PUBLIC DISCLOSURE

October 20, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First State Bank and Trust Company, Inc.
RSSD #489548

100 West Third Street
Caruthersville, Missouri 63830

Federal Reserve Bank of St. Louis

P.O. Box 442
St. Louis, Missouri 63166-0442

NOTE: **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 the 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'S CRA RATING: This institution is rated SATISFACTORY.

The Lending Test is rated:	**Satisfactory**
The Community Development Test is rated:	**Satisfactory**

First State Bank and Trust Company, Inc. (First State) meets the criteria for a Satisfactory rating based on the evaluation of the bank's lending and community development activities. The factors supporting the institution's rating are as follows:

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.

- A substantial majority of loans and other lending-related activities are in the assessment area.

- The borrower's profile analysis reveals reasonable penetration among businesses of different revenue sizes and individuals of different income levels, including low- and moderate-income (LMI) levels.

- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment area.

- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.

- The bank's overall community development performance demonstrates adequate responsiveness to the community development needs of its assessment area, considering the bank's capacity and the need and availability of such opportunities for community development in its assessment area. The bank has responded to these needs through community development loans, qualified investments, and community development services.

SCOPE OF EXAMINATION

The bank's CRA performance was evaluated using the Federal Financial Institutions Examination Council's (FFIEC's) *Intermediate Small Bank Institution Examination Procedures,* which entail two performance tests: the Lending Test and the Community Development Test. Small business and consumer motor vehicle loans were used to evaluate the bank's lending performance, as these loan categories are considered the bank's core business lines based on 2023 lending volume and the bank's business strategy. Therefore, the loan activity represented by these credit products is deemed indicative of the bank's overall lending performance. However, as the bank has a particular emphasis on commercial lending, performance based on the small business loan category carried the most significance toward the bank's overall performance conclusions. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	March 31, 2022 – September 30, 2025
Assessment Area Concentration	January 1, 2023 – December 31, 2023
Loan Distribution by Borrower's Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	March 14, 2022 – October 19, 2025
Community Development Activities	

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on Home Mortgage Disclosure Act (HMDA) and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on 2020 American Community Survey (ACS) data; certain business demographics are based on 2023 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an assessment area. Aggregate lending datasets are updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating in the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from $499.7 million to $861.6 million as of September 30, 2025.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area:

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date. In addition, investments made prior to the date of the previous CRA evaluation, but still outstanding as of this review date, were also considered.

To augment this evaluation, one community contact interview was conducted with a member of the local community to ascertain specific credit needs, opportunities, and local market conditions within the assessment area. Information from this interview also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from this community contact interview are included in the *Description of Assessment Area* section.

DESCRIPTION OF INSTITUTION

First State is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by First State Bancorp, Inc., a one-bank holding company headquartered in Caruthersville, Missouri, that is 43.0 percent owned by First State Bancorp, Inc. Combined Benefit Retirement Plan, also in Caruthersville, Missouri. The bank's branch network consists of seven offices (including the main office), all of which offer drive-up accessibility and have full-service automated teller machines (ATMs) on site. The bank opened its seventh branch in Matthews, Missouri, in August 2022. Of the seven branches, one is located in a low-income census tract, four are in moderate-income census tracts, one is in a middle-income census tract, and one is in a middle-income census tract that is designated as distressed due to poverty. In addition to the branch ATMs, the bank also operates one stand-alone, cash-dispensing-only ATM in a supermarket in Caruthersville. Based on this branch network and other service delivery systems, such as full-service online banking, the bank is well positioned to deliver financial services to nearly all of its assessment area. However, the bank does not operate any branches in Dunklin County, and 5 of the assessment area's 12 moderate-income census tracts are in this county. Therefore, the bank may have some difficulty in serving the credit needs of the borrowers in these tracts due to geographic constraints.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting assessment area credit needs based on its available resources and financial products. As of September 30, 2025, the bank reported total assets of $629.6 million. As of the same date, loans and leases outstanding were $455.7 million (72.4 percent of total assets), and deposits totaled $547.0 million. The bank's loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of September 30, 2025		
Credit Category	**Amount $ (000s)**	**Percentage of Total Loans**
Farm Loans	$87,554	19.2%
Commercial Real Estate	$83,654	18.4%
Commercial and Industrial	$76,168	16.7%
Farmland	$72,570	15.9%
1–4 Family Residential	$58,561	12.9%
Construction and Development	$57,271	12.6%
Loans to Individuals	$11,131	2.4%
Total Other Loans	$5,920	1.3%
Multifamily Residential	$2,898	0.6%
TOTAL	**$455,727**	**100%**
Note: Percentages may not total 100.0% due to rounding.		

As indicated by the table above, a significant portion of the bank's lending resources is directed to farm loans, commercial real estate, and commercial and industrial loans. While not reflected in the previous table, it is also worth noting that by number of loans originated, loans to individuals (such as consumer motor vehicle loans) represent a significant product offering for the bank. Consumer loans not related to residential real estate are typically made in smaller dollar amounts relative to other credit products. Conversely, farm loans are typically made in larger dollar amounts and did not represent a significant product by number of originations during the review period.

The bank received a Satisfactory rating at its previous CRA evaluation conducted on March 14, 2022, by this Reserve Bank.

DESCRIPTION OF ASSESSMENT AREA

General Demographics

The bank's assessment area, which has a population of 139,686, is located in a nonmetropolitan statistical area (nonMSA) portion of southeastern Missouri and consists of the entirety of six contiguous counties: Dunklin, Mississippi, New Madrid, Pemiscot, Scott, and Stoddard. The assessment area is primarily rural, but there are cities, such as Sikeston, Kennett, and Dexter, where community services, housing, and employment are more concentrated. Of these cities, the largest is Sikeston in the northern portion of the assessment area. Sikeston has a population of 16,231 and is the assessment area's largest business hub.

According to the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2025, there are 21 FDIC-insured depository institutions in the assessment area that operate 70 offices. First State (operating seven, or 10.0 percent of, offices in the assessment area) ranked second in terms of deposit market share, with 12.3 percent of the total assessment area deposit dollars.

Commercial lending products, as well as agricultural loans, represent a credit need in the assessment area; there is also a need for a standard blend of consumer loan products. Other credit needs in the assessment area, as noted primarily by the community contact, include business start-up costs and funding to adapt existing buildings and infrastructure to different purposes. Furthermore, while not widespread, sufficient opportunities for community development involvement are available in more densely populated regions of the assessment area.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown-**	**TOTAL**
Census Tracts	2	12	28	3	0	**45**
	4.4%	26.7%	62.2%	6.7%	0.0%	**100%**
Family Population	1,158	9,419	24,342	3,009	0	**37,928**
	3.1%	24.8%	64.2%	7.9%	0.0%	**100%**

As shown above, 31.1 percent of the census tracts in the assessment area are LMI geographies, but only 27.9 percent of the family population resides in these tracts. These LMI areas are primarily concentrated in the southern counties of the assessment area, particularly Dunklin and Pemiscot. Additionally, in 2023, 14 of the assessment area's 28 middle-income tracts were designated distressed due to poverty.

Based on 2020 ACS data, the median family income for the assessment area was $51,224. At the same time, the median family income for nonMSA Missouri was $56,957. More recently, the FFIEC estimates the 2023 median family income for nonMSA Missouri to be $71,000. The following table displays population percentages of assessment area families by income level compared to the nonMSA Missouri family population as a whole.

Family Population by Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown-**	**TOTAL**
Assessment Area	9,943	6,898	7,138	13,949	0	**37,928**
	26.2%	18.2%	18.8%	36.8%	0.0%	**100%**
NonMSA Missouri	79,356	71,657	82,407	159,994	0	**393,414**
	20.2%	18.2%	21.0%	40.7%	0.0%	**100%**

As shown in the table above, 44.4 percent of families within the assessment area were considered LMI, which is higher than LMI family percentages of 38.4 percent in nonMSA Missouri. Similarly, the percentage of families living below the poverty threshold in the assessment area, 16.6 percent, is also above the 12.1 percent level in nonMSA Missouri. Considering these factors, families in the assessment area appear to be less affluent than those in nonMSA Missouri as a whole.

Housing Demographics

Based on housing values, income levels, and rental costs, housing in the assessment area appears to be slightly more affordable than in nonMSA Missouri overall.

Housing Cost Burden						
Area	**Cost Burden – Renters**			**Cost Burden – Owners**		
	Low-Income	**Moderate-Income**	**All Renters**	**Low-Income**	**Moderate-Income**	**All Owners**
Assessment Area	65.7%	27.4%	37.2%	50.0%	20.9%	13.3%
NonMSA Missouri	65.6%	30.7%	35.2%	54.7%	25.5%	16.3%
Cost burden is housing cost that equals 30 percent or more of household income. *Source: U.S. Department of Housing and Urban Development (HUD), 2017–2021 Comprehensive Housing Affordability Strategy*						

According to the table above, the percentage of cost-burdened low-income renters in the assessment area is similar to the percentage in nonMSA Missouri as a whole. Additionally, a relatively high percentage of low-income renters are cost burdened, which suggests that low-income households in particular in the assessment area might struggle to save for a down payment and, ultimately, purchase a home. Moderate-income renters in the assessment area are slightly less cost burdened.

The table also shows that LMI homeowners in the assessment are less cost burdened than homeowners throughout nonMSA Missouri. This could be explained by the fact that, while the assessment area has a slightly lower median family income than nonMSA Missouri, the median housing value in the assessment area ($91,518) is substantially lower than in nonMSA Missouri overall ($119,721).

Industry and Employment Demographics

The assessment area supports a large and diverse business community, including a strong small business sector, as evidenced by the Dun & Bradstreet data indicating that 88.1 percent of assessment area businesses have gross annual revenues of $1 million or less. Furthermore, according to the U.S. Department of Labor, Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages data, there are 49,357 employees in the assessment area (including 7,119 government employees). By percentage of nongovernment employees, the three largest job categories in the assessment area are manufacturing (13.8 percent), healthcare and social assistance (11.2 percent), and accommodation and food services (6.0 percent). The table below details BLS unemployment data (not seasonally adjusted) for the assessment area and nonMSA Missouri.

Unemployment Levels			
Dataset	Time Period (Annual Average)		
	2022	2023	2024
Assessment Area	3.3%	4.0%	4.9%
NonMSA Missouri	2.9%	3.5%	4.2%

As shown in the table above, unemployment levels for the assessment area, as well as nonMSA Missouri, have shown an increasing trend. Additionally, unemployment levels in the assessment area have remained higher than the levels in nonMSA Missouri overall.

Community Contact Information

Information from one community contact was used to help shape the performance context in which the bank's activities in this assessment area were evaluated. The community contact interview was with an individual specializing in economic development. The contact highlighted the region's population decline over recent decades and the stress that has been placed on regional infrastructure, particularly healthcare and rural utilities. The need to invest in housing to help grow and retain the region's population was further emphasized by the contact.

The assessment area suffered a loss when a national meat processing plant closed in 2023, which led many support facilities to close. While the contact described efforts to transition that infrastructure to support other areas of the farm economy, it was mentioned that entrepreneurs struggled with start-up costs.

Finally, the contact noted the region's strengths—particularly highway, river, and rail access, as well as strong workforce development—stating that many businesses feel they can attract a strong workforce if the pay is adequate.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

LENDING TEST

Loan-to-Deposit (LTD) Ratio

One indication of the bank's overall level of lending activity is its LTD ratio. The table below displays the bank's average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 15-quarter average, dating back to the bank's last CRA evaluation.

LTD Ratio Analysis			
Name	**Headquarters**	**Asset Size $ (000s) as of September 30, 2025**	**Average LTD Ratio**
First State	Caruthersville, Missouri	$629,645	81.1%
Regional Banks	Charleston, Missouri	$861,562	105.6%
	Dexter, Missouri	$680,523	98.5%
	Advance, Missouri	$499,686	87.8%

Based on data from the previous table, the bank's level of lending is slightly below that of other banks in the region. However, the LTD ratio experienced a generally increasing trend during the review period, with a 14-quarter average of 81.1 percent. The average LTD ratios for regional peers were higher and also had a slightly increasing trend. Though lower compared to data from regional banks, the bank's average LTD ratio is reasonable given the bank's size, financial condition, and assessment area credit needs.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank's assessment area.

Lending Inside and Outside the Assessment Area January 1, 2023 through December 31, 2023								
Loan Type	**Inside**				**Outside**			
	#	**# %**	**$ (000s)**	**$ %**	**#**	**# %**	**$ (000s)**	**$ %**
Small Business	70	90.9%	$10,340	77.3%	7	9.1%	$3,038	22.7%
Consumer Motor Vehicle	94	93.1%	$1,843	93.5%	7	6.9%	$128	6.5%
TOTAL LOANS	164	92.1%	$12,183	79.4%	14	7.9%	$3,165	20.6%
Note: Percentages may not total 100.0% due to rounding.								

A substantial majority of loans and other lending-related activities were made in the bank's assessment area. As shown above, 92.1 percent of the total loans were made inside the assessment area, accounting for 79.4 percent of the dollar volume of total loans.

Loan Distribution by Borrower's Profile

Overall, the bank's loan distribution by borrower's profile is reasonable, based on performance from both loan categories reviewed. Small business loans were reviewed to determine the bank's lending levels to businesses of different sizes. The following table shows the distribution of 2023 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size Assessment Area: Southeast Missouri NonMSA								
Business Revenue and Loan Size		2023						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	$ (000s)	$ %	$ %	%
Business Revenue	$1 Million or Less	38	54.3%	62.7%	$6,380	61.7%	48.8%	88.1%
	Over $1 Million/ Unknown	32	45.7%	37.3%	$3,960	38.3%	51.2%	11.9%
	TOTAL	**70**	**100.0%**	**100.0%**	**$10,340**	**100.0%**	**100.0%**	**100.0%**
Loan Size	$100,000 or Less	53	75.7%	90.0%	$1,405	13.6%	35.6%	
	$100,001–$250,000	6	8.6%	6.7%	$1,019	9.9%	25.1%	
	$250,001–$1 Million	11	15.7%	3.2%	$7,916	76.6%	39.3%	
	Over $1 Million	0	0.0%	0.0%	$0	0.0%	0.0%	
	TOTAL	**70**	**100.0%**	**100.0%**	**$10,340**	**100.0%**	**100.0%**	
Loan Size / Revenue $1 Million or Less	$100,000 or Less	27	71.1%		$1,102	17.3%		
	$100,001–$250,000	5	13.2%		$837	13.1%		
	$250,001–$1 Million	6	15.8%		$4,441	69.6%		
	Over $1 Million	0	0.0%		$0	0.0%		
	TOTAL	**38**	**100.0%**		**$6,380**	**100.0%**		

The bank's level of lending to small businesses is reasonable. The bank originated the majority of its small business loans (54.3 percent) to businesses with revenues of $1 million or less. While this is below the percentage of businesses in the assessment area with annual revenues of $1 million or less (88.1 percent), it approaches the aggregate lending level to small businesses (62.7 percent).

Next, borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by the FFIEC ($71,000 for nonMSA Missouri as of 2023). The following table shows the distribution of consumer motor vehicle loans by borrower income level in comparison to household population income demographics for the assessment area.

Borrower Distribution of Consumer Motor Vehicle Loans Assessment Area: Southeast Missouri NonMSA					
Borrower Income Levels	2023				
	Count		Dollar		Households
	#	%	$ (000s)	$ %	%
Low	18	19.1%	$129	7.0%	29.0%
Moderate	25	26.6%	$457	24.8%	16.3%
Middle	24	25.5%	$434	23.5%	17.3%
Upper	27	28.7%	$823	44.7%	37.4%
Unknown	0	0.0%	$0	0.0%	0.0%
TOTAL	**94**	**100.0%**	**$1,843**	**100.0%**	**100.0%**

The bank's lending to low-income borrowers (19.1 percent) approaches the percentage of low-income households in the assessment area (29.0 percent), and performance is considered reasonable. Lending to moderate-income borrowers (26.6 percent) exceeds the demographic figure (16.3 percent) by over ten percentage points, indicating excellent performance. Combined, the bank's performance lending to LMI borrowers (45.7 percent) is almost exactly in line with the demographic figure (45.3 percent) and is considered reasonable.

Geographic Distribution of Loans

As noted previously, the assessment area includes 2 low-income and 12 moderate-income census tracts, representing 31.1 percent of all assessment area census tracts. Overall, the bank's geographic distribution of loans in this assessment area reflects reasonable penetration throughout these LMI census tracts, based on the small business and consumer motor vehicle loan categories. As previously stated, performance in the small business loan category carried the most significance in the overall rating of reasonable for geographic distribution. Furthermore, based on reviews from both loan categories, the bank had loan activity in 71.1 percent of all assessment area census tracts and 64.3 percent of LMI census tracts. Considering the geographic constraints hindering the bank from reaching Dunklin County, it was determined there were no conspicuous lending gaps noted in LMI areas, supporting the conclusion that the bank's overall geographic distribution of loans is reasonable.

The following table displays 2023 small business loan activity by geography income level compared to the location of businesses throughout the bank's assessment area and 2023 small business aggregate data.

Geographic Distribution of Small Business Loans Assessment Area: Southeast Missouri NonMSA							
Census Tract Income Level	**Bank Small Business Loans**		**Aggregate of Peer Data**	**Bank Small Business Loans**		**Aggregate of Peer Data**	**% of Businesses**
	#	**# %**	**%**	**$ (000s)**	**$ %**	**$ %**	
Low	6	8.6%	4.5%	$3,992	38.6%	5.5%	5.1%
Moderate	8	11.4%	20.9%	$609	5.9%	24.5%	27.1%
Middle	49	70.0%	61.2%	$5,258	50.8%	59.6%	57.6%
Upper	7	10.0%	11.9%	$482	4.7%	10.0%	10.2%
Unknown	0	0.0%	1.6%	$0	0.0%	0.4%	0.0%
TOTAL	**70**	**100.0%**	**100.0%**	**$10,341**	**100.0%**	**100.0%**	**100.0%**

Source: 2023 FFIEC Census Data
2023 Dun & Bradstreet Data
2016–2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

The bank's level of lending in low-income census tracts (8.6 percent) exceeds both the 2023 aggregate (4.5 percent) and the percentage of small businesses in low-income census tracts (5.1 percent), representing excellent performance. The bank's percentage of loans in moderate-income census tracts (11.4 percent) is below the aggregate lending percentage in moderate-income census tracts (20.9 percent) and the demographic (27.1 percent), representing poor performance. Therefore, the bank's overall geographic distribution of small business loans is reasonable.

Next, the following table displays the geographic distribution of 2023 consumer motor vehicle loans compared to the percentage of households by geographic income level.

Geographic Distribution of Consumer Motor Vehicle Loans Assessment Area: Southeast Missouri NonMSA					
Census Tract Income Levels	**Bank Loans**				**% of Households**
	#	**# %**	**$ (000s)**	**$ %**	
Low	21	22.3%	$407	22.1%	3.6%
Moderate	22	23.4%	$530	28.8%	25.4%
Middle	47	50.0%	$828	44.9%	63.5%
Upper	4	4.3%	$78	4.2%	7.6%
Unknown	0	0.0%	$0	0.0%	0.0%
TOTAL	**94**	**100.0%**	**$1,843**	**100.0%**	**100.0%**

Source: 2023 FFIEC Census Data
2016–2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

The bank's lending to borrowers in low-income census tracts (22.3 percent) significantly exceeds the percentage of households in low-income census tracts (3.6 percent), indicating excellent performance. The bank's lending to borrowers in moderate-income census tracts (23.4 percent) is similar to the demographic figure (25.4 percent) and is considered reasonable. Combined, the bank's lending in LMI census tracts (45.7 percent) far exceeds the demographic figure (29.0 percent), representing excellent performance making consumer motor vehicle loans to borrowers in LMI census tracts.

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period (March 14, 2022 through October 19, 2025).

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test is rated satisfactory. The bank demonstrates adequate responsiveness to the community development needs of its assessment area, considering the bank's capacity and the need and availability of such opportunities for community development in the assessment area. The following table summarizes the bank's qualified community development activity during the review period, along with qualified prior-period investments that remain outstanding.

Total Community Development Activities Inside the Assessment Area March 14, 2022 – October 20, 2025			
Community Development Component	**#**		**$**
Loans	62		$11.2 million
Investments, Current and Prior	41		$11.3 million
Current Period	13		$6.7 million
Prior Period, Still Outstanding	28		$15.0 million
Donations	197		$101,531.50
Services	21 services	526 hours	18 organizations

During the review period, the bank made 62 qualifying loans in its assessment area totaling approximately $11.2 million. A majority (48) of those loans were qualified as affordable housing, either as affordable mortgages to LMI individuals or as affordable rental properties for LMI individuals.

The bank also made community development investments in its assessment area totaling $11.3 million and donations totaling $101,531. Of the investments, one for $1.7 million was for a hospital in the assessment area, indicating responsiveness to community development needs in the area, as the community contact mentioned that access to healthcare in the region is a growing challenge. The rest of the investments were municipal bonds issued by qualifying school districts or municipalities for the purposes of providing community services or revitalizing and stabilizing LMI areas. Furthermore, the 197 donations were to 81 separate organizations having a community development purpose.

During the review period, bank personnel used financial expertise to log 21 service activities to 18 different community development organizations, totaling 526 service hours within the bank's assessment area. Service activities involved providing financial expertise as board members for a variety of organizations, including area healthcare providers, chambers of commerce, and economic development organizations.

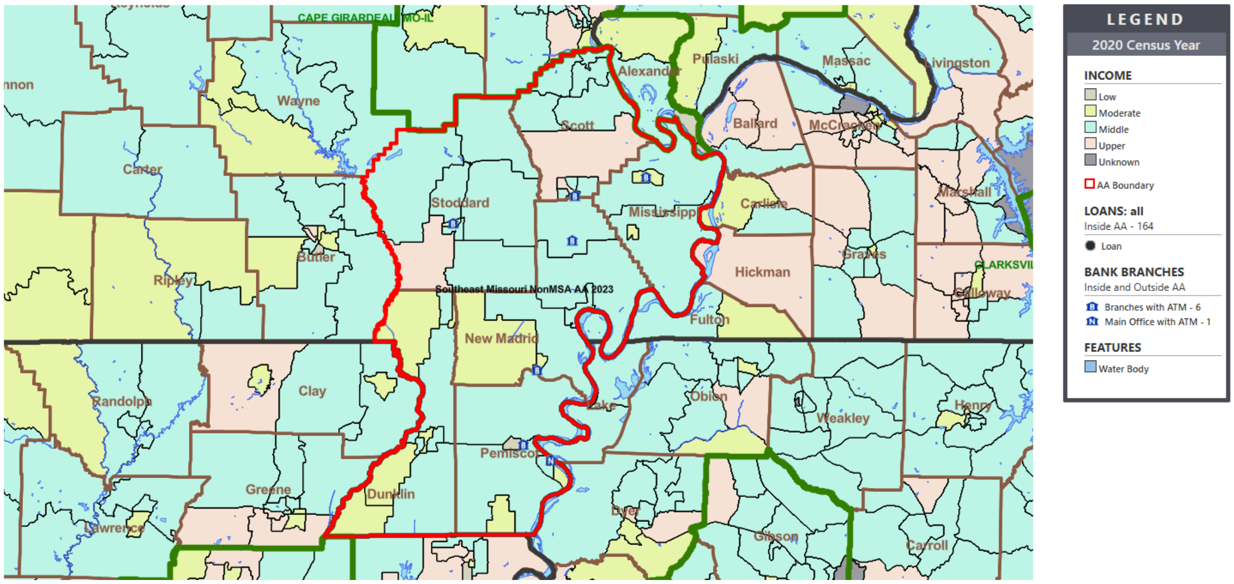
In addition to adequately meeting the community development needs of its assessment area, the bank made seven community development investments to organizations that provide affordable housing to LMI borrowers in Missouri. These investments, totaling $2.7 million, benefit the broader statewide area, as well as the bank's own assessment area.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA

First State Bank & Trust Company, Inc. - Caruthersville, MO 2025
Southeast Missouri NonMSA AA 2023 PE Map



APPENDIX B – 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.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and nonmetropolitan counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely, depending on population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) 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; (4) activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and geographies.

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.

Demographics: The statistical characteristics of human populations (e.g., age, race, sex, and income) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan 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 nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which 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).

Full-scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, 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 who 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 (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, 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 family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

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 percent 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 percent and less than 80 percent in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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

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.

Small businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were $1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of $1 million or less and typically are secured by either nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate 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.

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.