

First National Bank of Sparta CRA Statement & Notice Policy

TO: Sparta Area Residents

First National Bank of Sparta is Sparta's oldest banking company established in 1885, and is Sparta's only LOCALLY OWNED INDEPENDENT BANK. The Management of the bank endeavors to comply with all banking laws and regulations, and to serve the banking needs of the local community. The bank continues its long-standing commitment to community service, to profitable operations, and to serving the banking needs of the local community without discrimination.

We strive to keep informed of the needs for services as they develop, and to keep informed of new products and services developed outside our trade area that may be beneficial to our community. Our ultimate goal is to determine if this bank can offer these services and meet the needs of our community.

First National Bank of Sparta has been and is committed to improving our community, and takes an active leadership role in this regard. We are committed to serving the banking and credit needs of our community.

ASSESSMENT AREA

Our local community, as we define it for purposes of CRA encompasses census tract areas 9505, 9506, and 9507 all located in Randolph County, Illinois. A map indicating Bank's Community is included as Exhibit A.

First National Bank of Sparta provides financial services from its main office located at Broadway and Market, Sparta, Illinois. Daily hours are Monday - Thursday 9:00 a.m. to 3:00 p.m. Extended hours on Friday are 8:30 a.m. to 6:00 p.m. The bank drive-up facilities open at 8:00 a.m. and close at 4:30 p.m. Monday - Thursday with hours extended to 6:00 p.m. on Friday. The bank lobby is also open 9:00 a.m. to 12:00 noon on Saturdays with the drive-up facilities extended hours of 8:00 a.m. to 12:00 noon.

We also furnish an ATM at the bank and a one at 1300 North Market St., Sparta IL 62286 for our customers 24 hour convenience.

BANKING SERVICES AVAILABLE TO THE ENTIRE COMMUNITY

First National Bank of Sparta has long been a leader in introducing banking services to our local community. In expanding our services, we attempt to meet the needs of our community including low and moderate income customers and small businesses.

Within the bounds of prudent lending practices and safe and sound banking operations, First National Bank of Sparta will be as flexible as possible to accommodate our community's credit needs.

First National Bank of Sparta offers individuals and businesses a wide range of credit services including:

INSTALLMENT AND REVOLVING CREDIT PROGRAMS

- Home Improvement and Remodeling loans
- Home Equity loans
- Credit Card Accounts
- Auto/Truck/Boat/RV loans

COMMERCIAL LOAN PROGRAMS

- Inventory loans
- Agricultural loans
- Livestock loans
- Letters of Credit
- Working Capital loans
- Equipment loans
- Construction and Permanent Financing
- Property Improvement

HOUSING

- Residential Real Estate loans

- Construction loans
- Rental Property loans

First National Bank of Sparta has participated with FMHA under their Guaranteed Loan Program, and with the Illinois Farm Development Authority to finance agricultural credit needs in our community.

In recognition of the need for credit to low and moderate income applicants, the bank has not implemented a minimum loan amount or other barriers designed to discourage applicants for small personal credit needs.

COMMUNITY LOAN PROGRAM

First National Bank of Sparta offers and encourages loan requests from community organizations, county, and local governmental entities. We offer to individually structure credit programs to meet their needs. We see this as an ongoing commitment to our community, and a direct way to serve the needs of our community's citizens.

DEPOSTI SERVICES

First National Bank of Sparta offers a number of Demand Savings and Time Deposits Accounts, and related services including:

- **Checking Accounts** – include Basic Blue, Blue, Family Blue, Senior Checking, Interest-Bearing Super NOW, and Money Market Accounts. Senior Account offer discounts and other services.
- **Savings Accounts** –regular statement Savings Account, Christmas Club, and College Club Accounts.
- **Time Deposits** – We offer Certificates of Deposit AND I.R.A's with a variety of maturities and interest rates. Regulations require an interest penalty for Time Deposits withdrawn prior to maturity.
- **ATM Cards** – First National Bank of Sparta offers Debit Cards to give checking and savings account customer 24 access to their accounts.
- **Telephone, Internet and Mobile Banking** – First National Bank of Sparta offers both electronic forms of banking to give our customers complete access to their accounts at any time.

OTHER SERVICES OFFERED BY FIRST NATIONAL BANK OF SPARTA

- Notary Services
- Money Orders
- Cashier Checks
- Wire transfer Services
- Safe Deposit Boxes
- Repurchase Agreements
- 24 Hour Night Depository
- ATM Machines
- Telephone Banking
- Online Banking
- Mobile Banking

CRA MANAGEMENT

The Board of Directors recognizes their responsibility to ensure compliance with the Community Re-Investment Act. They have developed a CRA policy and authorized Senior Management to carry out that policy, and have appointed a Compliance Committee to monitor the banks performance.

EFFORTS TO DETERMINE COMMUNITY NEEDS

First National Bank of Sparta values information on the banking and credit needs of all our residents and uses many different means to determine those needs.

Management meets periodically with community members to gather information on needs and concerns.

First National Bank of Sparta also monitors loans made and denied by geographic location. This information is utilized to determine if all areas of our community are being serviced. Our directors, officers, and employees participate in a majority of the religious, community service, professional and civic organizations in our trade area. Participation in these organizations provides the opportunity to discuss first hand, and become involved in community needs.

EFFORTS TO MARKET BANK PRODUCTS

First National Bank of Sparta attempts to inform all residents of our community about bank products and services through newspaper, radio, and direct mail advertising. The bank also provides a wide range of "take-one" brochures on bank services and products. Bank employees also are available to discuss banking and financial services to school and community organizations.

Newspaper advertising is done primarily through the Sparta and the County Journal. These newspapers demographic data indicate they reach over 75% of the households in Randolph County, and provide the basis for public communication in our community.

The bank also advertises regularly over Sparta's local radio station WHCO, the only station operating in our trade area.

OTHER EFFORTS WHICH BENEFIT THE COMMUNITY

First National Bank of Sparta makes numerous contributions to civic, charitable and not-for-profit organizations. The Bank's directors, officers, and employees also contribute a significant number of hours of service to local organizations providing services, educations, and promotions of industry and business in our local community.

PUBLIC AVAILABILITY OF CRA STATEMENTS AND FILES

As indicated in our public notice (Exhibit B), this statement and a public file of all written comments received, together with other information, is made available to any interested party. Our notice is posted in the lobby of First National Bank of Sparta.