

Farmers State Bank

Name of Policy:	Community Reinvestment Act – CRA
Functional Area(s):	Farmers State Bank
Organizational Area:	CRA/Compliance Officer
Last Board Approval:	March 18, 2025
Date of board approval:	March 17, 2026

Farmers State Bank CRA – Community Reinvestment Act Statement

Executive Summary

Annually and additionally, as regulation and or applicable items change, the CRA Statement is reviewed and updated to accommodate those changes.

Changes:

The Community Reinvestment Act Statement comes to the board with only one minor change. The Waterloo ATM, located in DeKalb County, has been removed due to the ATM closing as of 09/24/25 due to low activity.

We, the Board of Directors of Farmers State Bank, have reviewed the Community Reinvestment Act (CRA) and determined that it is in the best interest of the bank, as well as the community it serves, to not only comply with the Act, but to set in motion a positive effort to insure that all the credit needs of the various communities served by Farmers State Bank, including their low and moderate income neighborhoods, are being met.

To this end it is hereby resolved that:

1. The bank will recognize the communities served by all of its offices (LaGrange, Stroh, Topeka, Wolcottville, Howe, Shishewana, Millersburg, Fremont, Orland, Angola, Hamilton, Ashley, and Sturgis, Michigan) as all those falling within:
 - a. All of LaGrange County, Indiana
 - b. All of Steuben County, Indiana
 - c. Within Noble County, Indiana: the geographies 9717, 9720, 9721, & 9722
 - d. Within Elkhart County, Indiana: the geographies of 8.01, 8.03, 8.04, 9.01, & 9.02
 - e. Within St. Joseph County, Michigan: the geographies of: 0405, 0406, 0407, 0408, 0415, & 0416

The geography within which each of our ATM and offices are located and the hour of operation are as follows:

OFFICE	GEOGRAPHY	HOURS Lobby & Drive-up
LaGrange	9702	9:00 to 5:00 Monday through Friday 9:00 to 12:00 (Noon) Saturday Lobby closes at 4:30 Drive-Up Open until 5:00
Howe	9701	9:00 to 5:00 Monday, Tuesday, Thursday, Friday Lobby closes at 4:30 Drive-Up Open until 5:00 Closed Wednesday and Saturday
Stroh	9707	9:00 to 5:00 Monday, Tuesday, Thursday, Friday Lobby closes at 4:30 Drive-Up Open until 5:00 Closed Wednesday and Saturday
Topeka	9704.02	9:00 to 5:00 Monday through Friday 9:00 to 12:00 (Noon) Saturday Lobby closes at 4:30 Drive-Up Open until 5:00
Wolcottville	9706	9:00 to 5:00 Monday, Tuesday, Thursday, Friday Lobby closes at 4:30 Drive-Up Open until 5:00 Closed Wednesday and Saturday
Shishewana	9703.02	9:00 to 5:00 Monday through Friday 9:00 to 12:00 (Noon) Saturday Lobby closes at 4:30 Drive-Up Open until 5:00
Millersburg	009.01	9:00 to 5:00 Monday, Tuesday, Thursday, Friday 9:00 to 12:00 (Noon) Saturday Lobby closes at 4:30 Drive-Up Open until 5:00 Closed Wednesday

Sturgis (MI)	0407	9:00 to 5:00 Monday, Tuesday, Thursday, Friday 9:00 to 12:00 (Noon) Saturday Lobby closes at 4:30 Drive-Up Open until 5:00 Closed Wednesday
Fremont	9708	9:00 to 5:00 Monday, Tuesday, Thursday, Friday 9:00 to 12:00 (Noon) Saturday Lobby closes at 4:30 Drive-Up Open until 5:00 Closed Wednesday
Orland	9710	ATM only
Angola	9713	9:00 to 5:00 Monday through Friday 9:00 to 12:00 (Noon) Saturday Lobby closes at 4:30 Drive-Up Open until 5:00
Hamilton	9716	9:00 to 5:00 Monday, Tuesday, Thursday, Friday Lobby closes at 4:30 Drive-Up Open until 5:00 Closed Wednesday and Saturday
Ashley	9716	ATM only
Angola Trine University	9714	ATM only
LaGrange Operations Center	9702	ATM only

2. Within the communities served by Farmers State Bank, the bank is prepared to extend the following principal types of credit: residential loans for 1 to 4 dwelling units and over, housing rehabilitation loans, home improvement loans, small business loans, commercial loans, and consumer loans.
3. For each community served by Farmers State Bank, a copy of the CRA Notice shall be posted in the lobby of its home office and each of its branch offices. Such notice shall specifically say what is in the following paragraph.

The Federal Community Reinvestment Act requires the FDIC to evaluate our performance in helping to meet the credit needs of this community, and to take this evaluation into account when the FDIC decides on certain applications submitted by us. Your involvement is encouraged.

YOU SHOULD KNOW THAT:

You may obtain our current CRA statement for this community at this office.

You may send signed, written comments about our CRA statement or our performance in helping to meet community credit needs to Susan Allshouse, Compliance Officer, Farmers State Bank, 220 S. Detroit Street, LaGrange, IN 46761, or to the FDIC Deputy Regional Director, Division of Depositor and Consumer Protection, 300 South Riverside Plaza Suite 1700, Chicago, IL 60606. Your letter, together with any response by us, may be made public.

You may look at a file of all signed, written comments received by us within the last two years, any responses we have made to the comments, and all CRA statements in effect during the past two years at our office located at 220 S. Detroit Street, LaGrange, Indiana 46761.

You may ask to look at any comments received by the FDIC's regional office from the FDIC Deputy Regional Director, Division of Depositor and Consumer Protection, 300 South Riverside Plaza Suite 1700, Chicago, IL 60606.

You also may request from the Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C.20429, an announcement of applications covered by the CRA filed with the FDIC.

We are a subsidiary of F.S. Bancorp, a bank holding company. You may request from the Director of Applications, Federal Reserve Bank of Chicago, 230 South LaSalle Street, Chicago, Illinois 60604, and an announcement of applications covered by the CRA filed by bank holding companies.

You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Federal Deposit Insurance Corporation at 220 S. Detroit Street, LaGrange, Indiana 46761.

4. The CRA officer shall maintain files to assist each office to have readily available on request for inspection by any member of the public, containing all signed written comments received from the public within the past two years referring specifically to any CRA statement or to this bank's performance in helping to meet the credit needs of its community or communities. Each office will also include its responses in this file. Any comments reflecting adversely on the good name or reputation of any person or violating specific provisions of law shall be deleted. Also, files for all of our offices shall be maintained with the CRA officer and readily available at the office in that community.
5. The CRA officer is hereby directed to establish communication with local government officials, housing and community development agencies, representatives of business groups and community organizations for the purpose of better determining the extent to which this bank is successful in meeting the credit needs of all the communities we serve, including the low and moderate income neighborhoods thereof.
6. The CRA officer will report to the board, at least annually, on the bank's record of helping to meet the credit needs of the communities we serve.
7. Bank Management will review the bank's general CRA performance according to the following criteria:
 - a. A reasonable loan to deposit ratio given bank size, financial condition, and credit needs of assessment area, adjustment for seasonal variation, and other lending related activities, such as loan origination for sale in the secondary market.
 - b. A majority of bank's lending activity is in the bank's assessment area.
 - c. A reasonable distribution of loans and other tending-related activity for borrowers of different income levels and businesses and farms of different sizes given the demographics of bank's assessment area.
 - d. A reasonable geographic distribution of loans given the bank's assessment area.
 - e. A satisfactory record of action taken, if warranted, in responses to written complaints about the bank's CRA performance.
8. The Board will review this CRA Statement and CRA Performance on an annual basis.