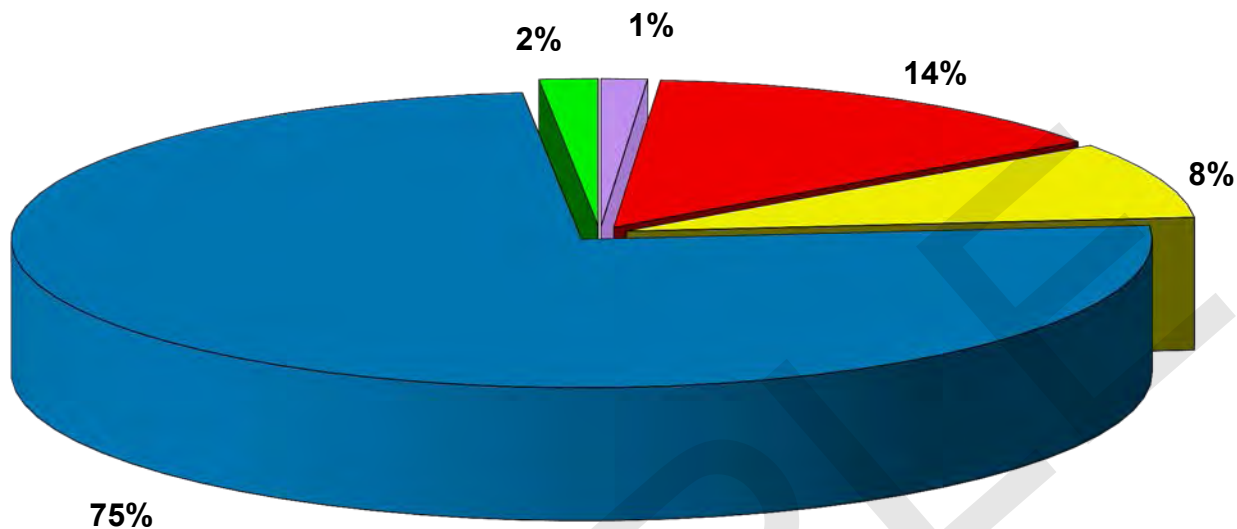


BALANCE SHEET TRAITS

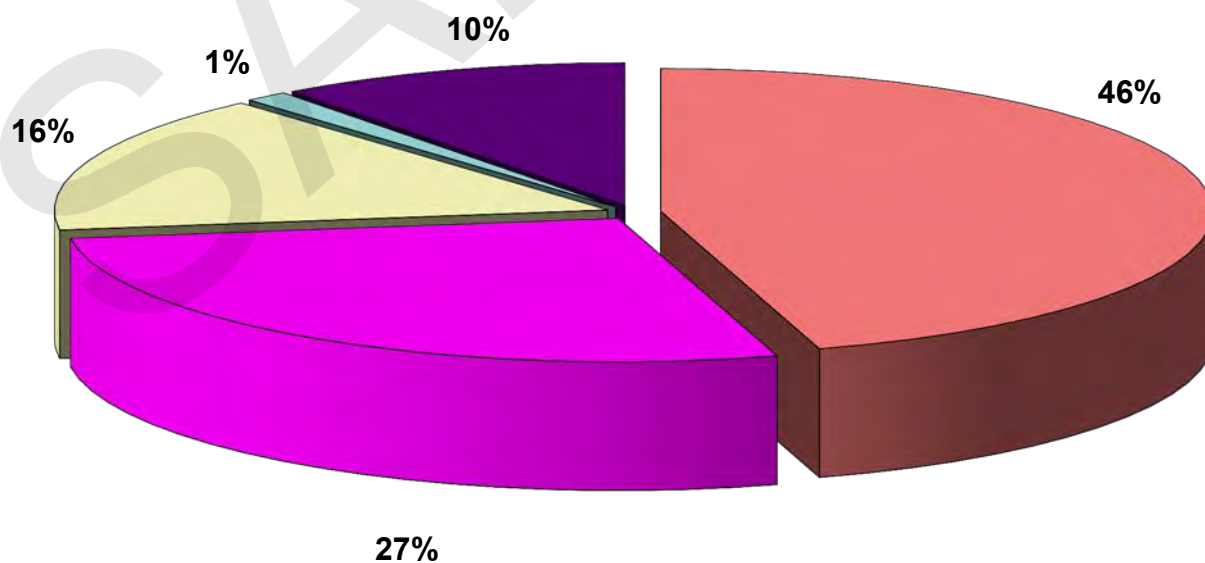
September 30, 2017

Asset Mix



Legend: Cash (purple), IntBrgBal (red), Investments (yellow), Loans (blue), Other Assets (green)

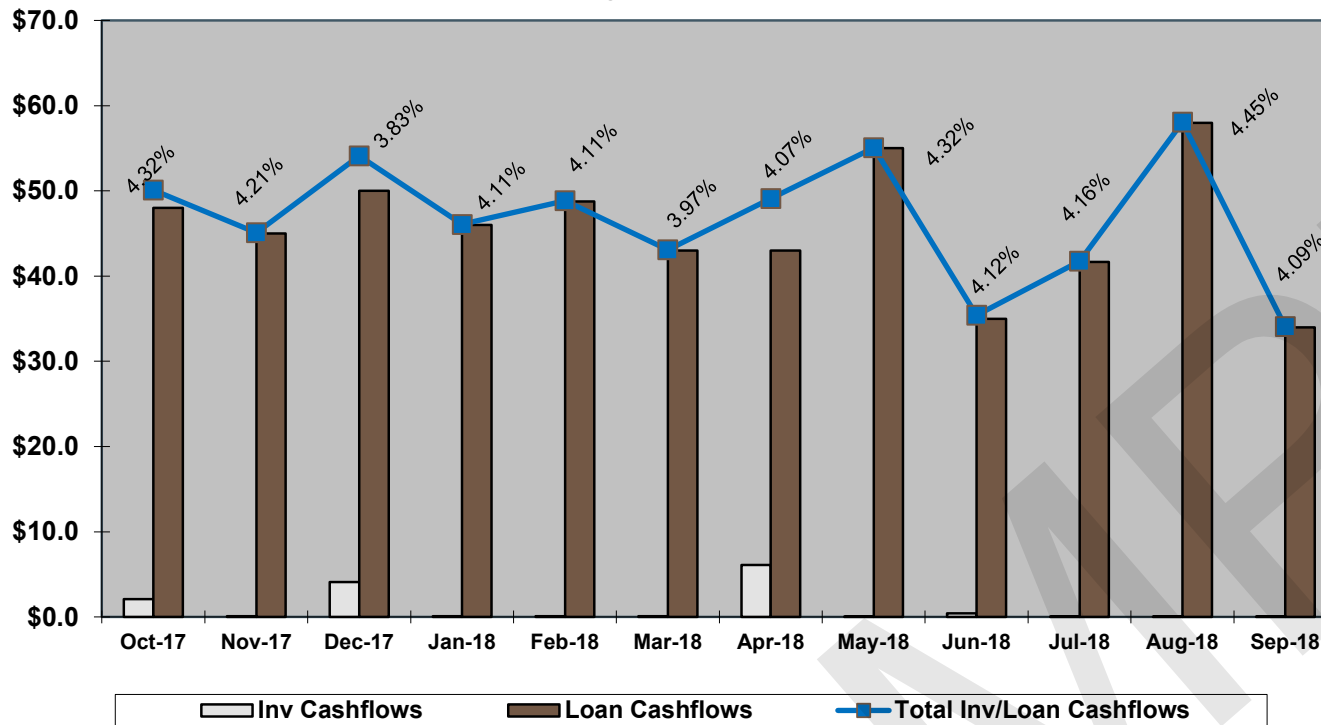
Liabilities and Capital



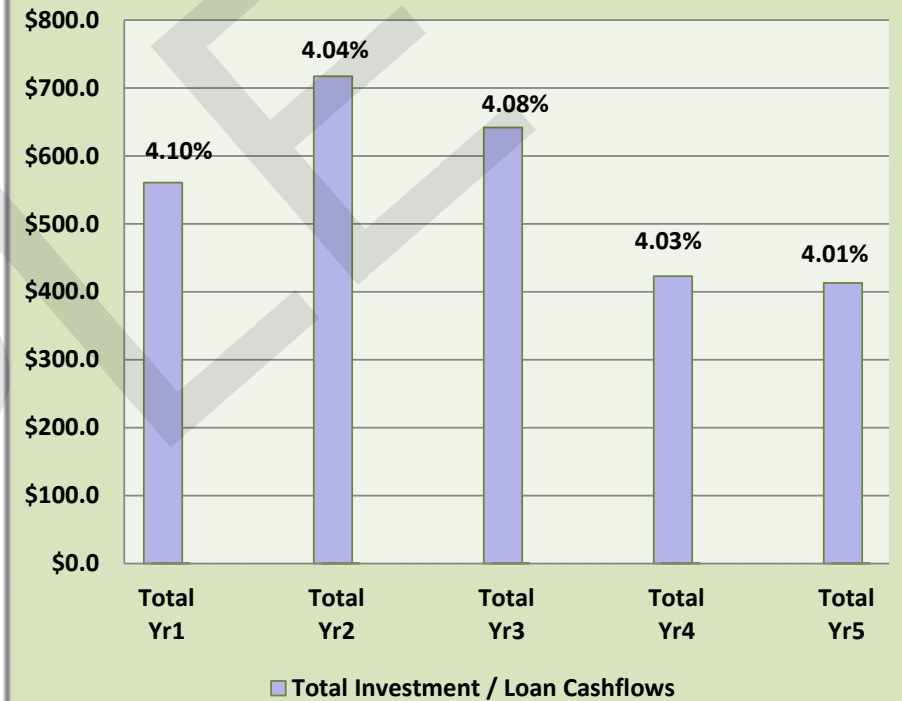
Legend: NonMaturity Deposits (red), Term Deposits (magenta), Wholesale Funding (yellow), Other Liab (light blue), Capital (dark purple)

ASSET CASHFLOWS

Monthly Cashflows

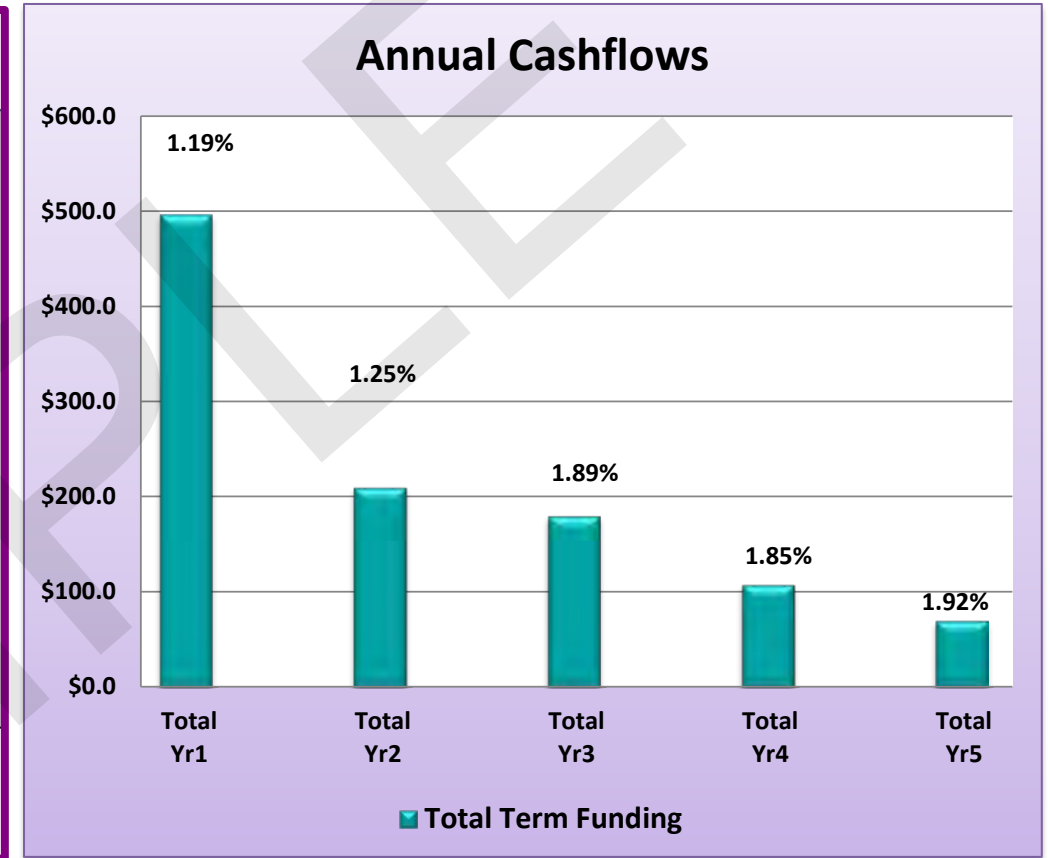
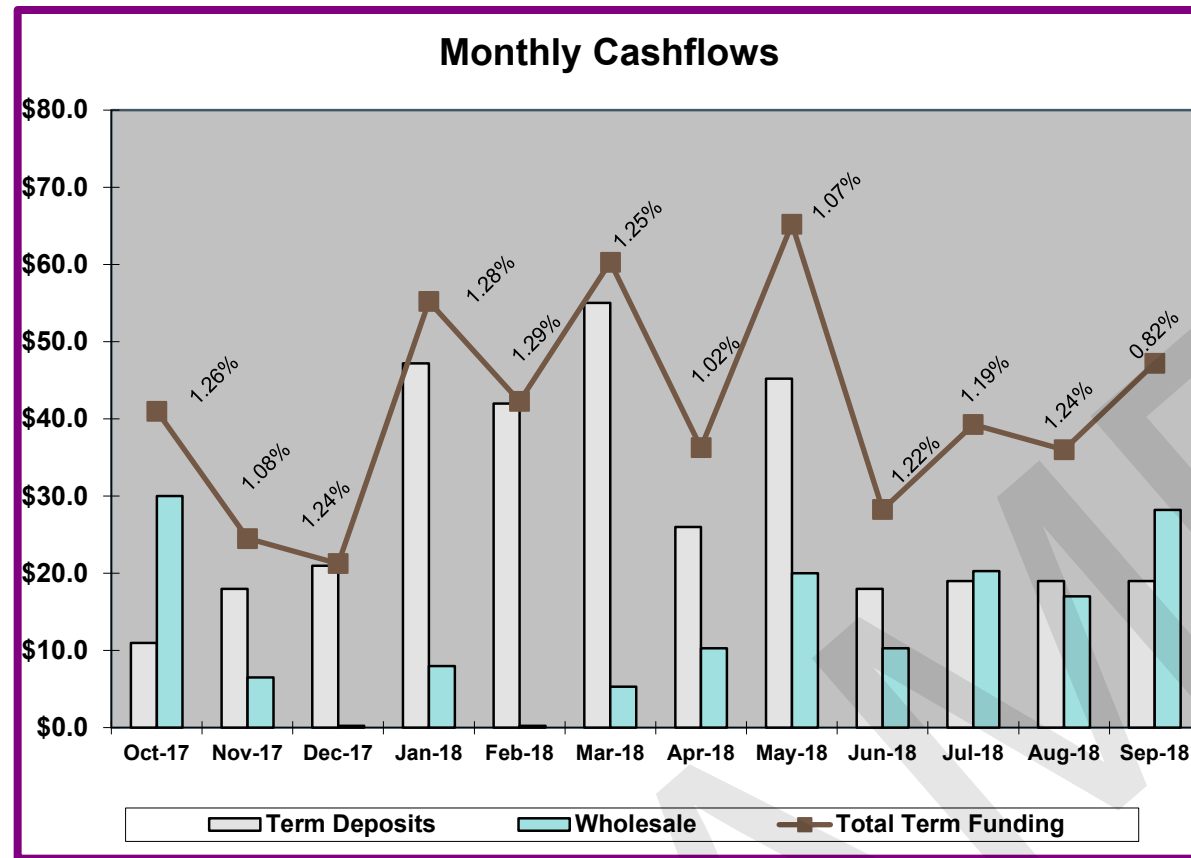


Annual Cashflows



<i>Sep-17</i>	<i>Oct-17</i>	<i>Nov-17</i>	<i>Dec-17</i>	<i>Jan-18</i>	<i>Feb-18</i>	<i>Mar-18</i>	<i>Apr-18</i>	<i>May-18</i>	<i>Jun-18</i>	<i>Jul-18</i>	<i>Aug-18</i>	<i>Sep-18</i>	<i>Total Yr1</i>	<i>Total Yr2</i>	<i>Total Yr3</i>	<i>Total Yr4</i>	<i>Total Yr5</i>
Contractual CF's	\$2.0	\$0.0	\$4.0	\$0.0	\$0.0	\$0.0	\$6.0	\$0.0	\$0.4	\$0.0	\$0.0	\$0.0	\$12.5	\$8.0	\$7.5	\$7.2	\$9.6
Expected Prepays	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.8	\$0.9	\$1.0	\$0.9	\$0.8
Total Investments	\$2.1	\$0.1	\$4.1	\$0.1	\$0.1	\$0.1	\$6.1	\$0.1	\$0.4	\$0.1	\$0.1	\$0.1	\$13.3	\$8.9	\$8.5	\$8.1	\$10.4
	2.78%	4.43%	2.12%	4.43%	4.43%	4.43%	2.35%	4.43%	3.79%	4.43%	4.43%	4.43%	3.22%	3.46%	3.33%	3.52%	3.45%
Contractual CF's	\$22.0	\$23.0	\$25.0	\$20.0	\$20.8	\$18.0	\$16.0	\$25.0	\$11.0	\$24.7	\$30.0	\$10.0	\$388.1	\$366.8	\$374.2	\$174.0	\$226.0
Expected Prepays	\$26.0	\$22.0	\$25.0	\$26.0	\$28.0	\$25.0	\$27.0	\$30.0	\$24.0	\$17.0	\$28.0	\$24.0	\$159.3	\$341.7	\$259.0	\$240.9	\$176.8
Total Loans	\$48.0	\$45.0	\$50.0	\$46.0	\$48.8	\$43.0	\$43.0	\$55.0	\$35.0	\$41.7	\$58.0	\$34.0	\$547.4	\$708.5	\$633.3	\$414.8	\$402.9
	4.39%	4.21%	3.97%	4.11%	4.11%	3.97%	4.31%	4.32%	4.12%	4.16%	4.45%	4.09%	4.12%	4.04%	4.09%	4.04%	4.02%
Contractual CF's	\$24.0	\$23.0	\$29.0	\$20.0	\$20.8	\$18.0	\$22.0	\$25.0	\$11.4	\$24.7	\$30.0	\$10.0	\$400.6	\$374.8	\$381.7	\$181.2	\$235.6
Expected Prepays	\$26.1	\$22.1	\$25.1	\$26.1	\$28.1	\$25.1	\$27.1	\$30.1	\$24.0	\$17.0	\$28.0	\$24.0	\$160.1	\$342.6	\$260.0	\$241.8	\$177.6
Total Inv/Loans	\$50.1	\$45.1	\$54.1	\$46.1	\$48.8	\$43.1	\$49.1	\$55.1	\$35.4	\$41.7	\$58.1	\$34.1	\$560.7	\$717.4	\$641.8	\$422.9	\$413.3
	4.32%	4.21%	3.83%	4.11%	4.11%	3.97%	4.07%	4.32%	4.12%	4.16%	4.45%	4.09%	4.10%	4.04%	4.08%	4.03%	4.01%

TERM FUNDING CASHFLOWS



<i>Sep-17</i>	<i>Oct-17</i>	<i>Nov-17</i>	<i>Dec-17</i>	<i>Jan-18</i>	<i>Feb-18</i>	<i>Mar-18</i>	<i>Apr-18</i>	<i>May-18</i>	<i>Jun-18</i>	<i>Jul-18</i>	<i>Aug-18</i>	<i>Sep-18</i>	<i>Total Yr1</i>	<i>Total Yr2</i>	<i>Total Yr3</i>	<i>Total Yr4</i>	<i>Total Yr5</i>
Term Deposits	\$11.0 1.08%	\$18.0 1.16%	\$21.0 1.24%	\$47.2 1.20%	\$42.0 1.29%	\$55.0 1.30%	\$26.0 1.20%	\$45.2 1.15%	\$18.0 1.20%	\$19.0 1.24%	\$19.0 1.15%	\$19.0 1.09%	\$340.4 1.22%	\$122.0 1.45%	\$109.0 2.05%	\$40.6 1.99%	\$19.8 1.92%
Wholesale Funding	\$30.0 1.32%	\$6.5 0.87%	\$0.3 1.23%	\$8.0 1.74%	\$0.3 1.23%	\$5.3 0.82%	\$10.3 0.57%	\$20.0 0.87%	\$10.3 1.25%	\$20.3 1.15%	\$17.0 1.34%	\$28.2 0.64%	\$156.0 1.14%	\$88.0 0.98%	\$71.2 1.66%	\$67.5 1.77%	\$50.2 1.92%
Total Term Funding	\$41.0 1.26%	\$24.5 1.08%	\$21.3 1.24%	\$55.2 1.28%	\$42.3 1.29%	\$60.3 1.25%	\$36.3 1.02%	\$65.2 1.07%	\$28.3 1.22%	\$39.3 1.19%	\$36.0 1.24%	\$47.2 0.82%	\$496.4 1.19%	\$210.0 1.25%	\$180.2 1.89%	\$108.0 1.85%	\$70.1 1.92%

PRO-FORMA CASHFLOW STRESS TEST

September 30, 2017

CONTRACTUAL (NO CALLS / NO PREPAYS)	90 Days	180 Days
*Assumes No New Security purchases, Loan originations, New Funding, or early redemption of anything during the period		

Fed funds sold or O/N funds	\$ 74,048	\$ 74,048
Investments (Contractual Maturity/Amortization)	\$ 75	\$ 128
Loans (Contractual Maturity/Amortization)	\$ 50,979	\$ 106,655
Loans for Sale	\$ 3,707	\$ 3,707

ASSET CASHFLOWS	\$ 128,809	\$ 184,538
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Asset Cashflow Liquidity Ratio (ACL); Asset Cashflows/TA's 2.6% 3.7%

Wholesale Funding (Contractual Maturity/Amortiza	\$ 36,761	\$ 37,007
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NET CASHFLOW BEFORE DEPOSITS	\$ 92,048	\$ 147,532
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CD Maturities	\$ 42,240	\$ 91,142
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Non-Maturity Deposits (NMD)	\$ 990,807	\$ 990,807
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TOTAL POTENTIAL DEPOSIT OUTFLOWS	\$ 1,033,047	\$ 1,081,949
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DEPOSIT STRESS SCENARIOS

@ 5% Runoff / Outflow	\$ 51,652	\$ 54,097
NET CASHFLOW AFTER 5% OUTFLOW	\$ 40,396	\$ 93,434
@ 10% Runoff / Outflow	\$ 103,305	\$ 108,195
NET CASHFLOW AFTER 10% OUTFLOW	\$ (11,256)	\$ 39,337

Disclaimer: The above analysis provides an indication of how well the balance sheet "funds itself" w/o reliance on external sources. Does existing cashflow "cover" potential liability outflows? The above analysis is not intended to replace additional and/or more extensive stress testing done internally by bank management in accordance with the SOP on Liquidity (Mar'10)

Access to Other Funding:

Additional Brokered CDs*	<u>\$101mil</u>
FHLB Borrowing Availability**	<u>\$114mi</u>
Other: Correspondent Banks	<u>\$20mil</u>
Holding Company****	<u>~\$62mil</u>

*Represents additional amount available under BOD approved policy limit of 10% of Total Assets, excluding DDM

**Represents additional borrowing capacity based on pledged collateral levels

****Available CDs & investments, excluding \$38mil internal chkg account in Bank

LIQUIDITY CASHFLOW INSTRUCTIONS

OVERVIEW:

The template is Excel based which allows for user input, formula creation, and additions/subtractions of changes to the assumptions. The template aggregates bank cashflow information through a sources and uses schedule to derive a net cash liquidity position. Time periods can be altered at user's discretion but default to 30, 90, 180 days. Time periods are cumulative & inclusive.

1) Choose time periods

2) Populate known cashflow information (EPG to provide)

Cashflows (IN)

- Fed funds balance represents actual balance as of effective date
- Investment cashflows include contractual debt security maturities & MBS principal amortization. Security call redemptions & prepays are excluded. These are subjective assumptions (included below)
- Loan cashflows include only contractual principal amortization & maturities. Loan prepayments are subjective assumptions (included separately below).

Cashflows (OUT)

- Term deposit & Borrowing cashflows include only stated, contractual maturities. Early withdrawal, prepay, or redemptions are subjective assumptions (included separately below).

3) NET CASHFLOWS (KNOWN)

This represents the difference between known cashflows IN/OUT. The total includes principal cashflow balances contractually due within the timeframe. No assumptions are made regarding prepays, calls, etc.

4) ASSUMPTIONS (Management input):

Depending on the scenario or stress event being analyzed, this section incorporates subjective assumptions regarding prepays, call redemptions, deposit runoff or rollover, new business activity, etc.

- Loan pipeline activity should include \$ amount of expected originations (not growth) w/i timeframe (negative)
- Loan prepayments should include \$ amount of expected early payoffs w/i timeframe.(positive)
- Investment activity should include planned purchases, maturity replacements, or sales w/i timeframe.
- Expected Bond calls should be entered w/i the timeframe (as positive figure)
- Planned non-maturity deposit growth (positive) or assumed runoff (negative) should be included w/i timeframe
- Add back the amount of expected CD maturity rollover (from #6 template) [e.g. 90%] <positive figure>
- Include any expected/planned CD growth w/i timeframe (positive figure)
- Enter any expected Option advance borrowing redemptions w/i timeframe
- Add back the amount of borrowings to replace any maturities (assuming capacity/availability)

****Do not include additional borrowing growth. This allows determination if net cashflow position would require additional borrowings and if available capacity allows. Otherwise this line item could always be manipulated to include necessary \$ amount to derive positive net cashflow (e.g. plug)**

The aggregate sum of above items represent the net cashflow (POTENTIAL).

5) NET CASHFLOW AVAILABLE/(NEEDED)

This represents the difference between known cashflows and potential cashflows.

Sample Bank

PROFORMA CASHFLOW MEASUREMENT: STRESS TEST FORECAST

As Of Date: 9/30/2018

30 Days

90 Days

180 Days

NET KNOWN CASHFLOWS IN / (OUT)	\$	(68,486)	\$	(118,586)	\$	(136,559)
<i>(From Base Case Forecast)</i>						

Stress Events:

Probability: High Med Low Impact: High Med Low

Support/Rationale:

MANAGEMENT CASHFLOW ASSUMPTIONS:

6) Loan Pipeline: Expected \$ Closings	\$	(0)	\$	(0)	\$	(0)
7) Expected Loan prepayments/payoffs	\$	0	\$	0	\$	0
8) Investments: Pending \$ buy(-)/sell(+) settling	\$	0	\$	0	\$	0
9) Assumed Bond Calls	\$	0	\$	0	\$	0
10) Expected Core Deposit Grwth(+)/Runoff(-)	\$	0	\$	0	\$	0
11) ADD Back: \$ Amount Maturing CD Rollover	\$	0	\$	0	\$	0
12) CD Grwth(+)/Runoff(-)	\$	0	\$	0	\$	0
13) Assumed Option Borrowing Calls	\$	(0)	\$	(0)	\$	(0)
14) Borrowings (Replace maturities)	\$	0	\$	0	\$	0
TOTAL POTENTIAL CASHFLOWS IN / (OUT)	\$	0	\$	0	\$	0

NET CASHFLOW AVAILABLE/(NEEDED)	(\$68,486)	(\$118,586)	(\$136,559)
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Available Borrowing capacity:	\$	\$	\$
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Classic Advance Rates

Term	Reg.	CDA	CDA Extra	NEF
1 wk	2.68			
2 wk	2.68			
3 wk	2.68			
1 mo	2.7			
2 mo	2.73			
3 mo	2.74			
4 mo	2.76			
5 mo	2.78			
6 mo	2.8			
9 mo	2.8			2.78
1 yr	2.81	2.72	2.69	2.79
1.25 yr	2.83	2.71	2.68	2.81
1.5 yr	2.86	2.69	2.66	2.84
1.75 yr	2.88	2.68	2.65	2.86
2 yr	2.9	2.68	2.64	2.88
2.25 yr	2.91	2.68	2.64	2.89
2.5 yr	2.91	2.69	2.65	2.89
2.75 yr	2.92	2.7	2.66	2.9
3 yr	2.93	2.72	2.67	2.91
3.5 yr	2.96	2.74	2.69	2.94
4 yr	2.98	2.77	2.71	2.96
4.5 yr	3.03	2.81	2.74	3.01
5 yr	3.07	2.85	2.78	3.05
5.5 yr	3.14	2.92	2.84	3.12
6 yr	3.21	2.98	2.9	3.19
6.5 yr	3.27	3.04	2.96	3.25
7 yr	3.33	3.1	3.01	3.31
7.5 yr	3.38	3.15	3.06	3.36
8 yr	3.42	3.18	3.09	3.4
8.5 yr	3.47	3.24	3.14	3.45
9 yr	3.52	3.29	3.18	3.5
9.5 yr	3.55	3.33	3.22	3.53
10 yr	3.59	3.35	3.24	3.57
15 yr	3.78	3.59	3.43	3.76
20 yr	3.93	3.8	3.58	3.91