PUBLIC DISCLOSURE

November 17, 2025

ILLINOIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Alliance Community Bank

Illinois Institution Identification Number: 10678

321 North 6th Street
Petersburg, Illinois 62675

Illinois Department of Professional Regulation
555 West Monroe Street, 5th Floor Chicago, IL 60661

THIS ILLINOIS COMMUNITY REINVESTMENT ACT (ILCRA) EVALUATION IS AVAILABLE FOR PUBLIC REVIEW AND COMMENT.

This evaluation reflects the Secretary's assessment pursuant to Section 35-10(b) of the Illinois Community Reinvestment Act [205 ILCS 735/35-10(b)] of the performance of this bank in helping to meet the financial services needs of its local communities, including low- and moderate-income neighborhoods, consistent with the 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 herein does not represent an analysis, conclusion, or opinion of the Illinois Department of Financial and Professional Regulation, Division of Banking, concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

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

An institution in this group has an adequate record of helping to meet the credit needs of its assessment area (AA), including low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities.

The Lending Test is rated Satisfactory.

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

Discriminatory or Other Illegal Credit Practices

Examiners identified no evidence of discriminatory or other illegal credit practices; therefore, these factors did not affect the institution's ILCRA rating.

Assessment Factors

ILCRA examiners reviewed the bank's activities in its AAs against the performance standards outlined in 38 Ill. Admin. Code 345.200 and did not find evidence that the bank is not meeting the financial services needs of its local communities. Therefore, the bank's ILCRA rating was not affected.

DESCRIPTION OF INSTITUTION

Background

Alliance Community Bank (Alliance) is a $415.7 million commercial bank headquartered in Petersburg, IL. The bank is a wholly owned subsidiary of AC Bancorp, Inc., a one-bank holding company, also located in Petersburg. The Federal Deposit Insurance Corporation (FDIC) assigned a "Satisfactory" rating at the previous FDIC Community Reinvestment Act (CRA) evaluation dated January 27, 2023, utilizing Federal Financial Institutions Examination Council (FFIEC) Interagency Small Institution Examination Procedures. There has been no merger or acquisition activity since the prior evaluation.

Operations

Alliance operates six full-service branch offices throughout its two assessment areas in Central Illinois. There are two branches in upper-income census tracts and four in middle-income census tracts. The bank has opened one branch (Springfield) since the prior FDIC evaluation. The bank has two off-site ATMs in middle-income census tracts. There are no branches or bank-owned ATMs located in the low- and moderate-income (LMI) census tract areas.

The bank offers a range of traditional loan and deposit products to serve its customers. The primary business focus is on agricultural and residential home mortgage lending. Loan product offerings include home mortgages, agricultural loans, consumer loans for auto and personal purposes, and commercial loans. According to the June 30, 2025 Consolidated Reports of Condition and Income (Call Report), residential 1-4 family lending has increased 14.8 percent, and agricultural loans have increased 9.8 percent since the previous FDIC examination.

Deposit product offerings include checking, savings, money market, health savings, IRA, and certificate of deposit accounts. Customers can access their accounts through debit cards and online banking. According to the Call Report, core deposits increased 4.9 percent. However, in the Springfield MSA, the bank's deposit market share decreased by 0.2 percent. There are mitigating factors that point to a confluence of contributing factors for the decline.[1]

Ability and Capacity

As of September 30, 2025, the Consolidated Report of Condition and Income (Call Report) reported that Alliance had approximately $415.7 million in total assets, $254.5 million in total loans, $369.5 million in total deposits, and $111.7 million in net securities. Loans have increased $76.1million or 29.9 percent, and total assets have increased $54.6 million or 13.1 percent since the previous FDIC exam. Agricultural loans remain the largest segment of the loan portfolio. The following table illustrates the loan portfolio composition.

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[1]2023 Michael Hoffman, Camille Keith, Joycelyn Lu, and LaShawn Reed-Butler, *2023 Summary of Deposits Highlights*, 2024, FDIC.

Loan Portfolio Distribution as of 9/30/2025

Loan Category	$(000s)	%
Construction, Land Development, and Other Land Loans	13,462	5.3%
Secured by Farmland	61,868	24.3%
Secured by 1 - 4 Family Residential Properties	73,976	29.1%
Secured by Multi-family (5 or more) Residential Properties	3,053	1.2%
Secured by Nonfarm Nonresidential Properties	29,644	11.6%
Total Real Estate Loans	**182,003**	**71.5%**
Commercial and Industrial Loans	19,510	7.7%
Agricultural Production and Other Loans to Farms	34,237	13.5%
Consumer Loans	15,251	6.0%
Obligations of States and Political subdivisions in the U.S.	3,464	1.4%
Other Loans	51	0.0%
Lease Financing Receivables (net of unearned income)	0	0.0%
Less: Unearned Income	0	0.0%
Total Loans	**254,516**	**100.00%**

Source: Reports of Condition and Income

Examiners did not identify any financial, legal, or other impediments that affect Alliance's ability to meet AA credit needs.

DESCRIPTION OF ASSESSMENT AREA

The ILCRA requires each financial institution to define one or more AAs within which its ILCRA performance will be evaluated. Alliance designated two separate AAs, composed of 63 census tracts located in Springfield, Illinois MSA, which includes Sangamon and Menard Counties, and Mason County, which is part of the Illinois Non-Metropolitan Statistical Area (IL Non-MSA). The AAs include contiguous census tracts, conform to ILCRA regulatory requirements, and do not arbitrarily exclude any low- or moderate-income geographies. The following table provides a brief description of each assessment area, including the respective counties, number of census tracts, and the number of branches.

Composition of Assessment Areas

Assessment Area	Counties in Assessment Area	# of CTs	# of Branches
Springfield, IL MSA	Menard and Sangamon	57	5
IL, Non-MSA	Mason	6	1

Source: Bank Records

The assessment area does not reflect illegal discrimination and otherwise meets the requirements of ILCRA regulations. A more detailed discussion of each assessment area, including economic and demographic data, competition, and community contacts, is found in the separate MSA and non-MSA sections of this evaluation.

SCOPE OF EVALUATION

General Information

The evaluation encompasses the period from the previous FDIC performance evaluation dated January 27, 2023, to the current ILCRA evaluation conducted by the Illinois Department of Financial and Professional Regulation (IDFPR), Division of Banking, dated November 17, 2025. Examiners completed a full-scope review of the bank's AAs. Examiners used the FFIEC Interagency Small Institution Examination Procedures to evaluate Alliance's ILCRA performance. These procedures include the Lending Test. The criteria for this test are detailed in the Appendices. IDFPR also provides comments regarding the institution's fair lending policies and procedures pursuant to 205 ILCS 735/35-15. Examiners conducted the fair lending review in accordance with the FFIEC Interagency Fair Lending Examination Procedures. In addition, under Section 345.200 of the implementing rules of ILCRA, assessment factors as described below on page 24 were considered in the evaluation of Alliance's record of ILCRA performance.

Activities Reviewed

Examiners reviewed Alliance's business strategy, loan portfolio composition, and the number and dollar volume of loan originations during the review period. They identified the bank's primary loan products as small farm and home mortgages. Commercial and consumer loans do not represent a significant portion of the loan portfolio. Therefore, these loan products were not reviewed and had no material impact on the conclusions.

Examiners analyzed the institution's small farm loans from January 1, 2024, through December 31, 2024, and home mortgage loans that originated or purchased from January 1, 2023, through December 31, 2024. The bank originated 210 small farm loans, totaling $24.0 million in 2024. In 2023, the bank originated 220 home mortgage loans totaling $30.1 million, and in 2024, it originated 231 home mortgage loans totaling $36.0 million. Based on the number and dollar volume of each loan category, home mortgage loans carried the most significant weight.

Loans subject to the Home Mortgage Disclosure Act (HMDA) reporting requirements in 2023 and 2024 were reviewed. The evaluation considered only home mortgage loans reported on the bank's HMDA Loan Application Registers (LAR) for 2023 and 2024, consistent with agency procedures. The bank's home mortgage lending performance is measured against aggregate lending data for the period.

Examiners placed more weight on comparisons to aggregate data, as it provides a more accurate assessment of lending opportunities within the AA.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Alliance demonstrated reasonable lending performance in relation to the small bank performance standards. The performance under the Loan-to-Deposit Ratio, AA Concentration, and Borrower Profile supports this assessment.

Loan-to-Deposit Ratio

Alliance's net LTD is reasonable given the institution's size, capacity, and AA credit needs. Alliance maintained an average net LTD ratio of 63.0 percent over 12 quarters from September 20, 2022, to September 30, 2025. The net LTD ratio increased over the evaluation period, ranging from a low of 56.0 percent as of September 30, 2022, to a high of 63.0 percent as of September 30, 2025.

Examiners compared Alliance's loan-to-deposit ratio with that of four similarly situated institutions. Examiners selected these institutions based on asset size, geographic location, and lending focus. As shown in the following table, Alliance's loan-to-deposit ratio was only higher than one similarly situated institution, as shown in the following table.

Loan-to-Deposit Ratio Comparison

Institution	Total Assets as of 9/30/2025 ($000s)	Average Net LTD Ratio (%)
Alliance Community Bank	**$415,689**	**63.0**
Similarly-Situated Institution #1	$463.899	74.9
Similarly-Situated Institution #2	$479,480	61.7
Similarly-Situated Institution #3	$626,039	74.9
Similarly-Situated Institution #4	$322,561	87.3

Source: Reports of Condition and Income 12/31/2022 through 9/30/2025

Assessment Area Concentration

Examiners analyzed all home mortgages originated in 2023 and 2024, as well as all small farm loans originated or renewed in 2024, to determine the percentage of loans extended inside and outside the AAs. Overall, Alliance originated the majority of its loans, by both number and dollar volume, for each product within the AA, as shown in the following table.

Lending Inside and Outside of the Assessment Area (AA)

Home Mortgage

Year	Inside # of Loans	Inside % of Loans	Outside # of Loans	Outside % of Loans	Total #	Inside Dollar Amount $(000s)	Inside Dollar Amount %	Outside Dollar Amount $(000s)	Outside Dollar Amount %	Total
2023	201	91.4	19	8.6	220	26,785	89.1	3,275	10.9	30,060
2024	214	92.6	17	7.4	231	32,900	91.4	3,105	8.6	36,005
Subtotal	**415**	**92.0**	**36**	**8.0**	**451**	**59,685**	**90.3**	**6,380**	**9.7**	**66,065**

Small Farm

Year	Inside # of Loans	Inside % of Loans	Outside # of Loans	Outside % of Loans	Total #	Inside Dollar Amount $(000s)	Inside Dollar Amount %	Outside Dollar Amount $(000s)	Outside Dollar Amount %	Total
2024	173	82.4	37	17.6	210	19,274	80.3	4,714	19.7	23,988
Subtotal	**588**	**89.0**	**73**	**11.0**	**661**	**78,959**	**87.7**	**11,094**	**12.3**	**90,053**

Source: Bank Data Due to rounding, totals may not equal 100.0

Geographic Distribution

The geographic distribution of home mortgages and small farm loans reflects reasonable dispersion throughout Alliance's AAs. This conclusion is supported by the reasonable distribution of loans across the two product lines examined. Examiners considered only loans granted within the AAs, with an emphasis on their distribution across low- and moderate-income geographies. A complete discussion of the bank's performance for this criterion can be found in the separate AA sections of this evaluation

Borrower Profile

The distribution of borrowers shows reasonable penetration across individuals of different income levels (including LMI) and farms of various sizes. A complete discussion of this criterion's performance is provided in the separate assessment area sections of this evaluation.

Response to Complaints

Alliance has not received any CRA- or ILCRA-related complaints since the previous evaluation; therefore, this criterion did not affect the overall rating.

SPRINGFIELD, IL MSA- Full Scope Review

Description of the Institution's Operations in the Springfield, IL MSA

Alliance expanded its assessment area in the Springfield, IL MSA to include all of Sangamon and Menard Counties, increasing the number of census tracts from nine to fifty-four. The addition of these new tracts included 10 low-income tracts, which were not present during the previous FDIC CRA examination. As previously noted, Alliance opened a new full-service branch office in Springfield, increasing the total number of branches in this AA to six.

The majority of the bank's operations are conducted in this assessment area. According to Wolters Kluwer's 2024 Peer Deposit data, the bank reported $333.5 million in deposits in this assessment area, representing 93.1 percent of its total deposits as of the same date.

Economic and Demographic Data

Examiners used demographic data from the 2020 American Community Survey (ACS) and 2024 Dun & Bradstreet (D&B) data to analyze the bank's ILCRA performance. According to these metrics, Springfield, Illinois, reflects the following income designations:

- 10 low-income census tracts (17.5 percent)
- 14 moderate-income census tracts (24.6 percent)
- 17 middle-income census tracts (29.8 percent)
- 16 upper-income census tracts (28.1 percent)

The following table illustrates select demographic characteristics of the AA.

Demographic Information of the Assessment Area
Springfield, IL MSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	57	17.5	24.6	29.8	28.1	0.0
Population by Geography	208,640	12.3	19.5	33.1	35.0	0.0
Housing Units by Geography	97,689	13.7	22.1	34.2	30.0	0.0
Owner-Occupied Units by Geography	62,959	7.4	18.2	36.4	38.1	0.0
Occupied Rental Units by Geography	26,345	26.9	28.0	30.0	15.1	0.0
Vacant Units by Geography	8,385	20.4	32.3	30.9	16.4	0.0
Businesses by Geography	24,037	10.8	20.6	21.4	47.3	0.0
Farms by Geography	967	5.3	9.8	45.8	39.1	0.0
Family Distribution by Income Level	53,882	23.5	15.8	21.0	39.7	0.0
Household Distribution by Income Level	89,304	24.6	15.8	17.1	42.5	0.0

Demographic Characteristics	Low % of #	MSA Characteristics	Value
Median Family Income MSA - 44100 Springfield, IL MSA	$83,948	Median Housing Value	$137,876
		Median Gross Rent	$819
		Families Below Poverty Level	9.4%

Source: 2020 ACS, 2024 D&B Data, and FFIEC Estimated Median Family Income; (*) The NA category consists of geographies that have not been assigned an income classification.

Examiners using the table above compared the area's demographic and aggregate lending data with the geographic distribution of the Springfield, IL, MSA. The bank's home mortgage lending data were used to compare the number of owner-occupied units (62,959) with the number of owners in each income level, yielding percentages for each income classification. The geographic distribution of small farm lending for 2024 was used to evaluate the bank's performance by comparing it to the percentage of operations in the Springfield, IL, MSA.
These characteristics provide some insight into the credit needs and demand, which were considered when evaluating geographic lending patterns.

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 ranges are shown in the table below.

Median Family Income Ranges- Springfield, IL MSA

Springfield, IL MSA Median Family Income (44100)

Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
2023 ($99,300)	<$49,650	$49,650 to <$79,440	$79,440 to <$119,160	≥$119,160
2024 ($105,600)	<$52,800	$52,800 to <$84,480	$84,480 to <$126,720	≥$126,720

Source: FFIEC

The Borrower Profile criterion compares the distribution of farms by gross annual revenues (GAR). The GAR of farms operating in the AA in 2024 was as follows:

- 97.8 percent report $1.0 million or less,
- 0.9 percent report greater than $1 million, and
- 1.2 percent did not report revenues to D&B

While D&B data is useful, it is a voluntary survey. Instead, the 2022 U.S. Census of Agriculture (AgCensus), a legally mandated survey, provides a better context for evaluating Alliance's small-farm lending. According to the 2022 AgCensus, 1,352 farms were operating in the MSA. Of the 1,352 farms, 533, or 39.4 percent, had interest expenses. 819 farms, or 60.6 percent, did not utilize debt to support operations. This suggests a reduced reliance on agricultural borrowing.

Services in the Springfield, IL, MSA account for the largest share of businesses at 33.9 percent, followed by non-classifiable establishments (26.4 percent), Finance, Insurance & Real Estate (10.2 percent), and retail trade (10.0 percent). In addition, 57.3 percent of businesses employ one to four people, and 89.8 percent operate from a single location.

According to Moody's Analytics' February 2025 State of Illinois Economic Forecast, unemployment rates in Illinois have recovered from the COVID-19 pandemic; however, the report suggests Illinois will continue to underperform relative to the national recovery rate. The following table illustrates the unemployment rates by county, state, and the national average.

Unemployment Rates

	2023 Average	**2024 Average**	**August 2025**
Area	**%**	**%**	**%**
Sangamon County, Illinois	4.4	4.3	4.5
Menard County, Illinois	4.1	4.0	3.9
State of Illinois	4.5	5.0	4.4
National Average	3.6	4.0	4.3

Source: Bureau of Labor Statistics (State and National are seasonally adjusted, and Counties are not seasonally adjusted.)

Competition

The assessment area is competitive in the financial services market. According to the FDIC Deposit Market Share data as of June 30, 2025, 26 financial institutions operated 80 full-service offices within the bank's assessment area. Of these institutions, Alliance Community Bank ranked 10th with a 3.6 percent deposit share. There is also intense competition for loans among banks, credit unions, and non-depository mortgage lenders in this AA. The most recent aggregate lending data available show 4,580 HMDA-reportable home mortgage originations and purchases by 211 lenders. Of these lenders, Alliance ranked fifth with 4.5 percent market share.

The 2023 Wolters Kluwer Peer Small Business Report was used to gauge demand for small farm loans in the AA. In 2023, 17 lenders originated or purchased 141 small farm loans, totaling $17.4 million. The top five institutions accounted for 78.7% of the small farm loan market by number of loans.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE SPRINGFIELD, IL MSA

LENDING TEST

Alliance demonstrated satisfactory performance and reasonable responsiveness in meeting the assessment area's credit needs. Performance under each criterion reasonably supports the overall conclusion.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among farms of different sizes and individuals of different income levels throughout the AAs. This conclusion is supported by the bank's reasonable small farm and home mortgage performance within the AA.

Small Farm Loans

The distribution of small farm loans, given the demographics of the assessment area, reflects reasonable penetration across farms of different sizes. As shown in the table below, the institution's lending to farms with GARs of $1 million or less was below the 2024 share of farms with GARs of $1 million or less. Additionally, the farm population represents only farms in that revenue range, not all farming operations seeking a loan. Smaller farms may seek alternative financing, such as home equity lines of credit or credit cards, which limits demand from borrowers in this revenue category. Overall, given the bank's performance and the broader context, Alliance demonstrates a willingness to lend to small farms of varying sizes.

Distribution of Small Farm Loans by Gross Annual Revenue Category
Springfield, IL MSA

Farm Revenue Level	% of Businesses	#	%	$(000s)	%
<=$1,000,000					
2024	97.8	90	70.9	8,983	57.3
>$1,000,000					
2024	0.9	37	29.1	6,684	42.7
Revenue Not Available					
2024	1.2	--	--	--	--
Total					
2024	**100.0**	**127**	**100.0**	**15,667**	**100.0**

Source: 2024 D&B Data; bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Home Mortgage Loans

The distribution of home mortgage loans reflects reasonable penetration among individuals of different income levels. In 2023 and 2024, Alliance's home mortgage lending to low- and moderate-income individuals trailed the comparable demographic data. However, examiners noted that 9.6 percent of families in the assessment area have incomes below the poverty level. These families likely lack the capacity to support a mortgage, reducing demand and lending opportunities for low- and moderate-income borrowers. Overall, the demographic data supports reasonable performance. The following table details the distribution of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level
Springfield, IL MSA

Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low						
2023	23.5	13.8	21	10.8	1,785	6.8
2024	23.5	13.8	27	13.2	2,605	8.1
Moderate						
2023	15.8	22.0	27	13.9	3,005	11.4
2024	15.8	21.4	21	10.3	2,285	7.1
Middle						
2023	21.0	20.5	31	16.0	3,195	12.1
2024	21.0	20.3	30	14.7	5,050	15.8
Upper						
2023	39.7	27.1	39	20.1	5,895	22.3
2024	39.7	26.9	48	23.5	10,770	33.7
Not Available						
2023	0.0	16.6	76	39.2	12,510	47.4
2024	0.0	17.9	78	38.2	11,260	35.2
Total						
2023	**100.0**	**100.0**	**194**	**100.0**	**26,390**	**100.0**
2024	**100.0**	**100.0**	**204**	**100.0**	**31,970**	**100.0**

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Geographic Distribution

The geographic distribution of Small Farm Loans reflects reasonable dispersion throughout the Springfield, IL MSA. Given the various factors affecting lending opportunities, this performance is reasonable. Home mortgage and small farm lending performance supports this conclusion. Examiners focused on the percentage of loans by number in low- and moderate-income census tracts.

Small Farm Loans

The geographic distribution of small farm loans shows no dispersion across low- and moderate-income census tracts. However, only 5.3 percent and 9.8 percent of the assessment area's small farms are located in low- and moderate-income census tracts, respectively, indicating limited lending opportunities in these geographies. Overall, given the demographics of the AA, the geographic distribution of Alliance's small farm loans is considered reasonable.

Geographic Distribution of Small Farm Loans
Springfield, IL MSA

Tract Income Level	% of Farms	#	%	$(000s)	%
Low					
2024	5.3	--	--	--	--
Moderate					
2024	9.8	--	--	--	--
Middle					
2024	45.8	113	89.0	13,740	87.7
Upper					
2024	39.1	14	11.0	1,927	12.3
Not Available					
2024	--	--	--	--	--
Total					
2024	**100.0**	**127**	**100.0**	**23,988**	**100.0**

Source: 2024 D&B Data, bank data; "--" data not available.
Due to rounding, totals may not equal 100.0%

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment area. The bank's lending in LMI geographies exceeded aggregate performance and area demographics. In 2023, Alliance originated 48.0 percent of its home mortgage loans in LMI areas; in 2024, 40.7 percent.

Geographic Distribution of Home Mortgage Loans
Springfield, IL MSA

Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	$ (0000s)	%
Low						
2023	7.4	6.3	31	16.0	3,535	13.4
2024	7.4	6.9	25	12.3	2,255	7.1
Moderate						
2023	18.2	22.1	62	32.0	8,848	33.5
2024	18.2	20.7	58	28.4	7,190	22.5
Middle						
2023	36.4	34.4	76	39.2	9,050	34.3
2024	36.4	33.2	84	41.2	14,370	44.9
Upper						
2023	38.1	37.3	25	12.9	4,965	18.8
2024	38.1	39.2	37	18.1	8,155	25.5
Not Available						
2023	0.0	0.0	0	0.0	0	0.0
2024	0.0	0.0	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**194**	**100.0**	**26,390**	**100.0**
2024	**100.0**	**100.0**	**204**	**100.0**	**31,970**	**100.0**

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may no equal 100.00%

ILLINOIS NON-MSA – Full-Scope Review

Description of the Institution’s Operations in the Illinois Non-MSA

The Illinois Non-MSA consists of all census tracts (six) in Mason County, Illinois. Alliance operates one office within this AA. According to Wolters Kluwer’s 2024 Peer Deposit data, Alliance reported $24,526,000 in deposits in this assessment area, representing 6.8 percent of the bank’s total deposits as of the same date.

<u>Economic and Demographic Data</u>

This area encompasses all six census tracts in Mason County. According to the 2020 ACS, these tracts reflect the following income designations: five middle-and one upper-income tracts. There are no low- and moderate-income census tracts in this AA. The bank’s sole office is located in census tract 9568 – a middle-income tract. The following table summarizes the demographics, housing, and business information for the assessment area.

Demographic Information of the Assessment Area
Illinois Non-MSA

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	6	0.0	0.0	83.3	16.7	0.0
Population by Geography	13,086	0.0	0.0	87.4	12.6	0.0
Housing Units by Geography	7,026	0.0	0.0	88.3	11.7	0.0
Owner-Occupied Units by Geography	4,587	0.0	0.0	85.6	14.4	0.0
Occupied Rental Units by Geography	1,330	0.0	0.0	94.0	6.0	0.0
Vacant Units by Geography	1,109	0.0	0.0	92.7	7.3	0.0
Businesses by Geography	868	0.0	0.0	83.9	16.1	0.0
Farms by Geography	125	0.0	0.0	68.8	31.2	0.0
Family Distribution by Income Level	3,815	24.1	16.4	21.1	38.4	0.0
Household Distribution by Income Level	5,917	24.2	18.6	18.4	38.8	0.0

Demographic Characteristics	Low % of #	MSA Characteristics	Value
Median Family Income Non MSAs - IL	$67,835	Median Housing Value	$86,739
		Median Gross Rent	$664
		Families Below Poverty Level	12.1%

Source: 2020 ACS, 2024 D&B Data, and FFIEC Estimated Median Family Income; (*) The NA category consists of geographies that have not been assigned an income classification.

The AA has 7,026 housing units, including 4,587 owner-occupied units (65.1 percent), 1,330 occupied-rental units (18.9 percent), and 1,109 vacant units (15.7 percent). In assessing the bank's performance on home mortgage loans, the geographic distribution test compares the share of home mortgage loans to the percentage of owner-occupied units in each geography by income. The bank's lending performance was also compared to that of aggregate lenders.

Examiners used the 2023 and 2024 FFIEC Median Family Income (MFI) Report, which outlines the criteria for analyzing borrower profile categories. The FFIEC MFI data follows.

Median Family Income Ranges

IL Non-MSA Median Family Income (99999)

Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
2023 ($82,300)	<$41,150	$41,150 to <$65,840	$65,840 to <$98,760	≥$98,760
2024 ($82,800)	<$41,400	$41,400 to <$66,240	$66,240 to <$99,360	≥$99,360

Source: FFIEC

Small farms and related businesses remain prevalent in the area. The analysis of small farm lending under the Borrower Profile criterion compares the distribution of farms by gross annual revenue (GAR) level. According to 2024 D&B data, the area contains 46 farming operations reporting the following GARs: 96.8 percent have revenue of $1 million or less, 0.8 percent have revenue of more than $1 million, and 2.4 percent have unknown revenue. These demographics indicate the potential for banks to participate in small-farm lending within the assessment area.

Mason County is primarily rural and largely dependent on agriculture and related businesses. The primary non-farm employers are services and the retail trade. The largest employers in the assessment area are services, agriculture, and retail. Many residents work outside of the assessment area, which is located within reasonable commuting distance of four cities with employment opportunities: Lincoln (20 miles east), Peoria (50 miles north), Bloomington (50 miles northeast), and Springfield (32 miles south). According to the Bureau of Labor Statistics (BLS), the AA's unemployment rate is slightly higher than the state and national rates. The following table illustrates the unemployment rates by county, state, and the national average.

Unemployment Rates

	2023 Average	**2024 Average**	**August 2025**
Area	**%**	**%**	**%**
Mason County, Illinois	5.0	4.8	5.0
State of Illinois	4.5	5.0	4.4
National Average	3.6	4.0	4.3

Source: Bureau of Labor Statistics (State and National are seasonally adjusted, and Counties are not seasonally adjusted.)

Competition

This area is a competitive market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2024, 7 financial institutions operated 9 full-service branches within the area. Of these institutions, Alliance Community Bank ranked 6th with a 5.8 percent deposit share. There is also intense competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in this assessment area. The most recent aggregate lending data available reflects 2023 HMDA reportable originations and purchases by 58 lenders. Among these lenders, Alliance ranked 6th, with a 4.5 percent market share by number of loans.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE ILLINOIS NON-MSA

LENDING TEST

Alliance demonstrated reasonable performance in the Mason County, Illinois, Non-MSA AA. Geographic Distribution and Borrower Profile performance primarily support this conclusion.

Borrower Profile

The geographic distribution of loans reflects reasonable dispersion throughout the Illinois Non-MSA AA. Reasonable performance on small farm and home mortgages supports this conclusion. Examiners focused on comparisons with demographic data.

Small Farm Loans

The distribution of borrowers, given the demographics of the assessment area, reflects reasonable penetration across farms of different sizes. As shown in the following table, 82.6 percent of the institution's small farm lending originated to farms with GARs of $1 million or less. Additionally, small farm operators may seek alternative financing, such as home equity lines of credit or credit cards, which limits demand from borrowers in this revenue category.

Distribution of Small Farm Loans by Gross Annual Revenue Category
Illinois Non-MSA

Farm Revenue Level	% of Farms	#	%	$(000s)	%
<=$1,000,000					
2024	96.8	38	82.6	1,995	55.3
>$1,000,000					
2024	0.8	8	17.4	1,612	44.7
Revenue Not Available					
2024	2.4	--	--	--	--
Total					
2024	**100.0**	**46**	**100.0**	**3,607**	**100.0**

Source: 2024 D&B Data; bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Home Mortgage Loans

The distribution of borrowers reflects reasonable penetration among individuals of different income levels. Alliance's lending performance is compared to the HMDA aggregate lending and the percentage of families within each income designation. Alliance's home mortgage lending (2023) to low-income borrowers of 14.3 percent is below the HMDA aggregate performance of 19.0 percent and the percentage of low-income families at 24.4 percent. In 2024, the share of loans to low-income borrowers increased to 20.0 percent, surpassing the aggregate but trailing the share of families by 4.1 percent.

In 2023, lending to moderate-income borrowers was 57.1 percent, which surpassed the aggregate by 29.4 percent and the percentage of families by 40.3 percent. In 2024, Alliance originated 1 loan, which trailed the aggregate by 18.3 percent and the demographic by 6.4 percent.

Examiners noted that 12.1 percent of families in the assessment area have incomes below the poverty level. These families likely lack the capacity to support a mortgage, thereby reducing demand and lending opportunities for low-income borrowers. Lending to moderate-income borrowers was more consistent with the demographic data, supporting a reasonable overall performance.

The following table details the distribution of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level
Illinois Non-MSA

Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	$(000s)	%
Low						
2023	24.4	19.0	1	14.3	65	16.5
2024	24.1	12.1	2	20.0	120	12.9
Moderate						
2023	16.8	27.7	4	57.1	140	35.4
2024	16.4	28.3	1	10.0	65	7.0
Middle						
2023	21.2	17.4	2	28.6	190	48.1
2024	21.1	22.0	6	60.0	500	53.8
Upper						
2023	37.6	20.5	0	0.0	0	0.0
2024	38.4	22.0	1	10.0	245	26.3
Not Available						
2023	0.0	15.4	0	0.0	0	0.0
2024	0.0	15.7	0	0.0	0	0.0
Total						
2023	**100.0**	**100.0**	**7**	**100.0**	**395**	**100.0**
2024	**100.0**	**100.0**	**10**	**100.0**	**930**	**100.0**

Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Geographic Distribution

A review of the Geographic Distribution criteria would not yield meaningful conclusions because there are no low- or moderate-income geographies in the Illinois Non-MSA assessment area. As such, this criterion does not materially affect the lending test.

FAIR LENDING, DISCRIMINATORY, OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The IDFPR Division of Banking provides comments regarding the institution's fair lending policies and procedures pursuant to 205 ILCS 735/35-15. Examiners conducted the fair lending review in accordance with the Federal Financial Institutions Examination Council Interagency Fair Lending Examination Procedures. Based on an application of these procedures, examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, the results did not affect the institution's overall ILCRA rating.

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 bank'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;
4) The geographic distribution of the bank's loans; and
5) The bank's record of acting, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

ASSESSMENT FACTORS
(38 Ill. Admin. Code 345.200)

As used in this Part, "assessment factors" means the assessment of the following factors to determine whether a bank is meeting the financial services needs of local communities:

a) activities to ascertain the financial services needs of the community, including communication with community members regarding the financial services provided;

b) extent of marketing to make members of the community aware of the financial services offered;

c) origination of mortgage loans including, but not limited to, home improvement and rehabilitation loans, and other efforts to assist existing low-income and moderate-income residents to be able to remain in affordable housing in their neighborhoods;

d) for small business lenders, the origination of loans to businesses with gross annual revenues of $1,000,000.00 or less, particularly those in low-income and moderate-income neighborhoods;

e) participation, including investments, in community development and redevelopment programs, small business technical assistance programs, minority-owned depository institutions, community development financial institutions, and mutually owned financial institutions;

f) efforts working with delinquent customers to facilitate a resolution of the delinquency;

g) origination of loans that show an under concentration and a systemic pattern of lending resulting in the loss of affordable housing units;

h) evidence of discriminatory and prohibited practices; and

i) offering retail banking services to unbanked and underbanked persons.

GLOSSARY

Affiliate: This means any company that controls, is controlled by, or is under common control with another company. The term "control" has the meaning given to that term in 12 U.S.C. 1841(a)(2), and a company is under common control with another company if both companies are directly or indirectly controlled by the same company.

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.

Alternative financial products or services: This means financial products or services offered by persons other than an insured depository institution at a higher cost than comparable services offered by an insured depository institution**.**

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: This means the median family income for the Metropolitan Statistical Area (MSA), if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: This means a geographic area delineated in accordance with 38 Ill. Admin. Code 345.400.

Bank: This means a bank that has a charter issued under the Illinois Banking Act [205 ILCS 5], a savings bank that has a charter issued under the Savings Bank Act [205 ILCS 205], and an FDIC-insured banking office of a foreign banking corporation issued a certificate of authority under the Foreign Banking Office Act [205 ILCS 645].

Branch: This means a staffed banking facility defined as a branch under Section 2 of the Illinois Banking Act [205 ILCS 5/2] or Section 1007.20 of the Illinois Savings Bank Act [205 ILCS 205/1007.20], and a branch of a banking office of a foreign banking corporation issued a certificate of authority under the Foreign Banking Office Act [205 ILCS 645], whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

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.

Community Development: This includes: affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; activities that revitalize or stabilize low-or moderate-income geographies, designated disaster areas, distressed or underserved nonmetropolitan middle-income geographies designated by the Board of Governors of the Federal Reserve System, FDIC, and Office of the Comptroller of the Currency based on rates of poverty, unemployment, and population loss or based on population size, density, and dispersion. Activities that revitalize and stabilize geographies are designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals; or unbanked or underbanked geographies; and activities targeted to directly and tangibly increase climate resilience in low-income to moderate-income neighborhoods or mitigate environmental harm in LMI neighborhoods.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

(1) Has as its primary purpose community development; and

(2) Except in the case of a wholesale or limited-purpose bank:

(i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan unless the loan is for a multifamily dwelling (as defined in 12 CFR 1003.2(n)); and

(ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

Community Development Service: A service that:

(1) Has as its primary purpose community development;

(2) Is related to the provision of financial services; and

(3) Has not been considered in the evaluation of the bank's retail banking services under 38 Ill. Admin. Code 345.240(d).

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 loan, which is a consumer loan extended for the purchase of and secured by a motor vehicle; credit card loan, which is a line of credit for household, family, or other personal expenditures that is accessed by a borrower's use of a "credit card," as this term is defined in 12 CFR 1026.2; other secured consumer loan, which is a secured consumer loan that is not included in one of the other categories of consumer loans; and other unsecured consumer loan, which is an unsecured consumer loan that is not included in one of the other categories of 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.

Department: This means the Illinois Department of Financial and Professional Regulation.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

(1) An unemployment rate of at least 1.5 times the national average;

(2) A poverty rate of 20 percent or more; or

(3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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).

FDIC: This means the Federal Deposit Insurance Corporation.

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 income of applicants, the amount of loan requested, and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loan: This means a closed-end mortgage loan or an open-end line of credit as these terms are defined under Section 1003.2 and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (10) and (13).

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.

Income level includes:

> **Low-income**: This means an 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.
>
> **Moderate-income:** This means an 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.

Middle-income: This means an 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.

Upper-income: This means an 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.

Limited purpose bank: This means a bank that offers only a narrow product line (such as credit card or motor vehicle loans) to a regional or broader market and for which a designation as a limited purpose bank is in effect, in accordance with 38 Ill. Admin. Code 345.250(b).

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).

Loan Location: This means a loan is located as follows:

A consumer loan is located in the geography where the borrower resides;

A home mortgage loan is located in the geography where the property to which the loan relates is located; and

A small business or small farm loan is located in the geography where the main business facility or farm is located or where the loan proceeds otherwise will be applied, as indicated by the borrower.

Loan production office: This means a staffed facility of a bank, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

Low-Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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 the other having incomes below the median.

Metropolitan Division (MD): This means a metropolitan division as defined by the United States Director of the Office of Management and Budget.

Metropolitan Statistical Area (MSA): This means a metropolitan statistical area as defined by the United States Director of the Office of Management and Budget.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** This means any area that is not located in an MSA.

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.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Remote Service Facility (RSF): This means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank, such as an automated teller machine, cash dispensing machine, point-of-sale terminal, or other remote electronic facility, at which deposits are received, cash dispersed, or money lent.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Bank: This means a bank that is a small bank under federal administrative rules established by the bank's primary federal financial supervisory agency pursuant to the federal Community Reinvestment Act and an intermediate small bank means a bank that is an intermediate small bank under federal administrative rules established by the bank's primary federal financial supervisory agency pursuant to the federal Community Reinvestment Act.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms.

Small business loan: This means a loan included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Federal Financial Institution Examination Council (FFIEC) 031 and 041).

Small farm loan: This means a loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (FFIEC 031 and 041).

Special credit program: This means any credit program offered by a bank to meet special social needs which is in conformity with and explicitly authorized by the Equal Credit Opportunity Act (15 U.S.C. 1691(c)) and Regulation B (12 C.F.R. 1002.8).

Substantial majority: This means a portion of the bank's lending activity so significant by number and dollar volume of loans that the lending test evaluation would not meaningfully reflect its lending performance if consumer loans were excluded.

Unbanked person: This means an individual that does not have a checking or savings account with an insured depository institution.

Underbanked person: This means an individual that has a checking or saving account with an insured depository institution but that used financial products or services from a person other than an insured depository institution in the past 12 months.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle- income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

Very Small Bank: This means a bank that is eligible for the Very Small Bank Examination Procedure set forth in 38 Ill. Admin. Code 345.450(b).

Wholesale bank: This means a bank that is not in the business of extending home mortgage, small business, small farm, or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with 38 Ill. Admin. Code 345.450(b).