PUBLIC DISCLOSURE

March 10, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Heritage Community Bank
Certificate Number: 15282

100 East Locust Street
Union, Missouri 63084

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

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

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

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The bank's satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. The following points summarize the bank's performance.

- The loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and assessment areas' credit needs.

- The bank made a majority of its home mortgage and small business loans in its assessment areas.

- The geographic distribution of home mortgage and small business loans reflects reasonable dispersion throughout the assessment areas.

- The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different revenue sizes.

- The institution did not receive any CRA-related complaints since the previous evaluation performed as of February 25, 2019.

DESCRIPTION OF INSTITUTION

Heritage Community Bank is headquartered in Union, Missouri. The institution is wholly owned by Heritage Management Company, Inc., Marthasville, Missouri. The institution received a Satisfactory rating at its February 25, 2019 FDIC Performance Evaluation, based on the Federal Financial Institution Examination Council (FFIEC) Interagency Small Institution Examination Procedures.

The institution has four full-service locations. The bank operates from its main office in Union, Missouri, and operates three additional branches in Chamois, Marthasville, and Washington, Missouri. In October 2022, management converted the former Union branch to the main office, and the former Chamois main office was converted to a branch. This change did not impact any low-income census tracts; however, this change resulted in the main office being located in a moderate-income census tract. No merger or acquisition activities have occurred since the previous evaluation.

The bank offers traditional loan products including commercial, residential, consumer, and agricultural loans, but it primarily focuses on commercial and home mortgage lending. The institution provides a variety of deposit products including checking, savings, money market deposit accounts, certificates of deposit, health savings accounts, and individual retirement accounts. Alternative banking services include internet and mobile banking. The bank operates an ATM at each location and one off-site location in Union.

As of the December 31, 2024 Reports of Condition and Income (Call Report), the institution reported total assets of $281.8 million, total loans of $254.5 million, and total deposits of $248.9 million. These figures all increased since the previous evaluation where total assets equaled $142.4 million, total loans equaled $125.9 million, and total deposits equaled $116.9 million. As presented in the following table, home mortgage lending represents the largest portion of the loan portfolio at 36.6 percent, followed by commercial lending at 35.3 percent. The breakdown of the loan portfolio is consistent with the distribution at the previous evaluation. Examiners did not identify any financial, legal, or other impediments limiting the institution’s ability to meet the credit needs of the assessment areas during the evaluation period.

Loan Portfolio Distribution as of 12/31/2024		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	37,539	14.7
Secured by Farmland	18,675	7.3
Secured by 1-4 Family Residential Properties	87,677	34.4
Secured by Multifamily (5 or more) Residential Properties	5,575	2.2
Secured by Nonfarm Nonresidential Properties	50,677	19.9
Total Real Estate Loans	**200,143**	**78.5**
Commercial and Industrial Loans	39,131	15.4
Agricultural Production and Other Loans to Farmers	9,314	3.6
Consumer Loans	5,805	2.3
Obligations of State and Political Subdivisions in the U.S.	39	0.0
Other Loans	36	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	**254,468**	**100.0**
Source: Reports of Condition and Income. Due to rounding, totals may not equal 100.0%.		

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Heritage Community Bank established two assessment areas, which include portions of the St. Louis, Missouri-Illinois Metropolitan Statistical Area (MSA), the Jefferson City, Missouri MSA, and the nonmetropolitan portion of Missouri. The St. Louis Assessment Area consists of Franklin, Jefferson, St. Charles, St. Louis, and Warren counties in the St. Louis, Missouri-Illinois MSA, and Montgomery County in the nonmetropolitan portion of Missouri. The Chamois Assessment Area consists of Callaway, Cole, and Osage counties in the Jefferson City, Missouri MSA, and Gasconade County in the nonmetropolitan portion of Missouri. Since the previous CRA evaluation, Jefferson County was added to the St. Louis Assessment Area, and Callaway and Cole counties were added to the Chamois Assessment Area.

SCOPE OF EVALUATION

General Information

The evaluation covers the period from the prior evaluation dated February 25, 2019, to the current evaluation dated March 10, 2025. Examiners used the FFIEC Interagency Small Institution Examination Procedures to evaluate Heritage Community Bank's CRA Performance. Both assessment areas were reviewed using full-scope procedures due to the bank's operations in both areas. The St. Louis Assessment Area received significantly more weight when drawing overall conclusions due to the higher volume of loans and deposits, and more branch locations as noted in the following table. Refer to the Small Bank Performance Criteria section in the Appendices for a summary of the criteria evaluated under the Lending Test.

Breakdown of Loans, Deposits, and Branches by Assessment Area						
Assessment Area	**Gross Loans**		**Deposits**		**Branches**	
	$(000s)	**%**	**$(000s)**	**%**	**#**	**%**
St. Louis	230,695	90.7	201,814	85.7	3	75.0
Chamois	23,589	9.3	33,756	14.3	1	25.0
Total	**254,284**	**100.0**	**235,570**	**100.0**	**4**	**100.0**
Source: Bank Data as of 12/31/2024						

Activities Reviewed

Examiners considered the bank's business strategy, loan portfolio composition, and the number and dollar volume of loans originated during the evaluation period when determining which products to evaluate. As a result, examiners reviewed home mortgage and small business loans to evaluate the bank's CRA performance. Home mortgage and commercial lending remain the primary overall business focus; therefore, examiners gave equal weight to both products when drawing overall conclusions. Examiners did not evaluate agricultural lending as it represents a small portion of the loan portfolio, and is not emphasized in the bank's overall business strategy.

This evaluation considered home mortgage loans reported under the Home Mortgage Disclosure Act (HMDA) in 2022 and 2023, and small business loans originated or purchased in 2024. Management indicated that a review of lending activity from this timeframe would yield a representative analysis of the bank's lending since the prior evaluation. The bank's home mortgage lending performance was consistent in 2022 and 2023; therefore, examiners presented only 2023 HMDA data for the Geographic Distribution and Borrower Profiles analyses, as this is the most recent year that aggregate lending data is available.

For the Lending Test, examiners reviewed the entire universe of loans to evaluate the Assessment Area Concentration criterion. This included 182 home mortgage loans totaling $34.9 million in 2022, 189 home mortgage loans totaling $35.7 million in 2023, and 212 small business loans totaling $30.2 million in 2024. For the Geographic Distribution criterion, examiners reviewed all small business and home mortgage loans inside the assessment areas. For the Borrower Profile criterion, examiners reviewed all home mortgage loans and a sample of small business loans within the assessment areas. The small business loan sample included 56 loans totaling $8.6 million. Examiners used 2020 U.S. Census data and 2023 home mortgage aggregate lending data as a standard of comparison for the bank's home mortgage lending performance, and 2024 D&B data as a comparison for the bank's small business lending performance.

Examiners analyzed lending performance by both number and dollar volume of loans. However, examiners emphasized the performance by the number of loans for the Geographic Distribution and Borrower Profile analyses, as it is generally a better indicator of the number of individuals and businesses served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Heritage Community Bank demonstrated satisfactory performance under the Lending Test. The bank's collective performance under all the evaluated criteria supports this conclusion. Refer to the subsequent sections for details regarding the bank's performance in each assessment area.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and credit needs of the assessment areas. The bank's net loan-to-deposit ratio, calculated from Call Report data, averaged 100.2 percent over the 24 quarters from March 31, 2019, to December 31, 2024. The ratio ranged from a low of 91.7 percent as of December 31, 2021, to a high of 105.4 percent as of September 30, 2023. The bank's average net loan-to-deposit ratio increased from the prior evaluation, when it averaged 99.0 percent.

Additionally, the bank also sold loans on the secondary market since the prior evaluation, which is not included in the data used to calculate the loan-to-deposit ratio. The following table reflects the bank's sizable level of secondary market activity since the prior evaluation.

Secondary Market Activity Since Prior Evaluation		
Year	**Dollar Volume ($000s)**	**Number of Loans**
2019	22,089	116
2020	27,839	131
2021	37,399	158
2022	18,877	79
2023	7,322	31
2024	10,713	43
Source: Bank Data		

As shown in the following table, the institution's average net loan-to-deposit ratio is higher than similarly situated institutions. Examiners identified these institutions based on their asset size, lending focus, branching structure, and geographic location. The similarly situated institutions are listed in the following table.

Loan-to-Deposit Ratio Comparison		
Bank	**Total Assets as of 12/31/2024 ($000s)**	**Average Net Loan-to-Deposit Ratio (%)**
Heritage Community Bank, Union, Missouri	**281,843**	**100.2**
Citizens Bank, New Haven, Missouri	324,017	97.1
Farmers and Merchants Bank of St. Clair, St. Clair, Missouri	342,017	74.3
Bank of Franklin County, Washington, Missouri	424,068	86.8
Source: Reports of Condition and Income 3/31/2019 – 12/31/2024		

Assessment Area Concentration

The institution originated a majority of home mortgage and small business loans within its assessment areas, as illustrated in the following table.

Lending Inside and Outside of the Assessment Area										
	Number of Loans					**Dollar Amount of Loans**				
Loan Category	**Inside**		**Outside**		**Total**	**Inside**		**Outside**		**Total**
	#	**%**	**#**	**%**	**#**	**$ (000s)**	**%**	**$ (000s)**	**%**	**$ (000s)**
Home Mortgage										
2022	146	80.2	36	19.8	182	25,336	72.6	9,552	27.4	34,888
2023	144	76.2	45	23.8	189	25,939	72.7	9,751	27.3	35,690
Subtotal	**290**	**78.2**	**81**	**21.8**	**371**	**51,275**	**72.7**	**19,303**	**27.3**	**70,578**
Small Business										
2024	198	93.4	14	6.6	212	27,427	90.9	2,768	9.1	30,195
Total	**488**	**83.7**	**95**	**16.3**	**583**	**78,702**	**90.8**	**22,071**	**9.2**	**100,773**
Source: Bank Data. Due to rounding, totals may not equal 100.0%.										

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion. While the performance in the Chamois Assessment Area was poor, the bank's performance in the St. Louis Assessment Area was reasonable, which received the most weight. Examiners focused on the percentage of home mortgage and small business loans made in low- and moderate-income census tracts within the assessment areas. Refer to comments under each separately analyzed assessment area for additional information.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different revenue sizes. This conclusion is consistent with the bank's performance in both assessment areas. Examiners focused on the percentage of home mortgage loans to low- and moderate-income individuals, and the percentage of small business loans to entities with gross annual revenues of $1 million or less. Refer to comments under each separately analyzed assessment area for additional information.

Response to Complaints
The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

ST. LOUIS ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE ST. LOUIS ASSESSMENT AREA

Economic and Demographic Data

According to 2020 U.S. Census data, the assessment area consists of 20 low-income tracts, 78 moderate-income tracts, 156 middle-income tracts, 154 upper-income tracts, and 3 tracts without an income designation. The following table illustrates select demographic characteristics of the assessment area. The institution's Marthasville, Union, and Washington offices are in this assessment area, which are all located within the St. Louis, Missouri-Illinois MSA.

Demographic Information of the St. Louis Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	411	4.9	19.0	38.0	37.5	0.7
Population by Geography	1,787,662	3.2	17.6	39.6	39.6	0.1
Housing Units by Geography	757,081	4.0	19.6	39.3	37.0	0.1
Owner-Occupied Units by Geography	515,039	2.1	14.9	40.6	42.3	0.1
Occupied Rental Units by Geography	188,320	8.1	28.7	37.2	25.8	0.1
Vacant Units by Geography	53,722	7.7	31.6	34.6	25.7	0.3
Businesses by Geography	346,469	3.5	15.1	32.0	48.9	0.5
Farms by Geography	9,097	3.1	15.8	40.1	40.8	0.2
Family Distribution by Income Level	468,162	17.7	17.7	21.3	43.3	0.0
Household Distribution by Income Level	703,359	19.8	16.1	17.9	46.1	0.0
Median Family Income MSA - 41180 St. Louis, MO-IL MSA		$84,758	Median Housing Value			$215,444
Median Family Income Non-MSAs - MO		$56,957	Median Gross Rent			$994
			Families Below Poverty Level			5.8%

Source: 2020 U.S. Census and 2024 D&B Data
Due to rounding, totals may not equal 100.0%.
(*) The NA category consists of geographies that have not been assigned an income classification.

The 2023 FFIEC-updated median family income ranges are used to analyze home mortgage lending under the Borrower Profile criterion. The income categories for the St. Louis, Missouri-Illinois MSA and the nonmetropolitan portion of Missouri are presented in the following table.

Median Family Income Ranges for the St. Louis Assessment Area				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
St. Louis, MO-IL MSA Median Family Income				
2023 ($100,800)	<$50,400	$50,400 to <$80,640	$80,640 to <$120,960	≥$120,960
Nonmetropolitan Missouri Median Family Income				
2023 ($71,000)	<$35,500	$35,500 to <$56,800	$56,800 to <$85,200	≥$85,200
Source: FFIEC				

Competition

Heritage Community Bank operates in a competitive market for credit products and financial services. According to FDIC Deposit Market Share data as of June 30, 2024, there were 74 financial institutions operating 511 offices throughout the assessment area. These institutions range from small community banks to large, national institutions. Of these institutions, Heritage Community Bank ranked 44th with less than 1.0 percent of the deposit market share.

There is a high level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. According to 2023 HMDA aggregate lending data, 504 lenders reported 43,749 home mortgage loans in the assessment area. Heritage Community Bank ranked 68th among these lenders with a market share of less than 1.0 percent.

The bank is not required to collect and report information regarding its small business loans. Therefore, examiners did not compare the bank's small business lending to CRA aggregate lending data. However, aggregate data provides an indicator of loan demand and the level of competition for small business lending in the assessment area. The most recent year of aggregate lending data (2023) shows that 151 lenders reported 43,871 small business loans in the assessment area, indicating a strong level of competition for these types of loans.

Community Contact

Examiners conduct community contact interviews with third parties active in the assessment area to obtain a profile of the local community, identify general credit needs, and assess opportunities for participation by local financial institutions. Examiners reviewed a recent community contact that was conducted with a representative from an organization that promotes economic development in a portion of the St. Louis Assessment Area.

The contact indicated that the small business sector is growing, and there are several requests from start-ups for assistance. However, given the current interest rate environment, loan demand from small businesses has been less in 2023 and early 2024 than it was in years prior. Generally, there is demand for small business and affordable housing loans. In addition, the contact specifically mentioned a need for financial literacy training directed at small businesses. Overall, the contact indicated that local banks are meeting the banking and credit needs of the area.

Credit Needs

Considering information from the bank, the community contact, and demographic and economic data, home mortgage and small business loans represent the primary credit needs in the area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE ST. LOUIS ASSESSMENT AREA

LENDING TEST

Heritage Community Bank demonstrated reasonable performance under the Lending Test in the St. Louis Assessment Area. This conclusion is based on the bank's reasonable Geographic Distribution and Borrower Profile performance.

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion through the assessment area. This conclusion is supported by excellent home mortgage and reasonable small business lending performance.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment area. As shown in the following table, the bank's performance significantly exceeds both aggregate performance and comparable demographic data in the low- and moderate-income census tracts.

Geographic Distribution of Home Mortgage Loans in the St. Louis Assessment Area						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low	2.1	1.8	11	8.1	1,364	5.5
Moderate	14.9	15.5	42	31.1	5,872	23.7
Middle	40.6	41.2	59	43.7	11,151	45.0
Upper	42.3	41.4	23	17.0	6,399	25.8
Not Available	0.1	0.0	0	0.0	0	0.0
Total	**100.0**	**100.0**	**135**	**100.0**	**24,786**	**100.0**
Source: 2020 U.S. Census, Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.						

Small Business Loans

The geographic distribution of small business loans reflects reasonable performance. As shown in the following table, small business lending in low- and moderate-income census tracts lags comparable demographic data. However, examiners considered various performance context factors when evaluating the institution's performance. First, the community contact indicated that while the small business sector is growing, loan demand from small businesses has fallen in recent years due to the current interest rate environment. Additionally, management indicated the institution struggles to reach the larger areas of moderate-income census tracts in the assessment area due to distance from the branches and banking competition in those areas. Although the institution's small business performance is not compared to aggregate lending data, this information provides useful indicators of loan demand and competition in the area. As previously mentioned, aggregate small business lending data reflects a highly competitive environment for small business loans. According to 2023 aggregate lending data, which is the most recent data available, 12.9 percent of small business loans were made to businesses in moderate-income geographies. Finally, while no loans were made to small businesses in low-income census tracts, there is a relatively low number of businesses operating in these areas. Considering these factors, the institution's performance is reasonable.

Geographic Distribution of Small Business Loans in the St. Louis Assessment Area					
Tract Income Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
Low	3.5	0	0.0	0	0.0
Moderate	15.1	10	6.2	1,568	6.7
Middle	32.0	123	76.4	17,732	75.2
Upper	48.9	28	17.4	4,268	18.1
Not Available	0.5	0	0.0	0	0.0
Totals	**100.0**	**161**	**100.0**	**23,568**	**100.0**
Source: 2024 D&B Data, 2024 Bank Data. Due to rounding, totals may not equal 100.0%.					

Borrower Profile

Overall, the distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different revenue sizes in the assessment area. Although the small business lending performance was poor, the bank's reasonable home mortgage lending performance is the driver this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable distribution. As shown in the following table, home mortgage lending to low-income borrowers exceeds aggregate lending data, while lending to moderate-income borrowers lags both aggregate data and comparable demographic data. In addition, the lending performance reflected in the following table is somewhat skewed due to the high percentage of investor home mortgage loans that were reported in the Not Available income category. When considering this factor, the bank's performance is reasonable.

Distribution of Home Mortgage Loans by Borrower Income Level in the St. Louis Assessment Area						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low	17.7	9.2	21	15.6	2,904	11.7
Moderate	17.7	20.1	7	5.2	1,473	5.9
Middle	21.3	20.1	14	10.4	2,053	8.3
Upper	43.3	32.8	18	13.3	4,722	19.1
Not Available	0.0	17.8	75	55.6	13,635	55.0
Total	**100.0**	**100.0**	**135**	**100.0**	**24,786**	**100.0**
Source: 2020 U.S. Census, Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.						

Small Business Loans

The distribution of small business loans reflects poor penetration among businesses of different revenue sizes in the St. Louis Assessment Area. As indicated in the following table, the percentage of small business loans made to businesses with revenues of $1 million or less trails comparable demographic data by 15.4 percent.

Distribution of Small Business Loans by Gross Annual Revenue Category in the St. Louis Assessment Area					
Gross Revenue Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000	92.9	31	77.5	3,010	50.8
>$1,000,000	2.2	9	22.5	2,920	49.2
Total	**100.0**	**40**	**100.0**	**5,930**	**100.0**
Source: 2024 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%.					

CHAMOIS ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE CHAMOIS ASSESSMENT AREA

Economic and Demographic Data

According to 2020 U.S. Census data, the assessment area consists of 4 moderate-, 25 middle-, and 9 upper-income census tracts. The following table illustrates select demographic characteristics of the assessment area. The institution's Chamois office is in this assessment area, which is located in the Jefferson City, Missouri MSA.

Demographic Information of the Chamois Assessment Area					
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**
Geographies (Census Tracts)	38	0.0	10.5	65.8	23.7
Population by Geography	149,630	0.0	10.2	65.1	24.7
Housing Units by Geography	67,292	0.0	10.2	67.6	22.2
Owner-Occupied Units by Geography	41,726	0.0	5.3	69.4	25.3
Occupied Rental Units by Geography	16,225	0.0	19.7	66.8	13.5
Vacant Units by Geography	9,341	0.0	15.8	61.0	23.2
Businesses by Geography	24,827	0.0	28.1	51.1	20.7
Farms by Geography	1,472	0.0	11.9	60.6	27.5
Family Distribution by Income Level	37,746	16.2	19.1	23.8	41.0
Household Distribution by Income Level	57,951	20.9	16.6	20.9	41.6
Median Family Income MSA - 27620 Jefferson City, MO MSA		$75,505	Median Housing Value		$158,155
Median Family Income Non-MSAs - MO		$56,957	Median Gross Rent		$679
			Families Below Poverty Level		7.3%
Source: 2020 U.S. Census and 2024 D&B Data *Due to rounding, totals may not equal 100.0%.*					

The 2023 FFIEC-updated median family income ranges are used to analyze home mortgage lending under the Borrower Profile criterion. The income categories for the Jefferson City MSA and the nonmetropolitan portion of Missouri are presented in the following table.

Median Family Income Ranges in the Chamois Assessment Area				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Jefferson City, MO MSA Median Family Income				
2023 ($88,800)	<$44,400	$44,400 to <$71,040	$71,040 to <$106,560	≥$106,560
Nonmetropolitan Missouri Median Family Income				
2023 ($71,000)	<$35,500	$35,500 to <$56,800	$56,800 to <$85,200	≥$85,200
Source: FFIEC				

Competition

The Chamois Assessment Area is a relatively competitive market for credit products and financial services. According to FDIC Deposit Market Share data as of June 30, 2024, there were 19 financial institutions operating 57 offices throughout the assessment area. These institutions range from small community banks to large, regional institutions. Of these institutions, Heritage Community Bank ranked 18th with less than 1.0 percent of the deposit market share.

There is a relatively high level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. According to 2023 HMDA aggregate data, 193 lenders reported 3,354 home mortgage loans in the assessment area. Heritage Community Bank ranked 46th among these lenders with a market share of less than 1.0 percent.

The bank is not required to collect and report information regarding its small business loans, as a result, examiners did not directly compare the bank's lending performance to CRA aggregate lending data. However, this aggregate data provides an indicator of loan demand and competition for small business lending in the assessment area. The most recent year of aggregate lending data (2023) shows that 59 lenders reported 2,468 small business loans in the assessment area, indicating moderate demand for these loans.

Credit Needs

Considering information from bank management, the community contact, and demographic and economic data, home mortgage and small business loans represent the primary credit needs in the assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE CHAMOIS ASSESSMENT AREA

LENDING TEST

Heritage Community Bank demonstrated reasonable performance under the Lending Test in the Chamois Assessment Area. The bank's reasonable performance under Borrower Profile criterion supports this conclusion.

Geographic Distribution

The geographic distribution of loans reflects poor dispersion through the assessment area. The bank's poor home mortgage and small business lending performance supports this conclusion. Examiners focused on the percentage of lending in the moderate-income census tracts as the assessment area does not include any low-income census tracts.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects poor dispersion throughout the assessment area. As shown in the following table, the bank's performance lags both aggregate lending data and comparable demographic data in the moderate-income census tracts. The Missouri River is located between the Chamois branch and the moderate-income census tracts in Callaway County, and the only two bridges across the Missouri River are some distance away in Jefferson City (Cole County) and Hermann (Gasconade County). Cole and Callaway counties were added to the Chamois Assessment Area in 2022 to allow the bank to grow in Jefferson City, the surrounding areas in Cole County, and the southwest portion of Callaway County. However, the bank has very little lending in these areas overall, and no loans have been made in the moderate-income census tracts. Considering the totality of the above information, home mortgage lending performance is considered poor.

Geographic Distribution of Home Mortgage Loans in the Chamois Assessment Area						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Moderate	5.3	8.5	0	0.0	0	0.0
Middle	69.4	69.7	6	66.7	574	49.8
Upper	25.3	21.8	3	33.3	579	50.2
Total	**100.0**	**100.0**	**9**	**100.0**	**1,153**	**100.0**
Source: 2020 U.S. Census, 2023 Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.						

Small Business Loans

The geographic distribution of small business loans reflects poor dispersion throughout the assessment area. As shown in the table below, no small business loans were made in the moderate-income census tracts. As noted above, regulatory personnel considered both the proximity of the Missouri River and the ease of access to the moderate-income portions of Callaway County. After considering the overall level of lending in this assessment area and the lack of lending in moderate-income census tracts, small business lending performance is considered poor.

Geographic Distribution of Small Business Loans in the Chamois Assessment Area					
Tract Income Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
Moderate	28.1	0	0.0	0	0.0
Middle	51.1	31	83.8	3,270	84.7
Upper	20.7	6	16.2	589	15.3
Not Available	0.0	0	0.0	0	0.0
Totals	**100.0**	**37**	**100.0**	**3,859**	**100.0**
Source: 2024 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%.					

Borrower Profile

Overall, the distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different revenue sizes in the assessment area. This conclusion is supported by the bank's excellent home mortgage and reasonable small business lending performance.

Home Mortgage Loans

The distribution of loans reflects excellent penetration to low- and moderate-income borrowers. As shown in the following table, the bank's lending to low- and moderate-income borrowers significantly exceeds both aggregate performance and comparable demographic data.

Distribution of Home Mortgage Loans by Borrower Income Level in the Chamois Assessment Area						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low	16.2	9.2	2	22.2	72	6.2
Moderate	19.1	20.1	4	44.4	396	34.3
Middle	23.8	22.8	0	0.0	0	0.0
Upper	41.0	27.2	1	11.1	265	23.0
Not Available	0.0	20.7	2	22.2	420	36.4
Totals	**100.0**	**100.0**	**9**	**100.0**	**1,153**	**100.0**
Source: 2020 U.S. Census, 2023 Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%						

Small Business Loans

The distribution of borrowers reflects reasonable penetration among businesses of different revenue sizes. As reflected in the following table, the institution's lending to businesses with revenues of $1 million or less approximates comparable demographic data in the same revenue category and is considered reasonable.

Distribution of Small Business Loans by Gross Annual Revenue Category in the Chamois Assessment Area					
Gross Revenue Level	**% of Businesses**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000	91.1	15	93.8	2,635	99.9
>$1,000,000	2.5	0	0.0	0	0.0
Revenue Not Available	6.4	1	6.7	3	0.1
Total	**100.0**	**16**	**100.0**	**2,638**	**100.0**
Source: 2024 D&B Data, Bank Data. Due to rounding, totals may not equal 100.0%.					

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 geographic distribution of the bank's loans;
4) The institution'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; 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).

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the institution under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

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

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.
Performance under applicable tests is often analyzed using only quantitative factors (e.g, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

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

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

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

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.
Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

HERITAGE
COMMUNITY BANK

Member FDIC

EQUAL HOUSING LENDER

NOTICE:

ANNUAL DISCLOSURE STATEMENT
DECEMBER 31, 2025

ANY PERSON MAY MAKE A PERSONAL REQUEST FOR AN ANNUAL DISCLOSURE STATEMENT OF HERITAGE COMMUNITY BANK, LOCATED IN CHAMOIS, MARTHASVILLE, PEVELY, UNION AND WASHINGTON, MISSOURI FROM ANY PERSON AT ANY OF THE FIVE BRANCHES.

THIS STATEMENT HAS NOT BEEN REVIEWED OR CONFIRMED FOR ACCURACY OR RELEVANCE BY THE FEDERAL DEPOSIT INSURANCE CORPORATION.

SIGNED

ROBERT D MARQUART
PRESIDENT & CEO
HERITAGE COMMUNITY BANK

A REQUEST MAY BE MADE IN PERSON AT THE FOLLOWING LOCATIONS:

HERITAGE COMMUNITY BANK
PO BOX 248
101 S MAIN STREET
CHAMOIS, MO 65024
573-763-5958

HERITAGE COMMUNITY BANK
PO BOX 307
15967 STATE HIGHWAY 47
MARTHASVILLE, MO 63357
636-433-2000

HERITAGE COMMUNITY BANK
100 E LOCUST STREET
UNION, MO 63084
636-584-8880

HERITAGE COMMUNITY BANK
801 FRANKLIN AVE
WASHINGTON, MO 63090
636-239-1132

HERITAGE COMMUNITY BANK
8601 DANIEL DUNKLIN COMMERCIAL BLVD
PEVELY, MO 63070
636-534-9166

2025 COMMUNITY REINVESTMENT ACT NOTICE

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

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA. You may review today the public section of our most recent CRA Evaluation, prepared by the FDIC; and a list of services provided at this branch. You may also have access to the following additional information, which we will make available to you at this branch within (5) five calendar days after you make a request to us:

(1) a map showing the assessment area containing this branch, which is the area in which the FDIC evaluates our CRA performance in this community;
(2) information about our branches in this assessment area;
(3) a list of services we provide at those locations;
(4) data on our lending performance in this assessment area; and
(5) copies of all written comments received by us that specifically relate to our CRA performance in this assessment area, and any responses we have made to those comments. If we are operating under an approved strategic plan, you may also have access to a copy of the plan.

If you would like to review information about our CRA performance in other communities served by us, the public file for our entire bank is available at Heritage Community Bank, 100 East Locust St., Union, Missouri, 63084.

At least (30) thirty days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Regional Director, FDIC, 1100 Walnut Street Suite 2100, Kansas City, Missouri 64106.

You may send written comments about our performance in helping to meet community credit needs to:

Robert Marquart, CEO
100 E Locust
Union, MO 63084
636-584-8880

Edward Stowe, COO
100 E Locust
Union, MO 63084
636-584-8880

and to the FDIC Regional Director. You may also submit comments electronically through the FDIC's Web site at www.fdic.gov/regulations/cra. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Heritage Management Company, a bank holding company. You may request from the Board of Governors, Federal Reserve Bank of St. Louis, PO Box 442, St. Louis, MO 63166-0442, an announcement of applications covered by the CRA filed by bank holding companies.

2025 COMMUNITY REINVESTMENT ACT NOTICE

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

Your involvement is encouraged.

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

At least (30) thirty days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter.

This list is available from the Regional Director, FDIC, 1100 Walnut Street Suite 2100, Kansas City, Missouri 64106.

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Heritage Community Bank

Branch Openings or Closings

Heritage Community Bank opened a new branch in Pevely, MO.

Located at 8601 Daniel Dunklin Commercial Blvd, Pevely, MO 63070 in October 2025.

Ed Stowe

COO Heritage Community Bank

Heritage Community Bank

Branch Openings or Closings

There were no branch openings or closings during 2024.

Ed Stowe

COO Heritage Community Bank

Heritage Community Bank

Branch Openings or Closings

There were no branch openings or closings during 2023.

Ed Stowe

COO Heritage Community Bank

Heritage Community Bank Branches and Hours

Branch Locations	Lobby Hours		Drive Up Hours
Union Branch 100 E Locust St Union, MO 63084 636-584-8880	Mon - Thu Friday Saturday	8:30am - 4:30pm 8:30am - 6:00pm 8:30am - 12pm	8:00am - 5:00pm 8:00am - 6:00pm 8:00am - 12pm
Marthasville Branch 15967 Hwy 47 Marthasville, MO 63357 636-433-2000	Mon - Thu Friday Saturday	8:30am - 4:00pm 8:30am - 6:00pm 8:30am - 12pm	8:30am - 5:00pm 8:30am - 6:00pm 8:30am - 12pm
Washington Branch 801 Franklin Ave Washington, MO 63090 636-239-1147	Mon - Thu Friday Saturday	8:30am - 4:30pm 8:30am - 6:00pm 8:30am - 12pm	8:30am - 5:00pm 8:30am - 6:00pm 8:30am - 12pm
Chamois Branch 101 S Main St Chamois, MO 65024 573-763-5958	Mon - Thu Friday Saturday	7:30am - 4:00pm 7:30am - 6:00pm 7:30am - 11:30am	No Drive-up Hours
Pevely Branch 8601 Daniel Dunklin Commercial Blvd Pevely, MO 63070 636-534-9166	Mon – Thu Friday Saturday	8:30am - 4:30pm 8:30am - 5:00pm 8:30am - 12pm	8:00am - 5:00pm 8:00am - 5:00pm 8:30am - 12pm

ATM SERVICES OFFERED AT THE FOLLOWING LOCATIONS:

CHAMOIS BRANCH

101 S MAIN ST

CHAMOIS, MO 65024

MARTHASVILLE BRANCH

15967 HWY 47

MARTHASVILLE, MO 63357

PEVELY BRANCH

8601 DANIEL DUNKLIN COMMERCIAL BLVD

PEVELY, MO 63070

UNION BRANCH

100 E LOCUST ST

UNION, MO 63084

WASHINGTON BRANCH

801 FRANKLIN AVE

WASHINGTON, MO 63090

OFF CAMPUS ATM

AMERICAN LEGION

205 N WASHINGTON AVE

UNION, MO 63084

"The bank's HMDA Disclosure Statement may be obtained on the Consumer Financial Protection Bureau's (Bureau's) Web site at www.consumerfinance.gov/hmda."

Heritage Community Bank Products for 2026

Personal Banking

Checking Accounts

Savings Accounts

Certificate of Deposits

Individual Retire Accounts

Health Savings Accounts

Online Services

Zelle

Mobile Banking

Check Reorder

Financial Calculators

Mortgage Applications

Convenience Services

ATM or Debit Cards

Telephone Banking

Night Depository

Banking Cyber Security

Safe Deposit Boxes in two of our branches

Business Accounts

Business Checking

Money Market

Business Savings

Business Services

Merchant Services

Financial Calculators

Mortgage Application

Consumer Loans

New and Used Vehicles

Mortgage Loans

Home Equity Loans

Construction Loans

Refinances

Purchases

Commercial or Agriculture Loans

Equipment and Vehicle Loans

Construction Loans

Refinances

Purchases

Line of Credit

Heritage Community Bank Website

2026 Products

Personal Banking

Checking Accounts

Savings Accounts

Certificate of Deposits

Individual Retirement Accts

Money Market Accounts

Health Savings Accounts

Online Services

Zelle

Mobile Banking

Internet Banking

Check Reorders

Mortgage Applications

Current Rates

Convenience Services

ATM/Debit Cards

Telephone Banking

Night Depository

Safe Deposit Boxes

Cyber Security Banking

Deposit Accounts

Business Checking

Money Market

Business Savings

Current Rates

Business Services

Merchant Services

Financial Calculators

Mortgage Applications

Current Rates

Consumer Loans

New Vehicle Loans

Used Vehicle Loans

Mortgage Loans

Commercial Loans

Commercial Real Estate Loans

Equipment & Construction Loans

Agriculture Loans

Mortgages

Mortgage Application

Mortgage Information

Standard Account

Want to go on that special vacation? Ready to put a down payment for a car or a house? Typically, in order to get the income to purchase the things we want, we will have to save up our money over time. Savings accounts can be an advantageous part of banking for two reasons. For one, saving accounts allow you to have a designated place to keep your saved earnings. Because your savings account isn't connected to items like your debit card, you are less likely to spend this money.

Want to go on that special vacation? Ready to put a down payment for a car or a house? Typically, in order to get the income to purchase the things we want, we will have to save up our money over time. Savings accounts can be an advantageous part of banking for two reasons. For one, saving accounts allow you to have a designated place to keep your saved earnings. Because your savings account isn't connected to items like your debit card, you are less likely to spend this money.

- Savings accounts require no minimum balance to open
- Interest compounds daily and is paid quarterly (Rate based upon balance. See Current Rates for more info)

Transaction limits apply. Demand deposit and savings accounts with no activity by the customer for 365 days will be moved to a dormant status. When dormant accounts have a minimum balance of $200.00 or less, a fee of $5.00 will be charged each statement cycle.

Bright $aver$ Club

This club is for children Birth to 13 years old This savers club is useful for children between the ages of newborn to 13 years old. This account works on a reward system that uses a punch card to manage deposits. This is an excellent way to teach your children the benefits of saving and depositing money into their bank account.

This club is for children Birth to 13 years old.

This savers club is useful for children between the ages of newborn to 13 years old. This account works on a reward system that uses a punch card to manage deposits. This is an excellent way to teach your children the benefits of saving and depositing money into their bank account.

In order to open this account, you need a minimum of $25. Once the initial amount is installed, for every $10 or more deposited, you receive one punch. After 10 punches to your card, your child will receive a prize. In order to receive punches, you must have your punch card with you when you come to the bank. Punches will not be given to previous deposits.

EZ reward account

With this offer, you could receive 4% cash back on the first $250 of debit card purchases per cycle (cap $10). That means you could be making money on necessary purchases each cycle. Heritage Community Bank offers many benefits, but we are most excited by this incredible reward account offer.

When you meet the requirements for an EZ Reward Account with Heritage Community Bank you receive MoneyPass access to ATM networks across the country. Aside from that, you also receive two mobile check deposits at no charge per cycle. This means your first check deposits don't charge you any fees! For those banking on-the-go, EZ accounts come with online banking advantages; check your account balance and receive activity alerts on your smartphone.

Additional benefits:

- No Minimum Balance Requirements
- Fraud Protection Services
- No Services Charges
- No Opening Deposit Required

EZ+ reward account

With the EZ+ account, you can earn 3.25% APY on average monthly balances up to $10,000.00! Any amount above $10,000 and if you do NOT meet the requirements will earn .05% APY back.

Though these two checking accounts are different, both offer MoneyPass access to ATM networks nationwide, fraud protection services, as well as account balance and activity alerts.

Additional Benefits of EZ Reward Accounts:

- No Services Charges
- No Minimum Balance Requirements
- No Opening Deposit Requirements

Requirements:

- Perform one bill payment or ACH payment per cycle to your account
- Perform at least 12 debit card transactions per cycle
- Receive monthly statements electronically (E-statements)

Certificate Of Deposit

- Automatically renewable with a 10 day grace period
- Interest can be compounded, paid by check or transferred to a checking or savings account with Heritage Community Bank
- A penalty may be imposed for any early withdrawals
- $1000.00 minimum deposit to open account
- Interest is compounded daily

Heritage Community Bank offers the following terms

- 3 month
- 6 month
- 9 month
- 12 month
- 18 month
- 20 month
- 36 month
- 48 month
- 60 month

Demand deposit and savings accounts with no activity by the customer for 365 days will be moved to a dormant status. When dormant accounts have a minimum balance of $200.00 or less, a fee of $5.00 will be charged each statement cycle.



Money Markets

If you want easy access to your money but easier ways to grow your saving, you might want to look to a Money Market account to combine some of the best features of Checking and Savings Accounts.

We find this type of account to be beneficial to customers that want to earn a competitive interest rate and also have the flexibility of a transactional account. They're especially beneficial for large, infrequent expenses such as, emergency funds, budgeting for quarterly tax payments or tuition.

Enjoy the comfort of knowing your funds are protected by FDIC Insurance to the maximum allowed by law. Heritage Community Bank makes it easy to access your money whenever you need to, make withdrawals, write checks, make debit card purchases and even transfer money into your checking account.* Customers also receive their first box of checks for free!

With Heritage Community Bank, only $1,000.00 is needed for the minimum opening balance. There is also a monthly service charge of $10.00 if that balance falls below $1,000.00.

*Limitations on frequency of transfers – During any calendar month, you may not make more than six withdrawals or transfer to another account of yours or to a third party by means of a preauthorized or automatic transfer or telephone order or instruction, or by check, draft, debit card or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the financial institution.

Health Savings Account (HSA)

Saving accounts can be used for much more than saving your income, it can also be used for other services, such as paying healthcare expenses. In order to be eligible for a Health savings Account (HSA) you must have a high deductible health plan. It's easy paying for qualified healthcare expenses, including dental and vision with your HSA.



There is no minimum opening balance, no minimum balance required and no monthly service charge when you have a relationship at Heritage Community Bank. Once you open this account, you have full ACH capabilities and an official debit card to pay for medical expenses.

HSA plans don't have a "use it or lose it" provision. You own the money in the account regardless of whether your health coverage changes or you retire or change employers. With an HSA plan, you can build a tax-advantaged savings for current and future health expenses. If you have a health plan through your employer, you may be able to make pre-tax contributions to your HSA from your paycheck.

Individual Retirement Accounts (IRAs)

Traditional Account

A Traditional IRA is a great way to supplement a personal Retirement plan. It's a smart choice for planning to secure your financial future.

- We offer IRA Savings Accounts and IRA CDs
- No Monthly Service Charge
- Earnings Grow Tax-Deferred
- Annual Contributions May Be Tax-Deductible

Roth Account

A Roth IRA is a powerful combination of retirement savings tax benefits. Persons of any age are eligible, if they meet certain income criteria. This is a great way of providing a valuable strategy for tax-efficient retirement planning.

- We offer Roth IRA Savings Accounts and Roth IRA CDs
- No Monthly Service Charge
- Contributions are not tax-deductible
- Earnings Grow Tax-Free
- No Tax or Penalties on Qualified Withdrawals

Business Accounts

Savings Account

- Savings accounts require no minimum balance to open
- Interest compounds daily and is paid quarterly (Rate based upon balance. See Current Rates for more info)
- Transaction limits apply

Checking Account

- No minimum balance requirement
- Cost of checks may vary depending upon style and quantity ordered
- Monthly statement with images
- ATM/Debit Card
- Remote Merchant Capture

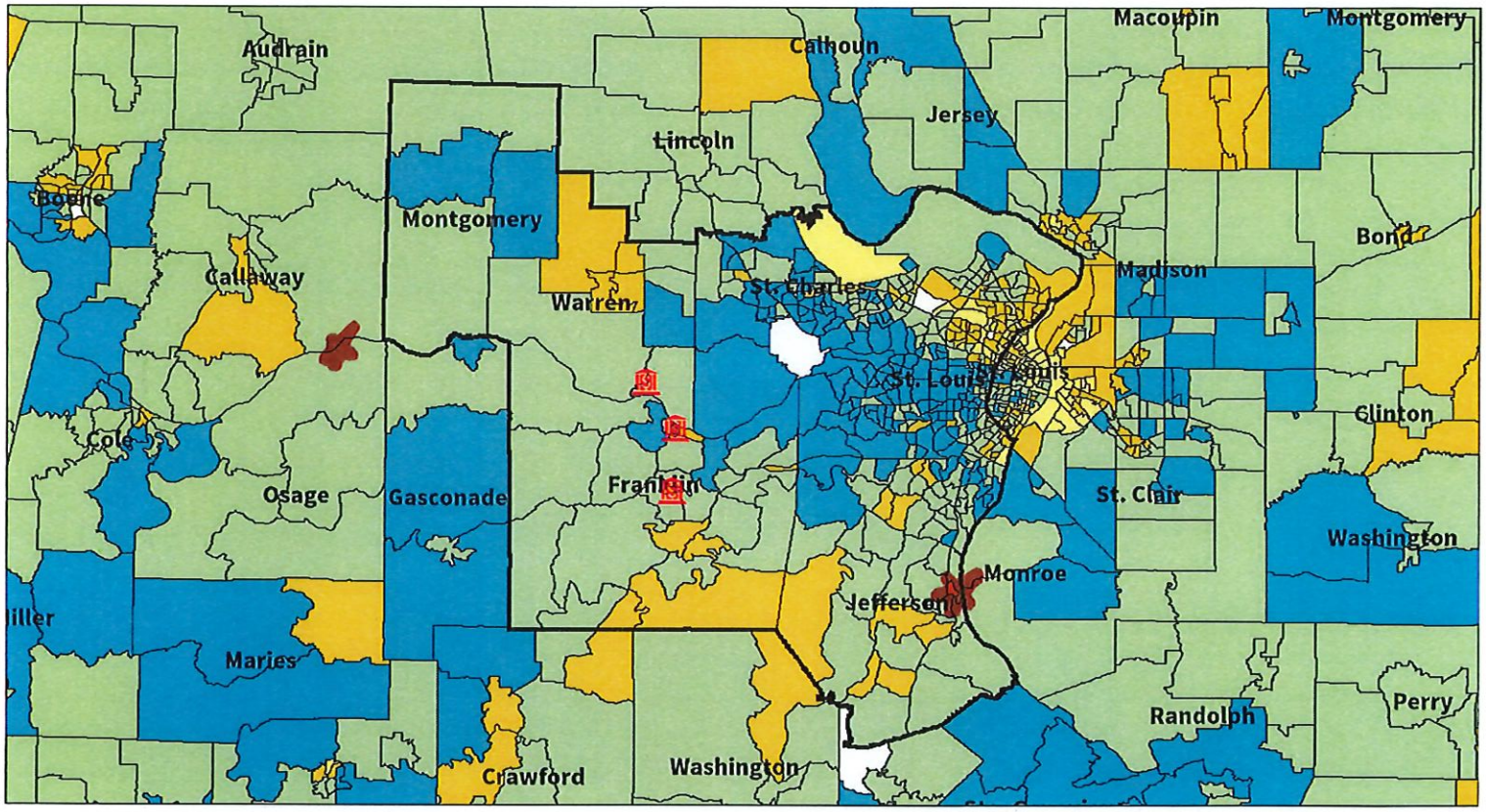
Money Market Account

- $1,000.00 minimum opening balance
- Monthly service charge of $10.00 if daily average balance falls below $1,000.00
- Interest Paid Monthly (Rate based upon balance.. see Current Rates for more info)
- First box of checks free (depending on style) – Restrictions apply
- Monthly Statement with images

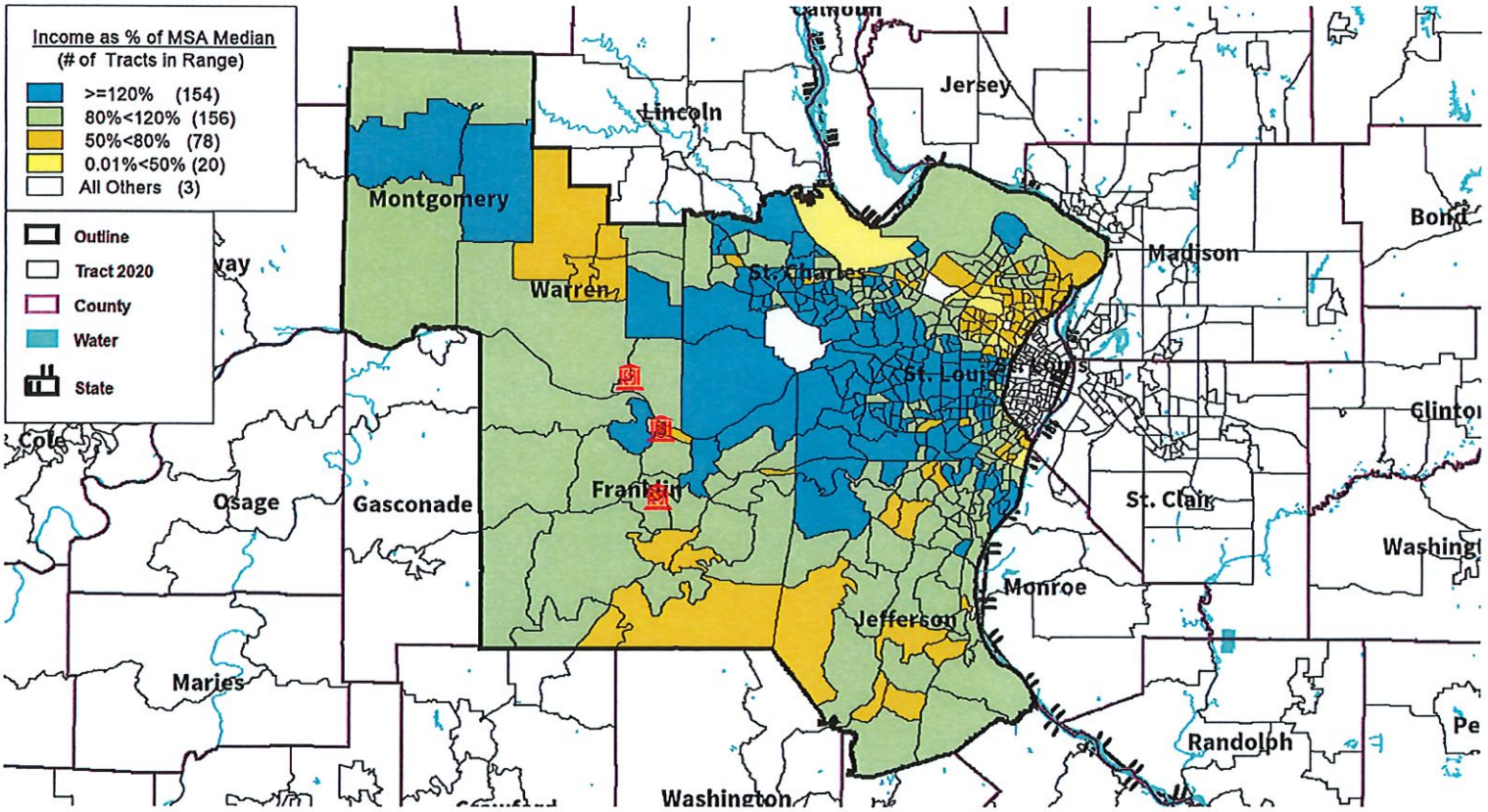
Merchant Services

We're excited to offer our customers remote capture and direct deposit capabilities. With remote capture, you can conveniently deposit checks from the comfort of your business, making it easier than ever to manage your funds. On the other hand, our direct deposit option simplifies the way you receive your payments, ensuring faster and more secure transactions. To learn more about these exciting products and how they can benefit you, please reach out to any of our facilities. We're here to provide you with all the details and help you get started with these time-saving solutions.

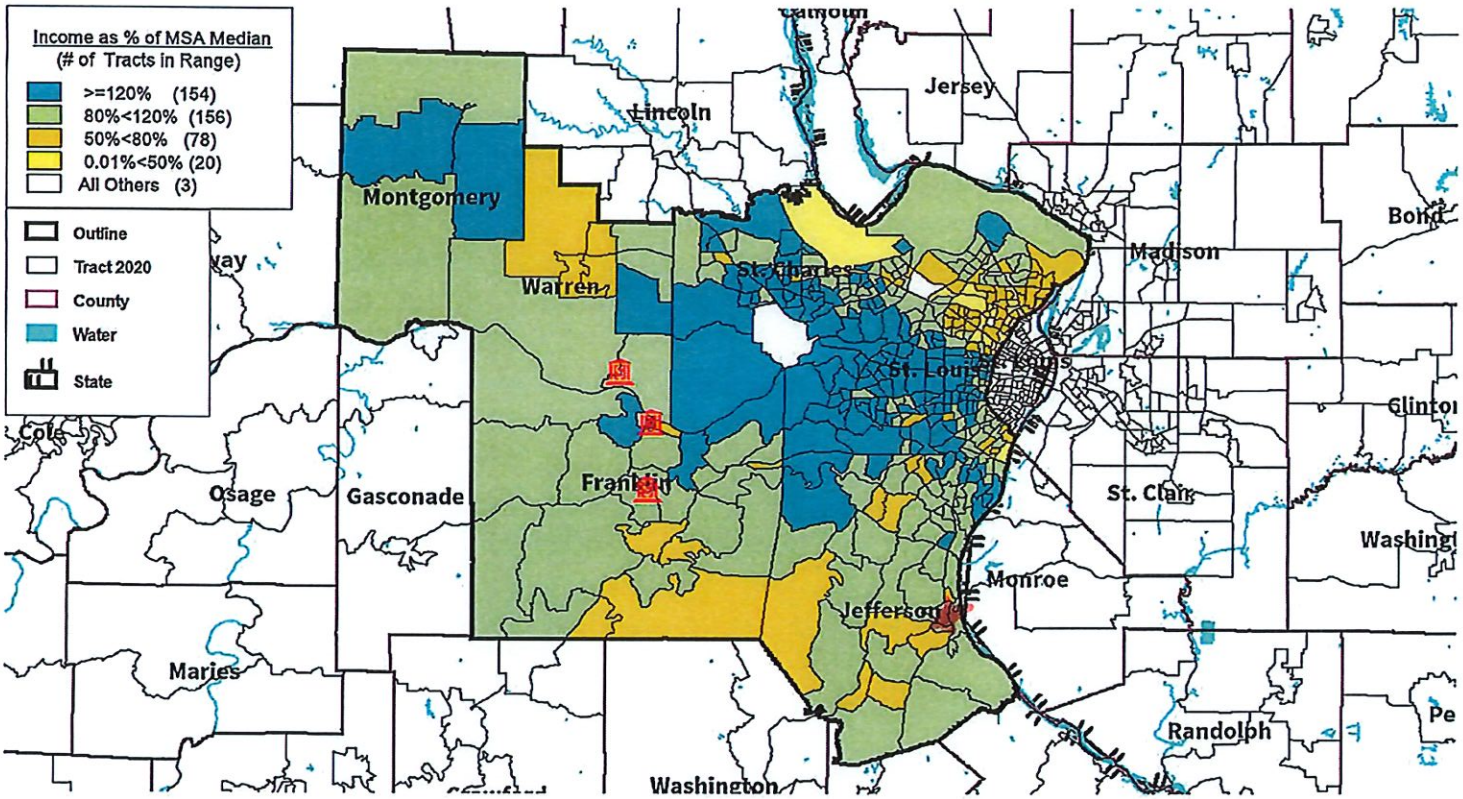
STL Assessment Area w Surrounding Counties MSA Median Family Income Map
2020 U.S. Census Data



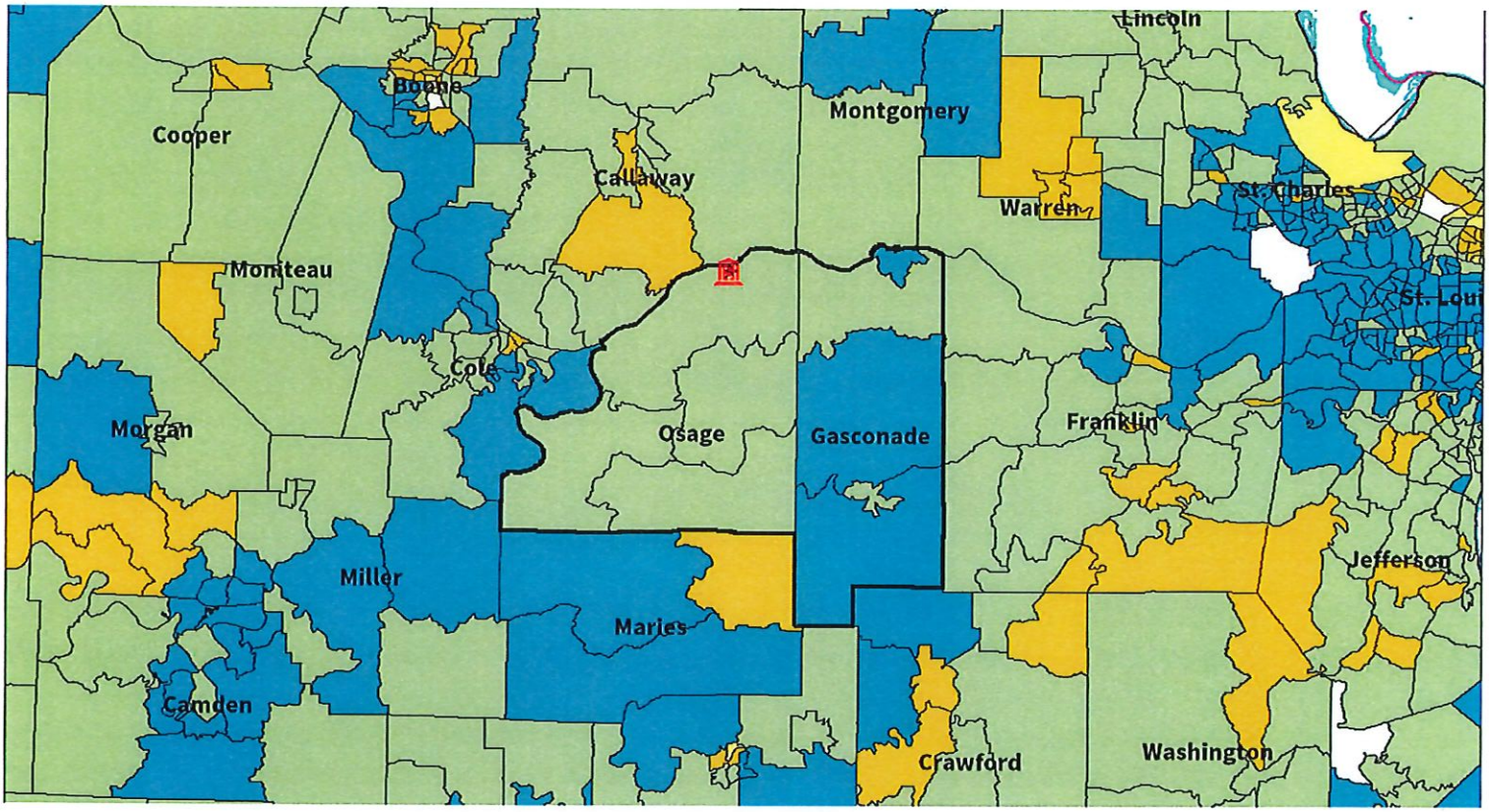
St. Louis Assessment Area MSA Median Family Income Map
2020 U.S. Census Data



St. Louis Assessment Area MSA Median Family Income Map
2020 U.S. Census Data

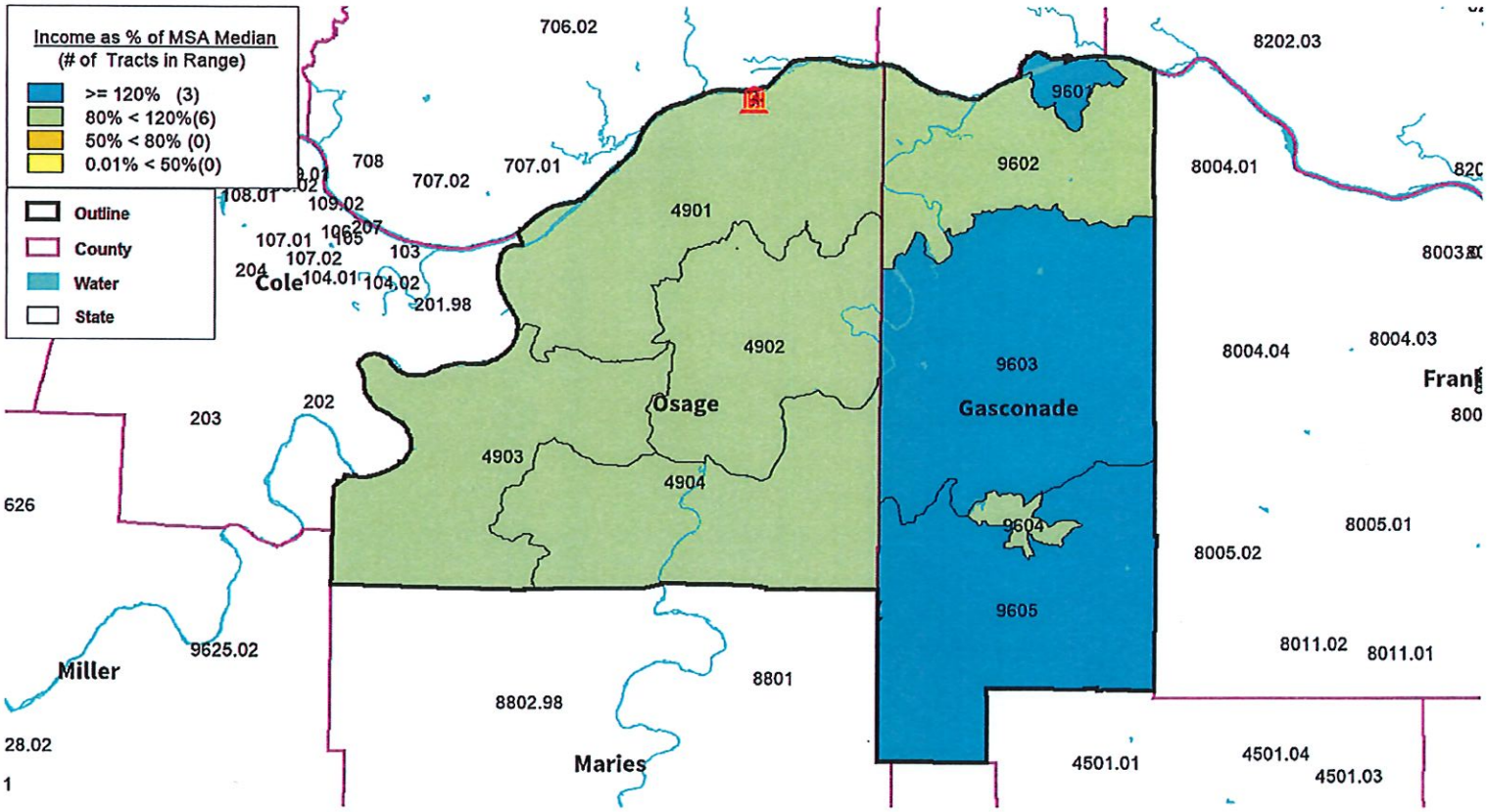


Chamois Assessment Area w Surrounding Counties MSA Median Family Income Map
2020 U.S. Census Data



Heritage Community Bank, Cert # 15282
CRA Evaluation (03/10/2025)

Chamois Assessment Area MSA Median Family Income Map
2020 U.S. Census Data



Heritage Community Bank
Loan to Deposit Ratios at Month End
For 4 Quarters of Previous Year

	March 2026	June 2026	September 2026	December 2026
Loans	$291,168,708	$310,746,010	$317,588,018	
Deposits	$280,622,161	$296,589,701	$310,752,031	
Ratio	103.76%	104.77%	102.20%	

Heritage Community Bank
Loan to Deposit Ratios at Month End
For 4 Quarters of Previous Year

	March 2025	June 2025	September 2025	December 2025
Loans	$259,966,802	$269,179,867	$277,755,047	$292,548,554
Deposits	$255,806,144	$257,011,476	$265,885,610	$266,896,554
Ratio	101.63%	104.73%	104.46%	109.61%

Heritage Community Bank
Loan to Deposit Ratios at Month End
For 4 Quarters of Previous Year

	March 2024	June 2024	September 2024	December 2024
Loans	$235,118,247	$240,722,232	$250,275,351	$254,467,682
Deposits	$224,304,558	$227,542,882	$239,776,597	$248,855,780
Ratio	104.82%	105.79%	104.38%	102.26%

Heritage Community Bank
Loan to Deposit Ratios at Month End
For 4 Quarters of Previous Year

	March 2023	June 2023	September 2023	December 2023
Loans	$204,980,103	$209,620,421	$218,043,133	$226,389,617
Deposits	$197,896,573	$202,469,670	$204,450,125	$215,363,352
Ratio	103.58%	103.53%	106.65%	105.12%