PUBLIC DISCLOSURE

March 23, 2026

ILLINOIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Tompkins State Bank
Illinois Institution Identification Number: 10892

117 Main Street
Avon, Illinois 61415

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

THIS PORTION OF THE ILLINOIS COMMUNITY REINVESTMENT ACT (ILCRA) EVALUATION IS CONFIDENTIAL.

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 small business loans in the AA.
- The distribution of borrowers reflects reasonable penetration of loans among farms and businesses of different sizes and individuals of different income levels.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The institution did not receive any ILCRA-related complaints since the previous Federal Deposit Insurance Corporation (FDIC) evaluation on April 6, 2020; therefore, this factor did not affect the Lending Test rating.

Discriminatory or Other Illegal Credit Practices

Examiners did not identify any 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 AA to 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

Tompkins State Bank (TSB) is a $305.2 million state-chartered community bank headquartered in Avon, IL. The bank is a wholly owned subsidiary of Tompkins Bancorp Inc., a one-bank holding company. There are no affiliates. FDIC assigned a "Satisfactory" rating at the previous Community Reinvestment Act (CRA) evaluation dated April 6, 2020, based on Federal Financial Institutions Examination Council (FFIEC) Interagency Small Institution Examination Procedures. There has been no merger or acquisition activity since the prior evaluation.

Operations

TSB has three full-service branches in middle-income census tracts and one full-service branch in an upper-income census tract. The bank has an automated teller machine (ATM) in a middle-income census tract. TSB has not opened or closed any branches since the prior evaluation. The bank offers a range of traditional loan and deposit products to serve its customers. Personal banking products include a variety of checking, savings, money market accounts, as well as safe deposit boxes and wire transfers. The bank's loan product offerings include agricultural, commercial, residential mortgage, and consumer loans. TSB's primary business focus is agricultural and commercial lending.

Ability and Capacity

According to the December 31, 2025, Consolidated Report of Condition and Income (Call Report), TSB reported approximately $305.2 million in total assets, $172.0 million in total loans, $276.1 million in total deposits, and net securities of $107.6 million. Assets have increased by $83.2 million, or 37.5 percent, and total loans have increased by $31 million, or 22.0 percent, since the previous FDIC exam. Agricultural loans remain the largest segment of the loan portfolio, followed by commercial loans. The following table illustrates the loan portfolio composition.

Loan Portfolio Distribution as of 12/31/2025

Loan Category	$(000s)	%
Construction, Land Development, and Other Land Loans	5,321	3.1%
Secured by Farmland	41,084	23.9%
Secured by 1-4 Family Residential Properties	20,307	11.8%
Secured by Multi-family (5 or more) Residential Properties	4,556	2.6%
Secured by Nonfarm Nonresidential Properties	23, 483	13.7%
Total Real Estate Loans	94,751	55.1%
Commercial and Industrial Loans	30,682	17.8%
Agricultural Production and Other Loans to Farms	42,240	24.6%
Consumer Loans	3,244	1.9%
Obligations of States and Political Subdivisions in the U.S.	945	0.5%
Other Loans	86	0.1%
Lease Financing Receivables (net of unearned income)	0	0.0%
Less: Unearned Income	0	0.0%
Total Loans	171,948	100.0%

Source: Reports of Condition and Income

Examiners did not identify any financial, legal, or other impediments that affect the bank'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. TSB designated a single AA, comprising 19 census tracts in the following counties: Knox County (15), Fulton County (1), McDonough County (1), and Warren County (2), within the Illinois Non-Metropolitan Statistical Area (IL Non-MSA). The AA includes contiguous census tracts, conforms to ILCRA regulatory requirements, and does not arbitrarily exclude any low- or moderate-income geography.

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. The AA's census tracts are made up mostly of middle-income tracts (13), followed by two upper-income tracts, three moderate-income tracts, and one N/A tract. The AA has no low-income census tracts. The following table illustrates select demographic characteristics of the AA.

Demographic Information of the Assessment Area

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	19	0.0	15.8	68.4	10.5	5.3
Population by Geography	57,664	0.0	10.7	77.7	7.4	4.1
Housing Units by Geography	27,771	0.0	12.0	76.4	7.5	4.1
Owner-Occupied Units by Geography	16,345	0.0	8.6	81.4	9.6	0.4
Occupied Rental Units by Geography	7,406	0.0	16.6	68.7	3.3	11.5
Vacant Units by Geography	4,020	0.0	17.7	70.2	6.5	5.5
Businesses by Geography	3,883	0.0	9.9	70.4	7.9	11.8
Farms by Geography	423	0.0	2.8	72.3	24.3	0.5
Family Distribution by Income Level	13,522	19.8	19.4	22.4	38.4	0.0
Household Distribution by Income Level	23,751	29.9	17.4	17.6	35.1	0.0

Demographic Characteristics	Low % of #	MSA Characteristics	Value
Median Family Income MSA - 16984 Chicago-Naperville-Schaumburg, IL	$67,835	Median Housing Value	$91,975
		Median Gross Rent	$628
		Families Below Poverty Level	9.6

Source: 2020 ACS, 2025 D&B Data, and FFIEC Estimated Median Family Income; (*) The NA category consists of geographies that have not been assigned an income classification.

Examiners used the 2025 FFIEC Median Family Income (MFI) Report, which sets forth the criteria for analyzing the borrower profile categories. The FFIEC MFI data follows.

Median Family Income Ranges

IL NA Median Family Income (99999)

Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2025 ($86,600)	<$43,300	$43,300 to <$69,280	$69,280 to <$103,920	≥$103,920

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 2025 are as follows:

- 97.2 percent report $1.0 million or less,
- 0.9 percent report greater than $1 million, and
- 1.9 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 better context for considering TSB's small farm lending. According to the 2022 AgCensus, of the 3,459 farms in the AA counties, 1,586, or 45.9 percent, had interest expense. This suggests that most farmers in the AA rely on some form of lending.

The Borrower Profile criterion compares the distribution of businesses by gross annual revenue (GAR). The GAR of businesses operating in the AA in 2025 were as follows:

- 80.1 percent report $1.0 million or less,
- 4.1 percent report greater than $1 million, and
- 15.7 percent did not report revenues to D&B

For the first quarter of 2025, the percentages of employment by sector in Knox County, based on the number of employees, are health care and social assistance (23.7 percent), educational services (15.2 percent), retail (13.6 percent), and accommodation and food services (9.0 percent), according to data from the Illinois Department of Employment Security (IDES). According to 2024 D&B data, 90.3 percent of businesses in the AA operate from a single location, and 62.2 percent have four employees or fewer. Data show a limited presence of local establishments; employment is driven mainly by the health care, educational services, and retail services sectors. Some of the largest employers in Knox county are OSF Regional Medical Center, Blick Art Materials, and Walmart. The information only contains employer size groups and not the specific number of employees. Due to the employer size group restriction, the ranking is in no particular order.

This demonstrates that small businesses are an important part of the AA's economy.

According to the article, “U.S. Payrolls Rose 50,000 in December, Less Than Expected; Unemployment falls to 4.4%,” published on January 9, 2026 [1], by CNBC, the U.S. labor market appears “muddy” with economic growth increasing, lower levels of hiring reported from companies, and households reporting employment gains. The report indicated employers nationally added only 50,000 jobs in December and that the national unemployment rate fell from November’s 4.5 percent to 4.4 percent. The article states that overall national payroll gains amounted to 584,000 jobs for 2025, indicating the worst year outside of a recession since 2003. Locally, in 2025, employment in the assessment area and in Illinois converged toward the national rate. The following table presents the most recent unemployment rates for the county, state, and nation, providing context for the bank's operations.

Unemployment Rates

	2023 Average	2024 Average	2025 Average	December 2025
Area	**%**	**%**	**%**	
Fulton County, Illinois	5.2	4.9	4.6	6.0
Knox County, Illinois	5.4	5.3	4.8	5.8
McDonough County, Illinois	4.3	4.4	4.3	5.0
Warren County, Illinois	4.3	4.5	4.2	4.9
State of Illinois	4.5	5.1	4.6	4.6
National Average	3.6	4.0	4.3	4.4

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

Competition

The AA is a competitive market for financial services. According to the most recent 2024 Wolters Kluwer Peer Deposit Market Share Report, 19 financial institutions with 28 offices compete in the AA. TSB ranked first with $258.8 million in deposits, maintaining a 14.3 percent share of the deposit market.

The 2024 Wolters Kluwer Peer Small Business Report was used to gauge demand in the AA for small-business and small-farm loans. In 2024, 49 lenders originated or purchased 986 small business loans, totaling $28.0 million. The top five institutions controlled 65.6 percent of the small-business loan market by number of loans. In 2024, 19 lenders originated or purchased 282 small farm loans, totaling $22.9 million. The top five institutions controlled 79.0 percent of the small-farm loan market share by number of loans.

[1]Cox, Jeff (2026, January 9). U.S. Employers Add Modest 50,000 Jobs in December; Unemployment falls to 4.4%. CNBC. https://www.cnbc.com/2026/01/09/jobs-report-december-2025.html.

Community Contacts

As part of the examination, examiners contact third parties active in the AA to assist in identifying the community's credit needs. The information helps examiners determine whether local financial institutions are responsive to these needs.

Examiners reviewed a recent community contact interview with a local agricultural organization that serves and assists farmers in the community. The interviewee noted that Warren County has had limited economic growth and that agriculture is a major economic driver in the area. The interviewee further noted that the economic factors, such as rising interest rates and declining commodity prices, have made it more difficult for farmers to remain profitable. The interviewee also stated that commercial lending is important for the AA.

Credit Needs and Opportunities

Based on information from community contacts, discussions with management, and demographic data, examiners determined that the credit needs in the AA are agricultural and commercial/small-business lending. Financial literacy for farmers and small business loans are important needs. Additionally, the bank's outreach efforts and community engagement are opportunities to expand financial services to its residents.

SCOPE OF EVALUATION

General Information

The evaluation encompasses the period from the previous FDIC performance evaluation dated April 6, 2020, to the current ILCRA evaluation conducted by the Illinois Department of Financial and Professional Regulation (IDFPR), Division of Banking, dated March 23, 2026. Examiners completed a full scope review of the bank's AA. Examiners used the FFIEC Interagency Small Institution Examination Procedures to evaluate TSB'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 (page 22) were considered in the evaluation of TSB's record of ILCRA performance.

Financial institutions must achieve a satisfactory rating under the Lending Test to obtain an overall satisfactory rating. However, evidence of discrimination and/or a negative evaluation of assessment factors can lower the overall ILCRA rating.

Activities Reviewed

Examiners reviewed TSB's business strategy, loan portfolio composition, and the number and dollar volume of loan originations during the review period and determined the bank's major loan products to be small farm and small business. Home mortgage loans do not represent a significant portion of the loan portfolio. Therefore, this loan product was not reviewed and had no material impact on the conclusions.

Examiners analyzed the institution's small-farm and small-business loans originated from January 1, 2025, through December 31, 2025. The bank originated 247 small-farm loans totaling $30.5 million and 265 small-business loans totaling $29.5 million. Examiners took a statistically significant sample of 55 small-farm loans and 56 small-business loans from the loan universe and assessed the bank's 2025 performance using these samples. Based on the number and dollar volume of each category, small farm loans and small business loans received equal weight.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

TSB demonstrated reasonable performance under the Lending Test. The performance under the Loan-to-Deposit Ratio, AA Concentration, and Borrower Profile supports this performance.

Loan-to-Deposit Ratio

TSB's net LTD ratio is reasonable given the institution's size, capacity, and AA credit needs. TSB maintained an average net LTD ratio of 61.9 percent from March 31, 2020, to December 31, 2025, over 24 quarters. The net LTD ratio decreased during the evaluation period from a high of 78.0 percent as of September 30, 2020, to a low of 53.1 percent as of March 31, 2022. This volatility was caused by large borrowers repaying their loans. TSB's average net LTD ratio is consistent with at least one other similarly-situated institution (SSIs), as shown in the table below. Examiners identified SSIs based on asset size, areas served, and lending emphasis.

Loan-to-Deposit Ratio Comparison

Institution	Total Assets as of 12/31/2025 ($000s)	Average Net LTD Ratio (%)
Tompkins State Bank	**305,175**	**61.9**
Similarly-Situated Institution #1	249,367	73.2
Similarly-Situated Institution #2	234,829	81.8
Similarly-Situated Institution #3	217,954	71.9
Similarly-Situated Institution #4	247,592	64.0

Source: Reports of Condition and Income 3/31/2020 through 12/31/2025

Assessment Area Concentration

The bank made a majority of loans in its AA. This conclusion is reflected, by number and dollar volume, in its small farm and small business loans. The table below summarizes loan concentrations inside and outside of the AA.

Lending Inside and Outside of the Assessment Area (AA)

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
2025	202	81.8	45	18.2	247	24,316	79.7	6,207	20.3	30,523

Small Business

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
2025	211	79.6	54	20.4	265	20,925	70.9	8,608	29.1	29,533
Total	**413**	**80.7**	**99**	**19.3**	**512**	**45,241**	**75.3**	**14,815**	**24.7**	**60,056**

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

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, reasonable penetration among businesses and farms of different gross annual revenues (GAR) sizes. Only lending in the AA was considered in the borrower profile analysis. Based on number and dollar volume of loans, small business loans and small farm loans received equal weight. Examiners focused on performance by number of loans as the number of loans is a better indicator of the number of borrowers served. Performance for both small business loans and small farm loans supports this conclusion.

Small Business Loans

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. Performance is measured against the percentage of businesses with GARs of $1.0 million or less (demographic). The bank’s performance in lending to businesses with GARs of $1.0 million or less is better than the demographic average. In addition, demographic data represents all businesses and does not necessarily indicate if small businesses are seeking traditional bank financing. Much like small farms, small businesses seek credit through other mechanisms, such as credit cards, home equity loans, or financing from non-bank sources, to fund their operations. The following table illustrates the bank’s performance.

Distribution of Small Business Loans by Gross Annual Revenue

Business Revenue Level	% of Businesses	#	%	$(000s)	%
<=$1,000,000					
2025	80.1	48	85.7	2,959	58.4
>$1,000,000					
2025	4.1	8	14.3	2,110	41.6
Revenue Not Available					
2025	15.7	0	0.0	0	0
Total					
2025	**100.0**	**56**	**100.0**	**5,069**	**100.0**

Source: 2025 D&B Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Small Farm Loans

The distribution of small farm loans reflects reasonable penetration among farms of different sizes. The bank's performance is measured against the percentage of farms with GARs of $1.0 million or less (demographic). The bank's performance trailed the demographic. However, the demographic represents all farms, not just those seeking credit. Moreover, demographic data does not necessarily reflect market demand. Many small farms seek credit through other mechanisms, such as credit cards, home equity loans, or financing through non-bank sources to fund their farms. The following table illustrates the bank's performance.

Distribution of Small Farm Loans by Gross Annual Revenue Category

Business Revenue Level	% of Farms	#	%	$(000s)	%
<=$1,000,000					
2025	97.2	48	87.3	5,882	82.6
>$1,000,000					
2025	0.9	7	12.7	1,242	17.4
Revenue Not Available					
2025	1.9	0	0.0	0	0
Total					
2025	**100.0**	**55**	**100.0**	**7,124**	**100.0**

Source: 2025 D&B Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. Examiners concentrated on lending penetration in moderate-income census tracts (as there were no low-income census tracts) and focused on performance by the number of loans as it is a better indicator of the number of borrowers served. Only lending in the AA was considered in the geographic distribution analysis. Based on the number and dollar volume of loans, small business loans were given greater weight.

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. Performance is measured against the percentage of businesses in each census tract by income level throughout the AA. The bank's performance exceeds that of the demographic data for moderate-income tracts in the area. The bank's performance is within the bounds of reasonable performance. The following table illustrates the bank's performance.

Geographic Distribution of Small Business Loans:

Tract Income Level	% of Business	#	%	$ (0000s)	%
Moderate					
2025	9.9	7	12.5	1,057	20.9
Middle					
2025	70.4	40	71.4	3,395	67.0
Upper					
2025	7.9	5	8.9	264	5.2
Not Available					
2025	11.8	4	7.1	353	7.0
Total					
2025	**100.0**	**56**	**100.0**	**5,069**	**100.0**

Source: 2025 D&B Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Small Farm Loans

Moderate-income farm demographics represent a minimal portion of the assessment area's lending opportunities (less than three percent). Given the limited opportunity, low overall and market activity, less weight was given to small farm loans than small business loans. The following table illustrates the bank's small farm geographic distribution performance.

Geographic Distribution of Small Farms Loans:

Tract Income Level	% of Farms	#	%	$ (0000s)	%
Moderate					
2025	2.8	0	0.0	0	0
Middle					
2025	72.3	47	85.5	6,383	89.6
Upper					
2025	24.4	8	14.5	741	10.4
Not Available					
2025	0.5	0	0.0	0	0.0
Total					
2025	**100.0**	**55**	**100.0**	**7,124**	**100.0**

Source: 2025 D&B Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Response to Complaints

The bank did not receive any FDIC CRA- or ILCRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

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 taking action, 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).