4:30 PM  Saturday 8:00 AM to 10:30 AM



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Updated: 2/5/2025

Replaces: 2/17/2024

# **COMMUNITY REINVESTMENT ACT PUBLIC FOLDER**

**TAB 5 – HOME MORTGAGE DISCLOSURE STATEMENT**



**BANNER  
BANKS**



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Updated: 2/5/2025

Replaces: 2/17/2024



As of January 1, 2018, Banner Banks was no longer covered under the Home Mortgage Disclosure Act.



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# COMMUNITY REINVESTMENT ACT PUBLIC FOLDER

TAB 6 - LOAN TO DEPOSIT RATIO



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Updated: 2/5/2025

Replaces: 2/17/2024



## Quarterly Loan to Deposit Ratios

<b>Year</b>	<b>03-31</b>	<b>06-30</b>	<b>09-30</b>	<b>12-31</b>
<b>2015</b>	50.28	50.64	51.36	48.77
<b>2016</b>	44.54	46.82	47.67	43.41
<b>2017</b>	43.12	45.03	46.83	43.12
<b>2018</b>	42.34	48.79	49.03	45.45
<b>2019</b>	46.26	42.30	42.31	40.98
<b>2020</b>	42.31	43.21	40.55	41.98
<b>2021</b>	38.01	36.87	37.14	37.11
<b>2022</b>	35.76	33.37	31.30	30.99
<b>2023</b>	31.83	34.60	31.88	31.60
<b>2024</b>	28.33	26.72	30.29	29.23



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# COMMUNITY REINVESTMENT ACT PUBLIC FOLDER

TAB 7 -CRA POLICY



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Updated: 2/5/2025

Replaces: 2/17/2024

# **COMMUNITY REINVESTMENT ACT STATEMENT**

**OF**

**BANNER BANKS  
BIRNAMWOOD, WI 54414**

**REVISED APRIL 11, 2019  
REPLACES APRIL 3, 2013**



**Member FDIC**

Updated: 2/5/2025

Replaces: 2/17/2024

# THE MISSION STATEMENT OF BANNER BANKS

To be a profitable, independent community bank.

To develop a challenged, well-trained, strongly motivated staff to be fairly rewarded for highly productive work.

To provide a reasonable return for our stockholders/investors and to offer a fair market for their stock from within our organization.

To continue to serve the traditional banking needs of our immediate communities with individual emphasis on the agricultural or consumer sectors and the expansion of the small business and professional segments of our markets.

To constantly evaluate opportunities other than traditional banking services for income production.

To maintain an image of excellence in promising personalized professional service with emphasis on close relationships with our VIP customers.

To operate independently, to pool resources, management, technical expertise, and personnel when it enhances productivity.



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This statement has been prepared for depositors, loan customers and members of the community, pursuant to Community Reinvestment Act of 1977. There are four (4) parts to this statement and each serves a separate purpose.

Part I is entitled DELINEATION OF A COMMUNITY. It contains a map of the approximate area which we regard as our basic lending community. Designation of our community does not mean that we make no loans outside of our community; we sometimes do. Also, there may be parts of our community where, for various reasons, we have been more active than in other areas. The delineation of a community merely sets forth the general area of operation for our institution. The concept of our basic lending community is subject to change over time, as patterns of commercial development change and populations shift. We will regularly adjust our delineation community to reflect these changes.

Part II of this statement consists of a list of the general types of credit which we offer, and an explanation of how the availability of certain types of credit can vary. Due to limitations and space, this listing cannot contain all of the terms and conditions which affect our ability to grant credit. A loan officer will be pleased to provide you with detailed information, upon request.

Part III of the statement is an important notice about the operation of the Community Reinvestment Act. The files referred to in this notice will not contain any comments or responses that reflect adversely upon the good name or reputation of any person or publication.

Part IV of this statement contains a brief description of some of the activities in which Banner Banks has been engaged in order to ascertain and meet the credit needs of our community.



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## **PART I:**

### **DELINEATION OF A COMMUNITY**

Banner Banks has offices in Birnamwood, Antigo, Hatley and Wittenberg, Wisconsin. We have identified on a map that follows, the areas where a substantial portion of our total loan volume is located and then outlined the outer edge of the area where loan activity is substantial. We believe this delineation is satisfactory.

## **PART II:**

### **SOMETHING YOU SHOULD KNOW ABOUT THE TYPES OF LOANS WE CAN MAKE**

The kinds of credit that we can make available are limited by laws and government regulations. Some of these regulations operate by tying the volume of lending in certain categories to types of deposits that we have and other variables. Since these can change from time to time, we may be temporarily "out of market" for certain types of loans at certain times. Also, changes in economic conditions sometimes make it impossible or impractical to make a certain type of loan. Also, every financial institution must, as a matter of law and good practice, maintain a mix of different types of loans and investments. Finally, the law prohibits undue concentration of loans in geographic areas. For these reasons, an institution may have to plan to devote its funds to many different kinds of loans and this can result in certain types of credit being unavailable at a given time.

The availability and terms and conditions of credit in a specific instance are always decided on a case-by-case basis, after the credit worthiness of the borrower and the collateral have been carefully evaluated.



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# CREDIT SERVICES

The following are the types of loans this bank is prepared to extend within its local community.

**Commercial and industrial loans**, both secured and unsecured, for business and professional purpose include loans to:

Manufacturers  
Wholesalers  
Retailers  
Service Industries  
Farmers  
Municipalities

**Consumer loans and charge cards**, secured and unsecured, to individuals for personal, family or household purposes including:

1. VISA Charge Cards
2. Consumer loans for the purpose of financing:
  - a. Automobiles, trucks, van or recreational vehicles
  - b. Property improvements
  - c. Mobile homes
  - d. Aircraft
  - e. Boats
  - f. Other personal, family and household needs

## REAL ESTATE LOANS

Secured loans to individuals and businesses to construct, improve or purchase real property and improvements.

1. Permanent loans:
  - a. Owner occupied residential mortgage loans.
  - b. Income property mortgage loans are available with fixed and adjustable rates for the financing of small and medium sized commercial income producing property.
2. Interim construction loans:



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- a. Loans to build single family residences
- b. Loans to build office buildings, retail stores, warehouses, industrial properties and apartments

### **SMALL BUSINESS ADMINISTRATION LOANS**

Secured loans for business purposes guaranteed by the U.S. Small Business Administration.

### **WHEDA CROP LOANS**

Secured loans for farmers guaranteed by Wisconsin Housing Economic Development Authority.

### **INSTALLMENT LOANS**

Unsecured personal loans to individuals, based on determination of credit worthiness and income.

Secured loans. Security may include: Automobiles, Mobile homes, boats, first lien on second home, savings account or CD's , marketable securities, cash surrender value of life insurance.

### **AGRICULTURAL LOANS**

Secured loans.

Security can include livestock, farm machinery, equipment, feed and supplies.

Real Estate Loans

- 1. Uninsured first liens on agricultural property which are owner occupied.
- 2. Uninsured first liens on principal residence which are owner occupied.
- 3. Privately insured mortgages on owner occupied residences.
- 4. Loans on unimproved real estate and recreational property in certain circumstances.

Besides the credits listed above, the bank is also willing to consider requests for other types of credit by members of the community which are consistent with a safe and sound lending policy and the availability of funds.



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## Part III:

# COMMUNITY REINVESTMENT ACT NOTICE

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us.

### **Your involvement is encouraged.**

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Regional Director, FDIC, Chicago Regional Office, 300 South Riverside Plaza, Suite 1700, Chicago, IL 60606. You may send written comments about our performance in helping to meet community credit needs to D. Shannon Blakely, President, Banner Banks, 416 Main Street, PO Box 1, Birnamwood, WI 54414 and FDIC Regional Director. You may also submit comments electronically through the FDIC's Web site at **[www.fdic.gov/regulations/cra](http://www.fdic.gov/regulations/cra)**. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Banner Bancorp, LTD, a bank holding company. You may request from the Officer in Charge of Supervision, Federal Reserve Bank of Chicago, 230 S LaSalle St, Chicago, IL 60604, an announcement of applications covered by the CRA filed by bank holding companies.



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## Part IV:

### **ACTIVITIES BANNER BANKS HAS UNDERTAKEN TO ASCERTAIN THE CREDIT NEEDS OF THE COMMUNITY AND COMMUNICATE WITH MEMBERS OF THE COMMUNITY REGARDING CREDIT SERVICES.**

This Bank and its officers and staff utilize several methods to communicate with and determine the credit needs of its local communities including low- and moderate-income neighborhoods. Bank personnel at all levels are active in establishing and maintaining a dialogue in the Bank's community by participating in community endeavors.

The Bank solicits input from the community regarding credit needs through a variety of outreach activities including direct customer contact, written correspondence, field visits, speaking engagements and consultations with businesses, charitable organizations, consumer interest groups and local government. The staff takes an active role in providing leadership in civic, charitable, fraternal and social organizations and various trade groups.

In addition to local efforts, the Bank uses several vehicles to inform communities at large of credit deposit services offered by the bank. Some examples are: Information brochures, newspapers and radio advertisements.

Banner Banks encourages its officers and staff to actively participate in community organizations because communication comes through involvement. Banner Banks has active volunteers, officers, directors, members or supporters of civic, fraternal, community, church, school and political organizations.



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# **COMMUNITY REINVESTMENT ACT PUBLIC FOLDER**

**TAB 8 - LIST OF SERVICES**



**Member FDIC**

Updated: 2/5/2025

Replaces: 2/17/2024



## **Schedule of Deposit Account Offerings & Schedule of Service Fees**

**As of: August 12, 2022**

### **REGULAR CHECKING**

This is a noninterest bearing personal checking account that provides unlimited check writing capabilities! This account requires a \$50.00 minimum opening deposit. If during any statement period the minimum balance falls below \$50.00, or if the Average Daily Balance falls below \$100.00, we may impose a Service Charge consisting of a Maintenance Fee of \$5.00 plus a Per Debit Fee of \$0.15 for each debit over 15 (the first 15 are free). Service Charges will be waived upon request for individuals that have monthly direct deposit of payroll, retirement or disability payments.

### **BUSINESS CHECKING**

This is a noninterest bearing business checking account that requires a \$100.00 minimum opening deposit. A Service Charge consisting of a Maintenance Fee of \$5.00 plus a Per Debit Fee of \$0.15 per debit will be charged each monthly statement period. A credit of \$0.35 per \$100.00 of average balance will be given to offset charges each monthly statement period, but will not carry forward into the next statement period.

### **NOW CHECKING**

This is an interest-bearing personal checking account that is not available to corporations, partnerships, LLC's or similar organizations, and that requires a \$100.00 minimum deposit to open. If the average daily balance during the statement period falls below \$100.00 we may impose a Service Charge consisting of a Maintenance Fee of \$10.00 plus a Per Debit Fee of \$0.15 for each debit over 15 (the first 15 are free) . If the average daily balance during the statement period falls between \$100.00 and \$500.00 we may impose a Service Charge consisting of a Maintenance Fee of \$5.00 plus a Per Debit Fee of \$0.15 for each debit over 15 (the first 15 are free) . Interest will be compounded monthly and credited to the account on the monthly statement date. This is a variable rate account and interest rates are tiered so that the higher the balance, the higher the potential return. Please refer to the separate interest rate and annual percentage yield disclosure for the tiers, interest rates and annual percentage yields that apply to this account.



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**MONEY MARKET (MMDA)**

This is an interest-bearing money market deposit account that requires a \$1,000.00 minimum opening deposit. If the average daily balance falls below \$1,000.00 during the statement period, we may impose a Service Charge consisting of a Maintenance Fee of \$10.00. Interest will be compounded monthly and credited on the monthly statement date. This is a variable rate account and interest rates are tiered so that the higher the balance, the higher the potential return. Please refer to the separate interest rate and annual percentage yield disclosure for the tiers, interest rates and annual percentage yields that apply to this account.

**REGULAR (PASSBOOK) SAVINGS ACCOUNT**

This is a variable rate interest bearing passbook savings account with interest rates that are tiered so that the higher the balance, the higher the potential return. This account requires a \$25.00 minimum opening deposit. If the average daily balance falls below \$100.00 during the quarterly statement period, we may impose a Maintenance Fee of \$3.00. In addition, withdrawals are limited to 9 each quarterly statement period and withdrawals in excess of 9 will be subject to a Per Debit Fee of \$1.00 each. Interest is compounded quarterly and will be credited on the quarterly statement date. Minimum balance requirements will be waived upon request for minors under the age of 18 until the statement period in which they reach their 18<sup>th</sup> birthday. Certification of age and social security number is required.

**CHRISTMAS CLUB**

This variable rate, interest bearing savings account provides an opportunity to save for the holidays, and also earn interest on balances that would not normally qualify based on the tiers for our Passbook Savings Accounts. This account requires a \$5.00 minimum opening deposit. Interest will not be compounded. Interest will be paid annually on or about October 15<sup>th</sup> by check along with the current principal balance in the account. A substantial penalty applies for early withdrawals and withdrawals prior to the earnings payment date will result in a forfeiture of all earnings.

**INDIVIDUAL RETIREMENT (IRA) & HEALTH SAVINGS (HSA) ACCOUNTS**

We offer Regular, Roth and SEP IRAs, as well as Health Savings Accounts. These are interest bearing accounts and both fixed and variable rate options may be available depending on account type. Please ask a customer service representative for additional details as additional disclosures and information are available. A substantial penalty for early withdrawal applies.

**CERTIFICATE OF DEPOSIT ACCOUNTS (CD)**

These are interest bearing accounts with maturity terms ranging from 3 to 60 months. A \$500.00 minimum deposit is required to open a new certificate of deposit account. Higher interest rates and annual percentage yields are available on deposits with longer maturities, and based on interest payment options. After the account is opened you may not make deposits into or withdrawals from the account until maturity. The opening deposit must continue to remain on deposit until maturity in order to earn the annual percentage yield. A substantial penalty for early withdrawal applies.



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## **SPECIFIC FUNDS AVAILABILITY POLICY**

**(Effective: July 1, 2020)**

(Disclosure required of financial institutions by Federal Law)

### **Your ability to withdraw funds at Banner Banks**

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. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds 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 2:00 PM 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 2:00 PM or on a day we are not open, we may consider that the deposit was made on the next business day we are open.

### **Longer Delays May Apply**

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. However, the first \$225 of your deposits will be available on the first business day. 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 day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- 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 7<sup>th</sup> business day after the day of your deposit.

### **Special Rules for New Accounts**

If you are a new customer, the following special rules may 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 \$5,525 of a day's total deposits of cashier's, certified, teller's, travelers, 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 \$5,525 will be available on the seventh 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 \$5,525 will not be available until the second business day after 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.



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## **ADDITIONAL INFORMATION FOR ALL DEPOSIT ACCOUNTS**

We reserve the right not to process any transaction request received by e-mail.

Overdraft and Return Item Charges will apply to items created by check, transfer request, in person withdrawal or other electronic means, but will not apply to ATM withdrawals or one time debit card transactions. A fee may be charged to you each time the same item whether it is created by check, transfer request, in person withdrawal or other electronic means, is paid or returned unpaid.

## **DEBIT CARDS**

Debit Cards are generally available to qualifying individuals on qualifying accounts held under their personal name and social security number. Debit cards are generally not available to entities or businesses such as LLC's, Partnerships, Corporations, Estates, Trusts, Municipalities or other similar organizations, nor are they available to Sole Proprietors holding accounts under a separate Federal Tax ID Number other than their Social Security Number.

## **INFORMATION CONCERNING OVERDRAFTS ON CONSUMER ACCOUNTS** (Effective August 1, 2022)

What you need to know about Overdrafts and Overdraft Fees on Consumer Accounts: An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We have standard overdraft practices that come with your account and this notice explains our standard overdraft practices.

### **What are the standard overdraft practices that come with my account?**

- We do authorize and pay overdrafts for items created by check, in person withdrawal or other electronic means made using your Checking, NOW or Money Market account number.
- We do not authorize and pay overdrafts for ATM withdrawals or one time debit card transactions.
- We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined.

### **What fees will I be charged if Banner Banks pays my overdraft?**

- No charge will be assessed if on any day your account is overdrawn by \$10.00 or less.
- We will charge an overdraft charge of up to \$25.00 per item each time we pay an overdraft item on any day your account is overdrawn by more than \$10.00.
- The overdraft charge will not apply to ATM withdrawals or one time debit card transactions.

### **What fees will I be charged if Banner Banks does not pay my overdraft?**

- No charge will be assessed on any day if your account is overdrawn by \$10.00 or less.
- We will charge a return item charge of up to \$25.00 per item, per presentment, each time we do not pay an overdraft item on any day your account is overdrawn by more than \$10.00. A fee may be charged to you each time the same check, transfer request, in person withdrawal request, or other electronic means is returned unpaid.



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- The return item charge will not apply to ATM withdrawals or one time debit card transactions.

**Is there a limit on the total amount of charges that will be assessed on any single business day?**

- Yes, effective August 1, 2022, the maximum amount of overdraft charges and return item charges that you may incur on any single business day is \$125.00.



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**SCHEDULE OF FEES AND CHARGES (Effective 8/1/2022)**  
**(Fees apply only if you use the service on or after this date)**

Overdraft Item Charge (Paid Item) (1)	
Per Item, Per Presentment	\$25.00
Return Item Charge (Returned Item) (1)	
Per Item, Per Presentment	\$25.00
Deposited Item Return Charge Per Item	\$10.00
Stop Payment Charge, Per Item (New & Renewals)	\$25.00
Account Reconciliation, Per Hour (1 Hr. Minimum)	\$25.00
Research Fee, Per Hour (1 Hr. Minimum)	\$25.00
Items Placed For Collection, Per Item	\$20.00
Garnishment/Levy Processing, Each	\$50.00
Replace Lost Savings Passbook, Each	\$ 5.00
Lost Document Indemnity Bond, Each	\$ 5.00
Special/Out of Cycle Statement, Per Statement	\$ 5.00
Account Inquiries/Verifications (Authorized), Each	\$ 5.00
Document Copies, Per Page	\$ 1.00
("i.e.," Statements, Checks, Deposit Slips, Etc.)	
(Plus Research Fee for more than 10 pages)	
Computer Screen Printouts, Per Page	\$ 0.50
("i.e.," History or Balance Printouts, Etc.)	
Personal Money Orders, Each	\$ 3.00
Bank Money Orders, Each	\$ 5.00
Amortization Schedules, Each	\$15.00
Wire Transfers, Each - Incoming	\$20.00
- Outgoing Domestic (U.S.)	\$20.00
- In & Out International	\$40.00
Locking Night Deposit Bag Rental, Each	\$10.00
Photocopies, Per Page	\$ 0.50
Notary Services, Per Document (Noncustomers)	\$ 5.00
Coin Counting/Exchange (Noncustomer)	
5% of Total / \$5.00 Min	
FAX (Incoming & Outgoing)(Domestic Only), Per Page	\$ 2.00
Check Printing	Fees Vary By Style
Account Closing Fee (Closed within 60 days of opening)	\$25.00
Check Cashing Fee (Not On Us Check)	
1% of Total/\$5.00 Min.	

(Applies to Noncustomers & Customers without an Average Compensating Deposit Balance)

**Footnotes**

1 Overdraft and Return Item Charges will apply to items created by check, transfer request, in person withdrawal or other electronic means, but will not apply to ATM withdrawals or one time debit card transactions. A fee may be charged to you each time the same item whether it is created by check, transfer request, in person withdrawal or other electronic means, is paid or returned unpaid. For more detailed information, please see the section titled:

INFORMATION CONCERNING OVERDRAFTS ON CONSUMER ACCOUNTS elsewhere in this disclosure.

**SAFE DEPOSIT BOXES**

- 2" X 5" Annual Rent (Nonrefundable)	\$10.00
- 3" X 5" Annual Rent (Nonrefundable)	\$12.00
- 5" X 5" Annual Rent (Nonrefundable)	\$18.00
- 3" X 10" Annual Rent (Nonrefundable)	\$20.00
- 5" X 10" Annual Rent (Nonrefundable)	\$40.00
Late Rent Charge, Per Month	\$ 2.00
Lost Key (1 Key)	\$25.00
Both Keys Lost (See Drill Box)	
Drill Box - Actual Cost With a \$150.00 Minimum & Deposit	

***Safe Deposit Boxes are not covered by FDIC insurance.***

**DEBIT CARD RELATED FEES**

Monthly Fee, Per Card Issued	\$ 1.00
Debit Card, Pin Reminder Notice, Each	\$ 5.00
Debit Card Replacement Fee (Broken/Worn), Each	\$10.00
Debit Card Replacement Fee (Lost/Stolen), Each	\$25.00
Card Closed /Replaced & Not Returned, Each	\$25.00
Temporary Limit Increase (Per Request)	\$10.00
(Term of Increase Not To Exceed 14 Days Available to Qualified Customers Only)	

ATM operators, or any network used, may impose additional fees if you use an ATM not owned by us.

**INTERNET BANKING**

Access to Basic Services	No Charge
Internet Banking Balance Transfer Service	No Charge
Internet Banking Balance Inquiry Service	No Charge
Unlock Internet Banking Account, Each	\$ 2.00
Internet Banking Password Reset (Assisted)	\$ 2.00
Internet Banking Password or User ID Reminder	\$ 2.00



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# COMMUNITY REINVESTMENT ACT PUBLIC FOLDER

TAB 9 – COMMUNITY REINVESTMENT ACTIVITIES



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Updated: 2/5/2025

Replaces: 2/17/2024

# INVESTMENT ACTIVITIES

Banner Bank invests in other financial intuitions that are either designated as Lower Income Designated (LID) or Minority Designated Institutions (MDI). The primary vehicle of our investments are certificates of deposits. Below is a listing of our current investments.

## Banner Banks

### Outstanding Investments in Low Income Designated (LID) or Minority Deposit Institutions (MDI)

As of: 12/31/2024

Security	Pur Date	Maturity	Par/Curr Face	Principal Cost	Description	Designation
20825WBE9	09/02/2022	09/02/2025	245,000.00	245,000.00	CONNEXUS CREDIT UNION	LID
740367QE0	09/30/2022	09/30/2026	245,000.00	245,000.00	PREFERRED BANK LA CALIFORNIA	LID
92891CCR1	10/07/2022	10/07/2027	245,000.00	245,000.00	VYSTAR CREDIT UNION	LID
07833EAJ6	12/23/2022	12/23/2025	245,000.00	245,000.00	BELLCO CREDIT UNION	LID
67054NBE2	12/29/2022	12/29/2027	245,000.00	245,000.00	NUMERICA CREDIT UNION	LID
90352RCX1	12/30/2022	12/30/2027	245,000.00	245,000.00	US ALLIANCE FED CREDIT UNION	LID
25844MAN8	01/18/2023	01/19/2027	245,000.00	245,000.00	DORT FINANCIAL CREDIT	LID
92348DAB5	01/20/2023	01/21/2025	245,000.00	245,000.00	VERIDIAN CREDIT UNION	LID
05659NAF9	01/27/2023	01/27/2027	245,000.00	245,000.00	BADLANDS FEDERAL CREDIT UNION	LID
42228LAM3	02/01/2023	02/01/2027	245,000.00	245,000.00	HEALTHCARE SYSTEMS FCU	LID
79772FAG1	02/03/2023	02/03/2028	245,000.00	245,000.00	SAN FRANCISCO CREDIT UNION	LID
190923AA0	02/10/2023	02/10/2026	245,000.00	245,000.00	COASTHILLS CREDIT UNION	LID
00224TAN6	02/15/2023	02/17/2026	245,000.00	245,000.00	A+ FEDERAL CREDIT UNION	LID
89789AAD9	02/28/2023	02/26/2027	245,000.00	245,000.00	TRULIANT FEDERAL CREDIT	LID
00833AAC4	03/20/2023	03/20/2026	245,000.00	245,000.00	AFFINITY PLUS FEDERAL CU	LID
917352AC0	04/26/2023	04/27/2026	245,000.00	245,000.00	UTAH COMMUNITY FEDERAL CU	LID
02616ACA5	04/27/2023	04/27/2027	245,000.00	245,000.00	AMERICAN FIRST CREDIT UNION	LID
39573LDY1	05/17/2023	05/18/2026	245,000.00	245,000.00	GREENSTATE CREDIT UNION	LID
75102EAS7	05/24/2023	05/26/2026	245,000.00	245,000.00	RAIZ FEDERAL CREDIT UNION	LID
16141BAC5	06/09/2023	06/09/2026	245,000.00	245,000.00	CHARTWAY FEDERAL CREDIT UNION	LID
29669XAP3	06/15/2023	06/15/2027	245,000.00	245,000.00	ESSENTIAL FEDERAL CREDIT	LID
52171MAH8	06/30/2023	06/30/2026	245,000.00	245,000.00	LEADERS CREDIT UNION	LID
89854LAD5	07/26/2023	07/26/2028	245,000.00	245,000.00	TTCU FEDERAL CREDIT UNION	LID
41138NAD0	09/29/2023	09/29/2026	245,000.00	245,000.00	HAPO COMMUNITY CREDIT UNION	LID
444425AE2	09/29/2023	09/29/2026	245,000.00	245,000.00	HUGHES FEDERAL CREDIT UNION	LID
560507AS4	11/08/2023	11/08/2027	245,000.00	245,000.00	MAINE SAVINGS FCU	LID
98138MCB4	11/15/2023	11/15/2027	245,000.00	245,000.00	WORKERS FEDERAL CREDIT UNION	LID
50625LBS1	11/30/2023	06/01/2026	245,000.00	245,000.00	LAFAYETTE FEDERAL CREDIT UNION	LID
369674CN4	02/05/2024	01/26/2026	245,000.00	245,000.00	GE CREDIT UNION	LID
97412MAB5	09/26/2024	03/26/2026	<u>245,000.00</u>	<u>245,000.00</u>	WINGS FINANCIAL CREDIT UNION	LID
<b>Totals</b>			<b>7,350,000.00</b>	<b>7,350,000.00</b>		



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Updated: 2/5/2025

Replaces: 2/17/2024

Below is a listing our investments that matured during this Community Reinvestment Act cycle:

**Banner Banks**

**Matured Investments in Low Income Designated (LID) or Minority Deposit Institutions (MDI)**

**As of: 12/31/2024**

<b>Security</b>	<b>Pur Date</b>	<b>Maturity</b>	<b>Par/Curr Face</b>	<b>Principal Cost</b>	<b>Description</b>	<b>Designation</b>
62384RAS5	11/30/2022	05/28/2024	225,000.00	225,000.00	MOUNTAIN AMERICA CREDIT UNION	LID
84614AAD1	12/07/2022	06/07/2024	225,000.00	225,000.00	SPACE COAST CREDIT UNION	LID
97412MAB5	10/06/2023	10/27/2024	<u>245,000.00</u>	<u>245,000.00</u>	EMPOWER FEDERAL CREDIT UNION	LID
		<b>Totals</b>	<b>695,000.00</b>	<b>695,000.00</b>		



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Updated: 2/5/2025

Replaces: 2/17/2024