

USV BANCORP, INC.
6100 CORPORATE DRIVE, SUITE 178
HOUSTON, TEXAS 77036
(832) 782-4690

COMMON STOCK UP TO 5,000,000 SHARES

We are offering for sale a minimum of 3,000,000 shares and a maximum of 5,000,000 shares of our common stock, \$0.01 par value per share (the “Common Shares”), at a price of \$10.00 per share (the “Offering”) to raise funds to capitalize USV Bancorp, Inc. (the “Company”), a Texas corporation and proposed bank holding company. The Company has entered into an Agreement and Plan of Merger, dated September 30, 2024 (as it may be amended from time to time, the “Merger Agreement”) with CNB National Financial Corporation (“CNB”), a Texas corporation and registered bank holding company under the Bank Holding Company Act of 1956, as amended (the “BHC Act”), based in San Saba, Texas. Pursuant to the Merger Agreement, the Company will acquire CNB and its wholly owned subsidiary, The City National Bank of San Saba (the “Bank,” and collectively with the Company, “CNB”), a national banking association with its principal office in San Saba, Texas, in exchange for cash consideration (the “Acquisition”). In connection with the Acquisition, the Company is seeking approval from the Board of Governors of the Federal Reserve System (the “Federal Reserve”) to become a bank holding company under the BHC Act and the Office of the Comptroller of the Currency (the “OCC”) to complete the Acquisition.

In accordance with Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”), and Rule 506 of Regulation D promulgated by the U.S. Securities and Exchange Commission (the “SEC”) under the Securities Act, this Offering is being made to an unlimited number of “accredited investors” (as defined in Rule 501 of the Securities Act) and up to 35 others who do not qualify as accredited investors, but who, either alone or with their purchaser representative, are determined by the Company to be well-informed and sophisticated investors and meet certain requirements discussed herein. This Offering is also being made to certain non-U.S. persons as defined in Regulation S of the Securities Act. More information on what it means to be an investor eligible to participate in the Offering can be found on page 30 of this confidential private placement memorandum (“Memorandum”).

To participate in the Offering, you must subscribe for at least 500 Common Shares, or \$5,000, and you (which includes shares purchased by trusts, partnerships, corporations, qualified retirement plans or deferred compensation plans to which you are affiliated) may subscribe for and purchase a maximum of 9.9% of the Common Shares sold in the Offering. We may, in our sole discretion, determine which entities you are affiliated with. If you subscribe for more than 9.9% of the Common Shares sold in this Offering, we intend to reject the portion of the subscription that exceeds 9.9% of the Common Shares sold. In our sole discretion, we may waive in writing the minimum or maximum subscription amounts. In the event of an oversubscription, we reserve the right to increase the maximum size of the Offering by an amount not to exceed 20% of the Maximum Offering (as defined herein) amount, or 1,000,000 shares. We reserve the right to reject, in whole or in part, any subscription for our Common Shares in our sole and absolute discretion for any reason or no reason at all.

We will offer and sell the Common Shares on a “best-efforts” basis through our executive officers and directors. Our directors and executive officers and those of the Bank, along with members of our organizing group, intend to purchase an aggregate of approximately 25,000 Common Shares offered by this Memorandum, which will represent approximately 0.77% of the total number of Common Shares issued and outstanding after this Offering, assuming that we sell the Minimum Offering (as defined herein) amount. The stock purchase amounts do not include anticipated purchases from family members of the group.

To subscribe to purchase the Common Shares offered hereby, qualifying investors must deliver an executed Subscription Agreement with the completed appendices attached thereto, that is enclosed with this Memorandum as Appendix A (the “Subscription Agreement”) to the Company on or before 5:00 p.m. Central Time on February 28, 2025 (the “Subscription Date”). Once the Company has received the Subscription Documents (as defined herein), such Subscription Documents may not be revoked. The Company plans on conducting an initial closing of the Offering as soon as the Company believes that it has received sufficient subscriptions and has regulatory approval to consummate the Acquisition, and the Offering will expire on February 28, 2025. However, the Company may, in its sole discretion, extend the Offering for additional periods, but not beyond September 30, 2025. In addition, the Company may end the Offering before February 28, 2025, if it has accepted subscriptions for at least the Minimum Offering amount and if all conditions to closing the Acquisition have been satisfied. The Company may, in its sole discretion, conduct one or more additional closings of the Offering following the initial closing and prior to the expiration date of the Offering.

Investors are not required to submit payment for Common Shares when they submit the Subscription Documents. Rather, the Company will deliver notice to subscribers calling for payment of their subscription proceeds within seven (7) business days (such notice, the “Payment Notice”) following delivery of the Payment Notice. The Payment Notice will include instructions for delivery of such proceeds to a specified non-interest bearing escrow account at a financial institution (the “Escrow Agent”) set forth in the Payment Notice (the “Offering Account”). Upon receipt, all subscription funds will be deposited into a segregated subscription account with the Escrow Agent.

THE COMMON SHARES OFFERED BY THIS MEMORANDUM HAVE NOT BEEN APPROVED OR DISAPPROVED, AND THE COMPLETENESS AND ACCURACY OF THE DISCLOSURES IN THIS MEMORANDUM HAVE NOT BEEN PASSED UPON BY, THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION, THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER REGULATORY BODY. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE COMMON SHARES ARE NOT A DEPOSIT OR A BANK ACCOUNT AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY. THE COMMON SHARES ARE SUBJECT TO INVESTMENT RISK, INCLUDING POSSIBLE LOSS OF PRINCIPAL. AN INVESTMENT IN THE COMMON SHARES INVOLVES RISKS, AND YOU SHOULD NOT INVEST IN THIS OFFERING UNLESS YOU CAN AFFORD TO LOSE ALL OF YOUR INVESTMENT. WE HAVE DESCRIBED WHAT WE BELIEVE ARE THE MATERIAL RISKS OF THIS INVESTMENT IN THE SECTION TITLED “*RISK FACTORS*” BEGINNING ON PAGE 7.

The date of this Memorandum is November 20, 2024.

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THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE, THE COMMON SHARES TO OR FROM ANYONE WHO DOES NOT MEET THE MINIMUM REQUIREMENTS SET FORTH IN THIS MEMORANDUM, NOR DOES IT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION WHERE OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION.

THE COMMON SHARES BEING OFFERED IN THE OFFERING HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR ANY STATE SECURITIES LAWS, AND ARE BEING OFFERED PURSUANT TO EXEMPTIONS FROM REGISTRATION PROVIDED BY SECTION 4(A)(2) OF THE SECURITIES ACT AND RULE 506 OF REGULATION D PROMULGATED THEREUNDER. THE HOLDERS OF THE COMMON SHARES ACQUIRED PURSUANT TO THIS OFFERING CANNOT MAKE ANY SALE, ASSIGNMENT OR OTHER TRANSFER OF ANY SUCH COMMON SHARES EXCEPT PURSUANT TO AN OFFERING DULY REGISTERED UNDER THE SECURITIES ACT AND REGISTERED OR QUALIFIED UNDER APPLICABLE STATE SECURITIES LAWS, OR UNDER SUCH OTHER CIRCUMSTANCES AS, IN THE OPINION OF COUNSEL FOR (OR COUNSEL SATISFACTORY TO) THE COMPANY DO NOT AT THE TIME REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR REGISTRATION OR QUALIFICATION UNDER SUCH STATE LAWS.

THE COMMON SHARES ARE ALSO BEING OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY REGULATIONS UNDER THE SECURITIES ACT FOR SALES TO NON-U.S. PERSONS IN AN OFFSHORE TRANSACTION. THE COMMON SHARES MAY NOT BE OFFERED OR SOLD IN THE U.S. TO NON-U.S. PERSONS FOR A PERIOD OF ONE YEAR FROM THE DATE OF THE LAST SALE BY THE COMPANY OF THE COMMON SHARES OFFERED BY THIS MEMORANDUM. HEDGING TRANSACTIONS INVOLVING THE COMMON SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. IT IS THE RESPONSIBILITY OF THE PROSPECTIVE INVESTOR TO SATISFY ITSELF AS TO FULL OBSERVANCE OF THE LAWS OF ANY RELEVANT TERRITORY OR JURISDICTION OUTSIDE THE UNITED STATES IN CONNECTION WITH OUR COMMON SHARES, INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE REQUIREMENTS.

THE TEXT OF THIS MEMORANDUM AND ITS APPENDICES DESCRIBE IN DETAIL NUMEROUS ASPECTS OF THE SUBJECT TRANSACTION THAT ARE MATERIAL TO THE OFFEREEES. THIS MEMORANDUM AND RELATED APPENDICES SHOULD BE READ AND UNDERSTOOD IN THEIR ENTIRETY.

A SUBSCRIPTION FOR THE COMMON SHARES OFFERED HEREBY WILL BE SUBJECT TO THE TERMS OF A SUBSCRIPTION AGREEMENT TO BE ENTERED INTO BY THE COMPANY AND THE PROSPECTIVE PURCHASERS OF THE COMMON SHARES. THE SUBSCRIPTION AGREEMENT CONTAINS CERTAIN REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS. ANY DECISION WITH RESPECT TO AN INVESTMENT IN THE COMMON SHARES SHOULD BE MADE ONLY AFTER A CAREFUL REVIEW OF THE SUBSCRIPTION AGREEMENT AND THIS MEMORANDUM. WE HAVE THE SOLE AND ABSOLUTE RIGHT TO REJECT ANY SUBSCRIPTION OR TO WITHDRAW, CANCEL, TERMINATE OR MODIFY THE OFFERING. NO SUBSCRIPTION IS BINDING ON THE COMPANY UNTIL WE ACCEPT IT.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OR WARRANTIES, EITHER EXPRESS OR IMPLIED, OTHER THAN THOSE THAT MAY BE CONTAINED IN THIS MEMORANDUM OR OTHER DOCUMENTS INCLUDED HEREIN OR IN WRITTEN SUPPLEMENTS TO THIS MEMORANDUM AND, IF GIVEN OR MADE, SUCH INFORMATION, REPRESENTATIONS, AND WARRANTIES MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY.

THIS MEMORANDUM CONTAINS SUMMARIES OF CERTAIN DOCUMENTS RELATING TO AN INVESTMENT IN THE COMMON SHARES AS WELL AS OF VARIOUS PROVISIONS OF RELEVANT STATUTES AND REGULATIONS. WHILE WE BELIEVE THAT THE SUMMARIES ARE FAIR STATEMENTS OF SUCH DOCUMENTS, STATUTES AND REGULATIONS, THE SUMMARIES DO NOT PURPORT TO BE COMPLETE AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE TEXTS OF THE ORIGINAL DOCUMENTS, STATUTES AND REGULATIONS.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS INVESTMENT, LEGAL OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT HIS OWN LEGAL COUNSEL, ACCOUNTANTS, BUSINESS ADVISORS AND TAX ADVISORS AS TO THE LEGAL, TAX, BUSINESS AND FINANCIAL ASPECTS OF AN INVESTMENT IN THE COMMON SHARES.

YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED OR INCORPORATED BY REFERENCE IN THIS MEMORANDUM IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE OF THIS MEMORANDUM OR ANY EARLIER DATE SPECIFIED IN THIS MEMORANDUM. NEITHER THE DELIVERY OF THIS MEMORANDUM NOR THE PURCHASE OF ANY OF THE COMMON SHARES OFFERED HEREBY WILL,

UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY OR CNB SINCE THE DATE OF THIS MEMORANDUM (OR THE EARLIER DATE SPECIFIED HEREIN).

THIS MEMORANDUM IS CONFIDENTIAL. ANY REPRODUCTION OR DISTRIBUTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR THE DISSEMINATION OF ANY OF ITS CONTENTS WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY, EXCEPT TO A PROSPECTIVE INVESTOR'S LEGAL COUNSEL OR FINANCIAL OR TAX ADVISOR, IS PROHIBITED. EACH PROSPECTIVE INVESTOR, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, AGREES THAT IF HE ELECTS NOT TO SUBSCRIBE FOR COMMON SHARES OR THIS OFFERING IS TERMINATED, FOR ANY REASON WHATSOEVER, THE PROSPECTIVE INVESTOR WILL PROMPTLY RETURN THIS MEMORANDUM AND ALL RELATED DOCUMENTS TO THE COMPANY.

CAUTIONARY STATEMENTS FOR PURPOSES OF THE PRIVATE SECURITIES LITIGATION REFORM ACT

This Memorandum includes various forward-looking statements about us that are subject to risks and uncertainties. Forward-looking statements include information concerning future financial performance, business strategy, projected plans and objectives of the Company.

Statements preceded by, followed by or that otherwise include the words “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “may increase,” “may fluctuate” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” and “could” are generally forward-looking in nature and not historical facts. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this Memorandum. You should understand that the following important factors, in addition to those discussed elsewhere in this Memorandum, could affect the future results of the Company and its subsidiaries after the Offering and could cause results to differ materially from those expected in such forward-looking statements:

- our ability to consummate the Acquisition;
- the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the Merger Agreement;
- the failure to obtain necessary regulatory approvals (and the risks that such approvals may result in the imposition of conditions that could adversely affect the Company or the Bank or the expected benefits of the Acquisition) or to satisfy any of the other conditions to the closing of the Acquisition on a timely basis or at all;
- the possibility that the Acquisition may be more expensive to complete than anticipated, including as a result of unexpected factors or events;
- potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the Acquisition;
- management time and effort may be diverted to the resolution of Acquisition-related issues;
- liquidity risks, including the Bank’s ability to have enough liquid assets to meet depositor demands;
- current financial conditions within the banking industry, including the effects of failures of other financial institutions, liquidity levels, and responses by the Federal Reserve, U.S. Department of the Treasury, the OCC and the FDIC to address these issues;
- potential recession in the United States and our market areas
- risks associated with the resurgence of elevated levels of inflation or inflationary pressures in the U.S. and our market areas and the impact on economic growth and customer and client behavior;
- increases in unemployment rates in the United States and our market areas;
- the Bank’s ability to maintain a strong core deposit base or other low-cost funding sources;
- risks associated with higher cost deposits, which has an impact on the Bank’s net interest margin and profits;
- statements and assumptions relating to projected growth, earnings, earnings per share, and other financial performance measures, as well as management’s short-term and long-term performance goals;
- changes in the interest rate environment, which may reduce our margins or impact the value of changes in market rates and prices may impact the value of securities, loans, deposits, and other financial instruments;
- interest rate fluctuations, whether due to the current elevated interest rate environment or future reductions in interest rates, which could negatively impact the pricing of the Bank’s loans and deposits and decrease the Bank’s net income or net interest margin;

- the effect of economic conditions and interest rates on a local, state, or national basis;
- the competitive pressures in the financial services industry;
- the financial resources of, and products available to, competitors;
- our ability to access cost-effective funding and to maintain adequate liquidity;
- changes in laws and regulations to which we and our customers, competitors, and potential competitors are subject, including those related to banking, tax, securities, insurance and labor, and the Federal Reserve's treatment of our non-equity securities for regulatory capital purposes;
- the impact of changes in U.S. presidential administrations or Congress;
- uncertainty regarding U.S. fiscal debt, deficit, and budget matters;
- the loss of senior management or operating personnel and the potential inability to hire qualified personnel at reasonable compensation levels;
- opportunities that may be presented to and pursued by us after the Offering;
- statements relating to our business and growth strategies; and
- any other statements, projections or assumptions that are not historical facts.

These forward-looking statements involve risks and uncertainties in addition to the risk factors described in the section entitled "*Risk Factors*," beginning on page 7. It is not possible to foresee or identify all such factors. You should consider the areas of risk described in this Memorandum in connection with any forward-looking statements that may be made by the Company or anyone acting for it. Except for any ongoing obligations to disclose material information under federal or state securities laws, the Company does not undertake any obligation to update any forward-looking statement, or to disclose any facts, events or circumstances after the date of this Memorandum that may affect the accuracy of any forward-looking statements. For any forward-looking statements contained in this Memorandum, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, as amended.

WHAT YOU SHOULD KNOW ABOUT THIS MEMORANDUM

Potential investors are urged to read this Memorandum carefully. This Memorandum is not all-inclusive and does not purport to contain all the information that an investor may desire, or should consider, in investigating the Company. Potential investors must conduct and rely on their own evaluation of the Company and the terms of this Offering, including the merits and risks involved in making a decision to buy the Common Shares.

The Company will make available to potential investors, before the sale of Common Shares described in this Memorandum, the opportunity to ask questions of, and receive answers from, the Company's management concerning the terms and conditions of this Offering and to obtain any additional information (including information made available to other investors), which may be necessary to verify the accuracy of the information in this Memorandum as long as the Company possesses such information or can acquire it without unreasonable effort or expense. The Company may require potential investors to sign a confidentiality agreement if potential investors wish to receive additional information that it deems proprietary. Potential investors and their representatives, if any, will be asked to acknowledge in a Subscription Agreement that they were given the opportunity to obtain additional information and either did so or elected to waive the opportunity.

No representations or warranties of any kind are intended nor should any be inferred with respect to the economic viability of this investment or with respect to any benefits, which may accrue to an investment in the Common Shares. The Company and its directors, officers and agents do not in any way represent, guarantee or warrant an economic gain or profit with regard to the Company's business or that favorable income tax consequences will flow therefrom. The Company does not in any way represent or warrant the advisability of buying the Common Shares.

Certain of the information contained herein concerning economic trends and performance is based upon or derived from information provided by third parties and other industry sources. The Company believes that such information is accurate and that the sources from which it has been obtained are reliable. The Company cannot guarantee the accuracy of such information, however, and has not independently verified the assumptions on which projections of future trends and performance are based.

In making an investment decision, you must rely on your own examination of our business and the terms of the Offering, including the merits and risks involved. We are not making any representation to any purchaser of the Common Shares regarding the legality or appropriateness of an investment in the Common Shares under any laws or regulations. You should not consider any information contained in this Memorandum to be legal, business or tax advice. You should consult with your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the Common Shares.

This Offering may be withdrawn at any time before the closing and is specifically made subject to the terms described in this Memorandum.

For more information, inquiries may be directed to the following:

Tri Dinh Minh Nguyen
Chairman and President
USV Bancorp, Inc.
6100 Corporate Drive, Suite 178
Houston, Texas 77036
Email: ndmtri3@yahoo.com

HOW TO SUBSCRIBE

Investors desiring to subscribe for the Common Shares may do so by delivering to the Company, as soon as practicable, but before the close of business on the Subscription Date, completed, dated and signed originals or PDFs of originals of the Subscription Agreement and appendices attached thereto (collectively, the “Subscription Documents”):

The Company is seeking the return of completed Subscription Documents on or before 5:00 p.m., Central Time on February 28, 2025.

Subscribers are not required to submit payment for the Common Shares when they submit the Subscription Documents. The Company will deliver the Payment Notice to such subscribers calling for payment of their subscription proceeds within seven (7) business days following delivery of such Payment Notice. The Payment Notice will include instructions for delivery of such proceeds to the Offering Account at the financial institution set forth in the Payment Notice.

All subscriptions will be binding and irrevocable after being delivered to the Company. Subscribers’ funds will be held in the Offering Account pending acceptance of the subscription by the Company. If the Company does not accept all or a portion of a subscription, the Company will return all or the unaccepted portion of the subscription funds without interest. The Subscription Documents should be returned via U.S. mail, hand delivery, overnight mail or in PDF format via email to:

USV Bancorp, Inc.
6100 Corporate Drive, Suite 178
Houston, Texas 77036
Attn: Tri Dinh Minh Nguyen
Email: ndmtri3@yahoo.com

The delivery of the Payment Notice and the payment of funds into the Offering Account does not mean that the Company accepts your subscriptions. The Company must have at least 75% of the funds to be raised in this Offering in the Offering Account in order to receive regulatory approval. In the event that the Company is unable to satisfy one or more of the aforementioned Offering conditions by the Termination Date, the funds in the Offering Account will be returned to the investors, without interest.

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As a prospective investor, you should rely only on the information contained in this Memorandum. We have not authorized anyone to provide prospective investors with information different from that contained in this Memorandum. If anyone provides you with additional, different or inconsistent information, you should not rely on it. This Memorandum is not an offer to sell nor is it seeking an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information included in this Memorandum is accurate as of any date other than the date of this Memorandum. Our business, financial condition, results of operations, cash flows and/future prospects may have changed since that date.

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SUMMARY

The information that follows highlights information contained elsewhere in this Memorandum. Because it is a summary, this portion of the Memorandum may not contain all of the information that is important to you. For a more complete understanding of the Offering, we urge you to read this entire Memorandum carefully. When we refer in this Memorandum to “the Company” or “our Company,” we are referring to USV Bancorp, Inc., unless the content indicates otherwise. When we refer in this Memorandum to “the Bank” or “our Bank,” we are referring to The City National Bank of San Saba, assuming consummation of the Acquisition, unless the context indicates otherwise. When we refer to “CNB,” we are referring to CNB National Financial Corporation, individually, or together with the Bank. When we refer to “you” and “your,” we are referring to the prospective investor reading this Memorandum. We may at times refer to the Company and the Bank, assuming consummation of the Acquisition, collectively as “we,” depending on the context.

Introduction

We are a Texas corporation that commenced operations in November 2023 for the purpose of becoming a bank holding company upon the acquisition of a federally-insured depository institution.

CNB National Financial Corporation and The City National Bank of San Saba, San Saba, Texas

CNB is a Texas corporation and bank holding company that was established in 1984 in San Saba, Texas, to acquire the Bank, which is its main operating asset as of today. The Bank was established in 1883 as City National Bank of San Saba in San Saba, Texas. The Bank currently operates from its sole location in San Saba, Texas. As of September 30, 2024, the Bank had total assets of approximately \$84.0 million, total deposits of \$75.1 million and Tier 1 capital of approximately \$10.1 million.

The Company has completed its due diligence on CNB and the Bank and has executed the Merger Agreement to acquire CNB and the Bank. A copy of the Merger Agreement is attached to this Memorandum as Appendix B. In accordance with the Merger Agreement, the Acquisition will occur in three steps. The first step is for a wholly-owned subsidiary of the Company (“Merger Sub”) to merge with and into CNB, with CNB continuing as the surviving corporation (the “First Merger”). Immediately following the First Merger and as part of the same transaction, CNB will merge with and into the Company, with the Company continuing as the surviving corporation (the “Second Merger”). Following the Second Merger, the Company will own all of the issued and outstanding stock of the Bank. Immediately following the Second Merger and as part of the same transaction, a to-be-formed interim national banking association (“Interim Bank”) and the Bank will merge, with the Bank continuing as the surviving bank.

In conjunction with the Offering, the Company is also preparing to file its applications with the Federal Reserve and OCC for approval to become a bank holding company and acquire the Bank. The Company also intends to file an application with and OCC to relocate the Bank’s main office from San Saba, Texas, to Houston, Texas. We expect, but cannot assure you, that we will receive all required regulatory approvals in the second quarter of 2025. We expect to complete the Acquisition and related transactions in the third quarter of 2025.

Executive Officers and Directors

The proposed management team of the Bank following the Acquisition will be led by Guido Piggott, our proposed Chief Executive Officer. The Company has also identified and extended offers to certain individuals that are currently officers at other financial institutions in the Greater Houston area. Specifically, the Company has identified four loan officers, including a proposed Chief Lending Officer and proposed SBA loan manager for the Bank, as well as a proposed marketing manager. Each of these individuals have extensive experience in their respective areas of expertise, and the Company believes that they will be valuable additions to the Bank following the Acquisition.

Our directors and the proposed executive officers and directors of the Bank are experienced bankers and/or local business and community leaders. We believe that their business experience and relationships will enable them to assist the Bank in developing and maintaining a loyal customer base. We expect that these individuals will use their diverse backgrounds and their extensive local business relationships to attract customers from all segments of the community.

For more information on each our directors and each executive officer and director of the Bank, please refer to the section of this Memorandum entitled “*Management*,” beginning on page 46.

The following persons will serve on the Company’s board of directors (the “Board” or “Board of Directors”) following the Acquisition:

Tri Dinh Minh Nguyen

Guido Piggott

Omar Kasani

We anticipate adding additional directors to the Company’s Board after the Acquisition. Our directors and executive officers, along with members of our organizing group, intend to purchase an aggregate of approximately 25,000 Common Shares offered by this Memorandum. Those shares will represent approximately 0.77% of the total number of Common Shares issued and outstanding after this Offering, assuming that we sell the Minimum Offering amount. These persons may acquire additional Common Shares in this Offering, particularly if additional subscriptions are necessary to achieve the minimum capital level of \$22,500,000. We may also identify new directors or executive officers that may choose to acquire shares, as well. In addition, the stock purchase amounts do not include anticipated purchases from family members of the group.

Business Strategy

The main function of the Company will be to serve as a source of strength for the Bank. Following the Acquisition, the Bank will continue to operate as a full-service community bank.

Operating Strategies

Following the Acquisition, the Bank will continue to operate as a full-service community bank, offering a range of financial products while emphasizing prompt, personalized customer service. We believe that this philosophy, encompassing the service aspects of community banking, will distinguish the Bank from its existing and prospective competitors.

To achieve the level of prompt, responsive service that we believe will be necessary to attract customers and to implement this banking model, the Bank’s operating strategies will include the following:

- hiring and retaining experienced and qualified officers, including commercial, commercial real estate and small business lenders with substantial experience within the Bank’s targeted markets;
- expanding into niche markets and communities;
- providing individualized attention with consistent, local decision-making authority;
- leveraging a low-cost operating structure with its existing branch footprint to enable the Bank to offer competitive rates on loan and deposit products;
- utilizing technology and strategic outsourcing to cost effectively provide targeted products and services to customers and advanced security for all banking transactions;
- hiring highly qualified service professionals to reinforce the Bank’s commitment to customer service;
- building a board of directors at the Bank committed to doing business with and serving as strong referral sources for their network of personal and professional contacts; and
- applying for preferred lender status with the U.S. Small Business Administration, or the SBA, and hiring a seasoned SBA manager and loan underwriter.

Organizational and Acquisition Costs

We expect to incur approximately \$845,000 in total organizational and other acquisition costs (excluding the merger consideration as provided in the Merger Agreement). For more information on our organizational and acquisition costs, see “*Use of Proceeds – Organizational and Acquisition Costs*,” beginning on page 33. To date, we have funded our organizational and acquisition costs mainly from funds raised from a prior offering of our Common Shares to our organizers at an offering price of \$10.00 per share (the “First Offering”). We issued 65,500 Common Shares in the First

Offering. If we are unable to complete the Acquisition, members of our organizing group will bear the risk of loss with respect to any investments made by them.

Initial Stock Issuance to Founders and Issuance of Convertible Promissory Notes

On November 17, 2023, the Company issued 300,000 Common Shares for consideration equal to par value, or \$0.01 per share (“Bonus Shares”), to certain individuals (the “Founders”) in anticipation of the substantial financial risk and efforts that they would undertake by investing in the Company. Specifically, Founders received a pro rata number of Bonus Shares based on their anticipated subscription in the First Offering. Certain Founders elected to subscribe for a lesser amount and, accordingly, all or a portion of their Bonus Shares were forfeited and cancelled by USV on a pro rata basis based on the Founder’s subscription in the First Offering. As a result, only 186,000 Bonus Shares remain issued and outstanding. The list of Founders and number of Common Shares issued to each is attached to this Memorandum as Appendix C.

As of the date of this Memorandum, there are 251,500 Common Shares issued and outstanding, comprised of 65,500 shares issued in the First Offering and 186,000 Bonus Shares issued to Founders.

As illustrated above, the Company has and is incurring various expenses associated with the Acquisition. The Company intends to issue one or more promissory notes to raise additional funds to cover operating expenses associated with the Acquisition (the “Promissory Notes”). As of the date of this Memorandum, the Company has collectively issued \$440,000 Promissory Notes to various individuals. It is anticipated that the Promissory Notes will either be repaid by the Company with funds raised in the Offering or be convertible into Common Shares in lieu of repayment at a ratio of up to 2:1 shares to dollar amounts of the Promissory Notes had the investors instead purchased Common Shares in this Offering. As of the date of this Memorandum, the \$440,000 Promissory Notes would be converted to 88,000 Common Shares, assuming a 2:1 ratio.

The Company may also issue one or more Promissory Notes to certain directors and officers of the Company if additional funds are needed. In the event that the Acquisition is not consummated for any reason, including, but not limited to, the Company is unable to raise sufficient funds, receive regulatory approval or is otherwise unable to close the transaction, the recipients of the Promissory Notes will become general unsecured creditors of the Company which would place them ahead of shareholders of the Company if the Company is either dissolved or liquidated.

Investor Suitability Standards

This Offering is being made only to persons who are willing and able to bear the economic risk of an investment in our Common Shares, have no need for liquidity with respect to the Common Shares and are able to sustain a complete loss of their investment. We will accept subscriptions only from (i) certain non-U.S. persons, (ii) certain accredited investors and (iii) up to 35 other persons who we believe have the qualifications necessary to permit us to offer and sell our Common Shares under applicable exemptions from registration under the Securities Act and applicable laws in each state and country in which we offer and sell shares. For additional discussion on the classes of persons eligible to participate in the Offering, please see the section titled “*Investor Suitability Standards and Restrictions on Transfer - Suitability Standards*,” beginning on page 29. Each subscriber must represent, among other things, in a signed Subscription Agreement that he or she has read this Memorandum and is aware of and able to bear the risks of an investment in our Common Shares, including the risk of losing his or her entire investment. In addition, the subscriber must acknowledge that he or she is qualified to subscribe for our Common Shares.

Offering Termination Date

The Company plans on conducting an initial closing of the Offering as soon as the Company believes that it has received sufficient subscriptions and has regulatory approval to consummate the Acquisition, and the Offering will expire on February 28, 2025. However, the Company may, in its sole discretion, extend the Offering for additional periods, but not beyond September 30, 2025. In addition, the Company may end the Offering before February 28, 2025, if it has accepted subscriptions for at least the Minimum Offering amount and if all conditions to closing the Acquisition have been satisfied. The Company may, in its sole discretion, conduct one or more additional closings of the Offering following the initial closing and prior to the expiration date of the Offering.

Restrictions on Transfer

There will be restrictions on the transfer of the Common Shares following the Offering. The Common Shares will not be registered with the SEC or any state securities commission. Rather, the Offering of the Common Shares described herein will be made in reliance on certain exemptions from registration under federal and state securities laws. Because of these exemptions, the Common Shares may not be sold, assigned, pledged or otherwise transferred unless the Common Shares are registered or we determine that the disposition is exempt from registration under federal and state securities laws. Shareholders will have no rights to require registration of their Common Shares under the Securities Act or applicable state securities laws, and we have no present intention to register the Common Shares. Therefore, if you purchase Common Shares in the Offering, you should expect to be able to transfer your Common Shares only through a transaction exempt from the registration requirements of federal and state securities laws. In addition, Rule 144 of the Securities Act permitting sales of unregistered securities will not be available at the close of the Offering or at any time in the foreseeable future.

Additionally, Regulation S of the Securities Act provides an exemption from registration for offerings to certain non-U.S. persons. Pursuant to Regulation S, non-U.S. persons must acquire the Common Shares in an offshore transaction, which requires that the non-U.S. person be geographically outside of the United States at the time the offer and purchase of the Common Shares is made. Any non-U.S. person will be required to certify that he, she, or it is not a U.S. person, is not named on the Specially Designated Nationals and Blocked Persons list ("SDN List") maintained by the Office of Foreign Assets Control ("OFAC"), and is not acquiring the Common Shares for the account or benefit of any U.S. person or any person named on the SDN List. Such investors must agree to resell the Common Shares only in accordance with Regulation S or pursuant to registration, or an available exemption from registration, under the Securities Act, and only to purchasers who provide certain certifications as required by the transfer agent to effect the transfer, including, but not limited to certifying that they are not named on the SDN List. Further, non-U.S. investors must also agree to not engage in hedging transactions with respect to the Common Shares unless in compliance with the Securities Act.

Further, non-U.S. persons that participate in the Offering must agree that he, she or it has satisfied itself as to the full observance of the laws of the investor's jurisdiction in connection with the investment in the Common Shares, including (A) the legal requirements within investor's jurisdiction for the purchase of the Common Shares, (B) any foreign exchange restrictions applicable to such purchase, (C) any governmental or other consents that may need to be obtained, including but not limited to any requisite license, and (D) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Common Shares. Non-U.S. investors must also agree that the payment for and continued beneficial ownership of Common Shares will not violate any applicable securities or other laws of the investor's jurisdiction.

Use of Proceeds

As discussed previously, we intend to use a portion of the proceeds of this Offering to fund the Acquisition. We expect that approximately \$13,650,000 (based upon the Minimum Offering) will be injected into the Bank as additional capital to fund our operations and anticipated growth. We anticipate retaining approximately \$350,000 of the proceeds at the Company-level for future working capital needs. See "*Use of Proceeds*," beginning on page 32.

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SUMMARY OF THIS OFFERING

The following summary highlights selected information from this Memorandum and may not contain all of the information that is important to you. This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Memorandum and the Subscription Agreement attached as Appendix A to this Memorandum. Each prospective investor is urged to read this Memorandum in its entirety.

Issuer:	USV Bancorp, Inc., a Texas corporation (“USV,” the “Company,” “we,” “our” or “us”), is a proposed bank holding company.
Securities Offered:	We are offering a minimum of 3,000,000 shares (the “ <u>Minimum Offering</u> ”) and a maximum of 5,000,000 shares (the “ <u>Maximum Offering</u> ”) of the Company’s common stock, par value \$0.01 per share (the “ <u>Common Shares</u> ”).
Offering Price:	\$10.00 per share.
Minimum Offering:	To complete the Offering, the Company must raise at least \$30,000,000.
Maximum Offering:	The Company will accept subscriptions for a Maximum Offering of \$50,000,000 (5,000,000 shares) of the Company’s Common Shares. In addition, if the Offering is oversubscribed, we reserve the right to increase the maximum size of the Offering by an amount not to exceed 20% of the Maximum Offering, or 1,000,000 shares.
Eligible Investors:	The Offering is limited to persons who are “accredited investors,” as defined in Rule 501 promulgated by the Securities and Exchange Commission (the “ <u>SEC</u> ”), and up to 35 “non-accredited investors” who meet certain suitability standards, as well as to certain non-U.S. persons pursuant to Regulation S, each as further described in the section of this Memorandum titled “ <i>Investor Suitability Standards and Restrictions on Transfer</i> ,” beginning on page 29. Further, investors must subscribe to purchase at least 500 shares, or \$5,000 and execute a Subscription Agreement, the form of which is attached to this Memorandum as <u>Appendix A</u> .
Minimum Investment:	The minimum investment is \$5,000 (or 500 shares); however, we reserve the right to reject any subscription, in whole or in part, to waive the minimum subscription amount, or to allocate to any prospective investor a subscription amount less than the minimum investment.
Maximum Investment:	The maximum investment is 9.9% of the Common Shares sold in this Offering; however, we reserve the right to reject any subscription, in whole or in part, and to waive the maximum subscription amount.
Use of Proceeds:	<p>We intend to use the proceeds from this Offering to:</p> <ul style="list-style-type: none">• finance the Acquisition;• fund organizational and acquisition costs;• pay the fees and costs incurred in connection with this Offering; and• add additional capital to the resulting banking organization to support future growth. <p>See “<i>Use of Proceeds</i>” on page 32 for additional information.</p>
Subscription Arrangements:	Upon receipt, all subscription funds will be deposited in a segregated subscription account with the Escrow Agent (the “ <u>Offering Account</u> ”). We will be unable to use

any subscription funds until we have attained at least the Minimum Offering amount and satisfied all conditions to closing the Acquisition.

Plan of Distribution:

The Common Shares will be offered and sold on a “best efforts” basis by our directors and executive officers. While we may utilize one or more licensed broker-dealers to sell our Common Shares, we have not engaged any licensed broker-dealer to do so at this time.

Subscription Date and Expiration Date:

The Company is seeking return of Subscription Documents on or before February 28, 2025 (the “Subscription Date”), but we may, in our discretion, decide to end the Offering earlier. The Offering is expected to terminate on or before February 28, 2025 (the “Termination Date”), but we may, in our discretion, decide to extend the Termination Date to a date not later than September 30, 2025.

The initial closing of the Offering will occur as soon as the Company believes it has received sufficient subscriptions and has received regulatory approval to consummate the Acquisition. The Company may conduct one or more additional closings of the Offering prior to the Termination Date.

Risk Factors:

The purchase of the Common Shares offered hereby involves a high degree of risk and should be considered only by prospective investors who are able to sustain the total loss of their investment. See “*Risk Factors*,” beginning on page 7.

Transfer Restrictions:

No public market for the Common Shares currently exists and investors will have limited ability to trade their shares. Unless and until the Company completes an initial public offering or sells the business for cash or shares of a public company, investors will have no ability to access the public markets with respect to the Common Shares. There can be no assurance that a public market for the Common Shares will develop. The shares have not been registered under the Securities Act and are subject to certain restrictions on transferability. See “*Investor Suitability Standards and Restrictions on Transfer – Restrictions on Transfer*” beginning on page 32.

Investor Suitability Standards:

This investment is suitable only for sophisticated and experienced investors who have substantial financial resources, who are able to bear the economic risks of the investment, who do not anticipate that they will need to liquidate any Common Shares acquired hereunder in the foreseeable future and understand or have been advised with respect to the tax or other consequences of, and risk factors associated with, this investment. See “*Investor Suitability Standards and Restrictions on Transfer*” beginning on page 29.

Expenses of the Offering:

We will bear all expenses of the Offering, which together with the organizational and Acquisition-related expenses are estimated to be approximately \$845,000 (excluding the merger consideration as provided in the Merger Agreement).

Inquiries:

For more information about this Offering, inquiries may be directed to the following:

Tri Dinh Minh Nguyen
Chairman and President
USV Bancorp, Inc.
6100 Corporate Drive, Suite 178
Houston, Texas 77036
Email: ndmtri3@yahoo.com

RISK FACTORS

Investing in our Common Shares involves a significant degree of risk. You should carefully consider the following risk factors, in addition to the other information contained in this Memorandum, before deciding to invest. Any of the following risks, as well as risks that we do not know or currently deem immaterial, could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, to the extent that any of the information in this Memorandum constitutes forward-looking statements, the risk factors below also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any forward-looking statements made by us or on our behalf. See “Caution Regarding Forward-Looking Statements” beginning on page iii.

Risks Related to the Company’s Business

The Company has no operating history and cannot ensure the future success of the Bank.

The Company is in its early stages of operations, having been formed in November 2023 for the sole purpose of acquiring a financial institution and, as a result, there is minimal historical, operating, and financial information regarding the Company that would ordinarily be available to a purchaser of securities of a financial institution with an extensive operating history. The Company entered into the Merger Agreement with CNB, the sole owner of the Bank, which has an operating history of over 100 years. The Company’s future operating results will depend upon a number of factors, including the ability of the Company to profitably manage the Acquisition, implement its business plan, expand the Bank’s core assets and core deposit liabilities and to successfully identify and respond to emerging trends in its market areas. Accordingly, the financial information presented in this Memorandum may not be as meaningful as that of a company which does have a history of operations. In addition, the success of the Company’s operations must be considered in light of the expenses, complications, and delays frequently encountered in connection with the Acquisition and expansion of a new business. No assurances can be given that the historical performance of the Bank will continue or that the Company’s operations will be profitable.

If the Company is unable to implement its business strategies, or if they do not have the favorable impact that we anticipate, the Company’s financial performance may be adversely affected.

We have developed a business plan that details the strategies that we intend to implement at the Company to achieve growth and profitability, which includes, among others, expanding the Bank’s operations to other demographics and geographic locations. If the Company cannot implement these business strategies, it may be hampered in its ability to grow and serve its customers, which, in turn, could have an adverse effect on its business, financial performance, results of operations and prospects. Even if the business strategies are implemented, we cannot assure you that they will have the favorable impact that we anticipate. Furthermore, while we believe that the Company’s business plan is reasonable and that its strategies will enable it to execute the business plan, we have no control over the future occurrence of events upon which the business plan and strategies are based, particularly general and local economic conditions that may affect the Bank’s loan-to-deposit ratio, total deposits, rate of deposit growth, cost of funding, level of earning assets, asset quality and interest-related revenues and expenses.

The Company will rely heavily on its senior management team and could be adversely affected by the unexpected loss of key officers, including those individuals that the Company identifies to join its senior management team following the completion of the Offering.

The Company’s success will depend in large part on the services and efforts of its senior management team and the Company’s ability to attract, motivate and retain highly qualified employees. Competition for employees is intense and the process of locating key personnel with the combination of skills and attributes required to execute the Company’s business plan may be lengthy. The unexpected loss of services of one or more of the Company’s key personnel could have a material adverse effect on its business because of their skills, knowledge of the market, years of industry experience, long-term customer relationships, and the difficulty of promptly finding qualified replacement personnel. If the services of any of the Company’s key personnel should become unavailable for any reason, the Company may be unable to identify and hire qualified persons on acceptable terms, which could have a material adverse effect on the Company’s business, financial condition, results of operations and prospects.

The Company will rely on the use of data and modeling in management's decision-making, and faulty data or modeling approaches could negatively impact the Company's decision-making ability.

The use of statistical and quantitative models and other quantitative analyses is endemic to financial institution decision-making, and the employment of such analyses is becoming increasingly widespread in banking operations. Liquidity stress testing and interest rate sensitivity analysis are all examples of areas in which the Company expects to be dependent on models and the data that underlies them.

We anticipate that data-based modeling will penetrate further into financial institution decision-making, particularly risk management efforts, as the capacities developed to meet rigorous stress testing requirements are able to be employed more widely and in differing applications. While we believe these quantitative techniques and approaches improve the Company's decision-making, they also create the possibility that faulty data or flawed quantitative approaches could negatively impact its decision-making.

The Company may be adversely affected by the soundness of other financial institutions.

The Company's ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services companies are interrelated as a result of trading, clearing, counterparty, and other relationships. The Company will have exposure to different industries and counterparties, and through transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, and other institutional customers. As a result, defaults by, or even rumors or questions about, one or more financial services companies, or the financial services industry generally, have led to market-wide liquidity problems and could lead to losses or defaults by the Company or by other institutions. These losses or defaults could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

A key piece of our strategic growth plan involves decision-making authority at the Bank, and our business, financial condition, results of operations and prospects could be negatively affected if our local teams do not follow our internal policies or are negligent in their decision-making.

We attract and retain our management talent by empowering them to make certain business decisions on a local level. Lending authorities are assigned to bank office presidents and their banking teams based on their level of experience. Additionally, all loan relationships in excess of internal specified maximums are reviewed by a senior level loan committee, comprised of senior management of the Bank. Our local bankers may not follow our internal procedures or otherwise act in our best interests with respect to our decision-making. A failure of our employees to follow our internal policies, or actions taken by our employees that are negligent, could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may need to raise additional capital in the future, and such capital may not be available when needed or at all.

We may need to raise additional capital, in the form of additional debt or equity, in the future to have sufficient capital resources and liquidity to meet our commitments and fund our business needs and future growth, particularly if the quality of our assets or earnings were to deteriorate significantly. Our ability to raise additional capital, if needed, will depend on, among other things, conditions in the capital markets at that time, which are outside of our control, and our financial condition. Economic conditions and a loss of confidence in financial institutions may increase our cost of funding and limit access to certain customary sources of capital or make such capital only available on unfavorable terms, including interbank borrowings, repurchase agreements and borrowings from the discount window of the Federal Reserve. We may not be able to obtain capital on acceptable terms or at all. Any occurrence that may limit our access to the capital markets, such as a decline in the confidence of debt purchasers, depositors of our banks or counterparties participating in the capital markets or other disruption in capital markets, may adversely affect our capital costs and our ability to raise capital and, in turn, our liquidity. Further, if we need to raise capital in the future, we may have to do so when many other financial institutions are also seeking to raise capital and would then have to compete with those institutions for investors. An inability to raise additional capital on acceptable terms when needed could have a material adverse effect on our business, financial condition and results of operations.

Risks Relating to the Acquisition

The Acquisition may not be consummated unless important conditions are satisfied.

The Company and CNB expect the Acquisition to close in the third quarter of 2025, but the Acquisition is subject to a number of closing conditions. Satisfaction of many of these conditions is beyond the Company's control. If these conditions are not satisfied or waived, the Acquisition will not be completed or may be delayed and each of the Company and CNB may lose some or all of the intended benefits of the Acquisition. Certain of the conditions that remain to be satisfied include, but are not limited to:

- the Company receiving a sufficient amount of subscriptions in this Offering;
- the receipt of required regulatory approvals, including the approval of the Federal Reserve and the OCC;
- the receipt of all required consents and approvals identified by the Merger Agreement;
- the continued accuracy of the representations and warranties made by the parties in the Merger Agreement;
- the performance by each party of its respective obligations under the Merger Agreement;
- each party's receipt of a secretary's certificate from its respective secretary or assistant secretary, dated as of the closing date of the closing date;
- the absence of any material adverse change in financial condition, business or results of operations of the Company, CNB or the Bank;
- certain agreements, including employment agreements executed by certain employees of CNB and/or the Bank, remaining in full force and effect;
- the releases executed by the directors and executive officers of CNB and the Bank and the director support agreements executed by certain directors of CNB and the Bank remaining in full force and effect;
- the delivery of a FIRPTA Certificate by CNB to the Company;
- CNB having delivered to the Company all other instruments and documents which the Company or its counsel may reasonably request to effectuate the transactions contemplated by the Merger Agreement;
- holders of no more than ten percent (10.0%) of the issued and outstanding CNB common stock having demanded or being entitled to demand payment of the appraised fair value of their shares as dissenting shareholders; and
- the absence of any injunction, order or decree restraining, enjoining or otherwise prohibiting the Acquisition.

If these conditions are not satisfied or waived, the Acquisition may not close as scheduled or at all. In addition, either the Company or CNB may terminate the Merger Agreement under certain circumstances.

Regulatory approvals may not be received, may take longer than expected or may impose conditions that the Company does not anticipate or that cannot be met.

Before the Acquisition may be completed, various approvals or waivers must be obtained from bank regulatory authorities, including the Federal Reserve and the OCC. These regulators may impose conditions on the completion of, or require changes to the terms of, the Acquisition. Such conditions or changes and the process of obtaining regulatory approvals or waivers could have the effect of delaying the completion of the Acquisition or of imposing additional costs or limitations on the Company following the completion of the Acquisition. The regulatory approvals may not be received at all, may not be received in a timely fashion or may contain conditions on the completion of the Acquisition that are burdensome, not anticipated or cannot be met. If the completion of the Acquisition is delayed, including by a delay in receipt of necessary regulatory approvals, the business, financial condition and results of operations of the Company and the Bank may also be materially adversely affected.

The Acquisition may be more difficult, costly or time consuming than expected, and the anticipated benefits and cost savings of the Acquisition may not be realized.

As with any merger or acquisition of financial institutions, there may be business disruptions that cause the Bank to lose customers or cause customers to remove their accounts from the Bank and move their business to competing financial institutions. The Acquisition will also divert management attention and resources. These matters could have an adverse effect on the Bank during this transition period before the Acquisition is completed for an undetermined period after the completion of the Acquisition.

The Merger Agreement contains provisions granting both the Company and CNB the right to terminate the Merger Agreement in certain circumstances.

The Merger Agreement contains certain termination rights, including the right, subject to certain exceptions, of either party to terminate the Merger Agreement if the Acquisition is not completed by September 30, 2025 (unless one or more of the required regulatory approvals has not been received on or before September 30, 2025, in which case the Company has the unilateral right to extend this deadline to November 29, 2025, by increasing the Earnest Money Deposit (as defined herein) it provided CNB in connection with the Merger Agreement, unless the failure to complete the Acquisition by that time is caused by or results from the failure of the party that seeks to terminate the Merger Agreement to fulfill any material obligation under the Merger Agreement) and the right of CNB to terminate the Merger Agreement, subject to certain conditions, to accept a business combination transaction deemed to be superior to the Acquisition by the CNB board of directors. If the Acquisition is not completed, the ongoing business of the Company could be adversely affected and the Company will be subject to several risks, including the risks described elsewhere in this “Risk Factors” section.

Termination of the Merger Agreement could negatively impact the Company and the Bank.

If the Merger Agreement is terminated before closing, there may be various consequences. For example, the Company’s business may have been impacted adversely by the failure to pursue other beneficial opportunities due to the focus of management on the Acquisition, without realizing any of the anticipated benefits of completing the Acquisition. Also, the Company will have incurred substantial expenses in connection with the proposed Acquisition without realizing the benefits of the Acquisition. In addition, if the Merger Agreement is terminated under certain circumstances, the Company may be required to pay CNB a termination fee.

The Company and the Bank will be subject to business uncertainties while the Acquisition is pending.

Uncertainty about the effect of the Acquisition on employees and customers may have an adverse effect on the Company and the Bank. These uncertainties may impair the ability of the Company or the Bank to attract, retain and motivate strategic personnel until the Acquisition is consummated, and could cause customers and others that deal with the Company or the Bank to seek to change existing business relationships. Experienced employees in the financial services industry are in high demand, and competition for their talents can be intense. Employees of the Bank may experience uncertainty about their future role with the surviving corporation until, or even after, strategies with regard to the combined company are announced or executed. If any key employees of the Company or the Bank depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the Bank, the Bank’s business prior to the Acquisition closing and after the Acquisition closes could be harmed.

The Acquisition may distract the Company’s and the Bank’s management from its other responsibilities.

The Acquisition of the Bank could cause the Company’s and the Bank’s management to focus its time and energies on matters related to the Acquisition that otherwise would be directed to the business and operations of the Bank. Any such distraction on the part of management, if significant, could affect its ability to service existing business and develop new business and adversely affect the business and earnings of the Company and the Bank.

There may be undiscovered risks or losses associated with the proposed Acquisition.

When we acquire the Bank or any other financial institution, we will be acquiring the corporate entity, which includes all of its assets and liabilities. Although our management team has conducted due diligence with respect to the Acquisition, we do not have recent working experience with respect to those assets and liabilities that are on the Bank's balance sheet. Accordingly, we may suffer losses or undisclosed liabilities with respect to the assets and liabilities acquired.

Risks Related to the Bank's Business

We may be unable to integrate the Bank's operations with our proposed business plan efficiently.

Our efforts to integrate the existing operations of the Bank with our proposed business plan are subject to risks, including possible loss of customers, employees or deposits; possible difficulty of lending the funds associated with the deposits assumed on a timely basis; and difficulties in assimilating the operations to the Company's proposed business plan, policies, procedures and internal controls. We cannot be certain that we will realize the benefits from the Acquisition that we anticipate. If we fail to integrate the operations of the Bank efficiently, it could have a material adverse effect on our business, financial condition, results of operations, cash flows and future prospects.

The Bank will rely heavily on its senior management team and could be adversely affected by the unexpected loss of key officers, including those individuals that the Bank identifies to join its senior management team following the completion of the Offering.

The Bank's success will depend in large part on the services and efforts of its senior management team and the Bank's ability to attract, motivate and retain highly qualified employees. Competition for employees is intense and the process of locating key personnel with the combination of skills and attributes required to execute the Bank's business plan may be lengthy. The unexpected loss of services of one or more of the Bank's key personnel could have a material adverse effect on its business because of their skills, knowledge of the market, years of industry experience, long-term customer relationships, and the difficulty of promptly finding qualified replacement personnel. If the services of any of the Bank's key personnel should become unavailable for any reason, the Bank may be unable to identify and hire qualified persons on acceptable terms, which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank's ability to attract and retain profitable bankers will be critical to the success of its business strategy.

We expect that the Bank's growth strategy will rely on its ability to attract and retain additional profitable bankers. The Bank may face difficulties in recruiting and retaining bankers of its desired caliber, including as a result of competition from other financial institutions. In particular, many of the Bank's competitors may be significantly larger with greater financial resources and may be able to offer more attractive compensation packages and broader career opportunities. Additionally, the Bank may incur significant expenses and expend significant time and resources on training, integration and business development before it is able to determine whether a new banker will be profitable or effective. If the Bank is unable to attract and retain profitable bankers, or if its bankers fail to meet expectations in terms of customer relationships and profitability, the Bank may be unable to execute its business strategy, which could have an adverse effect on its business, financial condition and results of operations.

As a business operating in the financial services industry, the Bank's business and operations may be adversely affected in numerous and complex ways by weak economic conditions.

The business and operations of the Bank, which primarily consist of lending money to customers in the form of loans, borrowing money from customers in the form of deposits and investing in securities, are sensitive to general business and economic conditions in the U.S. Continued uncertainty about the federal fiscal policymaking process, and the medium and long-term fiscal outlook of the federal government and U.S. economy, is a concern for businesses, consumers and investors in the U.S. In addition, economic conditions in foreign countries, including global political hostilities and uncertainty over the stability of the euro currency, could affect the stability of global financial markets, which could hinder domestic economic growth. The current economic environment is characterized by decreasing

interest rates, which impacts the Bank's ability to retain deposits and to achieve satisfactory interest rate spreads. All of these factors are detrimental to the Bank's business, and the interplay between these factors can be complex and unpredictable. The Bank's business is also significantly affected by monetary and related policies of the U.S. government and its agencies. Changes in any of these policies are influenced by macroeconomic conditions and other factors that are beyond the Bank's control. Adverse economic conditions and government policy responses to such conditions could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank may be unable to adequately measure and limit its credit risk, which could adversely affect its profitability.

The Bank's business depends on its ability to successfully measure and manage credit risk. As a lender, the Bank is exposed to the risk that the principal of, or interest on, a loan will not be repaid timely or at all or that the value of any collateral supporting a loan will be insufficient to cover its outstanding exposure. In addition, the Bank is exposed to risks with respect to the period of time over which the loan may be repaid, risks relating to proper loan underwriting, risks resulting from changes in economic and industry conditions, and risks inherent in dealing with individual loans and borrowers. The creditworthiness of a borrower is affected by many factors including local market conditions and general economic conditions. If the overall economic climate in the U.S., generally, or the Bank's market areas, specifically, experiences material disruption, borrowers may experience difficulties in repaying their loans, the collateral the Bank holds may decrease in value or become illiquid, and the level of nonperforming loans, charge-offs and delinquencies could rise and require significant additional provisions for credit losses.

Additional factors related to the credit quality of commercial loans include the quality of the management of the business and the borrower's ability both to properly evaluate changes in the supply and demand characteristics affecting our market for products and services and to effectively respond to those changes. Additional factors related to the credit quality of commercial real estate loans include tenant vacancy rates and the quality of management of the property.

The Bank's risk management practices, such as monitoring the concentration of loans within specific industries and its credit approval, review and administrative practices may not adequately reduce credit risk, and the Bank's credit administration personnel, policies and procedures may not adequately adapt to changes in economic or any other conditions affecting customers and the quality of the loan portfolio. A failure to effectively measure and limit the credit risk associated with the Bank's loan portfolio may result in loan defaults, foreclosures and additional charge-offs, and may necessitate that the Bank significantly increase its allowance for loan losses, each of which could adversely affect net income. As a result, the Bank's inability to successfully manage credit risk could have an adverse effect on its business, financial condition and results of operations.

Because a meaningful portion of the Bank's loan portfolio will be comprised of real estate loans, negative changes in the economy affecting real estate values and liquidity could impair the value of collateral securing its real estate loans and result in loan and other losses.

Real estate values in Texas and elsewhere experience periods of fluctuation, and the market value of real estate can fluctuate significantly in a short period of time. We expect that a meaningful portion of the Bank's loans will be comprised of loans with real estate as the primary component of collateral. These loans would include commercial real estate loans, interim construction loans and single family residential loans. We expect that the Bank will also make loans secured by real estate as a secondary source of collateral. Adverse changes affecting real estate values and the liquidity of real estate in the Bank's markets could increase the credit risk associated with its loan portfolio and could result in losses that adversely affect the Bank's business, financial condition, and results of operation. Negative changes in the economy affecting real estate values and liquidity could significantly impair the value of property pledged as collateral on loans and affect the Bank's ability to sell the collateral upon foreclosure without a loss or additional losses. If collateral must be sold for less than the outstanding balance of the loan, the Bank may incur losses on such loans. If real estate values decline, it is also more likely that the Bank would be required to increase its allowance for loan losses. Such declines and losses could have an adverse effect on the Bank's business, financial condition and results of operations.

The Bank may be unable to manage the risks associated with its commercial loan portfolio.

As part of its business plan, the Bank intends to continue growing its commercial loan portfolio. In general, these loans are collateralized by general business assets, including, among other things, accounts receivable, inventory and equipment and most are backed by a personal guaranty of the borrower or principal. Commercial loans are typically larger in amount than loans to individuals and, therefore, have the potential for larger losses on a single loan basis. Additionally, the repayment of commercial loans is subject to the ongoing business operations of the borrower. The collateral securing such loans generally includes movable property, such as equipment and inventory, which may decline in value more rapidly than the Bank anticipates, exposing it to increased credit risk. Significant adverse changes in the economy or local market conditions in which the Bank's commercial lending customers operate could cause rapid declines in loan collectability and the values associated with general business assets resulting in inadequate collateral coverage. This may expose the Bank to credit losses and could adversely affect its business, financial condition and results of operations.

The Bank's commercial real estate lending activities may expose it to risks that may be greater than the risks related to its other loans.

As a part of its business plan, the Bank expects to grow its portfolio of non-owner-occupied commercial real estate loans for individuals and businesses, which are secured by commercial properties, as well as its real estate construction and development loans. These loans typically involve repayment dependent upon income generated, or expected to be generated, by the property securing the loan in amounts sufficient to cover operating expenses and debt service, which may be adversely affected by changes in the economy or local market conditions. These loans expose a lender to greater credit risk than loans secured by residential real estate because the collateral securing these loans typically cannot be liquidated as easily as residential real estate because there are fewer potential purchasers of the collateral. Additionally, non-owner-occupied commercial real estate loans generally involve relatively large balances to single borrowers or related groups of borrowers. Accordingly, charge-offs on non-owner-occupied commercial real estate loans may be larger on a per loan basis than those incurred with the Bank's portfolio of home mortgage-related assets. Unexpected deterioration in the credit quality of the Bank's commercial real estate loan portfolio would require it to increase its provision for loan losses, which would reduce the Bank's profitability and could materially adversely affect its business, financial condition, results of operations and prospects.

Regulatory requirements affecting loans secured by commercial real estate could limit the Bank's ability to leverage its capital and adversely affect its growth and profitability.

The federal bank regulatory agencies have indicated their view that banks with high concentrations of loans secured by commercial real estate are subject to increased risk and should hold higher capital than regulatory minimums to maintain an appropriate cushion against loss that is commensurate with the perceived risk. Because a material portion of the Bank's loan portfolio will likely be dependent on commercial real estate, the Basel III capital framework, as well as any other regulatory policies affecting commercial real estate, could limit the Bank's ability to leverage its capital, which could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

A significant portion of the Bank's loan portfolio is comprised of loan participations, which could have an adverse effect on the Bank's ability to monitor the lending relationships and lead to an increased risk of loss.

As of September 30, 2024, approximately 31.9% of the Bank's loan portfolio was comprised of purchased loan participations from other financial institutions. Although the Bank historically underwrites such loan participations consistent with its general underwriting criteria, these loans may have a higher risk of loss than loans that the Bank originates and administers. With respect to loan participations in which the Bank is not the lead lender, the Bank relies in part on the lead lender or the agent, as the case may be, to monitor the performance of the loan. Moreover, the Bank's decision regarding the classification of such a loan and loan loss provisions associated with such a loan is made in part based upon information provided by the lead lender or agent bank. A lead lender or agent bank also may not monitor such a loan in the same manner as the Bank would for loans that it originates and administers. If the Bank's underwriting or monitoring of these loans is not sufficient, the Bank's nonperforming loans may increase, and its earnings may decrease.

A new accounting standard will result in a significant change in how the Bank recognizes credit losses and may result in material increases to its allowance for credit losses, and the Bank's provisions for credit losses may be more volatile than in the past.

Upon consummation of the Acquisition, a new measurement of the Bank's allowance for credit losses will be implemented as a result of new accounting standards that went into effect January 1, 2023. The Bank has not adopted the new accounting measure but will do so upon consummation of the Acquisition. In the aftermath of the 2007-2008 financial crisis, the Financial Accounting Standards Board ("FASB") decided to review how banks estimate losses in the calculation of allowance for loan losses and it issued the final Current Expected Credit Loss ("CECL") standard on June 16, 2016. Previously, the impairment model used by financial institutions was based on incurred losses, and loans were recognized as impaired when there was no longer an assumption that future cash flows would be collected in full under the originally contracted terms. That model was replaced by the CECL model, which will become effective for the Bank upon consummation of the Acquisition. Financial institutions are required to use historical information, current conditions and reasonable forecasts to estimate the expected loss over the life of the loan. Management will evaluate the expected impact of these changes to the Bank's financial position and results of operations. The transition to the CECL model will require changes to methodologies to accurately account for expected loss. The CECL model likely will create more volatility in the level of the Bank's allowance for credit losses now that it is applicable to the Bank.

The Bank's allowance for credit losses may prove to be insufficient to absorb losses inherent in its loan portfolio.

Experience in the banking industry indicates that some portion of the Bank's loans will not be fully repaid in a timely manner or at all. Accordingly, the Bank currently maintains an allowance for loan losses that represents management's best estimate of the loan losses and risks inherent in the Bank's portfolio. The level of the allowance reflects management's continuing evaluation of industry concentrations; specific credit risks; loan loss experience; current loan portfolio quality; present economic, political and regulatory conditions; and unidentified losses inherent in the current loan portfolio. The determination of the appropriate level of the allowance for loan losses is inherently and highly subjective and requires management to make significant estimates of current credit risks and future trends, all of which may undergo material changes. Inaccurate assumptions, continuing deterioration of economic conditions affecting borrowers, new information regarding existing loans, identification of additional problem loans and other factors, both within and outside of our control, may require the Bank to increase its allowance for loan losses. In addition, the Bank's regulators, as an integral part of their examination process, periodically review the Bank's loan portfolio and the adequacy of its allowance for loan losses and may require adjustments based on judgments different than those of management. Further, if actual charge-offs in future periods exceed the amounts allocated to the allowance for loan losses, the Bank may need additional provisions for loan losses to restore the adequacy of its allowance for loan losses. If the Bank is required to materially increase its level of allowance for loan losses for any reason, the Bank's business, financial condition, results of operations and prospects could be materially and adversely affected.

Nonperforming assets can take significant time and resources to resolve.

Nonperforming assets adversely affect the Bank's net income in various ways. The Bank generally does not record interest income on other real estate owned or on nonperforming loans, thereby adversely affecting its income and increasing loan administration costs. In addition, when the Bank takes collateral in foreclosures and similar proceedings, the Bank is required to mark the related asset to the then fair market value of the collateral, which may ultimately result in a loss. An increase in the level of nonperforming assets increases the Bank's risk profile and may also impact the capital levels regulators believe are appropriate in light of the ensuing risk profile. While the Bank seeks to reduce problem assets through loan workouts, restructurings, and otherwise, decreases in the value of the underlying collateral, or in the borrowers' performance or financial condition, whether or not due to economic and market conditions beyond its control, could have a material effect on its business, financial condition and results of operations. In addition, the resolution of nonperforming assets can require significant commitments of time from management, which may materially and adversely impact their ability to perform their other responsibilities.

The amount of “other real estate owned” (“OREO”) may increase, resulting in losses, costs and expenses that would negatively affect the Bank’s operations.

If the amount of the Bank’s OREO increases, the Bank’s losses, and the costs and expenses to maintain the real estate, may increase. Any increase in losses and maintenance costs and expenses due to OREO may have material adverse effects on the Bank’s business, financial condition, and results of operations. Such effects may be particularly pronounced in a market of reduced real estate values and excess inventory, which may make the disposition of OREO properties more difficult, increase maintenance costs and expenses, and may reduce the Bank’s ultimate realization from any OREO sales.

The small to medium-sized businesses that the Bank will target may have fewer resources to weather adverse business developments, which may impair its borrowers’ ability to repay loans.

The Bank will focus its business development and marketing strategy primarily on small to medium-sized businesses. Small to medium-sized businesses frequently have smaller market shares than their competition, may be more vulnerable to economic downturns, often need substantial additional capital to expand or compete and may experience substantial volatility in operating results, any of which may impair a borrower’s ability to repay a loan. In addition, the success of a small and medium-sized business often depends on the management skills, talents and efforts of one or two people or a small group of people, and the death, disability or resignation of one or more of these people could have an adverse impact on the business and its ability to repay its loan. If general economic conditions negatively impact the markets in which the Bank will continue to operate in and small to medium-sized businesses are adversely affected or its borrowers are otherwise harmed by adverse business developments, this, in turn, could have an adverse effect on the Bank’s business, financial condition and results of operations.

The Bank is subject to interest rate risk, and a change in interest rates could have a negative effect on its net income, capital levels, and overall results.

Interest rates are highly sensitive to many factors that are beyond the Bank’s control, including general economic conditions, competition and policies of various governmental and regulatory agencies, particularly the Federal Reserve. Changes in monetary policy, including changes in interest rates, could influence the amount of interest the Bank earns on loans and securities and the amount of interest it incurs on deposits and borrowings. Such changes could also affect the Bank’s ability to originate loans and obtain deposits, as well as the average duration of its securities portfolio. If the interest rates paid on deposits and other borrowings increase at a faster rate than the interest rates received on loans and other investments, the Bank’s net interest income, and therefore earnings, could be adversely affected. Earnings could also be adversely affected if the interest rates received on loans and other investments fall more quickly than the interest rates paid on deposits and other borrowings.

In times of increasing interest rates, loan originations may decline, depending on the performance of the overall economy, which may adversely affect income from these lending activities. Also, increases in interest rates could adversely affect the market value of the Bank’s fixed income assets. Conversely, in times of decreasing interest rates, loan originations may decline, and the Bank’s borrowers may experience difficulties meeting their obligations or seek to refinance their loans for lower rates, which may adversely affect income from these lending activities and negatively impact the Bank’s net interest margin.

In addition, the Bank may hold securities that may be sold in response to changes in market interest rates, changes in securities’ prepayment risk, increases in loan demand, general liquidity needs and other similar factors are classified as available for sale and are carried at estimated fair value, which may fluctuate with changes in market interest rates. The resurgence of heightened interest rates could result in a decrease in the value of the Bank’s available for sale investment portfolio.

Liquidity risk could impair the Bank’s ability to fund operations and meet its obligations as they become due.

Liquidity is essential to the Bank’s business. The Bank relies on its ability to generate deposits and effectively manage the repayment and maturity schedules of its loans and investment securities, respectively, to ensure that it has adequate liquidity to fund its operations. An inability to raise funds through deposits, borrowings, the sale of

investment securities, the sale of loans, and other sources could have a substantial negative effect on the Bank's liquidity. The Bank's most important source of funds is deposits. Deposit balances can decrease when customers perceive alternative investments as providing a better risk/return tradeoff. If customers move money out of bank deposits and into other non-bank investments, the Bank would lose a relatively low-cost source of funds, increasing its funding costs and reducing its net interest income and net income. Other primary sources of funds consist of cash flows from operations and maturities and sales of investment securities. Additional liquidity may be provided by the ability to borrow from the Federal Reserve Bank of Dallas and the Federal Home Loan Bank. The Bank may also borrow funds from third-party lenders, such as other financial institutions.

The Bank's access to funding sources in amounts adequate to finance or capitalize its activities, or on terms that are acceptable to it, could be impaired by factors that affect the Bank directly or the financial services industry or economy in general, such as disruptions in the financial markets or negative views and expectations about the prospects for the financial services industry. The Bank's access to funding sources could also be affected by a decrease in the level of business activity as a result of a downturn in the Bank's primary market area or by one or more adverse regulatory actions against the Bank. Any decline in available funding could adversely impact the Bank's ability to originate loans, invest in securities, meet its expenses, or to fulfill obligations such as repaying its borrowings or meeting deposit withdrawal demands, any of which could have a material adverse impact on the Bank's liquidity and could, in turn, have an adverse effect on its business, financial condition and results of operations.

The fair value of the Bank's investment securities can fluctuate due to factors outside of its control.

As of September 30, 2024, the fair value of the Bank's investment securities portfolio was approximately \$59.7 million on which it had unrealized losses of approximately \$1.2 million and a weighted average life of 1.98 years. Moreover, as of September 30, 2024, approximately 46.9% of the Bank's investment portfolio was comprised of securities that are held-to-maturity. We expect these amounts to remain initially unchanged, then reduce as a percentage of the overall balance sheet following the completion of the Offering as the Bank implements its core growth strategies. The fair value of securities in the Bank's portfolio can be influenced by a number of factors beyond the Bank's control, including, but are not limited to, rating agency actions in respect to the securities, defaults by the issuer or with respect to the underlying securities, and changes in market interest rates and persistent instability in the capital markets. Any of these factors, among others, could cause other-than-temporary impairments and realized and/or unrealized losses in future periods and declines in other comprehensive income, which could materially and adversely affect the Bank's business, results of operations, financial condition and prospects. The process for determining whether impairment of a security is other-than-temporary usually requires complex, subjective judgments about the future financial performance and liquidity of the issuer and any collateral underlying the security to assess the probability of receiving all contractual principal and interest payments on the security.

The Bank faces significant competition to attract and retain customers, which could adversely affect its growth and profitability.

The Bank operates in the highly competitive banking industry and faces significant competition for customers from bank and non-bank competitors, particularly regional and nationwide institutions, in originating loans, attracting deposits and providing other financial services. The Bank's competitors are generally larger and may have significantly more resources, greater name recognition, and more extensive and established branch networks or geographic footprints than the Bank has or intends to have over the foreseeable future. Because of their scale, many of these competitors can be more aggressive than the Bank with respect to loan and deposit pricing. Also, many of the Bank's non-bank competitors have fewer regulatory constraints and may have lower cost structures. We expect competition to continue to intensify due to financial institution consolidation; legislative, regulatory and technological changes; and the emergence of alternative banking sources.

The Bank's ability to compete successfully will depend on a number of factors, including, among other things, the scope, relevance and pricing of products and services it offers to meet customer needs and demands; the rate at which the Bank introduces new products and services relative to its competitors; customer satisfaction with the Bank's level of service; the Bank's ability to expand its market position; industry and general economic trends; and the Bank's ability to keep pace with technological advances and to invest in new technology.

Increased competition could require the Bank to increase the rates it pays on deposits or lower the rates it offers on loans, which could reduce its profitability. The Bank's failure to compete effectively could cause it to lose market share and could have an adverse effect on its business, financial condition and results of operations.

The Bank will rely on the use of data and modeling in management's decision-making, and faulty data or modeling approaches could negatively impact the Bank's decision-making ability or possibly subject it to regulatory scrutiny in the future.

The use of statistical and quantitative models and other quantitative analyses is endemic to bank decision-making, and the employment of such analyses is becoming increasingly widespread in banking operations. Liquidity stress testing, interest rate sensitivity analysis, and the identification of possible violations of anti-money laundering regulations are all examples of areas in which the Bank expects to be dependent on models and the data that underlies them. The use of statistical and quantitative models is also becoming more prevalent in regulatory compliance. While the Bank will not be subject to annual Dodd-Frank Act stress testing and the Comprehensive Capital Analysis and Review submissions, the Bank expects to utilize other forms of stress testing for capital, credit and liquidity purposes and anticipates that model-derived testing may become more extensively implemented by regulators in the future.

We anticipate that data-based modeling will penetrate further into bank decision-making, particularly risk management efforts, as the capacities developed to meet rigorous stress testing requirements are able to be employed more widely and in differing applications. While we believe these quantitative techniques and approaches improve the Bank's decision-making, they also create the possibility that faulty data or flawed quantitative approaches could negatively impact its decision-making ability or, if the Bank becomes subject to regulatory stress-testing in the future, adverse regulatory scrutiny.

The Bank may be adversely affected by the soundness of other financial institutions.

The Bank's ability to engage in routine funding transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services companies are interrelated as a result of trading, clearing, counterparty, and other relationships. The Bank will have exposure to different industries and counterparties, and through transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, and other institutional customers. As a result, defaults by, or even rumors or questions about, one or more financial services companies, or the financial services industry generally, have led to market-wide liquidity problems and could lead to losses or defaults by the Bank or by other institutions. These losses or defaults could have a material adverse effect on the Bank's business, financial condition, results of operations and prospects.

The Bank depends on the accuracy and completeness of information about borrowers and counterparties and any misrepresented information could adversely affect its business, financial condition and results of operations.

In deciding whether to extend credit or to enter into other transactions with borrowers and counterparties, the Bank may rely on information furnished to it by or on behalf of borrowers and counterparties, including financial statements and other financial information. The Bank also may rely on representations of borrowers and counterparties as to the accuracy and completeness of that information and, with respect to financial statements, on reports of independent auditors. While the Bank has a practice of independently verifying the borrower information that it uses in deciding whether to extend credit or to agree to a loan modification, including employment, assets, income and credit score, if any of this information is intentionally or negligently misrepresented and such misrepresentation is not detected prior to loan funding, the value of the loan may be significantly lower than expected. Whether a misrepresentation is made by the loan applicant, another third party or one of its employees, the Bank will generally bear the risk of loss associated with the misrepresentation. The Bank has controls and processes designed to help identify misrepresented information in its loan originations operations; however, the Bank may not have detected or may not detect all misrepresented information in its loan originations or from its customers. Any such misrepresented information could materially and adversely affect the Bank's business, financial condition, results of operations and prospects.

The Bank will have a continuing need for technological change, and it may not have the resources to effectively implement new technology, or it may experience operational challenges when implementing new technology.

The financial services industry is undergoing rapid technological changes with frequent introductions of new technology-driven products and services. The effective use of technology increases efficiency and enables financial institutions to reduce costs as well as service the Bank's customers better. The Bank's future success will depend, at least in part, upon its ability to address the needs of its customers by using technology to provide products and services that will satisfy customer demands for convenience as well as to create additional efficiencies in its operations as the Bank continues to grow and expand its products and service offerings. The Bank may experience operational challenges as it implements these new technology enhancements or products, which could result in the Bank not fully realizing the anticipated benefits from such new technology or require it to incur significant costs to remedy any such challenges in a timely manner.

Many of the Bank's larger competitors have substantially greater resources to invest in technological improvements. As a result, they may be able to offer additional or superior products compared to those that the Bank will be able to provide, which would put it at a competitive disadvantage. Accordingly, the Bank may lose customers seeking new technology-driven products and services to the extent it is unable to provide such products and services.

The Bank relies on third parties to provide key components of its business infrastructure, and a failure of these parties to perform for any reason could disrupt the Bank's operations.

Third parties will provide key components of the Bank's business infrastructure such as data processing, internet connections, network access, core application processing, statement production and account analysis. The Bank's business depends on the successful and uninterrupted functioning of its information technology and telecommunications systems and third-party servicers. The failure of these systems, or the termination of a third-party software license or service agreement on which any of these systems is based, could interrupt the Bank's operations. Because its information technology and telecommunications systems interface with and depend on third-party systems, the Bank could experience service denials if demand for such services exceeds capacity or such third-party systems fail or experience interruptions. Replacing vendors or addressing other issues with the Bank's third-party service providers could entail significant delay and expense. If the Bank is unable to efficiently replace ineffective service providers, or if the Bank experiences a significant, sustained or repeated, system failure or service denial, it could compromise the Bank's ability to operate effectively, damage our reputation, result in a loss of customer business, and subject it to additional regulatory scrutiny and possible financial liability, any of which could have an adverse effect on the Bank's business, financial condition and results of operations.

Unauthorized access, cyber-crime and other threats to data security may require significant resources, harm the Bank's reputation, and otherwise cause harm to its business.

The Bank necessarily collects, uses and holds personal and financial information concerning individuals and businesses with which it has a banking relationship. Threats to data security, including unauthorized access, and cyber-attacks rapidly emerge and change, exposing the Bank to additional costs for protection or remediation and competing time constraints to secure its data in accordance with customer expectations and statutory and regulatory privacy and other requirements. It is difficult or impossible to defend against every risk being posed by changing technologies, as well as criminal intent on committing cyber-crime. Increasing sophistication of cyber-criminals and terrorists makes keeping up with new threats difficult and could result in a breach. Controls employed by the Bank's information technology department and its other employees and vendors could prove inadequate. The Bank could also experience a breach due to intentional or negligent conduct on the part of employees or other internal sources, software bugs or other technical malfunctions, or other causes. As a result of any of these threats, customer accounts may become vulnerable to account takeover schemes or cyber-fraud. The Bank's systems and those of our third-party vendors may also become vulnerable to damage or disruption due to circumstances beyond its or their control, such as from catastrophic events, power anomalies or outages, natural disasters, network failures, and viruses and malware.

A breach of the Bank's security that results in unauthorized access to its data could expose the Bank to a disruption or challenges relating to its daily operations as well as to data loss, litigation, damages, fines and penalties, significant increases in compliance costs, and reputational damage, any of which could have an adverse effect on the Bank's business, results of operations, financial condition and future prospects.

The Bank could be subject to litigation, which could result in substantial judgment or settlement costs.

The Bank is regularly involved in litigation matters in the ordinary course of its business. The Bank believes that these litigation matters should not have a material adverse effect on its business, financial condition, results of operations or future prospects. The Bank cannot assure you, however, that it will be able to successfully defend or resolve any current or future litigation matters, in which case those litigation matters could have a material and adverse effect on its business, financial condition, results of operations and future prospects.

The Bank is subject to environmental liability risk associated with its lending activities.

In the course of its business, the Bank may purchase real estate, or it may foreclose on and take title to real estate. As a result, the Bank could be subject to environmental liabilities with respect to these properties. The Bank may be held liable to a governmental entity or to third parties for property damage, personal injury, investigation and clean-up costs incurred by these parties in connection with environmental contamination or may be required to investigate or clean up hazardous or toxic substances or chemical releases at a property. The costs associated with investigation or remediation activities could be substantial. In addition, if the Bank is the owner or former owner of a contaminated site, the Bank may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from the property. Any significant environmental liabilities could cause an adverse effect on the Bank's business, financial condition and results of operations.

The historical financial performance of the Bank may not provide a meaningful estimate of the Bank's future financial performance.

Although the Bank has been in operation since 1908, we intend to expand the size and scope of the business of the Bank, which will result in increased overhead in current periods with the expectation of increased revenues in future periods. Consequently, the historical operating and financial performance of the Bank may not be a meaningful indicator upon which to help you make an investment decision.

Neither CNB nor the Bank obtain an independent audit of their financial statements.

Neither CNB nor the Bank obtain an audit of their financial statements by an independent auditor. Moreover, there are no consolidated or consolidating financial statements for either entity. Consequently, there is a risk that the unaudited financial statements may be incomplete, include errors or encompass other compliance issues that the Company is not aware of. Upon consummation of the Acquisition, the Company anticipates obtaining a routine audit of the Company's and the Bank's financial statements, as well as maintaining consolidated financial statements. It is anticipated that the expenses of the Company and the Bank will increase as a result of obtaining an independent audit.

Customers could pursue alternatives to bank deposits, causing the Bank to lose a relatively inexpensive source of funding.

Checking and savings account balances and other forms of customer deposits could decrease if customers perceive that alternative investments, such as the stock market, provide superior expected returns. When customers move money out of bank deposits in favor of alternative investments, the Bank can lose a relatively inexpensive source of funds, increasing its funding costs.

Consumers may decide not to use banks to complete their financial transactions.

Technology and other changes are allowing parties to complete financial transactions through alternative methods that historically have involved banks. For example, consumers can now maintain funds that would have historically been held as bank deposits in brokerage accounts, mutual funds or general-purpose reloadable prepaid cards. Consumers can also complete transactions such as paying bills and/or transferring funds directly without the assistance of banks. The process of eliminating banks as intermediaries, known as "disintermediation," could result in the loss of fee income, as well as the loss of customer deposits and the related income generated from those deposits. The loss of these revenue streams and the lower cost of deposits as a source of funds could have a material adverse effect on the Bank's financial condition and results of operations.

Negative public opinion could damage the Bank's reputation and adversely impact its earnings.

Reputation risk, or the risk to business, earnings and capital from negative public opinion, is inherent in the banking business. Negative public opinion can result from the Bank's actual or alleged conduct in any number of activities, including lending practices, corporate governance and acquisitions, and from actions taken by government regulators and community organizations in response to those activities. Negative public opinion can adversely affect the Bank's ability to keep and attract customers and employees and can expose it to litigation and regulatory action and adversely affect its results of operations. Although the Bank takes steps to minimize reputation risk in dealing with its customers and communities, this risk will always be present given the nature of its business.

Risks Related to the Regulation of the Banking Industry

The banking industry is highly regulated, which could restrain the growth and profitability of the Bank and us.

The Bank is subject to extensive regulation and supervision that governs almost all aspects of its operations. As a bank holding company, the Company will also be subject to numerous laws and regulations that, among other things, affect the activities and operations in which we may engage. These laws and regulations, and the supervisory framework that oversees the administration of these laws and regulations, are primarily intended to protect consumers, depositors, the Deposit Insurance Fund and the banking system as a whole, and not shareholders and counterparties. These laws and regulations, among other matters, affect lending practices, capital structure, investment practices, dividend policy, operations and growth. Compliance with the myriad laws and regulations applicable to the Bank and us can be difficult and costly. In addition, these laws, regulations and policies are subject to continual review by governmental authorities, and changes to these laws, regulations and policies, including changes in interpretation or implementation of these laws, regulations and policies, could affect the Bank and us in substantial and unpredictable ways and often impose additional compliance costs. Further, any new laws, regulations or policies could make compliance more difficult or expensive. All of these laws and regulations, and the supervisory framework applicable to the banking industry, could have a material adverse effect on the business, financial condition, results of operations and prospects of the Bank and us.

Bank regulators will periodically examine the Bank and us, and we may become subject to regulatory action or penalties, or be required to remediate adverse findings, as a result of such examinations.

Following the Acquisition, we will be subject to periodic inspection by the Federal Reserve, and the Bank will continue to be periodically examined by the OCC. If, as a result of an examination, any of these regulators were to determine that the financial condition, capital resources, asset quality, earnings prospects, management, liquidity or other aspects of the operations of the Bank or us has become unsatisfactory, or that the Bank or we were in violation of any law or regulation, they may take a number of remedial actions as they deem appropriate. These actions include the power to enjoin "unsafe or unsound" practices, require affirmative action to correct any conditions resulting from any violation or practice, issue an administrative order that can be judicially enforced, direct an increase in capital, restrict growth, assess civil money penalties against the officers or directors of the Bank and us, remove officers and directors and, if it is concluded that such conditions cannot be corrected or there is an imminent risk of loss to depositors, terminate the Bank's deposit insurance and place it into receivership or conservatorship. Any regulatory action against the Bank or us could have a material adverse effect on the business, results of operations, financial condition and prospects of the Bank or us.

As a regulated entity, the Bank must maintain certain required levels of regulatory capital that may limit the Bank's operations and potential growth.

The Bank is subject to various regulatory capital requirements administered by its primary regulators. Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on a target bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, a target bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities and certain off-balance sheet commitments as calculated under these regulations.

Quantitative measures established by regulation to ensure capital adequacy require a target bank to maintain minimum amounts and defined ratios of total and Tier 1 capital to risk-weighted assets and of Tier 1 capital to adjusted total assets, also known as the leverage ratio.

Failure to remain well-capitalized for bank regulatory purposes could affect customer confidence, the Bank's ability to grow, costs of funds, FDIC insurance costs, ability to pay dividends, ability to make acquisitions, and its business, results of operations and financial condition. Under regulatory rules, if the Bank ceases to be a well-capitalized institution for bank regulatory purposes, the interest rates that it pays on deposits and its ability to accept brokered deposits may be restricted.

The Bank's failure to perform satisfactorily on its Community Reinvestment Act evaluations could make it more difficult for its business to grow.

The performance of a bank under the Community Reinvestment Act, or CRA, in meeting the credit needs of its community is a factor that must be taken into consideration when the federal banking agencies evaluate applications related to mergers and acquisitions, as well as branch openings and relocations. If the Bank is unable to maintain at least a "satisfactory" CRA rating, its ability to open a new branch or complete the acquisition of another financial institution will be adversely impacted. If the Bank received an overall CRA rating of less than "satisfactory," the OCC would not re-evaluate its rating until its next CRA examination, which may not occur for several more years, and it is possible that a low CRA rating would not improve in the future.

Following the Acquisition, as the Bank accepts additional deposits in new geographic markets, it will be required to maintain an acceptable CRA rating. Maintaining an acceptable CRA rating may become more difficult as its deposits increase across new geographic markets.

The Bank is subject to federal and state fair lending laws, and failure to comply with these laws could lead to material penalties.

Federal and state fair lending laws and regulations, such as the Equal Credit Opportunity Act and the Fair Housing Act, impose nondiscriminatory lending requirements on financial institutions. The U.S. Department of Justice, the Consumer Financial Protection Bureau and other federal and state agencies are responsible for enforcing these laws and regulations. Private parties may also have the ability to challenge an institution's performance under fair lending laws in private class action litigation.

A successful challenge to the Bank's performance under the fair lending laws and regulations could adversely impact its rating under the CRA and result in a wide variety of sanctions, including the required payment of damages and civil money penalties, injunctive relief, imposition of restrictions on merger and acquisition activity and restrictions on expansion activity, which could negatively impact its reputation, business, financial condition and results of operations.

The Bank faces a risk of noncompliance and enforcement action with the Bank Secrecy Act and other anti-money laundering statutes and regulations.

The Bank Secrecy Act, the USA PATRIOT Act of 2001, and other laws and regulations require financial institutions, among other duties, to institute and maintain an effective anti-money laundering program and file suspicious activity and currency transaction reports as appropriate. The federal Financial Crimes Enforcement Network is authorized to impose significant civil money penalties for violations of those requirements and has recently engaged in coordinated enforcement efforts with the individual federal banking regulators, state agencies and law enforcement officials, as well as the U.S. Department of Justice, Drug Enforcement Administration, Office of Foreign Assets Control, or OFAC, and Internal Revenue Service. The Bank is also subject to increased scrutiny of compliance with the rules enforced by OFAC. If the Bank's policies, procedures and systems are deemed deficient, the Bank would be subject to liability, including fines and regulatory actions, which may include restrictions on its ability to pay dividends. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing could also have serious reputational consequences for the Bank. Any of these results could materially and adversely affect the Bank's business, financial condition, results of operations and prospects.

New activities and expansion require regulatory approvals, and failure to obtain them may restrict our growth.

Following the Acquisition, we expect that from time to time, we may seek to enhance growth at the holding company or bank levels through de novo branching, strategic acquisitions of financial institutions and other complementary businesses or other activities for which regulatory approval would be required. Federal and state banking regulators consider numerous statutory and other factors when evaluating regulatory applications, which may include, among other things, the effect of the transaction on competition, the applicant's financial condition and future prospects, and the impact of the proposal on U.S. financial stability. The regulators may also review current and projected capital ratios and levels, the competence, experience and integrity of management and its record of compliance with laws and regulations and the convenience and needs of the communities to be served, including the applicant's record of compliance under the CRA. The Bank or we may not be able to obtain all required regulatory approvals on terms that are acceptable to us, or at all. In addition, any regulatory approval may be subject to conditions that, while acceptable, may reduce the benefit of the proposed transaction. The failure to obtain any required regulatory approvals could impact the implementation of our business plans or restrict our growth.

The Federal Reserve may require us to commit capital resources to support the Bank.

Under longstanding Federal Reserve policy, which was codified by the Dodd-Frank Act, following the Acquisition, we will be expected to act as a source of financial and managerial strength to the Bank and to commit resources to support the Bank. Under this "source of strength" doctrine, the Federal Reserve may require us to make capital injections into the Bank at times when we may not be inclined to do so and may charge us with engaging in unsafe and unsound practices for failure to commit such resources. Accordingly, we could be required to provide financial assistance to the Bank if it experiences financial distress.

Such a capital injection may be required at a time when our resources are limited and we may be required to borrow the funds or to raise additional equity capital to make the required capital injection. In the event of our bankruptcy, the bankruptcy trustee will assume any commitment by us to a federal bank regulatory agency to maintain the capital of a subsidiary bank. Moreover, bankruptcy law provides that claims based on any such commitment will be entitled to a priority of payment over the claims of our general unsecured creditors, including the holders of any note obligations.

We may be unable to identify and consummate our new activities and expansion plans and successfully implement our growth strategy, which will require regulatory approvals, and failure to obtain them may restrict our growth.

We intend to continue to grow our business through strategic acquisitions of financial institutions coupled with organic growth. Generally, we must receive state and federal regulatory approval before we can acquire an FDIC-insured depository institution or related business. In determining whether to approve a proposed acquisition, federal banking regulators will consider, among other factors, the effect of the acquisition on competition, our financial condition, liquidity, our future prospects and the impact of the proposal on U.S. financial stability. The regulators also review current and projected capital ratios and levels, the competence, experience and integrity of management and our record of compliance with laws and regulations, the convenience and needs of the communities to be served (including the acquiring institution's record of compliance under the CRA) and the effectiveness of the acquiring institution in combating money laundering activities. Such regulatory approvals may not be granted on terms that are acceptable to the Company, or at all, or may be granted only after lengthy delay. We may also be required to sell branches as a condition to receiving regulatory approval, which may not be acceptable to us or, if acceptable to us, may reduce the benefit of any acquisition.

In addition to the acquisition of existing financial institutions, as opportunities arise, we may engage in de novo branching as a part of our organic growth strategy. De novo branching and any acquisitions carry with them numerous risks, including the inability to obtain all required regulatory approvals. The failure to obtain these regulatory approvals for potential future strategic acquisitions and de novo branches may impact our business plans and restrict our growth.

Risks Related to an Investment in Our Common Stock

We will be a holding company dependent on capital distributions from the Bank.

We are, and will continue to be, a separate and distinct legal entity from the Bank and will have no material business activities other than our ownership of the Bank. As a result, following the Offering, we will primarily depend on dividends, distributions and other payments from the Bank to fund our obligations. The ability of the Bank to pay dividends to us will be limited by federal and state laws and regulation and depends generally on the Bank's ability to generate net income. We will be indirectly exposed to all of the risks to which the Bank is exposed as a result of our ownership of the Bank, and the Bank's ability to pay dividends to us may be limited as a result of the occurrence of events contemplated by those risk factors. If the Bank is unable to pay dividends to us, we may be unable to fund our obligations.

Our Common Shares are an illiquid investment.

Our Common Shares are not listed or traded on any national securities exchange or over-the-counter securities market. Moreover, there is no established private trading market for our Common Shares, and we cannot assure you that any such market will develop in the future. In addition, because we are selling our Common Shares in a private placement transaction, any shares that you purchase may not be sold or otherwise transferred unless the shares have been registered under all applicable securities laws or the transaction is exempt from, and thus not subject to, registration. Although there is an exemption from registration for private resales, we cannot assure you that any proposed transfer will qualify for the exemption. The potential inability to freely transfer your shares may result in liquidity problems depending on your particular financial situation. Accordingly, you should be prepared to hold your shares indefinitely.

The return on your investment is uncertain.

We cannot provide any assurance that an investor in the Common Shares will realize a substantial return on his or her investment, or any return at all. Further, as a result of the uncertainty and risks associated with our operations, many of which are described in this "Risk Factors" section, it is possible that an investor could lose his or her entire investment.

Because this Offering is not underwritten, we may be unable to raise the capital required complete the Acquisition of the Bank.

This Offering is being made without the services of an underwriter. Rather, we will offer and sell our Common Shares on a "best-efforts" basis through our officers and directors, subject to compliance with applicable federal and state securities laws.

Because the Offering is on a "best efforts" basis, no one is obligated to purchase or take for sale any Common Shares, and we cannot guarantee you that we will be able to sell at least the Minimum Offering amount. If we are unable to raise at least the Minimum Offering amount and complete the Acquisition within the time period specified in our approvals, those approvals may expire. Although the full amount of your subscription funds will be returned to you in the event that we are unable to achieve the Minimum Offering amount, you will be unable to withdraw your subscription funds from escrow, or your subscription, at any time prior to the expiration of the Offering.

The determination of the Offering price was arbitrary, and you may be unable to resell your shares at or above the offering price.

Because we have no operating history, we could not set our offering price of \$10.00 per share with reference to historical measures of our financial performance. Therefore, we set the offering price arbitrarily. We did not retain an independent investment banking firm to assist in determining the offering price, and the offering price bears no relationship to our assets, book value, net worth or any other recognized criteria of value. We cannot assure you that you will be able to resell any shares that you may buy in this Offering at a price equal to or higher than the offering price.

Our Common Shares are not an insured deposit.

Your investment in the Common Shares of the Company will not be a bank deposit and will not be insured or guaranteed by the FDIC or any other government agency. Your investment is subject to investment risk, and you must be capable of affording the loss of your entire investment.

You will incur immediate and substantial dilution in the book value per share of any shares that you purchase in the Offering.

We expect to continue to incur organizational and other pre-Acquisition expenses before we acquire CNB and the Bank. In addition, we expect to recognize goodwill as a result of the Acquisition and have issued Promissory Notes that can be convertible into Common Shares in lieu of repayment at a ratio of up to 2:1 shares to dollar amounts of the Promissory Notes. The effect of these expenses, the acquired goodwill and the issuance of the Promissory Notes will be an immediate reduction in our tangible book value per share in relation to the price that you paid for your shares. Based on the offering price of \$10.00 per share, we expect the tangible book value dilution to be approximately 32.5% of the offering price, assuming the Minimum Offering, and 20.3% of the offering price, assuming the Maximum Offering. Accordingly, if we were liquidated at our pro forma net tangible book value, you would not receive the full amount of your investment. See “Dilution” on page 34.

Your share ownership may be diluted by the issuance of additional shares of our capital stock in the future.

Your share ownership may be diluted by the issuance of additional shares of our Common Shares in the future. Our certificate of formation authorizes the issuance of up to 10,000,000 shares of common stock, but does not provide for preemptive rights for our shareholders. Accordingly, any authorized but unissued shares following the Offering will be available for issuance by the Company’s Board of Directors, and persons who subscribe for Common Shares in the Offering will not automatically have the right to subscribe for additional shares of capital stock that may be issued at any time in the future. In addition, if we issue additional shares at a price less than its value, you may experience economic dilution with respect to your investment.

Purchasing Common Shares in this Offering will not give you the right to participate in any future offerings of the Company’s Common Shares.

Our certificate of formation does not grant holders of our Common Shares any preemptive rights to subscribe for additional Common Shares or securities convertible into shares of Common Shares upon any issuance or increase thereof, and no such preemptive right will attach to any Common Shares issued in this Offering. As a result, upon the issuance of any additional Common Shares, the shareholders of the Company will not automatically be entitled to purchase additional shares to maintain their pro rata ownership in the Company and dilution of ownership could occur. See “Description of Common Stock” beginning on page 51.

We do not intend to pay dividends for the foreseeable future.

The Company’s Board of Directors intends to retain all of our earnings to promote growth and build capital. Accordingly, we do not expect to pay dividends in the foreseeable future. In addition, we are subject to certain restrictions on the payment of cash dividends as a result of banking laws, regulations and policies. Finally, because the Bank will be our main material banking asset, our ability to pay dividends to our shareholders depends on our receipt of dividends from the Bank, which is also subject to restrictions on dividends as a result of banking laws, regulations and policies. Accordingly, if the receipt of dividends over the near term is important to you, you should not invest in our Common Shares.

We have broad discretion in the use of the net proceeds from this Offering, and our use of those proceeds may not yield a favorable return on your investment.

We expect that the Bank will utilize the proceeds that it receives for general corporate purposes, which may include, among other things, funding loans and purchasing investment securities. We may also use the net proceeds to fund acquisition opportunities, although we have no present plans in that regard. Our management has broad

discretion over how these proceeds are used and could spend the proceeds in ways with which you may not agree. In addition, we may not use the proceeds of this Offering effectively or in a manner that increases the Company's fair market value or enhances our profitability. We have not established a timetable for the effective deployment of the proceeds, and we cannot predict how long it will take the Bank or us to deploy the proceeds. If the Bank invests the Offering proceeds that it receives in securities until it is able to deploy the proceeds, the Bank will likely generate lower revenues that it generally earns from loans, potentially adversely affecting shareholder returns, including earnings per share, return on assets and return on equity.

We may not be able to raise additional capital on terms favorable to us or at all.

We may need to raise additional capital in the future to provide the Bank and us with sufficient capital resources and liquidity to meet our respective commitments and business needs, particularly if the Bank's asset quality or earnings were to deteriorate significantly. In addition, we may be required to raise additional capital in response to changes in regulatory capital requirements and directives, to address market perceptions, to support expansionary activities or for other business purposes. Our ability to raise additional capital, if needed, will depend on, among other things, conditions in the capital markets at that time, which are outside of our control, and our financial performance. We cannot assure you that additional capital will be available on acceptable terms or at all, and any such capital raising could be on terms that are dilutive to existing stockholders and could impact the valuation of our Common Shares. If we are unable to raise additional capital on acceptable terms when needed, our business, financial condition, results of operations and prospects may be materially and adversely affected.

There will be material limitations on your ability to transfer any Common Shares that you purchase in the Offering.

The Common Shares offered hereby are not registered under the Securities Act or any state securities laws, and the shares may be resold only by means of transactions that are exempt from registration under the Securities Act and applicable state securities laws. No public or private market currently exists for our Common Shares and it is not expected that a ready market will exist at any time in the future. As such, the Common Shares which are acquired through this Offering may have to be held for a long or indefinite period. Each prospective investor should be fully aware of the long-term nature of an investment in the Company.

The Board of Directors has made no recommendation regarding the Common Shares being sold in the Offering.

The Company's board of directors has made no recommendation to any investor about whether such investor should purchase any Common Shares in the Offering. Investors are urged to make an independent investment decision about whether to subscribe for, and purchase Common Shares in the Offering, and make their own assessment of the Company's business and the Offering. Investors should consult with their own tax, financial and legal advisors as to the suitability of any investment made in the Company.

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THE OFFERING

General

We are offering for sale a minimum of 3,000,000 shares and a maximum of 5,000,000 shares of our Common Shares at a price of \$10.00 per share, for an aggregate minimum price of \$30,000,000 and an aggregate maximum price of \$50,000,000. The Common Shares offered in this Memorandum will be sold without compliance with the registration requirements of the Securities Act, or any state's securities laws in reliance upon exemptions from registration provided by such laws, including Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder, as well as Regulation S. Accordingly, the Company will offer and sell the Common Shares only to (i) "accredited investors," as defined in Rule 501(a) issued under the Securities Act, (ii) up to 35 investors who are not "accredited investors," but who are well-informed, sophisticated investors, and (iii) to certain non-U.S. persons in accordance with Regulation S. See "*Investor Suitability Standards and Restrictions on Transfer*," beginning on page 29. We will not sell fractional Common Shares in the Offering.

You must subscribe for a minimum of \$5,000, or 500 Common Shares, in order to participate in the Offering, and you (which includes shares purchased by trusts, partnerships, corporations, or deferred compensation plans to which you are affiliated) may subscribe for and purchase a maximum of 9.9% of the shares sold in the Offering. We may, in our sole discretion, determine which entities you are affiliated with. If you subscribe for more than 9.9% of the shares sold, we intend to reject the portion of the subscription that exceeds 9.9% of the shares sold. In our sole discretion, we may waive, in writing, the minimum or maximum subscription amounts.

On November 17, 2023, the Company issued 300,000 Common Shares for consideration equal to par value, or \$0.01 per share, or "Bonus Shares," to the Founders of the Company in anticipation of the substantial financial risk and efforts that they would undertake by investing in the Company. Specifically, Founders received a pro rata number of Bonus Shares based on their anticipated subscription in the First Offering. Certain Founders elected to invest a lesser amount and, accordingly, all or a portion of their Bonus Shares were forfeited and cancelled by the Company on a pro rata basis based on the Founder's subscription in the First Offering. As a result, only 186,000 Bonus Shares remain issued and outstanding. The list of Founders and number of Common Shares issued to each is attached to this Memorandum as Appendix C.

As discussed herein, the Company has and is incurring various expenses associated with the Acquisition. The Company intends to issue one or more Promissory Notes to raise additional funds to cover operating expenses associated with the Acquisition. As of the date of this Memorandum, the Company has collectively issued \$440,000 Promissory Notes to various individuals. It is anticipated that the Promissory Notes will either be repaid by the Company with funds raised in the Offering or be convertible into Common Shares in lieu of repayment at a ratio of up to 2:1 shares to dollar amounts of the Promissory Notes had the investors instead purchased Common Shares in this Offering. As of the date of this Memorandum, the \$440,000 Promissory Notes would be converted to 88,000 Common Shares, assuming a 2:1 ratio.

The Company may also issue one or more Promissory Notes to certain directors and officers of the Company if additional funds are needed. In the event that the Acquisition is not consummated for any reason, including, but not limited to, the Company is unable to raise sufficient funds, receive regulatory approval or is otherwise unable to close the transaction, the recipients of the Promissory Notes will become general unsecured creditors of the Company which would place them ahead of shareholders of the Company if the Company is either dissolved or liquidated.

Organizing Group, Officer and Director Subscriptions

Our organizing group, directors and executive officers intend to purchase an aggregate of 25,000 Common Shares in the Offering at a price of \$10.00 per share. The stock purchase amounts do not include anticipated purchases from family members of the group. This will represent approximately 0.77% of the total number of Common Shares issued and outstanding after this Offering, assuming that we sell the Minimum Offering amount. However, our organizing group, directors or executive officers may acquire additional Common Shares in this Offering, particularly if additional subscriptions are necessary to achieve the minimum subscription level required to enable us to commence business operations at the Bank. We may also identify new directors or executive officers that may choose to acquire

shares, as well. All purchases made by our organizing group, directors and executive officers will be made for investment purposes and not with a view to distribution.

Determination of Offering Price

The offering price of our Common Shares was determined arbitrarily by our Board and does not bear any relationship to our assets, book value, net worth or other recognized criteria of value. Rather, our Board considered the amount of funds necessary to fund the Acquisition and then capitalize the Bank based upon our proposed business plan, including our initial legal lending limits, regulatory capital requirements and the amount of capital estimated as necessary to provide operating capital. We did not retain an independent investment banking firm to assist us in establishing the offering price. The offering price does not necessarily reflect the fair market value of our Common Shares, and we cannot assure you that any shares that you purchase may be resold at or above the offering price.

Offering Period

The Company plans on conducting an initial closing of the Offering as soon as the Company believes that it has received sufficient subscriptions and has regulatory approval to consummate the Acquisition, and the Offering will expire on February 28, 2025. However, the Company may, in its sole discretion, extend the Offering for additional periods, but not beyond September 30, 2025. In addition, the Company may end the Offering before February 28, 2025, if it has accepted subscriptions for at least the Minimum Offering amount and if all conditions to closing the Acquisition have been satisfied. The Company may, in its sole discretion, conduct one or more additional closings of the Offering following the initial closing and prior to the expiration date of the Offering.

Acceptance of Subscriptions

We reserve the right to accept or reject any subscription, in whole or in part, on or before the expiration date in our sole and absolute discretion for any reason or no reason at all. If the Offering is oversubscribed, we plan to give preference to subscribers who are residents of our banking markets. We also reserve the right to accept subscriptions on a first-come, first-served basis or on a prorated basis if we receive subscriptions for more than 5,000,000 shares. In addition, if the Offering is oversubscribed, our Board, in its sole discretion, may determine to accept any additional subscriptions, up to a maximum of an additional 1,000,000 Common Shares (20% of the Maximum Offering).

Subscribers are not required to submit payment for the Common Shares when they submit the Subscription Documents. The Company will deliver the Payment Notice to such subscribers calling for payment of their subscription proceeds within seven (7) business days following delivery of such Payment Notice. The Payment Notice will include instructions for delivery of such proceeds to the Offering Account as set forth in the Payment Notice.

Escrow

Following your receipt of the Payment Notice, all Offering proceeds will be deposited in the Offering Account with the Escrow Agent. **The Escrow Agent is acting only as an escrow agent in connection with the Offering of securities described herein, and has not endorsed, recommended or guaranteed the purchase, value or repayment of such securities.**

Release from Escrow

Subscription proceeds will be released from escrow to us when we have accepted subscriptions and received subscription proceeds for an aggregate of at least 2,250,000 Common Shares and received all required regulatory approvals. Once that point is reached, we may, to the extent necessary, conduct a “second closing” of our Offering and release the additional subscription proceeds from escrow. However, we will not receive Federal Reserve regulatory approval until 75% of our Minimum Offering (or \$22,500,000) is in the Offering Account.

We expect, but cannot assure you, that we will complete the Acquisition in the third quarter of 2025. If we have not accepted subscriptions and received subscription proceeds for an aggregate of at least 2,250,000 Common Shares by the expiration date for the Offering, or if we fail to receive the required regulatory approvals then the

Subscription Agreements will be of no further force or effect, and the full amount of all subscription funds will be returned to the subscribers within ten business days after the expiration date, without interest.

Plan of Distribution

In addition to the capital contributions from our organizers, the balance of the targeted capital will be contributed by approximately 200-500 investors. We intend for the majority of our shareholder base to be comprised of individuals and businesses of Vietnamese-descent who share our desire to support a local community bank. Our organizers will also offer Common Shares to some of their personal contacts outside of these areas. We will contact prospective investors through a combination of telephone calls, mail, and personal visits and meetings.

We plan to market our shares by delivering a copy of this Memorandum to potential investors. In addition, we intend to conduct informational meetings for prospective investors. The Offering is not underwritten. We will offer and sell the Common Shares on a “best-efforts” basis through our organizers, executive officers, and directors, subject to compliance with applicable federal and state securities laws.

No organizer, executive officer or director will receive any commission or other compensation in connection with these activities. We will, however, reimburse reasonable out-of-pocket expenses incurred by our organizers, executive officers, and directors in the Offering. We intend to sell most of our Common Shares to individuals and businesses in our primary market areas who share our desire to support a new local community bank dedicated to the Vietnamese community. Our organizers, executive officers, and directors will also offer our Common Shares to some of their personal contacts outside of these areas, including to contacts overseas.

Any purchases made by persons affiliated with us for the explicit purpose of meeting the Minimum Offering must be made for investment purposes only, and not with a view toward distribution. We believe that all persons associated with us who are investing in the Company are buying for investment purposes only.

Regulatory Limitation

We do not intend to accept the portion of a subscription for Common Shares by any person who, in our opinion, would be required to give prior notice to, or obtain approval from, the Federal Reserve or any other federal or state bank regulatory authority for the purchase of Common Shares, unless the subscriber has received all required regulatory approvals and all applicable waiting periods have expired by the closing date. Accordingly, we will not be required to accept subscriptions for or issue Common Shares in the Offering to any person who, in our judgment, would be required to obtain prior clearance or approval from the Federal Reserve or any federal bank regulatory authority to own or control such shares if, at the expiration date, such clearance or approval has not been obtained or any required waiting period has not expired. Our determination as to whether clearance or approval is required will be final and binding.

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How to Subscribe

Each prospective investor who (together with the investor's affiliates) desires to purchase Common Shares in this Offering should complete, date and sign the Subscription Agreement that accompanies this Memorandum and deliver the completed Subscription Agreement and all appendices attached thereto to us via U.S. mail, hand delivery, overnight mail or in PDF format via email to:

USV Bancorp, Inc.
6100 Corporate Drive, Suite 178
Houston, Texas 77036
Attn: Tri Dinh Minh Nguyen
Email: ndmtri3@yahoo.com

WHEN YOUR SUBSCRIPTION AGREEMENT IS RECEIVED BY THE COMPANY, IT WILL BECOME BINDING AND WILL BE IRREVOCABLE.

If we are unable to sell at least 2,250,000 Common Shares or fail to receive the required regulatory approvals on or before the expiration date, the Escrow Agent will promptly return all subscription funds to investors, without interest. If you have any questions about the Offering or how to subscribe, please call Tri Dinh Minh Nguyen at (832) 782-4690. His current email address is ndmtri3@yahoo.com. You should retain a copy of your completed Subscription Agreement for your records.

INVESTOR SUITABILITY STANDARDS AND RESTRICTIONS ON TRANSFER

The Common Shares offered pursuant to this Memorandum involves material risks and represents an illiquid investment. An investment in the Common Shares should be considered only by persons of adequate financial means who have no need for liquidity with respect to their investment and who can bear the economic risk of a complete loss of their entire investment. See "Risk Factors," beginning on page 7.

General

These suitability standards represent minimum suitability guidelines for prospective subscribers, and the satisfaction of these standards does not necessarily mean that the Common Shares are a suitable investment for any particular subscriber. Consequently, you must rely on your own judgment and that of your advisors in making the decision to participate in this Offering. You should consider whether the Common Shares are suitable in light of your individual investment objectives and present and expected future financial needs and tax position.

Suitability Standards

The Common Shares offered by this Memorandum involve material risks and represents an illiquid investment. The purchase of Common Shares should be considered only by persons of adequate financial means who have no need for liquidity with respect to their investment and who can bear the economic risk of a complete loss of their investment. See "*Risk Factors*," beginning on page 7. Accordingly, an investment in the Common Shares is suitable only for those subscribers:

- whose business and investment experience, either alone or together with an experienced advisor, make them capable of evaluating the merits and risks of their prospective investment in the Common Shares; and
- who have adequate means of providing for their current needs and personal contingencies, have no need for liquidity with respect to their investment and are able to afford the loss of their entire investment.

In addition, there is no established trading market for the Common Shares, and it is highly unlikely that a market for shares the Common Shares will develop following the Offering. We are not obligated and do not intend to

make a market in the Common Shares. Prospective investors should read this Memorandum in its entirety for purposes of evaluating the risks of an investment in the Common Shares.

These suitability standards represent minimum suitability guidelines for interested investors, and the satisfaction of these standards does not necessarily mean that the Common Shares are a suitable investment for you. Accordingly, you must rely upon your own judgment and the judgment of your advisors in making a decision to purchase the Common Shares. You should consider whether the Common Shares are suitable in light of your individual investment objective as well as your present and expected future financial tax position and needs. You must also be willing to bear the economic risk of the proposed investment in the Common Shares, understand that no market for the Common Shares exists, or is likely to exist, in the foreseeable future, and understand that this Offering is being made in reliance on an exemption from registration under Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder, as well as in accordance with Regulation S of the Securities Act.

We will rely on the representations and warranties made by subscribers to determine suitability. Accordingly, interested investors are advised to review carefully the provisions of the Subscription Agreement, the form of which is attached to this Memorandum as Appendix A, before subscribing for any Common Shares offered by this Memorandum.

EACH INTERESTED INVESTOR IS URGED TO CONSULT A QUALIFIED FINANCIAL AND TAX ADVISOR AND AN ATTORNEY IN CONNECTION WITH SUCH CONSIDERATION AND GIVE PARTICULAR ATTENTION TO THE LIMITED LIQUIDITY OF, AND RISKS ASSOCIATED WITH, AN INVESTMENT IN THE COMMON SHARES.

Accredited Investors and Certain Non-U.S. Investors

The Common Shares offered in this Memorandum have not been registered under the Securities Act or any state or other applicable securities laws. The Common Shares offered in this Memorandum will be sold without compliance with the registration requirements of the Securities Act, or any state's securities laws in reliance upon exemptions from registration provided by such laws, including Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder, as well as Regulation S. As a result, we are offering our Common Shares to (i) an unlimited number of "accredited investors" (as defined in Rule 501 promulgated by the SEC under the Securities Act), (ii) up to 35 others who do not qualify as accredited investors, but who, either alone or with their purchaser representative, are determined by the Company to be well-informed and sophisticated investors, and (iii) certain non-U.S. investors pursuant to Regulation S.

In general, "accredited investors" are persons having a certain minimum income or net worth, institutional investors or management personnel of the Company. This Memorandum does not contain an exhaustive list of the categories constituting which persons are an "accredited investor." As used in this Memorandum, to be an "accredited investor," you must be – or we must reasonably believe you to be – a person or entity that falls within any of the following categories at the time that we sell the Common Shares to you:

- a natural person whose individual net worth (or joint net worth with such person's spouse or spousal equivalent) exceeds \$1,000,000 (excluding the value of the primary residence of such person);
- a natural person who had an individual income in excess of \$200,000 in each of the two most recent years and who reasonably expects to have an individual income in excess of \$200,000 in the current year or who had joint income in excess of \$300,000 in each of the two most recent years and who reasonably expects to have joint income in excess of \$300,000 in the current year;
- a director or executive officer of the Company;
- any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii);
- an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA,

which fiduciary is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

- an SEC-registered broker-dealer, SEC or state-registered investment adviser, or exempt reporting adviser;
- a tax-exempt charitable organization, corporation, limited liability corporation, or partnership with assets in excess of \$5,000,000;
- an enterprise in which all the equity owners are accredited investors;
- an entity of a type not otherwise qualifying as accredited that own investments in excess of \$5,000,000;
- an individual holding in good standing any of the general securities representative license (Series 7), the investment adviser representative license (Series 65), or the private securities offerings representative license (Series 82);
- a family office and its family clients if the family office has assets under management in excess of \$5,000,000 and whose prospective investments are directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment;
- private business development company; or
- any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Securities and Exchange Commission has designated as qualifying an individual for accredited investor status.

As discussed above, up to 35 shareholders who are not “accredited investors” but who meet certain other requirements may acquire Common Shares pursuant to this Offering. Among these requirements is that the shareholder, either alone or together with his or her purchaser representative, must have knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of an investment in the Common Shares.

Additionally, Regulation S of the Securities Act provides an exemption from registration for offerings to non-U.S. persons. Pursuant to Regulation S, non-U.S. persons must acquire the Common Shares in an offshore transaction, which requires that the non-U.S. person be geographically outside of the United States at the time the offer and purchase of Common Shares is made. Any non-U.S. person will be required to certify that it is not a U.S. person, is not named on the SDN List maintained by OFAC, and is not acquiring the Common Shares for the account or benefit of any U.S. person or any person named on the SDN List. Such investors must agree to resell the Common Shares only in accordance with Regulation S or pursuant to registration, or an available exemption from registration, under the Securities Act, and only to purchasers who provide certain certifications as required by the transfer agent to effect the transfer, including, but not limited to certifying that they are not named on the SDN List. In addition, any non-U.S. investor must also agree not to engage in any hedging transactions with respect to the Common Shares unless in compliance with the Securities Act.

Further, non-U.S. persons who participate in the Offering must agree that he, she or it has satisfied itself as to the full observance of the laws of the investor’s jurisdiction in connection with the investment in the Common Shares, including (A) the legal requirements within investor’s jurisdiction for the purchase of the Common Shares, (B) any foreign exchange restrictions applicable to such purchase, (C) any governmental or other consents that may need to be obtained, including but not limited to any requisite license, and (D) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Common Shares. Non-U.S. investors must also agree that the payment for and continued beneficial ownership of Common Shares will not violate any applicable securities or other laws of the investor’s jurisdiction.

Shareholders must also be willing to bear the economic risk of the proposed investment in the Common Shares, understand that no market for the Common Shares exists or is likely to exist in the foreseeable future, and understand that this Offering is being made in reliance on an exemption from registration under the Securities Act provided by Rule 506 of the regulations promulgated under the Securities Act, as well as Regulation S promulgated under the Securities Act.

We will rely on the representations and warranties made by subscribers to determine suitability. Accordingly, subscribers are advised to review carefully the provisions of the Subscription Agreement, the form of which is attached to this Memorandum as Appendix A, before subscribing for any Common Shares offered by this Memorandum.

We will review all of the Subscription Agreements, and subscriptions will not be accepted from shareholders who we believe do not meet the suitability and other requirements described in the Subscription Agreements and this Memorandum. Each shareholder who intends to purchase Common Shares will be required to make certain representations and warranties to us and to agree to indemnify, save and hold harmless and pay all fees and expenses that are incurred by, and all judgments and claims against, us, our affiliates and counsel and for any liability that is incurred as a result of any misrepresentation made or breach of any warranty of such shareholder.

Restrictions on Transfer

There will be restrictions on the transfer of the Common Shares after the Offering. No Common Shares will be registered with the SEC or any state securities commission. Rather, the Offering is being made in reliance on certain exemptions from registration under federal and state securities laws. Because of these exemptions, the Common Shares may not be sold, assigned, pledged or otherwise transferred unless the securities are registered or we determine that the disposition is exempt from registration under federal and state securities laws. Shareholders will have no rights to require registration of the Common Shares under the Securities Act or applicable state securities laws, and we have no present intention to register the Common Shares. Therefore, if you purchase Common Shares in the Offering, you should expect to be able to transfer your Common Shares only through a transaction exempt from the registration requirements of federal and state securities laws. “Private” transactions between shareholders may be exempt from the registration requirements of federal and state securities laws, as discussed below. In addition, Rule 144 of the Securities Act permitting sales of unregistered securities will not be available at the close of the Offering or at any time in the foreseeable future.

There is a judicially-created exemption that is recognized for the transfer of securities under conditions that essentially qualify as a “private” transaction, as well as a resale exemption under Section 4(a)(7) of the Securities Act. The applicability of these exemptions, however, can only be determined with reference to the specific circumstances of a particular transfer, and we cannot assure you that these or any other exemption will be available. In order to use these exemptions, the holder must not have acquired the securities with a view to distribution, and his sale must not be deemed to be for the issuer or an affiliate of the issuer in connection with a distribution, among other requirements. We cannot guarantee, or make any determination with respect to, the availability of the foregoing or any other exemption to any holder upon resale of any Common Shares that you purchase in the Offering.

In accordance with federal securities laws, all Common Shares sold in this Offering will bear legends as notice of these restrictions, as follows:

THE SHARES REPRESENTED BY THIS CERTIFICATE (THE “SHARES”) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR ANY OTHER FEDERAL OR STATE SECURITIES LAW. THE SHARES MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR AN OPINION OF COUNSEL, SATISFACTORY TO USV BANCORP, INC. (THE “COMPANY”), THAT AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS EXISTS.

Moreover, securities held by persons deemed to be our “affiliates” will be considered “control securities.” An “affiliate” is generally defined as any person who directly or indirectly controls, is controlled by or is under common control with, the issuer. As control securities, our Common Shares held by affiliates may be sold only through registration under federal securities laws unless there is an available exemption from such registration. Accordingly, such securities are “restricted securities” within the meaning of the SEC’s Rule 144 and may be subject to the limitations and reporting requirements of that rule upon resale. The Common Shares sold to affiliates in this Offering will bear a restrictive legend that will read substantially as follows:

THESE SHARES ARE HELD BY A PERSON DEEMED TO BE AN AFFILIATE OF THE COMPANY. THESE SHARES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF WITHOUT REGISTRATION UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS OR AN OPINION OF COUNSEL FOR, OR COUNSEL ACCEPTABLE TO, THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

Further, non-U.S. investors who purchase Common Shares in accordance with Regulation S must agree that for one year from the Termination Date, they may only resell the Common Shares in accordance with Regulation S or pursuant to registration, or an available exemption from registration, under the Securities Act. Any purchasers in a resale transaction will be required to make certain certifications required by the transfer agent to effect the transfer. Further, non-U.S. investors must agree to not engage in hedging transactions with respect to the Common Shares unless in compliance with the Securities Act. The Common Shares sold to non-U.S. investors in this Offering will bear a legend that will read substantially as follows:

THESE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN CERTAIN TRANSACTIONS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. HEDGING TRANSACTIONS IN REGARD TO THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

USE OF PROCEEDS

We anticipate that the gross cash proceeds of our Offering, before costs, will be a minimum of \$30,000,000 and a maximum of \$50,000,000. The following table summarizes our anticipated use of the proceeds, based on the sale of the minimum and maximum number of shares being offered by this Memorandum. These figures are estimates based on information currently available. Accordingly, actual results may vary.

	Minimum Offering		Maximum Offering	
Gross cash proceeds from Offering.....	\$30,000,000	100.00%	\$50,000,000	100.00%
Acquisition of the Bank ⁽¹⁾	(16,000,000)	53.33%	(16,000,000)	32.00%
Capital injected into Bank.....	<u>(13,650,000)</u>	<u>45.50%</u>	<u>(33,650,000)</u>	<u>67.30%</u>
Remaining proceeds.....	<u>\$ 350,000</u>	<u>1.17%</u>	<u>\$350,000</u>	<u>0.70%</u>

⁽¹⁾ USV has entered into the Merger Agreement to acquire CNB and the Bank for \$16,000,000, subject to adjustment as described in the Merger Agreement, including but not limited to the Tax Gross Up Amount (as defined herein). Any increase in the amount of the Acquisition of the Bank due to the Tax Gross Up Amount will result in a decrease in the amount of the additional Capital injected into the Bank.

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Organizational and Acquisition Costs

We have incurred and will continue to incur, until we complete the Acquisition, substantial organizational and other acquisition costs. Through September 30, 2024, we have incurred approximately \$613,185 in organizational and other acquisition costs. These costs include legal and professional fees, consulting fees, rent, utilities, interest expense, travel expenses for due diligence trips and other office expenses. Although we expect to incur approximately \$845,000 in total organizational and acquisition costs prior to the time that we complete the Acquisition, our actual expenditures may be considerably in excess of this amount because it may take us longer to raise the required level of capital, there may be unanticipated changes in our management team, organizing group, there may be additional acquisition expenses, or other circumstances could arise of which we are currently unaware. Our projected total organizational and acquisition costs, assuming the Minimum Offering, are as follows:

Expenses

Legal and consulting fees	\$	482,500
Salaries, occupancy, overhead and other expenses ⁽¹⁾ ...	\$	287,017
Construction costs ⁽²⁾	\$	75,426
Total estimated organizational expenses	\$	844,943

⁽¹⁾ Includes other expenses associated with the Acquisition, including application fees, supplies, and travel expenses.

⁽²⁾ Construction costs relate to the buildout of the Company's corporate office located at 6100 Corporate Drive, Suite 178, Houston, Texas 77036.

CAPITALIZATION

The following table shows our capitalization as of September 30, 2024, and our pro forma capitalization, as adjusted to give effect to the receipt of the net proceeds from the sale of a minimum of 3,000,000 shares and a maximum of 5,000,000 shares of our Common Shares in the Offering.

	As of September 30, 2024		
	Actual	Minimum As Adjusted	Maximum As Adjusted
Shareholders' equity			
Common stock, \$0.01 par value, 251,500,3,339,500 and 5,339,500 shares, respectively, issued and outstanding as adjusted	\$ 2,515	\$ 33,395	\$ 53,395
Additional paid-in capital	654,345	31,064,345	51,044,345
Total shareholders' equity ⁽¹⁾	<u>\$ 656,860 ⁽²⁾</u>	<u>\$ 31,097,740 ⁽³⁾</u>	<u>\$ 51,097,740 ⁽³⁾</u>

⁽¹⁾ Does not reflect the impact of expenses incurred by the Company in connection with its formation, the Acquisition or this Offering.

⁽²⁾ Includes 186,000 Bonus Shares issued to Founders at par value, or \$0.01 per share, and 65,500 shares issued in the First Offering at \$10.00 per share.

⁽³⁾ Reflects the issuance of \$440,000 in Promissory Notes, and assumes the Promissory Notes are converted into Common Shares at a 2:1 ratio in lieu of repayment, or 88,000 Common Shares.

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DILUTION

Net tangible book value per share is determined at any date by subtracting our total liabilities from tangible total book value of our assets and dividing the difference by the number of Common Shares deemed to be outstanding as of that date.

After giving effect to the issuance of between 3,000,000 shares and 5,000,000 shares of our Common Shares in this Offering at the offering price of \$10.00 per share, and after our estimated acquisition costs and organizational costs of \$845,000 and after deduction of \$7,345,000 for goodwill and assuming the Promissory Notes are converted into Common Shares at a 2:1 ratio in lieu of repayment, our pro forma net tangible book value is expected to be approximately \$22.54 million, or \$6.75 per share, assuming the Minimum Offering, or approximately \$42.54 million, or \$7.97 per share, assuming the Maximum Offering. Assuming the Minimum Offering, this represents an immediate decrease in pro forma net tangible book value of \$3.25 per share with respect to any Common Shares purchased in this Offering. Assuming the Maximum Offering, this represents an immediate decrease in the pro forma net tangible book value of \$2.03 per share with respect to any Common Shares purchased in this Offering.

The following table illustrates the per share dilution with respect to Common Shares issued in this Offering:

	Minimum Offering	Maximum Offering
Offering price per share.....	\$ 10.00	\$ 10.00
Dilution per share to investors in this Offering ⁽¹⁾	\$ 3.25	\$ 2.03
Pro forma as adjusted net book value per share after the Offering ⁽²⁾	\$ 6.75	\$ 7.97

⁽¹⁾ Reflects the issuance of \$440,000 in Promissory Notes, and assumes the Promissory Notes are converted into Common Shares at a 2:1 ratio in lieu of repayment, or 88,000 Common Shares.

⁽²⁾ Assumes (i) estimated organizational expenses, expenses associated with this Offering and the Acquisition of \$845,000 and (ii) estimated goodwill of \$7,345,000.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF PLAN OF OPERATIONS

The following discussion and analysis presents our financial condition and plan of operations as of September 30, 2024. In addition to the historical information provided below, we have made certain estimates and forward-looking statements that involve risks and uncertainties. Our actual results could differ significantly from those anticipated in these estimates and in the forward-looking statements as a result of certain factors.

Our financial statements, which are included in this Memorandum, provide additional information relating to the following discussion of our financial condition. To date, our main activities have been:

- seeking, interviewing and selecting members of our organizing group, directors and officers;
- preparing our business plan;
- interviewing and performing due diligence on service providers and vendors;
- developing policies and procedures;
- due diligence with respect to CNB and the Bank;
- negotiation and execution of the Merger Agreement to acquire CNB and the Bank; and
- raising equity capital through this Offering and the First Offering (as discussed below).

To date, we have funded our organizational and acquisition costs mainly from funds raised from the First Offering. We issued 65,500 Common Shares in the First Offering. We expect to incur approximately \$845,000 in organizational and other pre-opening costs, before we complete the Acquisition. These costs are described more fully in the section titled “*Use of Proceeds – Organizational and Acquisition Costs*,” beginning on page 33. If we are unable to complete the Acquisition, members of our organizing group will bear the risk of loss with respect to any investments made by them.

Acquisition of CNB and the Bank

We were incorporated in November 2023 as a Texas corporation. Following the Acquisition, we do not expect to conduct any significant activities other than owning and operating the Bank. We do not plan to have any full-time employees at the holding company level other than our Chairman and President. Once we become a bank holding company, we intend to act as a source of financial strength to the Bank and to support the Bank by providing resources and strategic direction.

Our activities are being conducted from 6100 Corporate Drive, Suite 178, Houston, Texas 77036. Following the Acquisition, it is anticipated that the Bank's main office will be relocated from San Saba, Texas, to a site in Houston, Texas. The Bank's location in San Saba, Texas, will continue to operate as a full-service branch.

Our founders and directors, Mr. Tri Dinh Minh Nguyen and Mr. Guido Piggott, were introduced to an opportunity to acquire an existing banking institution located in San Saba, Texas. In summer 2024, we initiated discussions with CNB regarding the Acquisition. Beginning in July 2024, we had a team perform due diligence on CNB and the Bank and interview and meet with its staff. During the Company's due diligence, the Company reviewed various aspects of CNB's and the Bank's business including, but not limited to, financial statements, loan portfolios, investment portfolios, and compliance functions. We identified that neither CNB nor the Bank obtain an audit of their financial statements, and that the entities do not prepare consolidated financial statements. It was also discovered that the Bank has not yet adopted CECL, which is a new accounting measurement of the Bank's allowance for credit losses that the Bank is required to implement under generally accepted accounting principles, or GAAP. We anticipate that the Bank will implement CECL upon consummation of the Acquisition. We also identified that approximately 31.9% of the Bank's loan portfolio is comprised of loan participations and that approximately 46.9% of the Bank's investment portfolio is comprised of “held-to-maturity” securities. We took the results of our diligence into consideration and determined that any associated risks are manageable. We also engaged Hillworth Securities, LLC (“Hillworth”), to render certain financial advisory services to the Company in connection with the Acquisition. Specifically, we engaged Hillworth to, among other things, assist the Company in its diligence of CNB and the Bank

and provide a financial analysis regarding the Acquisition. The Company executed the Merger Agreement with CNB on September 30, 2024.

The Acquisition will occur by way of the Company acquiring 100% of the issued and outstanding common stock of the Bank in three steps, in exchange for \$16,000,000 in cash (the “Aggregate Merger Consideration”). In accordance with the Merger Agreement, the Company has the right to elect to treat the Acquisition as an asset purchase for tax purposes (the “Tax Election”). In the event that the Company exercises its right to utilize the Tax Election, the Aggregate Merger Consideration will be increased so that the cash consideration received by the shareholders of the Company will be equal to the amount that the shareholders would have received had the Company not made the Tax Election (the “Tax Gross Up Amount”). The Company anticipates that it will make the Tax Election. As of the date of this Memorandum, the Tax Gross Up Amount would be approximately \$211,000, which would result in the Aggregate Merger Consideration totaling approximately \$16,211,000. However, this amount is subject to change.

In connection with the Merger Agreement, USV has deposited a non-refundable earnest money deposit of \$100,000 into a non-fiduciary custodial account at the Bank (the “Earnest Money Deposit”). The Aggregate Merger Consideration will include the Earnest Money Deposit.

The first step in the proposed Acquisition is for a wholly-owned subsidiary of the Company (“Merger Sub”) to merge with and into CNB, with CNB continuing as the surviving corporation (the “First Merger”). Immediately following the Merger and as part of the same transaction, CNB will merge with and into the Company, with the Company continuing as the surviving corporation (the “Second Merger”). Following the Second Merger, the Company will own all of the issued and outstanding stock of the Bank. Immediately following the Second Merger and as part of the same transaction, a to-be-formed interim national banking association (“Interim Bank”) and the Bank will merge, with the Bank continuing as the surviving bank.

In conjunction with this Offering, we will also file an application with the Federal Reserve and the OCC concerning the acquisition of CNB and the Bank. We anticipate that we will receive regulatory approval to acquire CNB and the Bank in the second quarter of 2025, and we anticipate completing the Acquisition in the third quarter of 2025. We also anticipate filing an application with the OCC for approval to relocate the Bank’s main office from San Saba, Texas, to Houston, Texas.

During the period between regulatory approval and completion of the Acquisition, we will be engaged in activities such as raising the capital necessary to complete the Acquisition and recapitalize the Bank, the recruitment and training of staff, and preliminary marketing.

We do not expect to receive final regulatory approvals to complete the Acquisition, however, until we have at least 75% of our minimum capital (or \$22,500,000) in the Offering Account, and we will not be able to actually complete the Acquisition until we have raised at least the Minimum Offering amount of \$30,000,000 million. If for any reason the Acquisition is not completed and the Merger Agreement is terminated, this Offering will be terminated and all funds will be promptly returned to our subscribers without interest and without deduction for expenses. Under those circumstances, the subscribers will not have any rights or interests in the Company.

About the Bank. As of September 30, 2024, the Bank had total assets of approximately \$84.0 million, total deposits of approximately \$75.1 million and Tier 1 capital of approximately \$10.1 million. The Bank offers a broad range of commercial and consumer banking services to small businesses and individuals in and around San Saba County, Texas. The Bank operates from its main office at 209 East Brown Street, San Saba, Texas 76877.

The activities in which the Bank engages are highly competitive. Each activity involves competition with other banks. In addition to competing with other commercial banks outside of its primary service areas, the Bank competes with other financial institutions engaged in the business of making loans or accepting deposits, such as savings and loan associations, credit unions, insurance companies, small loan companies, finance companies, mortgage companies, real estate investment trusts, factors, certain governmental agencies, credit card organizations and other enterprises. As of June 30, 2024, the Bank was ranked first in total deposit market share with around \$80.9 million of deposits, representing just over 45% of the total deposits in San Saba County, Texas according to the FDIC. Additional competition for deposits comes from government and private issuers of debt obligations and other investment alternatives for depositors, such as money market funds. The Bank must also compete with suppliers of

equipment in furnishing equipment financing and leasing services. There is no single person or group of persons whose deposits represent such a material portion of the Bank's total deposits that the loss of such deposits would have a material adverse effect on the business of the Bank. While loan participations make up approximately 31.9% of the Bank's loan portfolio, there is no single industry or group of related industries in which the Bank's loans are concentrated. Because of legislation that has deregulated portions of the financial institutions industry, banks are subject to greater competition than in the past, and such trend may continue in the future.

The Bank is a traditional commercial bank offering a wide variety of services to satisfy the needs of the consumer and commercial customers in the area. It offers most types of loans for any legitimate purpose, including loans to small- and medium-sized businesses for the purpose of purchasing equipment, inventory, and facilities or for working capital. Consumer loans offered include loans for the purpose of purchasing automobiles, recreational vehicles, personal residences, household goods, home improvements or for educational needs. The Bank also offers depository services and various checking account services. As of September 30, 2024, the Bank had 10 full-time employees. All employees are non-union employees. Relations with employees are considered to be good. Following the Acquisition, we intend to retain most of the Bank's employees.

The Bank conducts business from its sole office location in San Saba, which is owned by Bank. The location is a 6,000 square foot building with drive-up lanes. The location is currently a full service bank with back room operations.

Selected Financial Data for the Bank. The following table sets forth selected historical financial information and other data about the Bank. The historical financial information is derived from the Bank's Reports of Condition and Income filed with the FDIC for the applicable period. We have not been made aware of any factors that materially affect the comparability of the following financial data among the periods shown. Historical results are not necessarily indicative of future results. The unaudited pro forma combined financial data should be read together with the separate historical financial statements of the Bank, which are available to the public at the FDIC's website: www.fdic.gov. We have also attached the excerpts from the Bank's Reports of Condition and Income as of September 30, 2024, and 2023, to this Memorandum.

	For the nine months ending September 30,		For the year ended December 31,				
	2024	2023	2023	2022	2021	2020	2019
<i>(unaudited, dollars in thousands, except per share)</i>							
Summary Income Statement Data:							
Interest Income	\$ 2,148	\$ 1,564	\$ 2,202	\$ 2,006	\$ 1,665	\$ 1,794	\$ 1,738
Interest Expense	986	472	752	166	28	99	192
Net Interest Income	1,162	1,092	1,450	1,840	1,637	1,695	1,546
Non-Interest Income	257	313	405	230	301	289	315
Non-Interest Expense	1,166	1,251	1,643	1,679	1,690	1,582	1,427
Income (loss) before income taxes	253	154	212	391	248	402	434
Income tax expense (benefit)	53	32	45	82	52	84	91
Net income (loss)	<u>\$ 200</u>	<u>\$ 122</u>	<u>\$ 167</u>	<u>\$ 309</u>	<u>\$ 196</u>	<u>\$ 318</u>	<u>\$ 343</u>
Selected Balance Sheet Data:							
Total assets	\$ 83,979	\$ 85,445	\$ 91,525	\$ 89,516	\$ 88,488	\$ 73,309	\$ 68,350
Securities – available-for-sale	\$ 31,713	\$ 29,606	\$ 29,198	\$ 32,996	\$ 28,827	\$ 15,634	\$ 29,678
Securities – held-to-maturity	\$ 27,968	\$ 35,363	\$ 34,814	\$ 37,705	\$ 39,554	\$ 30,725	\$ 11,051
Loans, net of ALLL	\$ 9,114	\$ 8,039	\$ 8,783	\$ 8,596	\$ 7,485	\$ 8,584	\$ 9,170
Reserve for loan losses	\$ 296	\$ 293	\$ 295	\$ 291	\$ 282	\$ 280	\$ 291
Deposits	\$ 75,062	\$ 78,396	\$ 83,757	\$ 82,875	\$ 79,350	\$ 63,801	\$ 59,259
Tier 1 capital	<u>\$ 10,059</u>	<u>\$ 9,853</u>	<u>\$ 9,868</u>	<u>\$ 9,697</u>	<u>\$ 9,471</u>	<u>\$ 9,225</u>	<u>\$ 9,022</u>

Financial Results and Unaudited Pro Forma Condensed Combined Balance Sheet

Through September 30, 2024, our net organizational and acquisition costs were approximately \$613,185. We expect to incur total organizational costs of approximately \$845,000, through the anticipated completion date of the acquisition, which is expected to occur during the third quarter of 2025. These costs are described more fully in the section titled *“Use of Proceeds – Organizational and Acquisition Costs,”* beginning on page 33.

In addition, set forth below is certain unaudited pro forma combined financial data of the Company and the Bank as of September 30, 2024, assuming:

- completion of our proposed Acquisition;
- the sale of an aggregate of 3,000,000 Common Shares in this Offering at the price of \$10.00 per share; and
- the receipt of all required regulatory approvals to complete the Acquisition.

The pro forma balance sheet as of September 30, 2024 was prepared giving effect to (1) raising a minimum of \$30,000,000 million in this Offering and incurring \$845,000 in organizational expenses, and (2) the purchase accounting and other necessary adjustments. The unaudited pro forma combined financial data is provided for illustrative purposes only and does not purport to represent what our actual financial position would have been had the Acquisition occurred on the date assumed, nor is it necessarily indicative of our future financial position. Management does not believe that it would be prudent or meaningful to present pro forma statements of income due to the nature of the purchase and the amount of assumptions required to create such pro forma income statements, in light of the fact that we have no significant income producing operations. Management believes that the inclusion of a pro forma statement of operations would be misleading to prospective investors.

The unaudited pro forma combined financial data is based on preliminary estimates and various assumptions that we believe are reasonable under these circumstances. The unaudited pro forma adjustments reflect transaction related items only and are based on current available information. Purchase price allocation and related amortization, accretion and depreciation period will be based on final appraisals, evaluation and estimates of fair values. As a result, actual assets and liabilities values and related operating results, including actual amortization and accretion, could differ materially from those reflected in the unaudited pro forma combined financial data. No estimates of business integration costs or anticipated cost savings, potential revenue enhancements or synergies expected to be realized in the connection with the Acquisition have been reflected in the unaudited pro forma combined financial statements. The unaudited pro forma combined statements do not reflect the impact of conforming the accounting policies of the Bank to our accounting policies as the impact, if any, has not yet been determined.

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Pro Forma Consolidating Balance Sheet As of the End of the Period September 30, 2024
(Unaudited in thousands)

	Consolidated CNB *	USV	Debit		Credit		Pro-forma Consolidated
Assets:							
Cash & balances due from depository - non-interest bearing & currency	773	148	30,000	(1)	(16,211)	(2)	14,710
Interest Bearing Balances	3,412						3,412
Held To Maturity Securities	27,968				(1,128)	(3)	26,840
Available For Sale Securities	31,713						31,713
Fed Funds Sold	8,100						8,100
Loans & Leases, net of unearned income	9,410						9,410
Less Allowance for Credit Losses	296						296
Premises & Fixed Assets	238	67	845	(4)			1,150
Goodwill & Intangibles	-		7,345	(5)			7,345
Other Real Estate Owned	-	100					100
Other Assets	2,966		440	(6)			3,406
Investments in Subsidiary	-						-
Total Assets	\$ 84,284	\$ 315	\$ 38,630		\$ (17,339)		\$ 105,890
Liabilities:							
Deposits - Non -Interest Bearing	28,181						28,181
Deposits - Interest Bearing	46,876						46,876
Total Deposits	75,057						75,057
Other Borrowed Funds	-		440	(6)	(440)		-
Other Liabilities	78	21					99
Total Liabilities	\$ 75,135	\$ 21	\$ 440		\$ (440)		\$ 75,156
Equity Capital							
Common Stock	3,030	657	(3,030)	(7)	30,440	(8)	31,097
Surplus	-				-		-
Retained Earnings	8,363	(363)	(8,363)	(7)	-		(363)
Accumulated Other Comprehensive Income	(1,222)		(1,128)	(7)	2,350		-
Other equity capital components	(1,022)		-		1,022		-
Total Equity Capital	9,149	296	(12,521)		33,812		30,734
Total Liabilities & Equity Capital	\$ 84,284	\$ 315	\$ (12,081)		\$ 33,372		\$ 105,890

* Consolidated financials of CNB and the Bank.

(1) Cash Proceeds From Acquisition Financing.

(2) Acquisition Cost, Organizational Costs (reduced by YTD expense incurred), and Transaction Expense.

(3) Fair Market Value Adjustment to HTM Securities.

(4) Fair Market Value Adjustment on Fixed Assets.

(5) Goodwill Created from Transaction.

(6) Reflects the issuance of the Promissory Notes.

(7) Equity Adjustment from the Transaction.

(8) Common Equity Issued to Fund the Transaction and assumes the Promissory Notes are converted into Common Shares.

Interest Rate Sensitivity and Liquidity

Because we have been in the organizational and acquisition stage, we have no results of operations to present at this time. When we begin operations, net interest income, our expected primary source of earnings, will fluctuate with significant interest rate movements. Our profitability will depend substantially on our net interest income, which is the difference between the interest income earned on our loans and other assets and the interest expense paid on our deposits and other liabilities. A large change in interest rates may significantly decrease our net interest income and eliminate our profitability or such a change could adversely impact the credit quality of our loan portfolio. Most of the factors that cause changes in market interest rates, including economic conditions, are beyond our control. While we intend to take measures to minimize the effect that changes in interest rates will have on our net interest income and profitability, these measures may not be effective. To lessen the impact of these fluctuations, we intend to structure the balance sheet so that repricing opportunities exist for both assets and liabilities in roughly equal amounts at approximately the same time intervals. Imbalances in these repricing opportunities at any point in time constitute interest rate sensitivity. To address the impact of changing rates on credit quality, we will incorporate expected changes in rates into our credit underwriting. We also expect to offer adjustable rate loans to our commercial customers. In addition, we plan to develop significant regular fee income sources to help insulate against the effects of interest rate movements.

Interest rate sensitivity refers to the responsiveness of interest-bearing assets and liabilities to change in market interest rates. The rate sensitive position, or “gap,” is the difference in the volume of rate sensitive assets and liabilities at a given time interval. The general objective of gap management is to actively manage rate sensitive assets and liabilities in order to reduce the impact of interest rate fluctuations on the net interest margin. We will generally attempt to maintain a balance between rate sensitive assets and liabilities as the exposure period is lengthened to minimize our overall interest rate risk. We will regularly evaluate the balance sheet’s asset mix in terms of several variables: yield, credit quality, appropriate funding sources, and liquidity.

To effectively manage the balance sheet’s liquidity, we plan to focus on expanding our deposit base and converting assets to cash as necessary. As we continue to grow, we will continuously structure our rate sensitivity position in an effort to hedge against rapidly rising or falling interest rates. Liquidity represents the ability to provide steady sources of funds for loan commitments and investment activities, as well as to maintain sufficient funds to cover deposit withdrawals and payment of debt and operating obligations. We can obtain these funds by converting assets to cash or by attracting new deposits. Our ability to maintain and increase deposits will serve as our primary source of liquidity.

To date, our primary source of liquidity to meet current obligations has been investments from members of our organizing group pursuant to the First Offering. We believe that our cash on hand will be adequate to meet the obligations that we expect to incur until the time that we open for business. Other than this Offering, we know of no trends, demands, commitments, events, or uncertainties that should result in or are reasonably likely to result in our liquidity increasing or decreasing in any material way in the foreseeable future.

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PROPOSED BUSINESS FOLLOWING THE ACQUISITION

Resulting Bank

After the Acquisition and related transactions are completed and all regulatory approvals are received, we will be a bank holding company with respect to the Bank. The Bank will continue to focus on community involvement and personal service and will emphasize personalized banking services to individuals, mid-size and small businesses, commercial real estate investors and entities, civic groups, other organizations, and retail and consumer clients. Upon consummation of the Acquisition, we anticipate that the Bank will become a lender with the U.S. Small Business Administration (“SBA”) as management and employees of the Bank have experience with SBA lending. We also anticipate the Bank growing its deposit portfolio to service niche clients, such as title companies, entities incorporated under Section 1031 of the Internal Revenue Code of 1986, as amended (the “IRC”) and Interest on Lawyer Trust Accounts, or IOLTA Accounts, for law firms. Further, it is also anticipated that, as a result of our diverse group of investors, the Bank may be eligible to apply with the OCC to become designated as a minority depository institution (“MDI”). The OCC defines an MDI as, among other things, a national bank that is at least 51% owned by minorities. Financial institutions that qualify as an MDI are eligible to take advantage of certain programs and regulatory assistance that are not available to non-MDIs.

Primary service area. After the Acquisition, the main office of the Bank is proposed to be relocated to the Houston, Texas International District, which is located in southwest Houston, with the Bank’s San Saba, Texas, location to continue as a branch location. Following the Acquisition, we intend to expand the Bank’s presence in its current market and other geographic markets, where we expect a significant amount of loan and deposit growth, by dollar amount, to be generated.

We believe that the Bank’s current location, which includes San Saba County, Texas, and the surrounding area, presents attractive markets for gathering deposits from a diversified customer base and will continue to provide the Bank opportunities generating quality loans.

San Saba County was established as a Spanish Mission in 1757. The current county seat in San Saba, Texas, was established in 1856, which is where the Bank currently operates. According to the U.S. Census Bureau, the county had a population of 5,730 as of 2020. As of June 30, 2024, the Bank was ranked first in total deposit market share with around \$80.9 million of deposits, representing just over 45% of the total deposits in San Saba County, Texas according to the FDIC.

Competition. The banking business is highly competitive, and our profitability will depend in large part upon our ability to compete with other banks and non-bank financial service companies located in our markets for lending opportunities, deposit funds, financial products, bank employees and acquisition targets.

The Bank is subject to vigorous competition in all aspects of our business from banks, savings banks, savings and loan associations, finance companies, credit unions and other financial service providers, such as money market funds, brokerage firms, consumer finance companies, asset-based non-bank lenders, insurance companies and certain other non-financial entities, including retail stores which may maintain their own credit programs and certain governmental organizations which may offer more favorable financing than we can.

Many of our competitors have greater resources, have broader geographic markets, have higher lending limits, offer various services that we may not currently offer and may better afford and make broader use of media advertising, support services and electronic technology than we do. To offset these competitive disadvantages, we will depend on retaining and growing long-term customer relationships, continuing the Bank’s existing reputation as having greater personal service, consistency, flexibility and the ability to make credit and other business decisions quickly, and providing new and enhanced products and services designed to address the specific needs of our customers. Moreover, by expanding the Bank’s footprint into Houston, Texas, we anticipate that we can attract small business customers located in the Greater Houston area as we believe that there is a demand for a local community bank with ties to the Houston community that focuses on providing quality customer services to better meet the needs of customers located in the area.

Business strategy

Management philosophy

Following the Acquisition, the Bank will continue to operate as a full-service community bank, offering a range of financial products while emphasizing prompt, personalized customer service. We believe that this philosophy, encompassing the service aspects of community banking, will distinguish the Bank from its current and prospective competitors.

Operating strategy

In order to achieve the level of prompt, responsive service that we believe will be necessary to attract customers and to implement this banking model, the Bank will employ the following operating strategies:

- hiring and retaining experienced and qualified officers, including commercial, commercial real estate and small business lenders with substantial experience within the Bank's targeted markets;
- providing individualized attention with consistent, local decision-making authority of the Bank;
- leveraging a low-cost operating structure with its existing branch footprint to enable the Bank to offer competitive rates on loan and deposit products;
- utilizing technology and strategic outsourcing to cost effectively provide targeted products and services to customers and advanced security for all banking transactions;
- hiring highly qualified service professionals to reinforce the Bank's commitment to customer service; and
- building a board of directors at the Bank committed to doing business with and serving as strong referral sources for their network of personal and professional contacts.

Growth Strategies

A key part of our growth strategy involves expanding the Bank's footprint into Houston, Texas. We believe that the most efficient and effective way to penetrate the market in the Greater Houston area is to identify strategic niches and to provide staff, products, services and technology to service those niches. Our growth strategy includes the following:

- **Vietnamese Market:** According to the recent U.S. Census, there are approximately 150,000 Vietnamese residents in the Greater Houston area. However, there is no bank dedicated to servicing the Vietnamese population. We anticipate that the Bank will have multiple multilingual and multiethnic bankers, lenders and support staff to better service the Vietnamese community and educate them about various products and services that they might not have otherwise been aware of, such as SBA lending and other product offerings. We believe that the Vietnamese community has been underserved in the Greater Houston area and that the Acquisition will provide the Bank a unique opportunity to reach this community.
- **Turkish Market:** According to the Turkish Consulate, there are approximately 25,000 Turkish residents in the Greater Houston area. Although smaller than the Vietnamese community, Turkish residents are actively involved in the Greater Houston area. Following the Acquisition, it is anticipated that a seasoned Turkish lender with experience in servicing the Turkish market will join the Bank. As with the Vietnamese community, we anticipate having a support staff dedicated to servicing the Turkish residents in the Greater Houston area.
- **SBA Preferred Lender:** Following the Acquisition, it is anticipated that the Bank will apply to become a preferred SBA lender. We believe that SBA lending is an important product offering for all customers, including Vietnamese and Turkish customers.

- **Commercial Real Estate Experience:** Following the Acquisition, the Bank will engage a team of lenders and underwriters with experience in commercial lending areas in which the Bank's competitors lack expertise, such as convenience stores, multifamily properties, self-storage facilities and the hospitality industry.

Lending Services

Following the Acquisition, the Bank will continue to offer a full range of lending products. Within its commercial loan portfolio, the Bank intends to be actively engaged in small business lending. The Bank understands that it will be competing for these loans with competitors who are well established in its primary market area and have greater resources and lending limits. We believe that quick response to credit requests will give the Bank a competitive advantage. The Bank's lending policies, however, will not provide for any loans that are highly speculative.

The principal economic risk associated with each category of loans that the Bank expects to make is the creditworthiness of the borrower. Borrower creditworthiness is affected by general economic conditions and the strength of the relevant business market segment. General economic factors affecting a borrower's ability to repay include interest, inflation and employment rates, as well as other factors affecting a borrower's customers, suppliers and employees. The well-established financial institutions in the Bank's primary service area are likely to make proportionately more loans to medium- to large-sized businesses than the Bank will make. Many of the Bank's anticipated commercial loans will likely be made to small- to medium-sized businesses that may be less able to withstand competitive, economic and financial pressures than larger borrowers.

Following the Acquisition, it is anticipated that the Bank will provide various credit products in various categories, including but not limited to:

- Commercial and Industrial Business Financing
- Commercial Real Estate
- Construction
- SBA Lending
- Homebuilder Finance
- Executive and Professional Lending
- Consumer Credit

Deposit Services

The Bank will continue to offer a wide range of deposit services, including checking, savings, money market accounts and time deposits. We expect most of the Bank's deposits will be obtained from individuals, small businesses and municipalities in its market areas. As part of its strategic plan, the Bank will seek to hire relationship bankers with extensive contacts and connections with targeted clients and centers of influence throughout the Bank's markets and to leverage the personal referrals of the Bank's customers and our shareholders. In addition, we intend to offer niche deposit services, such as Interest on Lawyer's Trust Accounts, money market accounts, and individual retirement accounts. Following the Acquisition, it is anticipated that the Bank will explore providing customers with additional services such as mobile banking, positive pay and bill pay to allow customers to manage their accounts directly.

Investments

In addition to loans, the Bank will make other investments in securities that meet the objectives of minimizing credit risk and maximizing liquidity such as (i) certificates of deposit that are fully insured by the FDIC; and (ii) other earning assets including federal funds sold, interest-bearing time deposits with other banks, federal, state and local government securities, securities purchased under agreement to resell, and overnight and/or short-term investments at the Federal Home Loan Bank. No investment in any of those instruments will exceed any applicable limitation imposed by law or regulation. The Asset and Liability Management Committee will be responsible for developing the Bank's policies in this area. Parameters for proper management of the Bank's asset and liability mix, liquidity position, interest rate risk, and acceptable investments will be included in these policies. This committee will monitor and make adjustments as necessary based upon the current interest rate, economic environment, and established Bank strategies.

The Bank's current investment portfolio is comprised of both held-to-maturity securities and available-for-sale securities, which include Treasury securities and municipal bonds with an average weighted maturity of approximately 2.5 years. Upon consummation of the Acquisition, we anticipate that the Bank's investment portfolio will remain substantially unchanged with any future funds being invested in Federal funds sold. In the future, management and the board of directors may determine to engage a more aggressive investment policy in order to maximize returns. However, such change, if any, will be consistent with the Bank's objective of minimizing credit risk and maximizing liquidity.

Asset and Liability Management

The Asset and Liability Management Committee will oversee the Bank's assets and liabilities and will strive to provide a stable, optimized net interest margin, adequate liquidity and a profitable after-tax return on assets and return on equity. The committee will conduct these management functions within the framework of written loan and investment policies that we will adopt. The committee will attempt to maintain a balanced position between rate sensitive assets and rate sensitive liabilities. Specifically, it will chart assets and liabilities on a matrix by maturity, effective duration and interest adjustment period and attempt to manage any gaps in maturity ranges. The committee will also be responsible for recommending guidelines to our board of directors with respect to Bank profitability, liquidity structure, capital adequacy, dividend policy, federal income tax position and prevailing and potential internal and external factors. The committee will have the authority to outsource services from third parties to assist it and senior management with, among other things, assessing portfolio reporting and stress testing.

Information Technology Systems

Upon completion of the Acquisition, it is expected that the Bank will make significant investments in its information technology systems for our banking operations and treasury services. We believe that these investments are essential to enhance our capabilities attract quality customers. These investments will be in reputable technologies and will likely require the utilization of third-party vendors that will interface and integrate with the Bank's core processor. The Bank will perform a cost-benefit analysis prior to making any investment in information technology, which will include, among other things, evaluating a proposed technology's ability to (i) attract new customers, (ii) allow the Bank to operate more efficiently and effectively in its current existing products or services, and (iii) to allow such products or services to be performed at a lower cost structure. The Bank will actively manage a business continuity plan and strive to follow all recommendations outlined by the Federal Financial Institutions Examination Council in an effort to effectively identify risks and document contingency plans for key functions and systems including providing for back-up sites for all critical applications. We will perform tests of the adequacy of these contingency plans on at least an annual basis. In addition, the Bank will implement enhanced cyber risk management standards that will be designed to help reduce the potential impact of a cyber-attack or other cyber-related failure. The majority of our other systems are expected to be operated in-house. Online banking services and other public-facing web services will be performed using third-party service providers. The scalability of this infrastructure is designed to support the Bank's growth strategy.

Marketing Plan

Product Strategy

Following the Acquisition, the Bank will continue to provide a full range of banking products and services, other than trust services. The Bank will operate in and focus on the markets in Houston and San Saba, Texas. It is anticipated that the Bank will explore providing new services to customers following the Acquisition, such as mobile digital banking, positive pay, money transfer services and remote deposit services. Providing these services will allow the Bank to differentiate itself and enhance customer service, while also track its progress on business processes.

It is anticipated that the Bank's marketing program will include the following components:

- The Bank's lending, deposit, and business development staff will be experienced in generating potential business leads from networks of existing clients and professionals such as attorneys, title companies, and brokers.

- The Bank will solicit referrals from its directors, investors and current customers to supplement the Bank's pipeline of prospective customers.
- The Bank will utilize technology to help identify potential business customers in the Greater Houston and San Saba markets.

Employees

The Company will only retain a small number of employees at its holding company, relying on the management and employees of the Bank to run its operation.

The Bank's success will depend, in part, on its ability to attract, retain and motivate highly qualified management and other personnel, for whom competition is intense. We expect to retain substantially all of the full-time employees of the Bank following the Acquisition. It is anticipated that the Bank will pay in the higher quartile for employee salaries but will maintain fewer employees. By employing experienced staff and training and cross-training, we believe that this strategy will be sustainable.

MANAGEMENT

General

The Company's Board of Directors currently consists of three members, but is expected to expand following the Offering. Each director will be expected to support the Company through his or her own personal and professional networks. We expect that a majority of the Company's Board of Directors will be outside directors and have prior banking and finance experience. The Company's executive officers are appointed by and hold office at the discretion of the Company's Board of Directors.

The composition of the Bank's board of directors will be adjusted following the Acquisition. Following the Acquisition, the Company will be the sole shareholder of the Bank and will appoint the directors of the Bank. The Chief Executive Officer of the Bank is elected by the Company's Board of Directors and holds office at the Company's discretion.

Background of Holding Company Directors and Executive Officers

The following is a biographical summary of each person that we have identified as of the date of this Memorandum to serve as a director or executive officer at the Company:

Executive Officers

Tri Dinh Minh Nguyen, *Chairman and President*. Mr. Nguyen is founder, Chairman and President of the Company. Mr. Nguyen received his Bachelor of Science in Chemical Engineering from the University of Houston. Prior to his role with the Company, Mr. Nguyen acted as a consultant for various corporations in Vietnam for over twenty years. Through Mr. Nguyen's experience as a consultant, he has established and maintained valuable relationships with numerous key Vietnamese officials. In addition to his role with the Company, Mr. Nguyen currently owns a commercial real estate brokerage firm in Houston, Texas.

Directors

Tri Dinh Minh Nguyen, *Chairman and President*. See "Executive Officers" above for more information.

Guido Piggott. Mr. Piggott is a director and founder of the Company and has over forty years of experience in the banking industry in Houston, Texas. Currently, Mr. Piggott is a licensed mortgage loan officer with NEXA Mortgage, LLC. Prior to such role, Mr. Piggott served as the Chief Credit Officer for Wallis State Bank and as Chief

Executive Officer of numerous state and national banks including Central Bank, United National Bank and Allied Bank.

Omar Kasani. Mr. Kasani is a director and founder of the Company. Mr. Kasani received his Master of Business Administration from California State University, Chico, and is a Certified Public Accountant (“CPA”) in Texas, California and Virginia. In addition to his role with the Company, Mr. Kasani has owned his own CPA practice in Houston, Texas for seventeen years and has been a commercial real estate investor for fifteen years.

Director Compensation

We expect to compensate the Company’s and the Bank’s outside directors for serving as directors of the Bank. Currently, the Bank pays each director \$750 per month for serving as a director of the Bank, as well as an additional nominal fee for those directors who also serve on a committee. It is anticipated that this fee structure will continue following the Acquisition.

Executive Compensation

While we do not have any formal employment agreements with any of our senior executive officers at this time at the Company, we have entered into employment agreements with certain key senior executives of the Bank in connection with the execution of the Merger Agreement. We expect to compensate our executive officers and employees consistent with competitive market practices at both the Company and the Bank.

Equity Incentive Plan

The Company intends to adopt an equity incentive plan, which will be designed to enable us to attract, retain and motivate officers, key employees and non-employee directors by providing incentives for superior performance. Any equity incentive plan will be subject to approval by the Company’s Board of Directors and will be in accordance with regulatory guidelines. We believe that equity-based incentive compensation programs are an important element of our continued financial and operational success, and that the plan will serve the dual purpose of motivating key individuals to achieve performance objectives related to our overall goal of increasing shareholder value and further aligning the interests of these key individuals with those of our shareholders. Most of our competitors employ a wide range of incentive compensation vehicles, and we desire to have the tools in place to be competitive with market practices.

We expect the plan to provide for the granting of stock options, restricted stock, restricted stock units, stock appreciation rights and other stock-based awards. The plan will have a term of ten years, and the maximum number of shares as to which awards may be granted under the plan will not exceed 10%, or approximately 300,000 at the minimum and 500,000 at the maximum of the number of Common Shares sold in the Offering. Except with respect to initial award grants at the time that the plan is adopted, we expect the plan to establish limits on the number of awards, by type, that may be granted in any calendar year to any participant and in the aggregate.

We expect the plan to be administered initially by the Board of Directors of the Company, which will have the authority to determine, among other things, the selection of those individuals to be granted awards under the plan among those individuals eligible for participation, the level of participation of each participant, when and how each award under the plan will be granted, and what type or combination of types of awards will be granted. Subject to certain limitations described in the plan, the Board may also delegate to one or more of its members or to one or more officers, or to one or more agents or advisors, administrative duties or powers to designate employees to receive awards under the plan and determine the size of any such awards.

Each award under the plan will be made under an agreement containing such terms and provisions, consistent with the plan, as the Company’s Board of Directors or its delegates may approve.

Corporate Governance Principles and Board Matters

We are committed to having sound corporate governance principles at the Bank. Such principles are essential to running our business efficiently and to maintaining our integrity in the marketplace. We will adopt a Code of Business Conduct and Ethics that applies to all officers, directors, employees, and consultants.

Director Qualifications

We believe that our directors should have the highest professional and personal ethics and values. They should have experience at the policy-making level in business, government, or banking. They should be committed to enhancing shareholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. Their service on other boards of public companies should be limited to a number that permits them, given their individual circumstances, to perform responsibly all director duties.

We also believe that it is necessary that the majority of the Bank's board of directors must be comprised of independent directors. When considering potential director candidates, the Board also considers character, judgment, diversity, age, skills, including financial literacy, and experience in the context of our needs and the board of directors.

Board Structure and Committees of the Board

The Bank's proposed board of directors will be comprised of six directors and the following committees: Audit and Compliance, Governance and Compensation, Compliance/CRA/Information Systems, Asset and Liability Management, and Loan and Credit Policy. The function of each of the committees are described below. All members of committees will be appointed annually by the Chairman of the board of directors, and actions taken or research performed by such committees will be reported to the board of directors. In addition, the board of directors of the Bank and the Company may also establish special committees from time to time to address any issues requiring specific attention.

Audit and Compliance Committee

The Audit and Compliance Committee will monitor management, financial statements, internal and external audit reports, and staff compliance with board policies, laws and regulations. Because the committee will evaluate financial statements, audits, and compliance, its membership will be composed solely of outside directors. To assist it in executing its functions, the committee will have access to its own outside counsel.

The committee will supervise the audit function directly to verify that auditors, internal and external, are independent of management and are objective in their findings. The committee will contract for outside audit services and/or will review audit plans, hire senior audit personnel, set compensation, and evaluate performance of audit personnel. The committee may meet with the outside auditors as necessary to review reports and discuss findings and will monitor management's efforts to correct deficiencies described in an audit or a regulatory examination.

The Audit and Compliance Committee ensures that the Bank has a comprehensive compliance framework to ensure that there are appropriate compliance policies and systems in place. The Audit and Compliance Committee will consider and approve the scope of the compliance function in each area of the Bank as proposed by senior management and the compliance officer.

The committee will also be a vehicle for communicating risk management concerns to the full board. The Audit and Compliance Committee will seek to ensure that risk management evaluation functions are independent, because the objective to evaluate management's ability to manage risk within the policies established by the board.

Governance and Compensation Committee

The Governance and Compensation Committee will seek to identify individuals qualified to be directors consistent with criteria approved by the board, and to recommend director nominees to the board; recommend individuals to the board to serve on each standing committee; ensure that each of the Audit and Compliance Committee

and the Governance and Compensation Committee have the benefit of qualified, independent directors oversee management continuity planning; lead the board of directors in its annual review of the board's performance; and take a leadership role in shaping the corporate governance of the Bank's institution.

The Governance and Compensation Committee will recommend to the board of directors the salaries of executive personnel and directors and the policies, terms and conditions of employment of all employees of the Bank. It will assist senior management in identifying candidates for available positions and will coordinate efforts with legal counsel to create employee compensation plans. The committee will be responsible for performance evaluations of senior management and for creating senior management compensation plans. The Governance and Compensation Committee will also review and recommend employee benefit plans, as proposed by management, to the board of directors.

Compliance/CRA/Information Systems Committee

The Compliance/CRA/Information Systems Committee will review whether such activities/operations are in compliance with overall Bank policies, procedures, and properly approved plans and objectives plus monitor the effectiveness of internal controls and effectiveness of risk controls that are in place. It will also review and monitor the Bank's compliance with key prudent, statutory, monetary authority, and other regulatory body requirements.

The committee will also assist management in selecting technology providers, including the core processor, item processor, internal network provider, telecommunications, security, and any peripheral equipment, such as optical retrieving systems. The committee will conduct general due diligence to determine which technology providers are appropriate for the delivery of the Bank's products and services. The technology committee will also be a vehicle for communicating risk management concerns to the board of directors and will conduct an annual audit to determine the adequacy of services and opportunities to refine and/or enhance the Bank's systems. The committee will meet monthly and its duties will include:

- Fulfilling duties required by the Bank's Compliance and CRA policies;
- Reviewing and recommending changes to related policies and procedures;
- Periodically reviewing the Bank's CRA performance as required under the Small Bank Performance Test;
- Reviewing all regulatory reports, compliance policies and procedures, compliance and CRA audit reports and ensuring follow up and resolution of all deficiencies;
- Coordinating, monitoring and reporting to the board of directors that status of the Bank's compliance with federal and state banking laws and agency regulations; and
- Information systems oversight.

Asset and Liability Management (“ALCO”) Committee

The ALCO Committee will seek to develop the Bank's investment and asset/liability management policies, and will review the Bank's procedures and achievement of its objectives related to these activities. It will define suitable and unsuitable investments and will otherwise establish parameters for proper management of the Bank's asset and liability mix, liquidity position, and interest rate risk.

Loan and Credit Policy Committee

The Loan and Credit Policy Committee will review and recommend to the board, for its approval, a loan policy and all subsequent revision. It will be responsible for the implementation and adherence to such policy. It will also verify that management follows appropriate procedures to recognize adverse trends, to identify issues in the loan portfolio early, to take immediate corrective action, and to maintain an adequate ALLL.

The committee will seek to ensure that risk controls are in place governing compliance with loan-related or other applicable laws and regulations. The committee is also responsible for overseeing internal loan review and engaging and reviewing the findings of outsourced credit review consultants when, in the committee's opinion, it is appropriate. It is charged with the review and expedition of timely responses to all credit issues brought to its attention by way of regulatory examinations and by any outsourced or internal credit review resource.

Additionally, the committee will monitor the quality of the overall portfolio of the Bank, review insider transactions that are not otherwise the province of another committee, and oversee compliance with fair lending laws and regulations. The Loan and Credit Policy Committee expects to meet at least monthly, and more frequently as needed.

Ad Hoc Committees

The Board may also establish, from time to time, ad hoc committees to address various issues that the Board determines may need special attention, including pre-opening legal and regulatory responsibilities of the organizers, such as insurance and bonding requirements.

SECURITY OWNERSHIP OF ORGANIZING GROUP AND MANAGEMENT

The following table sets forth information regarding the proposed beneficial ownership of our Common Shares after completion of this Offering by (1) each member of our organizing group, (2) each of our directors, (3) each of the named executive officers of the Bank and (4) all members of our organizing group, directors and named Bank executive officers as a group. The number of shares indicated in the table as beneficially owned, and the percentage ownership information, is based on "beneficial ownership" concepts as defined by the federal securities laws. In general, beneficial ownership includes shares owned by spouses, minor children and other relatives residing in the same household, trusts, partnerships, corporations or deferred compensation plans which are affiliated with the principal. In addition, this table reflects organizer warrants, which will be exercisable upon issuance. The addresses of each member of our organizing group, directors and executive officers is the same as our address.

Name	Number of shares owned ⁽¹⁾	Number of shares to be subscribed for	Pro forma number of shares owned	Percentage of pro forma Minimum Offering ⁽²⁾	Percentage of pro forma Maximum Offering ⁽³⁾
Tri Dinh Minh Nguyen	70,000	20,000	90,000	2.77%	1.71%
Guido Piggott	32,500	0	32,500	1.00%	0.62%
Omar Kasani	32,500	5,000	37,500	1.15%	0.71%
All organizers, directors and executive officers, as a group (3 persons)	135,000	25,000	160,000	4.92%	3.04%

⁽¹⁾ There are 251,500 Common Shares issued and outstanding as of the date of this Memorandum.

⁽²⁾ Based on 3,251,500 Common Shares issued and outstanding.

⁽³⁾ Based on 5,251,500 Common Shares issued and outstanding.

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RELATED PARTY TRANSACTIONS

We expect that the Bank will enter into banking and other business transactions in the ordinary course of business with our directors and officers, and those of the Bank including members of their families, and corporations, partnerships, or other organizations in which they have a controlling interest. If these transactions occur, each transaction will be on the following terms:

- in the case of banking transactions, each transaction will be on substantially the same terms, including price or interest rate and collateral, as those prevailing at the time for comparable transactions with unrelated parties, and any banking transactions will not be expected to involve more than the normal risk of collectability or present other unfavorable features to us;
- in the case of business transactions, each transaction will be on terms no less favorable than could be obtained from an unrelated third party; and
- in the case of all related party transactions, each transaction will be approved by a majority of the directors, including a majority of the directors who do not have an interest in the transaction.

In order to comply with the requirements of the Texas Securities Act and regulations promulgated under the Act related to loans and other material affiliated transactions, we have and will maintain at least two independent directors on the Company's Board of Directors.

DESCRIPTION OF COMMON STOCK

The following discussion summarizes some of the important rights of our shareholders. This discussion does not purport to be a complete description of these rights and may not contain all of the information regarding our Common Shares that is important to you. These rights can be determined in full only by reference to federal and state banking laws and regulations, the Texas Business Organizations Code, and our certificate of formation and bylaws.

General

We are incorporated in the state of Texas. Accordingly, the rights of our shareholders are generally covered by Texas law, including the Texas Business Organizations Code, and our certificate of formation and bylaws, as the same may be amended from time to time.

Our certificate of formation authorizes our Board of Directors, without shareholder approval, to issue up to 10,000,000 shares of common stock, \$0.01 par value. As of the date of this Memorandum, there are 251,500 Common Shares issued and outstanding.

We expect to issue a minimum of 3,000,000 Common Shares in this Offering. We also expect to reserve a number of shares equal to 10%, or approximately 300,000 at the minimum and 500,000 at the maximum of the number of Common Shares sold in the Offering, for issuance in connection with equity-based awards granted under our equity incentive plan. We have no plans to authorize or issue any shares of preferred stock in the foreseeable future.

Following the completion of this Offering, the authorized but unissued shares of our capital stock will be available for future issuance without shareholder approval, unless otherwise required by law.

Common Stock

Voting Rights. The holders of our Common Shares are entitled to one vote per share on all matters submitted to a vote of the shareholders. Holders of our Common Shares are not entitled to cumulative voting in the election of directors. Except matters where a higher threshold is required by law, all matters submitted to the shareholders, including the election of directors, are subject to approval upon the affirmative vote of the holders of a majority of the shares entitled to vote.

Dividend Rights. Subject to certain regulatory restrictions discussed in this Memorandum, all Common Shares are entitled to share equally in dividends from legally available funds, when, as, and if declared by the Company's Board of Directors.

Preemptive Rights. No holder of our Common Shares has the right under the Texas Business Organizations Code, or our certificate of formation or bylaws, to purchase shares of our Common Shares upon any future issuance. However, from time to time, we may grant contractual rights in favor of certain persons to purchase additional shares of our capital stock upon certain future issuances of our securities.

Liquidation Rights. In the event of our liquidation, dissolution or winding up, whether voluntary or involuntary, the holders of our Common Shares would be entitled to share ratably in any of the net assets or funds which are available for distribution to shareholders, after the satisfaction of all liabilities and accrued and unpaid dividends.

Other. Holders of our Common Shares have no conversion rights or other subscription rights. There are no other redemption or sinking fund provisions that are applicable to our Common Shares.

Anti-Takeover Effect of Governing Documents and Applicable Law

Certain provisions of our certificate of formation and bylaws, and the corporate and banking laws applicable to us, may be deemed to have anti-takeover effects and may delay, prevent or make more difficult unsolicited tender offers or takeover attempts that a shareholder may consider to be in his or her best interests, including those attempts that might result in a premium over the book value price for the shares held by shareholders. These provisions may also have the effect of making it more difficult for third parties to cause the replacement of our current management.

Authorized but Unissued Shares. The corporate laws and regulations applicable to us enable the Company's Board of Directors to issue, from time to time and at its discretion, but subject to applicable law, any authorized but unissued shares of our Common Shares. Any such issuance of shares could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. The ability of the Company's Board of Directors to issue authorized but unissued shares of our Common Shares at its sole discretion may enable our board to sell shares to individuals or groups who the board perceives as friendly with management, which may make more difficult unsolicited attempts to obtain control of our organization. In addition, the ability of the Company's Board of Directors to issue authorized but unissued shares of our capital stock at its sole discretion could deprive the shareholders of opportunities to sell their Common Shares for prices higher than prevailing market prices.

Board Size and Vacancies. Our bylaws enable the Company's Board of Directors to increase the size of the board between annual meetings by up to two persons and fill the vacancies created by the increase by a majority of the remaining directors.

No Cumulative Voting. The Texas Business Organizations Code does not permit cumulative voting in the election of directors, unless expressly provided in a corporation's certificate of formation, and our certificate of formation does not provide for such authority. In the absence of cumulative voting, the holders of a majority of the shares of our Common Shares may elect all of the directors standing for election, if they should so choose.

Special Meetings of Shareholders. For a special shareholders' meeting to be called by one or more shareholder(s), our bylaws requires the request of holders of at least 20% of the outstanding shares entitled to vote at a meeting to call a special shareholders' meeting.

Amending our Bylaws. Our Board of Directors may amend our bylaws without shareholder approval.

Approval of Merger. The Texas Business Organizations Code requires that a merger, consolidation or share exchange to which we are a party be approved by the holders of at least two-thirds of the outstanding Common Shares, subject to certain limited exceptions.

Notice and Approval Requirements. Federal banking laws also impose notice, approval and ongoing regulatory requirements on any shareholder or other party that seeks to acquire direct or indirect control of an FDIC-insured depository institution. These laws include the BHC Act and the Change in Bank Control Act.

Indemnification

Our bylaws provide that each director and officer will be indemnified by us to the fullest extent permitted by the Texas Business Organizations Code, against any and all expenses, liabilities or other matters while acting in his or her capacity as a director or officer. We have also agreed to advance expenses incurred by any such director or officer in connection with threatened, pending or completed proceeding to the fullest extent permitted by the Texas Business Organizations Code. To the extent that indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons, there is a general understanding that, in the opinion of the Securities and Exchange Commission, this indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. Finally, our ability to provide indemnification to our directors and officers is limited by federal banking laws and regulations.

Limitation of Liability

Our certificate of formation does not eliminate or limit our right or the right of our shareholders to seek injunctive or other equitable relief not involving monetary damages.

Shareholder Action Upon Written Consent

Our bylaws provide that any action required or permitted by law to be taken at a meeting of our shareholders may be taken without a meeting, without prior notice, and without a vote, if a written consent setting forth the action taken is signed by the holders of shares representing not less than the minimum number of votes that would be necessary to take such action at a meeting at which all shares entitled to vote were present and voted.

Transfer Agent and Registrar

Currently, we act as the transfer agent and registrar for our Common Shares.

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SUPERVISION AND REGULATION

In this section, unless the context suggests otherwise, references to “we,” “us,” and “our” mean the combined business of the Company and the Bank, and references to the “Bank” refer to The City National Bank of San Saba.

The U.S. banking industry is highly regulated under federal and state law. Consequently, our growth and earnings performance will be affected not only by management decisions and general and local economic conditions, but also by the statutes administered by, and the regulations and policies of, various governmental regulatory authorities. These authorities include the Federal Reserve, the OCC, the FDIC, the Consumer Financial Protection Bureau, the Internal Revenue Service and state taxing authorities. The effect of these statutes, regulations and policies and any changes to any of them can be significant and cannot be predicted.

The primary goals of the bank regulatory scheme are to maintain a safe and sound banking system, facilitate the conduct of sound monetary policy and promote fairness and transparency for financial products and services. The system of supervision and regulation applicable to us and our subsidiaries establishes a comprehensive framework for their respective operations and is intended primarily for the protection of the FDIC’s Deposit Insurance Fund, the Bank’s depositors and the public, rather than our shareholders or creditors. The description below summarizes certain elements of the applicable bank regulatory framework. This description is not intended to describe all laws and regulations applicable to us and our subsidiaries, and the description is qualified in its entirety by reference to the full text of the statutes, regulations, policies, interpretive letters and other written guidance that are described herein.

Legislative and Regulatory Developments

Although the 2008 financial crisis has now passed, the legislative and regulatory response, including the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), will continue to have an impact on our operations.

The Dodd-Frank Wall Street Reform and Consumer Protection Act. The Dodd-Frank Act was signed into law in July 2010 and impacts financial institutions in numerous ways, including:

- the creation of a Financial Stability Oversight Council responsible for monitoring and managing systemic risk;
- granting additional authority to the Federal Reserve to regulate certain types of nonbank financial companies;
- granting new authority to the FDIC as liquidator and receiver;
- changing the manner in which deposit insurance assessments are made;
- requiring regulators to modify capital standards;
- establishing the Consumer Financial Protection Bureau;
- capping interchange fees that certain banks charge merchants for debit card transactions;
- imposing more stringent requirements on mortgage lenders; and
- limiting banks’ proprietary trading activities.

There are many provisions in the Dodd-Frank Act mandating regulators to adopt new regulations and conduct studies upon which future regulation may be based. While some have been issued, many remain to be issued. Governmental intervention and new regulations could materially and adversely affect our business, financial condition and results of operations.

Bank Holding Company Regulation

General. Following regulatory approval, we will be a bank holding company registered with, and subject to supervision, regulation and examination by, the Federal Reserve under the BHC Act. The BHC Act and other federal laws subject bank holding companies to particular restrictions on the types of activities in which they may engage and to a range of supervisory requirements and activities, including regulatory enforcement actions for violations of laws and regulations. The Federal Reserve’s jurisdiction also extends to any company that we directly or indirectly control,

such as any nonbank subsidiaries and other companies in which we own a controlling investment. Bank holding companies are required to file periodic reports with and are subject to examination by the Federal Reserve.

Small Bank Holding Company Requirements. The Federal Reserve has adopted a system using risk-based capital guidelines to evaluate the capital adequacy of certain large bank holding companies with \$3 billion or more in assets on a consolidated basis. Because we will not have consolidated assets in excess of \$3 billion for the foreseeable future, we will not be subject to the Federal Reserve's capital adequacy guidelines. The risk-based guidelines do apply, however, on a bank-only basis for bank holding companies with less than \$3 billion in consolidated assets. Each insured depository subsidiary of a holding company with less than \$3 billion in consolidated assets is expected to be well-capitalized.

Imposition of Liability for Undercapitalized Subsidiaries. Federal banking regulations require FDIC-insured banks that become undercapitalized to submit a capital restoration plan. The capital restoration plan of a bank controlled by a bank holding company will not be accepted by the regulators unless each company having control of the undercapitalized institution guarantees the subsidiary's compliance with the capital restoration plan up to a certain specified amount. Any such guarantee from a bank holding company is entitled to a priority of payment in bankruptcy.

The aggregate liability of the holding company of an undercapitalized bank in such a guarantee is limited to the lesser of 5% of the bank's assets at the time it became undercapitalized or the amount necessary to cause the institution to be adequately capitalized. The bank regulators have greater power in situations where a bank becomes significantly or critically undercapitalized or fails to submit a capital restoration plan. For example, a bank holding company controlling such a bank can be required to obtain prior Federal Reserve approval of proposed dividends, or might be required to divest the bank or other affiliates.

Acquisitions by Bank Holding Companies. We must obtain the prior approval of the Federal Reserve before (1) acquiring direct or indirect ownership or control of any class of voting securities of any bank or bank holding company if, after the acquisition, the Company would directly or indirectly own or control 5% or more of such class, (2) acquiring all or substantially all of the assets of any bank or bank holding company or (3) merging or consolidating with any other bank holding company. In evaluating applications with respect to these transactions, the Federal Reserve is required to consider, among other things, the effect of the acquisition on competition, the financial condition, managerial resources and future prospects of the bank holding company and the banks concerned, the convenience and needs of the communities to be served (including the record of performance under the Community Reinvestment Act), the effectiveness of the applicant in combating money laundering activities and the extent to which the proposed acquisition would result in greater or more concentrated risks to the stability of the U.S. banking or financial system. The Federal Reserve can deny an application based on the above criteria or other considerations. In addition, as a condition to receiving regulatory approval, the Federal Reserve can impose conditions on the acquirer or the business to be acquired, which may not be acceptable or, if acceptable, may reduce the benefit of a proposed acquisition.

Subject to certain conditions (including deposit concentration limits established by the BHC Act and the Dodd-Frank Act), the Federal Reserve may allow a bank holding company to acquire banks located in any state of the U.S. In approving interstate acquisitions, the Federal Reserve is required to give effect to applicable state law limitations on the aggregate amount of deposits that may be held by the acquiring bank holding company and its insured depository institution affiliates in the state in which the target bank is located (provided that those limits do not discriminate against out-of-state depository institutions or their holding companies) and state laws that require that the target bank have been in existence for a minimum period of time (not to exceed five years) before being acquired by an out-of-state bank holding company. Furthermore, in accordance with the Dodd-Frank Act, bank holding companies must be well-capitalized and well-managed in order to complete interstate mergers or acquisitions.

Control Acquisitions. Two statutes, the BHC Act and the Change in Bank Control Act, together with regulations promulgated under them, require some form of regulatory review before any person, which includes a natural person or entity, directly or indirectly, acquire "control" of a bank or a bank holding company. Under Section 2(a)(2) of the BHC Act, control is deemed to exist if: (1) a company acquires 25% or more of any class of voting securities of a bank holding company, (2) has the ability to control in any manner the election of a majority of the members of the board of directors or (3) directly or indirectly exercises a controlling influence over the management or policies of a bank or bank holding company. On January 30, 2020, the Federal Reserve issued a final rule (which

became effective September 30, 2020) that clarified and codified the Federal Reserve's standards for determining whether one company has control over another. The final rule established four categories of tiered presumptions of noncontrol that are based on the percentage of voting shares held by the investor (less than 5%, 5-9.9%, 10-14.9% and 15-24.9%) and the presence of other indicia of control. As the percentage of ownership increases, fewer indicia of control are permitted without falling outside of the presumption of noncontrol. These indicia of control include nonvoting equity ownership, director representation, management interlocks, business relationship and restrictive contractual covenants. Under the final rule, investors can hold up to 24.9% of the voting securities and up to 33% of the total equity of a company without necessarily having a controlling influence.

Under the Change in Bank Control Act, a person or company is required to file a notice with the Federal Reserve, if, immediately after the transaction, the acquiring person (or persons acting in concert) will own, control, or hold the power to vote 25% or more of any class of voting securities of the bank or bank holding company. A rebuttable presumption of control arises under the Change in Bank Control Act where a person (or persons acting in concert) controls 10% or more (but less than 25%) of a class of the voting securities of a bank or bank holding (i) which has registered securities under the Exchange Act, or (ii) no other person owns, controls, or holds the power to vote a greater percentage of any class of voting securities immediately after the transaction. For a change in control at the holding company level, both the Federal Reserve and the subsidiary bank's primary federal regulator must approve the change in control; at the bank level, only the bank's primary federal regulator is involved. Transactions subject to the BHC Act are exempt from Change in Control Act requirements.

Regulatory Restrictions on Dividend, Stock Redemptions and Repurchases; Source of Strength.

As a Texas corporation, we are restricted under the Texas Business Organizations Code from paying dividends under certain conditions. Under Texas law, we cannot pay dividends to shareholders if the dividends exceed our surplus or if after giving effect to the dividends, we would be insolvent.

As a bank holding company, we will be subject to certain restrictions on dividends under applicable banking laws and regulations. The Federal Reserve has issued a supervisory guidance that provides that a bank holding company should not pay dividends unless: (1) its net income over the last four quarters (net of dividends paid) has been sufficient to fully fund the dividends, (2) the prospective rate of earnings retention is consistent with the capital needs, asset quality and overall financial condition of the bank holding company and (3) the bank holding company will continue to meet, and is not in danger of failing to meet, minimum regulatory capital adequacy ratios. Failure to comply with the supervisory letter could result in a supervisory finding that the bank holding company is operating in an unsafe and unsound manner. In the current financial and economic environment, the Federal Reserve Board has indicated that bank holding companies should carefully review their dividend policy and has discouraged payment ratios that are at maximum allowable levels unless both asset quality and capital are very strong. We would also be subject to restrictions on dividends under the Small Bank Holding Company Policy Statement at any time that our debt-to-equity ratio is in excess of 1:1. The Federal Reserve may further restrict the payment of dividends by engaging in supervisory action to restrict dividends.

Bank holding companies must consult with the Federal Reserve before redeeming any equity or other capital instrument included in Tier 1 or Tier 2 capital prior to stated maturity, if (x) such redemption could have a material effect on the level or composition of the organization's capital base, or (y) as a result of such repurchase, there is a net reduction of the outstanding amount of common stock or preferred stock outstanding at the beginning of the quarter in which the redemption or repurchase occurs. In addition, bank holding companies are unable to repurchase shares equal to 10% or more of its net worth if it would not be well-capitalized (as defined by the Federal Reserve) after giving effect to such repurchase. Bank holding companies experiencing financial weaknesses, or that are at significant risk of developing financial weaknesses, must consult with the Federal Reserve before redeeming or repurchasing common stock or other regulatory capital instruments.

There are a number of obligations and restrictions imposed by law and regulatory policy on bank holding companies with regard to their depository institution subsidiaries that are designed to minimize potential loss to depositors and to the FDIC insurance funds in the event that the depository institution becomes in danger of defaulting under its obligations to repay deposits. Federal Reserve policy historically required bank holding companies to act as a source of financial and managerial strength to their subsidiary banks. The Dodd-Frank Act codified this policy as a statutory requirement. Under this requirement, a bank holding company is required to serve as a source of financial

strength to its subsidiary depository institutions and to commit resources to support such institutions in circumstances where it might not do so absent such policy. The source of strength obligation most directly affects bank holding companies where a bank holding company's subsidiary bank fails to maintain adequate capital levels.

Under the Federal Deposit Insurance Corporation Improvement Act of 1991, to avoid receivership of its insured depository institution subsidiary, a bank holding company is required to guarantee the compliance of any insured depository institution subsidiary that may become "undercapitalized" within the terms of any capital restoration plan filed by such subsidiary with its appropriate federal banking agency up to the lesser of (1) an amount equal to 5% of the institution's total assets at the time the institution became undercapitalized or (2) the amount which is necessary (or would have been necessary) to bring the institution into compliance with all applicable capital standards as of the time the institution fails to comply with such capital restoration plan.

The Federal Reserve also has the authority under the BHC Act to require a bank holding company to terminate any activity or relinquish control of a nonbank subsidiary (other than a nonbank subsidiary of a bank) upon the Federal Reserve's determination that such activity or control constitutes a serious risk to the financial soundness or stability of any subsidiary depository institution of the bank holding company. Further, federal law grants federal bank regulatory authorities' additional discretion to require a bank holding company to divest itself of any bank or nonbank subsidiary if the agency determines that divestiture may aid the depository institution's financial condition.

In addition, the "cross guarantee" provisions of the Federal Deposit Insurance Act (the "FDIA") require insured depository institutions under common control to reimburse the FDIC for any loss suffered or reasonably anticipated by the FDIC as a result of the default of a commonly controlled insured depository institution or for any assistance provided by the FDIC to a commonly controlled insured depository institution in danger of default. The FDIC's claim for damages is superior to claims of stockholders of the insured depository institution or its holding company, but is subordinate to claims of depositors, secured creditors and holders of subordinated debt (other than affiliates) of the commonly controlled insured depository institutions.

The FDIA also provides that amounts received from the liquidation or other resolution of any insured depository institution by any receiver must be distributed (after payment of secured claims) to pay the deposit liabilities of the institution prior to payment of any other general or unsecured senior liability, subordinated liability, general creditor or stockholder.

Any capital loans by a bank holding company to any of its subsidiary banks are subordinate in right of payment to deposits and to certain other indebtedness of such subsidiary bank. In the event of a bank holding company's bankruptcy, any commitment by the bank holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank will be assumed by the bankruptcy trustee and entitled to a priority of payment.

Scope of Permissible Activities. In general, the BHC Act limits the activities permissible for bank holding companies to the business of banking, managing or controlling banks and such other activities as the Federal Reserve has determined to be so closely related to banking as to be properly incident thereto. Under the BHC Act, a bank holding company is generally permitted to engage in, or acquire direct or indirect control of more than 5% of the voting shares of any company engaged in, the following activities: banking or managing or controlling banks; furnishing services to or performing services for our subsidiaries; and any activity that the Federal Reserve determines to be so closely related to banking as to be a proper incident to the business of banking.

Activities that the Federal Reserve has found to be so closely related to banking as to be a proper incident to the business of banking include: factoring accounts receivable; making, acquiring, brokering or servicing loans and usual related activities; leasing personal or real property; operating a non-bank depository institution, such as a savings association; trust company functions; financial and investment advisory activities; conducting discount securities brokerage activities; underwriting and dealing in government obligations and money market instruments; providing specified management consulting and counseling activities; performing selected data processing services and support services; acting as agent or broker in selling credit life insurance and other types of insurance in connection with credit transactions; and performing selected insurance underwriting activities. The BHC Act generally does not place territorial restrictions on the domestic activities of non-bank subsidiaries of bank holding companies.

Despite prior approval, the Federal Reserve has the authority to order a bank holding company or its subsidiaries to terminate any of these activities or to terminate its ownership or control of any subsidiary when it has reasonable cause to believe that the bank holding company's continued ownership, activity or control constitutes a serious risk to the financial safety, soundness or stability of it or any of its bank subsidiaries.

If a bank holding company has elected to become a financial holding company, it may engage in activities that are (1) financial in nature or incidental to such financial activity, or (2) complementary to a financial activity and which do not pose a substantial risk to the safety and soundness of a depository institution or to the financial system generally. These activities include securities dealing, underwriting and market making, insurance underwriting and agency activities, merchant banking and insurance company portfolio investments. Expanded financial activities of financial holding companies generally will be regulated according to the type of such financial activity: banking activities by banking regulators, securities activities by securities regulators and insurance activities by insurance regulators. A bank holding company may elect to be treated as a financial holding company if all of its depository institution subsidiaries are "well capitalized" and "well managed," and have received a rating of not less than "satisfactory" on each such institution's most recent examination under the Community Reinvestment Act. We currently have no plans to make a financial holding company election.

However, if we were to make a financial holding company election and failed to continue to meet any of the requirements for financial holding company status, we may be required to enter into an agreement with the Federal Reserve to comply with all applicable capital and management requirements within a certain period of time or lose our financial holding company designation, which could also result in a requirement to divest of any businesses for which a financial holding company election was required. In addition, the Federal Reserve may place limitations on our ability to conduct the broader financial activities permissible for financial holding companies during any period of noncompliance.

Safe and Sound Banking Practices. Bank holding companies are not permitted to engage in unsafe and unsound banking practices. For example, the Federal Reserve's Regulation Y generally requires a bank holding company to provide the Federal Reserve with prior notice of any redemption or repurchase of its own equity securities, if the consideration to be paid, together with the consideration paid for any repurchases or redemptions in the preceding year, is equal to 10.0% or more of the bank holding company's consolidated net worth. There is an exception for bank holding companies that are well-managed, well-capitalized, and not subject to any unresolved supervisory issues. The Federal Reserve may oppose the transaction if it believes that the transaction would constitute an unsafe or unsound practice or would violate any law or regulation. In certain circumstances, the Federal Reserve could take the position that paying a dividend would constitute an unsafe or unsound banking practice. The Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") expanded the Federal Reserve's authority to prohibit activities of bank holding companies and their nonbanking subsidiaries which represent unsafe and unsound banking practices, or which constitute violations of laws or regulations. FIRREA increased the amount of civil money penalties which the Federal Reserve can assess for activities conducted on a knowing and reckless basis, if those activities caused a substantial loss to a depository institution. The penalties can be as high as \$1 million for each day the activity continues. FIRREA also expanded the scope of individuals and entities against which such penalties may be assessed.

Anti-tying Restrictions. Bank holding companies and affiliates are prohibited from tying the provision of services, such as extensions of credit, to other services offered by a holding company or its affiliates, subject to certain exceptions.

Bank Regulation

The Bank is a national banking association and, as a result, the Bank is subject to extensive regulation, supervision and examination by the OCC. The bank regulatory agencies have the power to enforce compliance with applicable banking laws and regulations. These requirements and regulations include requirements to maintain reserves against deposits, restrictions on the nature and amount of loans that may be made and the interest that may be charged on loans, and restrictions relating to investments and other activities of the Bank.

Capital and Related Requirements. The Bank subject to comprehensive capital adequacy requirements intended to protect against losses that it may incur. Regulatory capital rules adopted in July 2013 and fully phased in as of January 1, 2019, which we refer to as Basel III, impose minimum capital requirements for bank holding

companies and banks. The Basel III rules apply to all state and national banks and savings and loan associations regardless of size and bank holding companies and savings and loan holding companies other than “small bank holding companies,” generally holding companies with consolidated assets of less than \$3 billion. More stringent requirements are imposed on “advanced approaches” banking organizations—those organizations with \$250 billion or more in total consolidated assets, \$10 billion or more in total foreign exposures, or that have opted into the Basel II capital regime.

The rules include certain higher risk-based capital and leverage requirements than those previously in place. Specifically, the Bank is required to maintain the following minimum capital requirements:

- a common equity Tier 1 (“CET1”) risk-based capital ratio of 4.5%;
- a Tier 1 risk-based capital ratio of 6.0%;
- a total risk-based capital ratio of 8.0%; and
- a leverage ratio of 4.0%.

Under Basel III, Tier 1 capital includes two components: CET1 capital and additional Tier 1 capital. The highest form of capital, CET1 capital, consists solely of common stock (plus related surplus), retained earnings, accumulated other comprehensive income, otherwise referred to as AOCI, and limited amounts of minority interests that are in the form of common stock. Additional Tier 1 capital is primarily comprised of noncumulative perpetual preferred stock, Tier 1 minority interests and grandfathered trust preferred securities. Tier 2 capital generally includes the allowance for loan losses up to 1.25% of risk-weighted assets, qualifying preferred stock, subordinated debt and qualifying tier 2 minority interests, less any deductions in Tier 2 instruments of an unconsolidated financial institution. AOCI is presumptively included in CET1 capital and often would operate to reduce this category of capital. When implemented, Basel III provided a one-time opportunity for covered banking organizations to opt out of much of this treatment of AOCI. The Bank made this opt-out election.

In addition, in order to avoid restrictions on capital distributions or discretionary bonus payments to executives, under Basel III, a banking organization must maintain a “capital conservation buffer” on top of its minimum risk-based capital requirements. This buffer must consist solely of Tier 1 Common Equity, but the buffer applies to all three risk-based measurements (CET1, Tier 1 capital and total capital). The 2.5% capital conservation buffer was phased in incrementally over time, and became fully effective for us on January 1, 2019, resulting in the following effective minimum capital plus capital conservation buffer ratios: (1) a CET1 capital ratio of 7.0%, (2) a Tier 1 risk-based capital ratio of 8.5% and (3) a total risk-based capital ratio of 10.5%.

On December 21, 2018, the federal banking agencies issued a joint final rule to revise their regulatory capital rules to (1) address the upcoming implementation of a new credit impairment model, the Current Expected Credit Loss, or CECL model, an accounting standard under GAAP; (2) provide an optional three-year phase-in period for the day-one adverse regulatory capital effects that banking organizations are expected to experience upon adopting CECL; and (3) require the use of CECL in stress tests beginning with the 2020 capital planning and stress testing cycle for certain banking organizations that are subject to stress testing. We are currently evaluating the impact the CECL model will have on our accounting.

On September 17, 2019, the federal banking regulators published final rules implementing a simplified measure of capital adequacy for certain banking organizations that have less than \$10 billion in total consolidated assets. Under the final rules, which went into effect on January 1, 2020, banks and holding companies that have less than \$10 billion in total consolidated assets and meet other qualifying criteria, including a leverage ratio of greater than 9%, off-balance-sheet exposures of 25% or less of total consolidated assets and trading assets plus trading liabilities of 5% or less of total consolidated assets, are deemed “qualifying community banking organizations” are eligible to opt into the “community bank leverage ratio framework”, or “CBLR.” A qualifying community banking organization that elects to use the community bank leverage ratio framework and that maintains a leverage ratio of greater than 9% is considered to have satisfied the generally applicable risk-based and leverage capital requirements under the Basel III rules and, if applicable, is considered to have met the “well capitalized” ratio requirements for purposes of its primary federal regulator’s prompt corrective action rules, as discussed below. The final rules include a two-quarter grace period during which a qualifying community banking organization that temporarily fails to meet any of the qualifying criteria, including the greater-than-9% leverage capital ratio requirement, is generally still deemed “well capitalized” so long as the banking organization maintains a leverage capital ratio greater than 8%. A

banking organization that fails to maintain a leverage capital ratio greater than 8% is not permitted to use the grace period and must comply with the generally applicable requirements under the Basel III rules and file the appropriate regulatory reports. The Bank elects to use the community bank leverage ratio framework and, as of September 30, 2024, the Bank was considered “well capitalized” as described below.

Prompt Corrective Action. The Federal Deposit Insurance Act (the “FDIA”) requires each federal banking agency to take prompt corrective action (“PCA”) to resolve the problems of insured depository institutions, including those that fall below one or more prescribed minimum capital ratios. The law requires each federal banking agency to promulgate regulations defining the following five categories in which an insured depository institution will be placed, based on the level of capital ratios: “well capitalized,” “adequately capitalized,” “undercapitalized,” “significantly undercapitalized,” or “critically undercapitalized.”

The following is a list of the criteria for each PCA capital category:

Well Capitalized—The institution exceeds the required minimum level for each relevant capital measure. A well-capitalized institution: has total risk-based capital ratio of 10% or greater; and has a Tier 1 risk-based capital ratio of 8% or greater; and has a common equity Tier 1 risk-based capital ratio of 6.5% or greater; and has a leverage capital ratio of 5% or greater; and is not subject to any order or written directive to meet and maintain a specific capital level for any capital measure.

Adequately Capitalized—The institution meets the required minimum level for each relevant capital measure. The institution may not make a capital distribution if it would result in the institution becoming undercapitalized. An adequately capitalized institution: has a total risk-based capital ratio of 8% or greater; and has a Tier 1 risk-based capital ratio of 6% or greater; and has a common equity Tier 1 risk-based capital ratio of 4.5% or greater; and has a leverage capital ratio of 4% or greater.

Undercapitalized—The institution fails to meet the required minimum level for any relevant capital measure. An undercapitalized institution: has a total risk-based capital ratio of less than 8%; or has a Tier 1 risk-based capital ratio of less than 6%; or has a common equity Tier 1 risk-based capital ratio of less than 4.5% or greater; or has a leverage capital ratio of less than 4%.

Significantly Undercapitalized—The institution is significantly below the required minimum level for any relevant capital measure. A significantly undercapitalized institution: has a total risk-based capital ratio of less than 6%; or has a Tier 1 risk-based capital ratio of less than 4%; or has a common equity Tier 1 risk-based capital ratio of less than 3% or greater; or has a leverage capital ratio of less than 3%.

Critically Undercapitalized—The institution fails to meet a critical capital level set by the appropriate federal banking agency. A critically undercapitalized institution has a ratio of tangible equity to total assets that is equal to or less than 2%.

Depending upon the capital category to which an institution is assigned, the primary federal regulators’ corrective powers include: (1) requiring the institution to submit a capital restoration plan; (2) limiting the institution’s asset growth and restricting its activities; (3) requiring the institution to issue additional capital stock (including additional voting stock) or to sell itself; (4) restricting transactions between the institution and its affiliates; (5) restricting the interest rate that the institution may pay on deposits; (6) ordering a new election of directors of the institution; (7) requiring that senior executive officers or directors be dismissed; (8) prohibiting the institution from accepting deposits from correspondent banks; (9) requiring the institution to divest certain subsidiaries; (10) prohibiting the payment of principal or interest on subordinated debt; and (11) ultimately, appointing a receiver for the institution.

Dodd-Frank Act and Subsequent Regulatory Reform. The Dodd-Frank Act, which was enacted in 2010, has broadly affected the financial services industry by implementing changes to the financial regulatory landscape aimed at strengthening the sound operations of the financial services sector. Certain provisions of the Dodd-Frank Act are effective and have been fully implemented, including (1) the establishment of the Consumer Financial Protection Bureau to, among other things, establish and implement rules and regulations applicable to all entities offering

consumer financial products or services, (2) revisions in the deposit insurance assessment base for FDIC insurance and the permanent increase in coverage to \$250,000, (3) the permissibility of paying interest on business checking accounts, (4) the removal of barriers to interstate branching and required disclosure and shareholder advisory votes on executive compensation, (5) the increase in regulation of consumer protections regarding mortgage originations, including originator compensation, minimum repayment standards, and prepayment consideration, (6) the final new capital rules, and (7) a final rule to implement the so called “Volcker Rule” restrictions on certain proprietary trading and investment activities. Recently, on May 24, 2018, the Economic Growth, Regulatory Relief, and Consumer Protection Act, or the 2018 Regulatory Reform Act, which is discussed below, created the framework from eliminating a number of the regulatory burdens created by the Dodd-Frank Act for smaller community banks, such as the Bank. Given the status of continued rulemaking under the Dodd-Frank Act, and the implementation of reforms as a result of the 2018 Regulatory Reform Act, the full extent of financial services reform legislation on the business, financial condition, results of operations and prospects of the Bank is unclear.

The 2018 Regulatory Reform Act provides certain limited amendments to the Dodd-Frank Act, as well as certain targeted modifications to other post-financial crisis regulatory requirements. In particular, the Act provided significant regulatory relief for community banks, such as the Bank, including (1) reforming certain aspects of the regulatory capital treatment of “high volatility commercial real estate” exposures, (2) providing “qualified mortgage” status for portfolio loans at most community banks, (3) exempting certain loans from escrow requirements, (4) providing for the creation of a new community bank leverage ratio of between 8.0% and 10.0% for depository institutions and depository institution holding companies with less than \$10 billion in total consolidated assets, (5) improving regulatory treatment of reciprocal deposits and certain municipal securities, (6) exempting community banks that engage in limited mortgage activity from the Consumer Financial Protection Bureau’s new, additional Home Mortgage Disclosure Act reporting requirements and (7) creating a short-form call report for use in the first and third quarters by certain well-rated community banks with less than \$5 billion in total consolidated assets.

We expect that the implementation of the community bank leverage ratio and the reforms to the regulatory capital treatment of “high volatility commercial real estate” exposures will be the most consequential elements of the Act with respect to the Bank. The community bank leverage ratio would generally enable the Bank to comply with the regulatory capital requirements promulgated by the FDIC, and deemed “well capitalized” for purposes of the FDIC’s prompt corrective action regulations, solely by satisfying the single community bank leverage ratio, unless the FDIC determines that the Bank’s risk profile requires otherwise. The reforms related to the regulatory capital treatment of “high volatility commercial real estate” exposures generally narrow the definition of commercial real estate credit exposures that are subject to risk-weighting of 150%.

A number of the reforms, including the community bank leverage ratio and the reforms related to the regulatory capital treatment of “high volatility commercial real estate” exposures, will be subject to additional rulemaking before they are effective. Accordingly, the ultimate impact of the Act on the business, financial condition, results of operations or prospects of the Bank is uncertain, although we generally expect the Act to diminish certain of the regulatory burdens to which the Bank was subject prior to the Act’s adoption.

Brokered Deposit Restrictions. Well-capitalized institutions are not subject to limitations on brokered deposits, while adequately capitalized institutions are able to accept, renew or roll over brokered deposits only with a waiver from the FDIC and subject to certain restrictions on the yield paid on such deposits. Undercapitalized institutions are generally not permitted to accept, renew or roll over brokered deposits.

Bank Mergers. Section 18(c) of the Federal Deposit Insurance Act (the “Bank Merger Act”) requires the written approval of a bank’s primary federal regulator before the bank may (1) acquire through merger or consolidation, (2) purchase or otherwise acquire the assets of, or (3) assume the deposit liabilities of, another bank. The Bank Merger Act prohibits the reviewing agency from approving any proposed merger transaction that would result in a monopoly, or would further a combination or conspiracy to monopolize or to attempt to monopolize the business of banking in any part of the United States. Similarly, the Bank Merger Act prohibits the reviewing agency from approving a proposed merger transaction the effect of which, in any section of the country, may be substantially to lessen competition, or to tend to create a monopoly, or which in any other manner would be in restraint of trade. An exception may be made in the case of a merger transaction the effect of which would be to substantially lessen competition, tend to create a monopoly, or otherwise restrain trade, if the reviewing agency finds that the

anticompetitive effects of the proposed transaction are clearly outweighed in the public interest by the probable effect of the transaction in meeting the convenience and needs of the community to be served.

In every proposed merger transaction, the reviewing agency must also consider the financial and managerial resources and future prospects of the existing and proposed institutions, the convenience and needs of the community to be served and the effectiveness of each insured depository institution involved in the proposed merger transaction in combating money-laundering activities.

Branching. The Bank is permitted to establish additional branch offices within Texas and other jurisdictions, subject to the approval of the OCC and any necessary state approvals. As a result of the Dodd-Frank Act, the Bank may also establish additional branch offices outside of Texas, subject to prior regulatory approval, so long as the laws of the state where the branch is to be located would permit a state bank chartered in that state to establish a branch. Any new branch, whether located inside or outside of Texas, must also be approved by the OCC, as the Bank's primary federal regulator. The Bank may also establish offices in other states by merging with banks or by purchasing branches of other banks in other states, subject to certain restrictions.

Restrictions on Transactions with Affiliates and Insiders. Federal law strictly limits the ability of banks to engage in transactions with their affiliates, including their bank holding companies. Sections 23A and 23B of the Federal Reserve Act, and Federal Reserve Regulation W, impose quantitative limits, qualitative standards, and collateral requirements on certain transactions by a bank with, or for the benefit of, its affiliates. Generally, Sections 23A and 23B (1) limit the extent to which the bank or its subsidiaries may engage in "covered transactions" with any one affiliate to an amount equal to 10% of the bank's capital stock and surplus, and limit the aggregate of all such transactions with all affiliates to an amount equal to 20% of its capital stock and surplus and (2) require that all such transactions be on terms substantially the same, or at least as favorable, to the bank or subsidiary as those that would be provided to a non-affiliate. The term "covered transaction" includes the making of loans to an affiliate, purchase of assets from an affiliate, issuance of a guarantee on behalf of an affiliate and several other types of transactions.

The Dodd-Frank Act expanded the coverage and scope of the limitations on affiliate transactions within a banking organization, including an expansion of what types of transactions are covered transactions to include credit exposures related to derivatives, repurchase agreements and securities lending arrangements and an increase in the amount of time for which collateral requirements regarding covered transactions must be satisfied.

Federal law also limits a bank's authority to extend credit to its directors, executive officers and 10% shareholders, as well as to entities controlled by such persons. Among other things, extensions of credit to insiders are required to be made on terms that are substantially the same as, and follow credit underwriting procedures that are not less stringent than, those prevailing for comparable transactions with unaffiliated persons. Also, the terms of such extensions of credit may not involve more than the normal risk of repayment or present other unfavorable features and may not exceed certain limitations on the amount of credit extended to such persons, individually and in the aggregate, which limits are based, in part, on the amount of the bank's capital. Loans to senior executive officers of a bank are subject to additional restrictions. Insiders may be subject to enforcement actions for accepting loans in violation of applicable restrictions.

Regulatory Restrictions on Dividends. The Bank is required by federal law to obtain prior approval of the OCC for payments of dividends if the total of all dividends declared in any year will exceeds the Bank's net income for that year combined with its retained net income for the preceding two years, less any transfers required by the OCC and any transfers required to be made to a fund for the retirement of any preferred stock. In addition, the Bank is unable to pay dividends unless and until it has positive retained earnings.

In addition, under the Federal Deposit Insurance Corporation Improvement Act, the Bank may not pay any dividend if the payment of the dividend would cause the Bank to become undercapitalized or in the event the Bank is "undercapitalized." The OCC may further restrict the payment of dividends by requiring that a financial institution maintain a higher level of capital than would otherwise be required to be "adequately capitalized" for regulatory purposes. Moreover, if, in the opinion of the OCC, we are engaged in an unsafe and unsound practice (which could include the payment of dividends), the OCC may require, generally after notice and hearing, that we cease such practice. The OCC has indicated that paying dividends that deplete a depository institution's capital base to an inadequate level would be an unsafe and unsound banking practice. The Bank may be prohibited or restricted from

paying dividends depending on its compliance with the capital conservation buffer requirements. Moreover, the OCC has also issued policy statements providing that insured depository institutions generally should pay dividends only out of current operating earnings.

Liquidity Requirements. Historically, regulation and monitoring of bank and bank holding company liquidity has been addressed as a supervisory matter, without required formulaic measures. The Basel III liquidity framework requires banks and bank holding companies to measure their liquidity against specific liquidity tests. The federal banking agencies adopted final Liquidity Coverage Ratio rules in September 2014 and proposed Net Stable Funding Ratio rules in May 2016. These rules introduced two liquidity related metrics: Liquidity Coverage Ratio is intended to require financial institutions to maintain sufficient high-quality liquid resources to survive an acute stress scenario that lasts for one month; and Net Stable Funding Ratio is intended to require financial institutions to maintain a minimum amount of stable sources relative to the liquidity profiles of the institution's assets and contingent liquidity needs over a one-year period. While the Liquidity Coverage Ratio and the proposed Net Stable Funding Ratio rules apply only to the largest banking organizations in the country, certain elements may filter down and become applicable to or expected of all insured depository institutions and bank holding companies.

Incentive Compensation Guidance. The federal banking agencies have issued comprehensive guidance on incentive compensation policies intended to ensure that the incentive compensation policies of banking organizations do not undermine the safety and soundness of those organizations by encouraging excessive risk-taking. The incentive compensation guidance sets expectations for banking organizations concerning their incentive compensation arrangements and related risk management, control and governance processes. The incentive compensation guidance, which covers all employees that have the ability to materially affect the risk profile of an organization, either individually or as part of a group, is based upon three primary principles: (1) balanced risk-taking incentives, (2) compatibility with effective controls and risk management and (3) strong corporate governance. Any deficiencies in compensation practices that are identified may be incorporated into the organization's supervisory ratings, which can affect its ability to make acquisitions or take other actions. In addition, under the incentive compensation guidance, a banking organization's federal supervisor may initiate enforcement action if the organization's incentive compensation arrangements pose a risk to the safety and soundness of the organization. Further, the capital conservation buffer described above would limit discretionary bonus payments to bank executives if the institution's regulatory capital ratios failed to exceed certain thresholds. The scope and content of the U.S. banking regulators' policies on executive compensation are continuing to develop and evolve.

Deposit Insurance. FDIC-insured banks are required to pay deposit insurance assessments to the FDIC. The amount of the assessment is based on the size of the bank's assessment base, which is equal to its average consolidated total assets less its average tangible equity, and its risk classification under an FDIC risk-based assessment system. Institutions assigned to higher risk classifications (that is, institutions that pose a higher risk of loss to the Deposit Insurance Fund) pay assessments at higher rates than institutions that pose a lower risk. An institution's risk classification is assigned based on its capital levels and the level of supervisory concern that the institution poses to the regulators. At least semi-annually, the FDIC updates its loss and income projections for the Deposit Insurance Fund and, if needed, will increase or decrease assessment rates, following notice-and-comment rulemaking, if required. The FDIC can also impose special assessments in certain instances. If there are additional bank or financial institution failures or if the FDIC otherwise determines to increase assessment rates, the Bank may be required to pay higher FDIC insurance premiums.

Additionally, the Dodd-Frank Act altered the minimum designated reserve ratio of the Deposit Insurance Fund, increasing the minimum from 1.15% to 1.35% of the estimated amount of total insured deposits, and eliminating the requirement that the FDIC pay dividends to depository institutions when the reserve ratio exceeds certain thresholds. On October 18, 2022, the FDIC adopted a final rule applicable to all insured depository institutions increasing initial base deposit insurance assessment rate schedules by 2 basis points, beginning in the first quarterly assessment period of 2023. The FDIC also issued a notice maintaining a Deposit Insurance Fund reserve ratio of 2.0% for 2023. The increase in assessment rate schedules is intended to increase the likelihood that the Deposit Insurance Fund reserve ratio reaches the statutory minimum of 1.35% by September 30, 2028, the statutory deadline set by the Dodd-Frank Act. The new assessment rate schedules will remain in effect unless and until the Deposit Insurance Fund reserve ratio meets or exceeds 2.0% in order to support growth in the Deposit Insurance Fund in progressing toward the FDIC's long-term goal of a 2.0% designated reserve ratio for the Deposit Insurance Fund. FDIC staff may in the future recommend additional assessment rate adjustments if deemed necessary.

The Volcker Rule. The Volcker Rule, under the Dodd-Frank Act, restricts banks and their affiliates from engaging in proprietary trading and investing in and sponsoring hedge funds and private equity funds. The Volcker Rule does not significantly impact the operations of the Bank as we do not have any engagement in the businesses prohibited by the Volcker Rule.

Financial Modernization. Under the Gramm-Leach-Bliley Act, banks may establish financial subsidiaries to engage, subject to limitations on investment, in activities that are financial in nature, other than insurance underwriting as principal, insurance company portfolio investment, real estate development, real estate investment, annuity issuance and merchant banking activities. To do so, a bank must be well capitalized, well managed and have a CRA rating from its primary federal regulator of “satisfactory” or better. Subsidiary banks of financial holding companies or banks with financial subsidiaries must remain well capitalized and well managed in order to continue to engage in activities that are financial in nature without regulatory actions or restrictions. Such actions or restrictions could include divestiture of the financial subsidiary or subsidiaries. In addition, a financial holding company or a bank may not acquire a company that is engaged in activities that are financial in nature unless each of the subsidiary banks of the financial holding company or the bank has a CRA rating of “satisfactory” or better.

Concentrated Commercial Real Estate Lending Regulations. The federal banking regulatory agencies have promulgated guidance governing financial institutions with concentrations in commercial real estate lending. The guidance provides that a bank has a concentration in commercial real estate lending if (1) total reported loans for construction, land development, and other land represent 100% or more of total capital or (2) total reported loans secured by multifamily and nonfarm residential properties and loans for construction, land development, and other land represent 300% or more of total capital and the bank’s commercial real estate loan portfolio has increased 50% or more during the prior 36 months. Owner occupied loans are excluded from this second category. If a concentration is present, management must employ heightened risk management practices that address, among other things, board and management oversight and strategic planning, portfolio management, development of underwriting standards, risk assessment and monitoring through market analysis and stress testing, and maintenance of increased capital levels as needed to support the level of commercial real estate lending.

Community Reinvestment Act. The Community Reinvestment Act, or CRA, and the related regulations are intended to encourage banks, while operating safely and soundly, to help meet the credit needs of their communities. The CRA specifically directs the federal bank regulatory agencies, in examining insured depository institutions, to assess their record of helping to meet the credit needs of their entire community, including low and moderate income neighborhoods, consistent with safe and sound banking practices. These regulations also provide for regulatory assessment of a bank’s CRA performance record when considering applications to establish branches, merger applications and applications to acquire the assets and assume the liabilities of another bank. The federal banking agencies have adopted regulations which measure a bank’s compliance with its CRA obligations on a performance based evaluation system. This system bases CRA ratings on an institution’s actual lending service and investment performance rather than the extent to which the institution conducts needs assessments, documents community outreach or complies with other procedural requirements. The ratings range from a high of “outstanding” to a low of “substantial noncompliance.” The CRA requires federal banking agencies to make public their ratings of banks’ performance under the CRA. In the case of a bank holding company transaction, the CRA performance record of the subsidiary banks of the bank holding companies involved in the transaction are reviewed in connection with the filing of an application to acquire ownership or control of shares or assets of a bank or to merge with any other bank holding company. An unsatisfactory CRA record could substantially delay approval or result in denial of an application. In addition, a financial holding company may face limitations on activities and acquisitions if its subsidiary depository institutions do not have a least a “satisfactory” rating. The Bank received a “satisfactory” rating in its most recent CRA examination.

Consumer Laws and Regulations. The Bank is subject to numerous laws and regulations intended to protect consumers in transactions with the Bank. These laws include, among others, laws regarding unfair, deceptive and abusive acts and practices, usury laws, and other federal consumer protection statutes. These federal laws include the Electronic Fund Transfer Act, the Equal Credit Opportunity Act, the Fair Credit Reporting Act, the Fair Debt Collection Practices Act, the Real Estate Procedures Act of 1974, the Home Mortgage Disclosure Act of 1975 and Regulation C, the S.A.F.E. Mortgage Licensing Act of 2008, the Right to Financial Privacy Act, the Truth in Lending Act and the Truth in Savings Act, among others. Many states and local jurisdictions have consumer protection laws analogous, and in addition, to those enacted under federal law. These laws and regulations mandate certain disclosure

requirements and regulate the manner in which financial institutions must deal with customers when taking deposits, making loans and conducting other types of transactions. Failure to comply with these laws and regulations could give rise to regulatory sanctions, customer rescission rights, action by state and local attorneys general and civil or criminal liability.

In addition, the Dodd-Frank Act created the Consumer Financial Protection Bureau, which has broad authority to regulate the offering and provision of consumer financial products. The Bureau has authority to promulgate regulations, issue orders, guidance, interpretations and policy statements, conduct examinations and bring enforcement actions with regard to consumer financial products and services. In general, banks with assets of \$10 billion or less, such as the Bank, will continue to be examined for consumer compliance, and subject to enforcement actions, by their primary federal regulator. However, the Bureau may participate in examinations of these smaller institutions on a “sampling basis” and may refer potential enforcement actions against such institutions to their primary federal regulators. In addition, the Dodd-Frank Act permits states to adopt consumer protection laws and regulations that are stricter than those regulations promulgated by the Bureau, and state attorneys general are permitted to enforce certain consumer protection rules adopted by the Bureau against certain institutions.

Anti-Money Laundering and OFAC. Under federal law, including the Bank Secrecy Act and the USA PATRIOT Act of 2001, certain financial institutions must maintain anti-money laundering programs that include established internal policies, procedures and controls; a designated compliance officer; an ongoing employee training program; and testing of the program by an independent audit function. Financial institutions are also prohibited from entering into specified financial transactions and account relationships and must meet enhanced standards for due diligence and customer identification in their dealings with foreign financial institutions and foreign customers. Financial institutions must take reasonable steps to conduct enhanced scrutiny of account relationships to guard against money laundering and to report any suspicious transactions, and law enforcement authorities have been granted increased access to financial information maintained by financial institutions.

The Anti-Money Laundering Act of 2020 (“AMLA”), which amends the Bank Secrecy Act of 1970 (“BSA”), was enacted in January 2021. The AMLA is intended to be a comprehensive reform and modernization to U.S. bank secrecy and anti-money laundering laws. Among other things, it codifies a risk-based approach to anti-money laundering compliance for financial institutions; requires the development of standards for evaluating technology and internal processes for BSA compliance; expands enforcement- and investigation-related authority, including increasing available sanctions for certain BSA violations and instituting BSA whistleblower incentives and protections.

The Office of Foreign Assets Control, or OFAC, administers laws and Executive Orders that prohibit U.S. entities from engaging in transactions with certain prohibited parties. OFAC publishes lists of persons and organizations suspected of aiding, harboring or engaging in terrorist acts, known as Specially Designated Nationals and Blocked Persons. Generally, if a bank identifies a transaction, account or wire transfer relating to a person or entity on an OFAC list, it must freeze the account or block the transaction, file a suspicious activity report and notify the appropriate authorities.

Bank regulators routinely examine institutions for compliance with these obligations and they must consider an institution’s compliance in connection with the regulatory review of applications, including applications for bank mergers and acquisitions. Failure of a financial institution to maintain and implement adequate programs to combat money laundering and terrorist financing and comply with OFAC sanctions, or to comply with relevant laws and regulations, could have serious legal, reputational and financial consequences for the institution.

Privacy. Federal law and regulations limit the ability of banks and other financial institutions to disclose non-public information about consumers to non-affiliated third parties. These limitations require disclosure of privacy policies to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to a non-affiliated third party. These regulations affect how consumer information is transmitted through financial services companies and conveyed to outside vendors. In addition, consumers may also prevent disclosure of certain information among affiliated companies that is assembled or used to determine eligibility for a product or service, such as that shown on consumer credit reports and asset and income information from applications. Consumers also have the option to direct banks and other financial institutions not to share information about

transactions and experiences with affiliated companies for the purpose of marketing products or services. In addition to applicable federal privacy regulations, the Bank is subject to certain state privacy laws.

Cybersecurity. In March 2015, federal regulators issued two related statements regarding cybersecurity. One statement indicates that financial institutions should design multiple layers of security controls to establish lines of defense and to ensure that their risk management processes also address the risk posed by compromised customer credentials, including security measures to reliably authenticate customers accessing internet-based services of the financial institution. The other statement indicates that a financial institution's management is expected to maintain sufficient business continuity planning processes to ensure the rapid recovery, resumption and maintenance of the institution's operations after a cyber-attack involving destructive malware. A financial institution is also expected to develop appropriate processes to enable recovery of data and business operations and address rebuilding network capabilities and restoring data if the institution or its critical service providers fall victim to this type of cyber-attack. If we fail to observe the regulatory guidance, we could be subject to various regulatory sanctions, including financial penalties.

In October 2016, the federal banking regulators jointly issued an advance notice of proposed rulemaking on enhanced cyber risk management standards that are intended to increase the operational resilience of large and interconnected entities under their supervision. If established, the enhanced cyber risk management standards would be designed to help reduce the potential impact of a cyber-attack or other cyber-related failure on the financial system. The advance notice of proposed rulemaking addresses five categories of cyber standards: (1) cyber risk governance; (2) cyber risk management; (3) internal dependency management; (4) external dependency management; and (5) incident response, cyber resilience, and situational awareness. In May 2019, the Federal Reserve announced that it would revisit the Advance Notice of Proposed Rulemaking in the future. In December 2020, the federal banking agencies issued a Notice of Proposed Rulemaking that would require banking organizations to notify their primary regulator within 36 hours of becoming aware of a "computer-security incident" or a "notification incident." The Notice of Proposed Rulemaking also would require specific and immediate notifications by bank service providers that become aware of similar incidents.

State regulators have also been increasingly active in implementing privacy and cybersecurity standards and regulations. Recently, several states have adopted regulations requiring certain financial institutions to implement cybersecurity programs and providing detailed requirements with respect to these programs, including data encryption requirements. Many states, including Texas, have also recently implemented or modified their data breach notification and data privacy requirements. We expect this trend of state-level activity in those areas to continue and are continually monitoring developments in the states in which our customers are located.

Enforcement Powers. The bank regulatory agencies have broad enforcement powers, including the power to terminate deposit insurance and impose substantial fines and other civil and criminal penalties. Failure to comply with applicable laws, regulations and supervisory agreements, breaches of fiduciary duty or the maintenance of unsafe and unsound conditions or practices could subject us or our subsidiaries, including the Bank, as well as their respective officers, directors, and other institution-affiliated parties, to administrative sanctions and potentially substantial civil money penalties.

FDIC Conservatorship or Receivership; Depositor Preference. The bank regulatory agencies may appoint the FDIC as conservator or receiver for a bank (or the FDIC may appoint itself, under certain circumstances) if any one or more of a number of circumstances exist, including, without limitation, the fact that the bank is undercapitalized and has no reasonable prospect of becoming adequately capitalized, fails to become adequately capitalized when required to do so, fails to submit a timely and acceptable capital restoration plan or materially fails to implement an accepted capital restoration plan.

The FDIA provides that, in the event of the "liquidation or other resolution" of an insured depository institution, the claims of depositors of the institution, including the claims of the FDIC as subrogee of insured depositors, and certain claims for administrative expenses of the FDIC as a receiver, will have priority over other general unsecured claims against the institution. If an insured depository institution fails, insured and uninsured depositors, along with the FDIC, will have priority in payment ahead of unsecured, non-deposit creditors, including depositors whose deposits are payable only outside of the United States and the parent bank holding company, with respect to any extensions of credit they have made to such insured depository institution.

Effect of Governmental Monetary Policies. Our earnings are affected by domestic economic conditions and the monetary policies of the U.S. and its agencies. The Federal Open Market Committee's monetary policies have had, and are likely to continue to have, an important effect on the operating results of banks through its power to implement national monetary policy in order, among other things, to curb inflation or combat a recession. The monetary policies of the Federal Reserve have major effects on the levels of bank loans, investments and deposits through its open market operations in U.S. government securities and through its regulation of the discount rate on borrowings of member banks and the reserve requirements against member bank deposits. We cannot predict the nature or effect of future changes in such monetary policies.

Future Legislation and Regulatory Reform

In light of current conditions and market outlook, regulators have increased their focus on the regulation of financial institutions. From time to time, various legislative and regulatory initiatives are introduced in Congress and state legislatures. New regulations and statutes are regularly proposed that contain wide-ranging proposals for altering the structures, regulations and competitive relationships of financial institutions operating in the United States. We cannot predict whether or in what form any proposed regulation or statute will be adopted or the extent to which our business may be affected by any new regulation or statute. Future legislation, regulation and policies, and the effects of that legislation and regulation and those policies, may have a significant influence on our operations and activities, financial condition, results of operations, growth plans or future prospects and the overall growth and distribution of loans, investments and deposits. Such legislation, regulation and policies have had a significant effect on the operations and activities, financial condition, results of operations, growth plans and future prospects of commercial banks in the past and are expected to continue to do so.

All of the above laws and regulations add significantly to the cost of operating the Company, the Bank, and CNB, and thus have a negative impact on our profitability. We would also note that there has been a tremendous expansion experienced in recent years by certain financial service providers that are not subject to the same rules and regulations as the Bank or us. These institutions, because they are not so highly regulated, have a competitive advantage over us and may continue to draw large amounts of funds away from traditional banking institutions, with a continuing adverse effect on the banking industry in general.

LEGAL PROCEEDINGS

There are no material legal proceedings pending or, to our knowledge, threatened against us.

FINANCIAL STATEMENTS

The unaudited balance sheet and income statement for the Company as of and for the period ending September 30, 2024 are included in this Memorandum.

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ADDITIONAL INFORMATION

The Common Shares offered hereby have not been registered with the SEC in reliance upon the exemption provided by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder, as well as Regulation S.

We have filed or will file various regulatory applications with the Federal Reserve and the OCC. These applications and the information they contain are not incorporated into this Memorandum. You should rely only on information contained in this Memorandum in making an investment decision. To the extent that other available information not presented in this Memorandum, including information available from us and information in public files and records maintained by the Federal Reserve and the OCC, is inconsistent with information presented in this Memorandum or provides additional information, that information is superseded by the information presented in this Memorandum and should not be relied on. Projections appearing in the applications are based on assumptions that we believe are reasonable but as to which we can make no assurances. We specifically disaffirm those projections for purposes of this Memorandum and caution you against relying on them for purposes of making an investment decision.

Copies of all documentation applicable to us or the Acquisition that are not included with this Memorandum are available from:

Tri Dinh Minh Nguyen
Chairman and President
USV Bancorp, Inc.
6100 Corporate Drive, Suite 178
Houston, Texas 77036
Email: ndmtri3@yahoo.com

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USV Bancorp Inc
Profit & Loss
January through September 2024

	Jan - Sep 24
Ordinary Income/Expense	
Expense	
Bank Service Charges	45.00
Consulting Fees	45,000.00
Contract Labor	11,253.00
Credit Card	1,000.00
Depreciation Expense	4,800.00
HKA Legal Fees	173,363.94
Office Supplies	61.15
Professional Fees	2,000.00
Rent Expense	11,809.77
Total Expense	249,332.86
Net Ordinary Income	-249,332.86
Net Income	-249,332.86

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USV Bancorp Inc
Balance Sheet
As of September 30, 2024

	Sep 30, 24
ASSETS	
Current Assets	
Checking/Savings	
Frost Bank	148,035.61
Total Checking/Savings	148,035.61
Total Current Assets	148,035.61
Fixed Assets	
Accumulated Depreciation	-4,922.00
Office Remodeling	72,000.00
Total Fixed Assets	67,078.00
Other Assets	
Earnest money	100,000.00
Total Other Assets	100,000.00
TOTAL ASSETS	315,113.61
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Due to Shareholder	20,954.47
Total Other Current Liabilities	20,954.47
Total Current Liabilities	20,954.47
Total Liabilities	20,954.47
Equity	
Capital Stock	656,860.00
Retained Earnings	
and Net Income	-362,700.86
Total Equity	294,159.14
TOTAL LIABILITIES & EQUITY	315,113.61

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Federal Financial Institutions Examination Council



Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets Less than \$5 Billion - FFIEC 051

Institution Name	CITY NATIONAL BANK OF SAN SABA, THE
City	SAN SABA
State	TX
Zip Code	768773501
Call Report Report Date	9/30/2024
Report Type	051
RSSD-ID	714165
FDIC Certificate Number	5518
OCC Charter Number	10806
ABA Routing Number	111904231
Last updated on	10/24/2024



Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets Less than \$5 Billion - FFIEC 051

Report at the close of business September 30, 2024

This report is required by law: 12 U.S.C. §324 (State member banks); 12 U.S.C. §1817 (State non member banks); 12 U.S.C. §161 (National banks); and 12 U.S.C. §1464 (Savings associations).

(20240930)

(RCON 9999)

Unless the context indicates otherwise, the term "bank" in this report form refers to both banks and savings associations.

NOTE: Each bank's board of directors and senior management are responsible for establishing and maintaining an effective system of internal control, including controls over the Reports of Condition and Income. The Reports of Condition and Income are to be prepared in accordance with federal regulatory authority instructions. The Reports of Condition and Income must be signed by the Chief Financial Officer (CFO) of the reporting bank (or by the individual performing an equivalent function) and attested to by not less than two directors (trustees) for state non member banks and three directors for state member banks, national banks, and savings associations.

I, the undersigned CFO (or equivalent) of the named bank, attest that the Reports of Condition and Income (including the supporting

schedules) for this report date have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct to the best of my knowledge and belief.

We, the undersigned directors (trustees), attest to the correctness of the Reports of Condition and Income (including the supporting schedules) for this report date and declare that the Reports of Condition and Income have been examined by us and to the best of our knowledge and belief have been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and are true and correct.

Signature of Chief Financial Officer (or Equivalent)

Director (Trustee)

Date of Signature

Director (Trustee)

Director (Trustee)

Submission of Reports

Each bank must file its Reports of Condition and Income (Call Report) data by either:

- Using computer software to prepare its Call Report and then submitting the report data directly to the FFIEC's Central Data Repository (CDR), an Internet-based system for datacollection (<https://cdr.ffiec.gov/cdr/>), or
- Completing its Call Report in paper form and arranging with a software vendor or another party to convert the data in to the electronic format that can be processed by the CDR. The software vendor or other party then must electronically submit the bank's data file to the CDR.

For technical assistance with submissions to the CDR, please contact the CDR Help Desk by telephone at (888) CDR-3111, by fax at (703) 774-3946, or by e-mail at CDR.Help@cdr.ffiec.gov.

FDIC Certificate Number **5518** (RSSD 9050)

To fulfill the signature and attestation requirement for the Reports of Condition and Income for this report date, attach your bank's completed signature page (or a photocopy or a computer generated version of this page) to the hard-copy record of the data file submitted to the CDR that your bank must place in its files.

The appearance of your bank's hard-copy record of the submitted data file need not match exactly the appearance of the FFIEC's sample report forms, but should show at least the caption of each Call Report item and the reported amount.

CITY NATIONAL BANK OF SAN SABA, THE

Legal Title of Bank (RSSD 9017)

SAN SABA

City (RSSD 9130)

TX

State Abbreviation (RSSD 9200)

76877-3501

Zip Code (RSSD 9220)

Consolidated Reports of Condition and Income for a Bank with Domestic Offices Only and Total Assets Less than \$5 Billion - FFIEC 051

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For information or assistance, national banks, state nonmember banks, and savings associations should contact the FDIC's Data Collection and Analysis Section, 550 17th Street, NW, Washington, DC 20429, toll free on (800) 688-FDIC(3342), Monday through Friday between 8:00 a.m. and 5:00 p.m., Eastern Time. State member banks should contact their Federal Reserve District Bank.

Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency

Legend: NR - Not Reported, CONF - Confidential

Contact Information for the Reports of Condition and Income

To facilitate communication between the Agencies and the bank concerning the Reports of Condition and Income, please provide contact information for (1) the Chief Financial Officer (or equivalent) of the bank signing the reports for this quarter, and (2) the person at the bank—other than the Chief Financial Officer (or equivalent)—to whom questions about the reports should be directed. If the Chief Financial Officer (or equivalent) is the primary contact for questions about the reports, please provide contact information for another person at the bank who will serve as a secondary contact for communications between the Agencies and the bank concerning the Reports of Condition and Income. Enter “none” for the contact’s e-mail address or fax number if not available. Contact information for the Reports of Condition and Income is for the confidential use of the Agencies and will not be released to the public.

Chief Financial Officer (or Equivalent) Signing the Reports

CONF

Name (TEXT C490)

CONF

Title (TEXT C491)

CONF

E-mail Address (TEXT C492)

CONF

Area Code / Phone Number / Extension (TEXT C493)

CONF

Area Code / FAX Number (TEXT C494)

Other Person to Whom Questions about the Reports Should be Directed

CONF

Name (TEXT C495)

CONF

Title (TEXT C496)

CONF

E-mail Address (TEXT 4086)

CONF

Area Code / Phone Number / Extension (TEXT 8902)

CONF

Area Code / FAX Number (TEXT 9116)

Primary Contact

CONF

Name (TEXT C366)

CONF

Title (TEXT C367)

CONF

E-mail Address (TEXT C368)

CONF

Area Code / Phone Number / Extension (TEXT C369)

CONF

Area Code / FAX Number (TEXT C370)

Secondary Contact

CONF

Name (TEXT C371)

CONF

Title (TEXT C372)

CONF

E-mail Address (TEXT C373)

CONF

Area Code / Phone Number / Extension (TEXT C374)

CONF

Area Code / FAX Number (TEXT C375)

USA PATRIOT Act Section 314(a) Anti-Money Laundering

Contact Information

This information is being requested to identify points-of-contact who are in charge of your bank's USA PATRIOT Act Section 314(a) information requests. Bank personnel listed could be contacted by law enforcement officers or the Financial Crimes Enforcement Network (FinCEN) for additional information related to specific Section 314(a) search requests or other anti-terrorist financing and anti- money laundering matters. Communications sent by FinCEN to the bank for purposes other than Section 314(a) notifications will state the intended purpose and should be directed to the appropriate bank personnel for review. Any disclosure of customer records to law enforcement officers or FinCEN must be done in compliance with applicable law, including the Right to Financial Privacy Act (12 U.S.C. 3401 et seq.).

Please provide information for a primary and secondary contact. Information for a third and fourth contact may be provided at the bank's option. Enter "none" for the contact's e-mail address if not available. This contact information is for the confidential use of the Agencies, FinCEN, and law enforcement officers and will not be released to the public.

Primary Contact

CONF

Name (TEXT C437)

CONF

Title (TEXT C438)

CONF

E-mail Address (TEXT C439)

CONF

Area Code / Phone Number / Extension (TEXT C440)

Secondary Contact

CONF

Name (TEXT C442)

CONF

Title (TEXT C443)

CONF

E-mail Address (TEXT C444)

CONF

Area Code / Phone Number / Extension (TEXT 8902)

Third Contact

CONF

Name (TEXT C870)

CONF

Title (TEXT C871)

CONF

E-mail Address (TEXT C368)

CONF

Area Code / Phone Number / Extension (TEXT C873)

Fourth Contact

CONF

Name (TEXT C875)

CONF

Title (TEXT C876)

CONF

E-mail Address (TEXT C877)

CONF

Area Code / Phone Number / Extension (TEXT C878)

Contact Information(Form Type - 051)

Dollar amounts in thousands

1. Contact Information for the Reports of Condition and Income				1.
a. Chief Financial Officer (or Equivalent) Signing the Reports				1.a.
1. Name.....	TEXTC490	CONF		1.a.1.
2. Title.....	TEXTC491	CONF		1.a.2.
3. E-mail Address.....	TEXTC492	CONF		1.a.3.
4. Telephone.....	TEXTC493	CONF		1.a.4.
5. FAX.....	TEXTC494	CONF		1.a.5.
b. Other Person to Whom Questions about the Reports Should be Directed				1.b.
1. Name.....	TEXTC495	CONF		1.b.1.
2. Title.....	TEXTC496	CONF		1.b.2.
3. E-mail Address.....	TEXT4086	CONF		1.b.3.
4. Telephone.....	TEXT8902	CONF		1.b.4.
5. FAX.....	TEXT9116	CONF		1.b.5.
2. Person to whom questions about Schedule RC-T - Fiduciary and Related Services should be directed				2.
a. Name and Title.....	TEXTB962	CONF		2.a.
b. E-mail Address.....	TEXTB926	CONF		2.b.
c. Telephone.....	TEXTB963	CONF		2.c.
d. FAX.....	TEXTB964	CONF		2.d.
3. Emergency Contact Information				3.
a. Primary Contact				3.a.
1. Name.....	TEXTC366	CONF		3.a.1.
2. Title.....	TEXTC367	CONF		3.a.2.
3. E-mail Address.....	TEXTC368	CONF		3.a.3.
4. Telephone.....	TEXTC369	CONF		3.a.4.
5. FAX.....	TEXTC370	CONF		3.a.5.
b. Secondary Contact				3.b.
1. Name.....	TEXTC371	CONF		3.b.1.
2. Title.....	TEXTC372	CONF		3.b.2.
3. E-mail Address.....	TEXTC373	CONF		3.b.3.
4. Telephone.....	TEXTC374	CONF		3.b.4.
5. FAX.....	TEXTC375	CONF		3.b.5.
4. USA PATRIOT Act Section 314(a) Anti-Money Laundering Contact Information				4.
a. Primary Contact				4.a.
1. Name.....	TEXTC437	CONF		4.a.1.
2. Title.....	TEXTC438	CONF		4.a.2.
3. E-mail Address.....	TEXTC439	CONF		4.a.3.
4. Telephone.....	TEXTC440	CONF		4.a.4.
b. Secondary Contact				4.b.
1. Name.....	TEXTC442	CONF		4.b.1.
2. Title.....	TEXTC443	CONF		4.b.2.
3. E-mail Address.....	TEXTC444	CONF		4.b.3.
4. Telephone.....	TEXTC445	CONF		4.b.4.
c. Third Contact				4.c.
1. Name.....	TEXTC870	CONF		4.c.1.
2. Title.....	TEXTC871	CONF		4.c.2.
3. E-mail Address.....	TEXTC872	CONF		4.c.3.
4. Telephone.....	TEXTC873	CONF		4.c.4.
d. Fourth Contact				4.d.
1. Name.....	TEXTC875	CONF		4.d.1.

Dollar amounts in thousands

2. Title.....	TEBTC876	CONF	4.d.2.
3. E-mail Address.....	TEBTC877	CONF	4.d.3.
4. Telephone.....	TEBTC878	CONF	4.d.4.
5. Chief Executive Officer Contact Information			5.
a. Chief Executive Officer			5.a.
1. Name.....	TEXTFT42	CONF	5.a.1.
2. E-mail Address.....	TEXTFT44	CONF	5.a.2.
3. Telephone.....	TEXTFT43	CONF	5.a.3.
4. FAX.....	TEXTFT45	CONF	5.a.4.

Schedule RI - Income Statement(Form Type - 051)

Dollar amounts in thousands

1. Interest income:			1.
a. Interest and fee income on loans:			1.a.
1. Loans secured by real estate:			1.a.1.
a. Loans secured by 1-4 family residential properties.....	RIAD4435	1	1.a.1.a.
b. All other loans secured by real estate.....	RIAD4436	162	1.a.1.b.
2. Commercial and industrial loans.....	RIAD4012	79	1.a.2.
3. Loans to individuals for household, family, and other personal expenditures:			1.a.3.
a. Credit cards.....	RIADB485	0	1.a.3.a.
b. Other (includes revolving credit plans other than credit cards, automobile loans, and other consumer loans).....	RIADB486	128	1.a.3.b.
4. Not applicable			1.a.4.
5. All other loans ¹	RIAD4058	93	1.a.5.
6. Total interest and fee income on loans (sum of items 1.a.(1)(a) through 1.a.(5)).....	RIAD4010	463	1.a.6.
b. Income from lease financing receivables.....	RIAD4065	0	1.b.
c. Interest income on balances due from depository institutions ²	RIAD4115	100	1.c.
d. Interest and dividend income on securities:			1.d.
1. U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities).....	RIADB488	445	1.d.1.
2. Mortgage-backed securities.....	RIADB489	102	1.d.2.
3. All other securities (includes securities issued by states and political subdivisions in the U.S.).....	RIAD4060	467	1.d.3.
e. Not applicable			1.e.
f. Interest income on federal funds sold and securities purchased under agreements to resell.....	RIAD4020	528	1.f.
g. Other interest income.....	RIAD4518	43	1.g.
h. Total interest income (sum of items 1.a.(6) through 1.g.).....	RIAD4107	2,148	1.h.
2. Interest expense:			2.
a. Interest on deposits:			2.a.
1. Transaction accounts (interest-bearing demand deposits, NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts).....	RIAD4508	668	2.a.1.
2. Nontransaction accounts:			2.a.2.
a. Savings deposits (includes MMDAs).....	RIAD0093	9	2.a.2.a.
b. Time deposits of \$250,000 or less.....	RIADHK03	247	2.a.2.b.
c. Time deposits of more than \$250,000.....	RIADHK04	62	2.a.2.c.
b. Expense of federal funds purchased and securities sold under agreements to repurchase.....	RIAD4180	0	2.b.
c. Other interest expense.....	RIADGW44	0	2.c.
d. Not applicable			2.d.
e. Total interest expense (sum of items 2.a through 2.c).....	RIAD4073	986	2.e.
3. Net interest income (item 1.h minus 2.e).....	RIAD4074	1,162	3.
4. Provisions for credit losses ³	RIADJJ33	9	4.
5. Noninterest income:			5.
a. Income from fiduciary activities ²	RIAD4070	0	5.a.
b. Service charges on deposit accounts.....	RIAD4080	60	5.b.
c. Not applicable			5.c.
d. Income from securities-related and insurance activities			5.d.
1. Fees and commissions from securities brokerage, investment banking, advisory, and underwriting activities.....	RIADHT73	0	5.d.1.
2. Income from insurance activities ³	RIADHT74	0	5.d.2.

- Includes interest and fee income on "Loans to depository institutions and acceptances of other banks," "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans"
- Includes interest income on time certificates of deposit not held for trading.
- Institutions should report in item 4 the provisions for credit losses for all financial assets and off-balance-sheet credit exposures.
- For banks required to complete Schedule RC-T, items 14 through 22, income from fiduciary activities reported in Schedule RI, item 5.a, must equal the amount reported in Schedule RC-T, item 22.
- Includes underwriting income from insurance and reinsurance activities.

Dollar amounts in thousands

e. Not applicable			5.e.
f. Net servicing fees.....	RIADB492	0	5.f.
g. Not applicable			5.g.
h. Not applicable			5.h.
i. Net gains (losses) on sales of loans and leases.....	RIAD5416	0	5.i.
j. Net gains (losses) on sales of other real estate owned.....	RIAD5415	0	5.j.
k. Net gains (losses) on sales of other assets ³	RIADB496	0	5.k.
l. Other noninterest income [*]	RIADB497	197	5.l.
m. Total noninterest income (sum of items 5.a through 5.l).....	RIAD4079	257	5.m.
6. Not available			6.
a. Realized gains (losses) on held-to-maturity securities.....	RIAD3521	0	6.a.
b. Realized gains (losses) on available-for-sale debt securities.....	RIAD3196	0	6.b.
7. Noninterest expense:			7.
a. Salaries and employee benefits.....	RIAD4135	471	7.a.
b. Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest).....	RIAD4217	56	7.b.
c. Not available			7.c.
1. Goodwill impairment losses.....	RIADC216	0	7.c.1.
2. Amortization expense and impairment losses for other intangible assets.....	RIADC232	0	7.c.2.
d. Other noninterest expense [*]	RIAD4092	630	7.d.
e. Total noninterest expense (sum of items 7.a through 7.d).....	RIAD4093	1,157	7.e.
8. Not available			8.
a. Income (loss) before change in net unrealized holding gains (losses) on equity securities not held for trading, applicable income taxes, and discontinued operations (item 3 plus or minus items 4, 5.m, 6.a, 6.b, and 7.e).....	RIADHT69	253	8.a.
b. Change in net unrealized holding gains (losses) on equity securities not held for trading ⁴	RIADHT70	0	8.b.
c. Income (loss) before applicable income taxes and discontinued operations (sum of items 8.a and 8.b).....	RIAD4301	253	8.c.
9. Applicable income taxes (on item 8.c).....	RIAD4302	0	9.
10. Income (loss) before discontinued operations (item 8.c minus item 9).....	RIAD4300	253	10.
11. Discontinued operations, net of applicable income taxes [*]	RIADFT28	0	11.
12. Net income (loss) attributable to bank and noncontrolling (minority) interests (sum of items 10 and 11).....	RIADG104	253	12.
13. LESS: Net income (loss) attributable to noncontrolling (minority) interests (if net income, report as a positive value; if net loss, report as a negative value).....	RIADG103	0	13.
14. Net income (loss) attributable to bank (item 12 minus item 13).....	RIAD4340	253	14.
1. Not applicable			M.1.
2. Not applicable			M.2.
3. Income on tax-exempt loans and leases to states and political subdivisions in the U.S. (included in Schedule RI, items 1.a and 1.b).....	RIAD4313	0	M.3.
4. Income on tax-exempt securities issued by states and political subdivisions in the U.S. (included in Schedule RI, item 1.d.(3)).....	RIAD4507	405	M.4.
5. Number of full-time equivalent employees at end of current period (round to nearest whole number).....	RIAD4150	10	M.5.
Memorandum item 6 is to be completed by: * banks with \$300 million or more in total assets, and * banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, Part I, item 3) exceeding 5 percent of total loans	RIAD4024	93	M.6.
6. Interest and fee income on loans to finance agricultural production and other loans to farmers (included in Schedule RI, item 1.a.(5)) ¹			
7. If the reporting institution has applied pushdown accounting this calendar year, report the date of the institution's acquisition (see instructions) ²	RIAD9106	00000000	M.7.
8. Not applicable			M.8.

3. Exclude net gains (losses) on sales of trading assets and held-to-maturity and available-for-sale debt securities.
^{*}. Describe on Schedule RI-E - Explanations.
^{*}. Describe on Schedule RI-E - Explanations.
4. Item 8.b is to be completed by all institutions. See the instructions for this item and the Glossary entry for "Securities Activities" for further detail on accounting for investments in equity securities.
^{*}. Describe on Schedule RI-E - Explanations.
1. The \$300 million asset-size test and the 5 percent of total loans test are based on the total assets and total loans reported in the June 30, 2023, Report of Condition.
2. Report the date in YYYYMMDD format. For example, a bank acquired on March 1, 2024, would report 20240301.

Dollar amounts in thousands

9. Not applicable			M.9.
10. Not applicable			M.10.
11. Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?.....	RIADA530	Yes	M.11.
12. Not applicable			M.12.
13. Not applicable			M.13.
14. Not applicable			M.14.
<i>Memorandum item 15 is to be completed annually in the December report only by institutions with \$1 billion or more in total assets¹ that answered "Yes" to Schedule RC-E, Memorandum item 5.</i>			
15. Components of service charges on deposit accounts (sum of Memorandum items 15.a through 15.d must equal Schedule RI, item 5.b):			M.15.
a. Consumer overdraft-related service charges levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....	RIADH032	NR	M.15.a.
b. Consumer account periodic maintenance charges levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....	RIADH033	NR	M.15.b.
c. Consumer customer automated teller machine (ATM) fees levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....	RIADH034	NR	M.15.c.
d. All other service charges on deposit accounts.....	RIADH035	NR	M.15.d.

Schedule RI-A - Changes in Bank Equity Capital(Form Type - 051)

Dollar amounts in thousands

1. Total bank equity capital most recently reported for the December 31, 2023, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income).....	RIAD3217	7,750	1.
2. Cumulative effect of changes in accounting principles and corrections of material accounting errors*	RIADB507	0	2.
3. Balance end of previous calendar year as restated (sum of items 1 and 2).....	RIADB508	7,750	3.
4. Net income (loss) attributable to bank (must equal Schedule RI, item 14).....	RIAD4340	253	4.
5. Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions).....	RIADB509	0	5.
6. Treasury stock transactions, net.....	RIADB510	0	6.
7. Changes incident to business combinations, net.....	RIAD4356	0	7.
8. LESS: Cash dividends declared on preferred stock.....	RIAD4470	0	8.
9. LESS: Cash dividends declared on common stock.....	RIAD4460	0	9.
10. Other comprehensive income ¹	RIADB511	835	10.
11. Other transactions with stockholders (including a parent holding company) (not included in items 5, 6, 8, or 9 above)*	RIAD4415	0	11.
12. Total bank equity capital end of current period (sum of items 3 through 11) (must equal Schedule RC, item 27.a)..	RIAD3210	8,838	12.

*. Describe on Schedule RI-E - Explanations.

1. Includes, but is not limited to, changes in net unrealized holding gains (losses) on available-for-sale debt securities, changes in accumulated net gains (losses) on cash flow hedges, and pension and other postretirement plan-related changes other than net periodic benefit cost.

*. Describe on Schedule RI-E - Explanations.

Schedule RI-B Part I - Charge-offs and Recoveries on Loans and Leases (Form Type - 051)

Part I includes charge-offs and recoveries through the allocated transfer risk reserve.

Dollar amounts in thousands		(Column A) Charge-offs Calendar year-to-date		(Column B) Recoveries Calendar year-to-date		
1. Loans secured by real estate:						1.
a. Construction, land development, and other land loans:						1.a.
1. 1-4 family residential construction loans.....	RIADC891	0	RIADC892	0		1.a.1.
2. Other construction loans and all land development and other land loans.....	RIADC893	0	RIADC894	0		1.a.2.
b. Secured by farmland.....	RIAD3584	0	RIAD3585	0		1.b.
c. Secured by 1-4 family residential properties:						1.c.
1. Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.....	RIAD5411	0	RIAD5412	0		1.c.1.
2. Closed-end loans secured by 1-4 family residential properties:						1.c.2.
a. Secured by first liens.....	RIADC234	0	RIADC217	0		1.c.2.a.
b. Secured by junior liens.....	RIADC235	0	RIADC218	0		1.c.2.b.
d. Secured by multifamily (5 or more) residential properties.....	RIAD3588	0	RIAD3589	0		1.d.
e. Secured by nonfarm nonresidential properties:						1.e.
1. Loans secured by owner-occupied nonfarm nonresidential properties.....	RIADC895	0	RIADC896	0		1.e.1.
2. Loans secured by other nonfarm nonresidential properties.....	RIADC897	0	RIADC898	0		1.e.2.
2. Not applicable						2.
3. Not applicable						3.
4. Commercial and industrial loans.....	RIAD4638	0	RIAD4608	0		4.
5. Loans to individuals for household, family, and other personal expenditures:						5.
a. Credit cards.....	RIADB514	0	RIADB515	0		5.a.
b. Automobile loans.....	RIADK129	0	RIADK133	0		5.b.
c. Other (includes revolving credit plans other than credit cards and other consumer loans).....	RIADK205	11	RIADK206	2		5.c.
6. Not applicable						6.
7. All other loans ²	RIAD4644	0	RIAD4628	0		7.
8. Lease financing receivables.....	RIAD4266	0	RIAD4267	0		8.
9. Total (sum of items 1 through 8).....	RIAD4635	11	RIAD4605	2		9.
1. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RI-B, Part I, items 4 and 7, above.....	RIAD5409	0	RIAD5410	0		M.1.
2. Not applicable						M.2.
Memorandum item 3 are to be completed by: * banks with \$300 million or more in total assets, and * banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, Part I, item 3) exceeding 5 percent of total loans						
3. Loans to finance agricultural production and other loans to farmers (included in Schedule RI-B, Part I, item 7, above) ²	RIAD4655	0	RIAD4665	0		M.3.

2. Includes charge-offs and recoveries on "Loans to depository institutions and acceptances of other banks," "Loans to finance agricultural production and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans."

2. The \$300 million asset-size test and the 5 percent of total loans test are based on the total assets and total loans reported on the June 30, 2023, Report of Condition.

Schedule RI-B Part II - Changes in Allowances for Credit Losses(Form Type - 051)

Dollar amounts in thousands	(Column A) Loans and Leases Held for Investment		(Column B) Held-to-maturity Debt Securities		(Column C) Available-for-sale Debt Securities		
1. Balance most recently reported for the December 31, 2023, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income).....	RIADB522	295	RIADJH88	NR	RIADJH94	NR	1.
2. Recoveries (column A must equal Part I, item 9, column B, above).....	RIAD4605	2	RIADJH89	NR	RIADJH95	NR	2.
3. LESS: Charge-offs (column A must equal Part I, item 9, column A, above less Schedule RI-B, Part II, item 4, column A).....	RIADC079	11	RIADJH92	NR	RIADJH98	NR	3.
4. LESS: Write-downs arising from transfers of financial assets.....	RIAD5523	0	RIADJJ00	NR	RIADJJ01	NR	4.
5. Provisions for credit losses ¹	RIAD4230	9	RIADJH90	NR	RIADJH96	NR	5.
6. Adjustments (see instructions for this schedule)*.....	RIADC233	0	RIADJH91	NR	RIADJH97	NR	6.
7. Balance end of current period (sum of items 1, 2, 5, and 6, less items 3 and 4) (column A must equal Schedule RC, item 4.c).....	RIAD3123	295	RIADJH93	NR	RIADJH99	NR	7.

Dollar amounts in thousands				
1. Not applicable				M.1.
2. Not applicable				M.2.
3. Not applicable				M.3.
4. Not applicable				M.4.
5. Provisions for credit losses on other financial assets measured at amortized cost (not included in item 5, above).....	RIADJJ02	NR		M.5.
6. Allowance for credit losses on other financial assets measured at amortized cost (not included in item 7, above).....	RCONJJ03	NR		M.6.
7. Provisions for credit losses on off-balance-sheet credit exposures.....	RIADMG93	NR		M.7.

1. The sum of item 5, columns A through C, plus Schedule RI-B, Part II, Memorandum items 5 and 7, below, must equal Schedule RI, item 4.
*. Describe on Schedule RI-E - Explanations.

Schedule RI-C - Disaggregated Data on the Allowances for Credit Losses(Form Type - 051)

Items 1 through 6 are to be completed semiannually in the June and December reports only by institutions with \$1 billion or more in total assets. The \$1 billion asset size test is based on the total assets reported on the June 30, 2023, Report of Condition.

Dollar amounts in thousands		(Column A) Amortized Cost		(Column B) Allowance Balance	
1. Real estate loans:					1.
a. Construction loans.....	RCONJJ04	NR	RCONJJ12	NR	1.a.
b. Commercial real estate loans.....	RCONJJ05	NR	RCONJJ13	NR	1.b.
c. Residential real estate loans.....	RCONJJ06	NR	RCONJJ14	NR	1.c.
2. Commercial loans ²	RCONJJ07	NR	RCONJJ15	NR	2.
3. Credit cards.....	RCONJJ08	NR	RCONJJ16	NR	3.
4. Other consumer loans.....	RCONJJ09	NR	RCONJJ17	NR	4.
5. Unallocated, if any.....			RCONJJ18	NR	5.
6. Total (sum of items 1.a through 5) ³	RCONJJ11	NR	RCONJJ19	NR	6.

Dollar amounts in thousands			
Items 7 through 11 are to be completed semiannually in the June and December reports only by institutions with \$1 billion or more in total assets.			
7. Securities issued by states and political subdivisions in the U.S.....	RCONJJ20	NR	7.
8. Mortgage-backed securities (MBS) (including CMOs, REMICs, and stripped MBS).....	RCONJJ21	NR	8.
9. Asset-backed securities and structured financial products.....	RCONJJ23	NR	9.
10. Other debt securities.....	RCONJJ24	NR	10.
11. Total (sum of items 7 through 10) ⁴	RCONJJ25	NR	11.

2. Include all loans and leases not reported s real estate loans, credit cards, or other consumer loans in items 1, 3, or 4 of Schedule RI-C.
3. Item 6, column B, must equal Schedule RC, item 4.c.
4. Item 11 must equal Schedule RI-B, Part II, item 7, column B.

Schedule RI-E - Explanations (Form Type - 051)

Schedule RI-E is to be completed each quarter on a calendar year-to-date basis, unless otherwise noted.

Detail all adjustments in Schedule RI-A and RI-B, all extraordinary items and other adjustments in Schedule RI, and all significant items of other noninterest income and other noninterest expense in Schedule RI. (See instructions for details.)

Items 1.a through 1.j and 2.a through 2.p are to be completed annually on a calendar year-to-date basis in the December report only.

Dollar amounts in thousands		
1. Other noninterest income (from Schedule RI, item 5.l) Itemize and describe amounts greater than \$100,000 that exceed 7 percent of Schedule RI, item 5.l:		1.
a. Income and fees from the printing and sale of checks.....	RIADC013	NR 1.a.
b. Earnings on/increase in value of cash surrender value of life insurance.....	RIADC014	NR 1.b.
c. Income and fees from automated teller machines (ATMs).....	RIADC016	NR 1.c.
d. Rent and other income from other real estate owned.....	RIAD4042	NR 1.d.
e. Safe deposit box rent.....	RIADC015	NR 1.e.
f. Bank card and credit card interchange fees.....	RIADF555	NR 1.f.
g. Income and fees from wire transfers.....	RIADT047	NR 1.g.
h. Disclose component and the dollar amount of that component:		1.h.
(TEXT4461) NR	RIAD4461	NR 1.h.1.
i. Disclose component and the dollar amount of that component:		1.i.
(TEXT4462) NR	RIAD4462	NR 1.i.1.
j. Disclose component and the dollar amount of that component:		1.j.
(TEXT4463) NR	RIAD4463	NR 1.j.1.
2. Other noninterest expense (from Schedule RI, item 7.d) Itemize and describe amounts greater than \$100,000 that exceed 7 percent of Schedule RI, item 7.d:		2.
a. Data processing expenses.....	RIADC017	NR 2.a.
b. Advertising and marketing expenses.....	RIAD0497	NR 2.b.
c. Directors' fees.....	RIAD4136	NR 2.c.
d. Printing, stationery, and supplies.....	RIADC018	NR 2.d.
e. Postage.....	RIAD8403	NR 2.e.
f. Legal fees and expenses.....	RIAD4141	NR 2.f.
g. FDIC deposit insurance assessments.....	RIAD4146	CONF 2.g.
h. Accounting and auditing expenses.....	RIADF556	NR 2.h.
i. Consulting and advisory expenses.....	RIADF557	NR 2.i.
j. Automated teller machine (ATM) and interchange expenses.....	RIADF558	NR 2.j.
k. Telecommunications expenses.....	RIADF559	NR 2.k.
l. Other real estate owned expenses.....	RIADY923	NR 2.l.
m. Insurance expenses (not included in employee expenses, premises and fixed asset expenses, and other real estate owned expenses).....	RIADY924	NR 2.m.
n. Disclose component and the dollar amount of that component:		2.n.
(TEXT4464) NR	RIAD4464	NR 2.n.1.
o. Disclose component and the dollar amount of that component:		2.o.
(TEXT4467) NR	RIAD4467	NR 2.o.1.
p. Disclose component and the dollar amount of that component:		2.p.
(TEXT4468) NR	RIAD4468	NR 2.p.1.
3. Discontinued operations and applicable income tax effect (from Schedule RI, item 11) (itemize and describe each discontinued operation):		3.
a. Disclose component, the gross dollar amount of that component, and its related income tax:		3.a.
(TEXTFT29) NR	RIADFT29	0 3.a.1.
3. Applicable income tax effect.....	RIADFT30	0 3.a.3.
b. Disclose component, the gross dollar amount of that component, and its related income tax:		3.b.
(TEXTFT31) NR	RIADFT31	0 3.b.1.
3. Applicable income tax effect.....	RIADFT32	0 3.b.3.
4. Cumulative effect of changes in accounting principles and corrections of material accounting errors (from Schedule RI-A, item 2) (itemize and describe all such effects):		4.
a. Disclose component and the dollar amount of that component:		4.a.

Dollar amounts in thousands

(TEXTB526) NR	RIADB526	0	4.a.1.
b. Disclose component and the dollar amount of that component:			4.b.
(TEXTB527) NR	RIADB527	0	4.b.1.
5. Other transactions with stockholders (including a parent holding company) (from Schedule RI-A, item 11) (itemize and describe all such transactions):			5.
a. Disclose component and the dollar amount of that component:			5.a.
(TEXT4498) NR	RIAD4498	0	5.a.1.
b. Disclose component and the dollar amount of that component:			5.b.
(TEXT4499) NR	RIAD4499	0	5.b.1.
6. Adjustments to allowances for credit losses (from Schedule RI-B, Part II, item 6) (itemize and describe all adjustments):			6.
a. Initial allowances for credit losses recognized upon the acquisition of purchased credit-deteriorated assets ¹	RIADJJ27	NR	6.a.
b. Disclose component and the dollar amount of that component:			6.b.
(TEXT4521) NR	RIAD4521	0	6.b.1.
c. Disclose component and the dollar amount of that component:			6.c.
(TEXT4522) NR	RIAD4522	0	6.c.1.
7. Other explanations (the space below is provided for the bank to briefly describe, at its option, any other significant items affecting the Report of Income):			7.
a. Comments?.....	RIAD4769	No	7.a.
b. Other explanations (please type or print clearly; 750 character limit):.....	TEXT4769	NR	7.b.

1. Institutions should report initial allowances for credit losses recognized upon the acquisition of purchased credit-deteriorated assets after the adoption of FASB ASC Topic 326.

Schedule RC - Balance Sheet(Form Type - 051)

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

Dollar amounts in thousands

1. Cash and balances due from depository institutions:			1.
a. Noninterest-bearing balances and currency and coin ¹	RCON0081	773	1.a.
b. Interest-bearing balances ²	RCON0071	3,412	1.b.
2. Securities:			2.
a. Held-to-maturity securities (from Schedule RC-B, column A) ³	RCONJJ34	27,968	2.a.
b. Available-for-sale debt securities (from Schedule RC-B, column D).....	RCON1773	31,713	2.b.
c. Equity securities with readily determinable fair values not held for trading ⁴	RCONJA22	0	2.c.
3. Federal funds sold and securities purchased under agreements to resell:			3.
a. Federal funds sold.....	RCONB987	8,100	3.a.
b. Securities purchased under agreements to resell ⁵	RCONB989	0	3.b.
4. Loans and lease financing receivables (from Schedule RC-C):			4.
a. Loans and leases held for sale.....	RCON5369	0	4.a.
b. Loans and leases held for investment.....	RCONB528	9,410	4.b.
c. LESS: Allowance for credit losses on loans and leases.....	RCON3123	296	4.c.
d. Loans and leases held for investment, net of allowance (item 4.b minus 4.c).....	RCONB529	9,114	4.d.
5. Trading assets.....	RCON3545	0	5.
6. Premises and fixed assets (including right-of-use assets).....	RCON2145	238	6.
7. Other real estate owned (from Schedule RC-M).....	RCON2150	0	7.
8. Investments in unconsolidated subsidiaries and associated companies.....	RCON2130	0	8.
9. Direct and indirect investments in real estate ventures.....	RCON3656	0	9.
10. Intangible assets (from Schedule RC-M).....	RCON2143	0	10.
11. Other assets (from Schedule RC-F) ⁶	RCON2160	2,661	11.
12. Total assets (sum of items 1 through 11).....	RCON2170	83,979	12.
13. Deposits:			13.
a. In domestic offices (sum of totals of columns A and C from Schedule RC-E).....	RCON2200	75,062	13.a.
1. Noninterest-bearing ⁷	RCON6631	28,186	13.a.1.
2. Interest-bearing.....	RCON6636	46,876	13.a.2.
b. Not applicable			13.b.
14. Federal funds purchased and securities sold under agreements to repurchase:			14.
a. Federal funds purchased ⁸	RCONB993	0	14.a.
b. Securities sold under agreements to repurchase ⁹	RCONB995	0	14.b.
15. Trading liabilities.....	RCON3548	0	15.
16. Other borrowed money (includes mortgage indebtedness) (from Schedule RC-M).....	RCON3190	0	16.
17. Not applicable			17.
18. Not applicable			18.
19. Subordinated notes and debentures ¹⁰	RCON3200	0	19.
20. Other liabilities (from Schedule RC-G).....	RCON2930	79	20.
21. Total liabilities (sum of items 13 through 20).....	RCON2948	75,141	21.
22. Not applicable			22.

- Includes cash items in process of collection and unposted debits.
- Includes time certificates of deposit not held for trading.
- Institutions should report in item 2.a, amounts net of any applicable allowance for credit losses, and should equal to Schedule RC-B, item 8, column A less Schedule RI-B, Part II, item 7, column B.
- Item 2.c is to be completed by all institutions. See the instructions for this item and the Glossary entry for "Securities Activities" for further detail on accounting for investments in equity securities.
- Includes all securities resale agreements, regardless of maturity.
- Institutions should report in items 3.b and 11 amounts net of any applicable allowance for credit losses.
- Includes noninterest-bearing demand, time, and savings deposits.
- Report overnight Federal Home Loan Bank advances in Schedule RC, item 16, "Other borrowed money."
- Includes all securities repurchase agreements, regardless of maturity.
- Includes limited-life preferred stock and related surplus.

Dollar amounts in thousands

23. Perpetual preferred stock and related surplus.....	RCON3838	0	23.
24. Common stock.....	RCON3230	480	24.
25. Surplus (exclude all surplus related to preferred stock).....	RCON3839	480	25.
26. Not available			26.
a. Retained earnings.....	RCON3632	9,100	26.a.
b. Accumulated other comprehensive income ¹	RCONB530	-1,222	26.b.
c. Other equity capital components ²	RCONA130	0	26.c.
27. Not available			27.
a. Total bank equity capital (sum of items 23 through 26.c.).....	RCON3210	8,838	27.a.
b. Noncontrolling (minority) interests in consolidated subsidiaries.....	RCON3000	0	27.b.
28. Total equity capital (sum of items 27.a and 27.b).....	RCONG105	8,838	28.
29. Total liabilities and equity capital (sum of items 21 and 28).....	RCON3300	83,979	29.
<i>To be reported with the March Report of Condition.</i>			
<i>1a = An integrated audit of the reporting institution's financial statements and its internal control over financial reporting conducted in accordance with the standards of the American Institute of Certified Public Accountants (AICPA) or the Public Company Accounting Oversight Board (PCAOB) by an independent public accountant that submits a report on the institution.</i>			
<i>1b = An audit of the reporting institution's financial statements only conducted in accordance with the auditing standards of the AICPA or the PCAOB by an independent public accountant that submits a report on the institution.</i>			
<i>2a = An integrated audit of the reporting institution's parent holding company's consolidated financial statements and its internal control over financial reporting conducted in accordance with the standards of the AICPA or the PCAOB by an independent public accountant that submits a report on the consolidated holding company (but not on the institution separately).</i>			
<i>2b = An audit of the reporting institution's parent holding company's consolidated financial statements only conducted in accordance with the auditing standards of the AICPA or the PCAOB by an independent public accountant that submits a report on the consolidated holding company (but not on the institution separately).</i>			
<i>3 = This number is not to be used.</i>			
<i>4 = Directors' examination of the bank conducted in accordance with generally accepted auditing standards by a certified public accounting firm (may be required by state-chartering authority)</i>			
<i>5 = Directors' examination of the bank performed by other external auditors (may be required by state-chartering authority)</i>			
<i>6 = Review of the bank's financial statements by external auditors</i>			
<i>7 = Compilation of the bank's financial statements by external auditors</i>			
<i>8 = Other audit procedures (excluding tax preparation work)</i>			
<i>9 = No external audit work</i>			
1. Indicate in the box at the right the number of the statement below that best describes the most comprehensive level of auditing work performed for the bank by independent external auditors as of any date during 2023.....			
<i>To be reported with the March Report of Condition.</i>			
2. Bank's fiscal year-end date (report the date in MMDD format).....	RCON8678	NR	M.2.
	RCON6724	NR	M.1.

1. Includes, but is not limited to, net unrealized holding gains (losses) on available-for-sale securities, accumulated net gains (losses) on cash flow hedges, and accumulated defined benefit pension and other postretirement plan adjustments.

2. Includes treasury stock and unearned Employee Stock Ownership Plan shares.

Schedule RC-B - Securities(Form Type - 051)

Exclude assets held for trading.

Dollar amounts in thousands	(Column A) Held-to-maturity Amortized Cost		(Column B) Held-to-maturity Fair Value		(Column C) Available-for-sale Amortized Cost		(Column D) Available-for-sale Fair Value		
1. U.S. Treasury securities.....	RCON0211	0	RCON0213	0	RCON1286	0	RCON1287	0	1.
2. U.S. Government agency and sponsored agency obligations (exclude mortgage-backed securities) ¹	RCONHT50	0	RCONHT51	0	RCONHT52	29,323	RCONHT53	28,133	2.
3. Securities issued by states and political subdivisions in the U.S.....	RCON8496	27,968	RCON8497	26,840	RCON8498	0	RCON8499	0	3.
4. Mortgage-backed securities (MBS):									4.
a. Residential mortgage pass-through securities:									4.a.
1. Issued or guaranteed by FNMA, FHLMC, or GNMA.....	RCONHT54	0	RCONHT55	0	RCONHT56	3,612	RCONHT57	3,580	4.a.1.
2. Other pass-through securities.....	RCONG308	0	RCONG309	0	RCONG310	0	RCONG311	0	4.a.2.
b. Other residential mortgage-backed securities (include CMOs, REMICs, and stripped MBS):									4.b.
1. Issued or guaranteed by U.S. Government agencies or sponsored agencies ¹	RCONG312	0	RCONG313	0	RCONG314	0	RCONG315	0	4.b.1.
2. Collateralized by MBS issued or guaranteed by U.S. Government agencies or sponsored agencies ¹	RCONG316	0	RCONG317	0	RCONG318	0	RCONG319	0	4.b.2.
3. All other residential MBS.....	RCONG320	0	RCONG321	0	RCONG322	0	RCONG323	0	4.b.3.
c. Commercial MBS:									4.c.
1. Commercial mortgage pass-through securities:									4.c.1.
a. Issued or guaranteed by FNMA, FHLMC, or GNMA.....	RCONK142	0	RCONK143	0	RCONK144	0	RCONK145	0	4.c.1a.
b. Other pass-through securities.....	RCONK146	0	RCONK147	0	RCONK148	0	RCONK149	0	4.c.1b.
2. Other commercial MBS:									4.c.2.
a. Issued or guaranteed by U.S. Government agencies or sponsored agencies ¹	RCONK150	0	RCONK151	0	RCONK152	0	RCONK153	0	4.c.2a.
b. All other commercial MBS.....	RCONK154	0	RCONK155	0	RCONK156	0	RCONK157	0	4.c.2b.
5. Asset-backed securities and structured financial products:									5.
a. Asset-backed securities (ABS).....	RCONC026	0	RCONC988	0	RCONC989	0	RCONC027	0	5.a.
b. Structured financial products.....	RCONHT58	0	RCONHT59	0	RCONHT60	0	RCONHT61	0	5.b.
6. Other debt securities:									6.
a. Other domestic debt securities.....	RCON1737	0	RCON1738	0	RCON1739	0	RCON1741	0	6.a.
b. Other foreign debt securities.....	RCON1742	0	RCON1743	0	RCON1744	0	RCON1746	0	6.b.
7. Unallocated portfolio layer fair value hedge basis adjustments ²					RCONMG95	NR			7.
8. Total (sum of items 1 through 7) ³	RCON1754	27,968	RCON1771	26,840	RCON1772	32,935	RCON1773	31,713	8.

Dollar amounts in thousands

1. Pledged securities ¹	RCON0416	15,027	M.1.
2. Maturity and repricing data for debt securities (excluding those in nonaccrual status): ¹			M.2.
a. Securities issued by the U.S. Treasury, U.S. Government agencies, and states and political subdivisions in the U.S.; other non-mortgage debt securities; and mortgage pass-through securities other than those backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: ²			M.2.a.
1. Three months or less.....	RCONA549	1,445	M.2.a.1.
2. Over three months through 12 months.....	RCONA550	12,556	M.2.a.2.
3. Over one year through three years.....	RCONA551	26,936	M.2.a.3.
4. Over three years through five years.....	RCONA552	13,264	M.2.a.4.
5. Over five years through 15 years.....	RCONA553	1,899	M.2.a.5.
6. Over 15 years.....	RCONA554	0	M.2.a.6.
b. Mortgage pass-through securities backed by closed-end first lien 1-4 family residential mortgages with a remaining maturity or next repricing date of: ²			M.2.b.
1. Three months or less.....	RCONA555	0	M.2.b.1.
2. Over three months through 12 months.....	RCONA556	249	M.2.b.2.
3. Over one year through three years.....	RCONA557	550	M.2.b.3.
4. Over three years through five years.....	RCONA558	1,867	M.2.b.4.
5. Over five years through 15 years.....	RCONA559	915	M.2.b.5.
6. Over 15 years.....	RCONA560	0	M.2.b.6.
c. Other mortgage-backed securities (include CMOs, REMICs, and stripped MBS; exclude mortgage pass-through securities) with an expected average life of: ⁵			M.2.c.
1. Three years or less.....	RCONA561	0	M.2.c.1.
2. Over three years.....	RCONA562	0	M.2.c.2.
d. Debt securities with a REMAINING MATURITY of one year or less (included in Memorandum items 2.a through 2.c above).....	RCONA248	14,001	M.2.d.
<i>Memorandum item 3 is to be completed semiannually in the June and December reports only.</i>			
3. Amortized cost of held-to-maturity securities sold or transferred to available-for-sale or trading securities during the calendar year-to-date (report the amortized cost at date of sale or transfer).....	RCON1778	NR	M.3.
4. Structured notes (included in the held-to-maturity and available-for-sale accounts in Schedule RC-B, items 2, 3, 5, and 6):			M.4.
a. Amortized cost.....	RCON8782	0	M.4.a.
b. Fair value.....	RCON8783	0	M.4.b.

- Includes Small Business Administration "Guaranteed Loan Pool Certificates"; U.S. Maritime Administration obligations; Export-Import Bank participation certificates; and obligations (other than mortgage-backed securities) issued by the Farm Credit System, the Federal Home Loan Bank System, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Financing Corporation, Resolution Funding Corporation, the Student Loan Marketing Association, and the Tennessee Valley Authority.
- U.S. Government agencies include, but are not limited to, such agencies as the Government National Mortgage Association (GNMA), the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Administration (NCUA). U.S. Government-sponsored agencies include, but are not limited to, such agencies as the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA).
- U.S. Government agencies include, but are not limited to, such agencies as the Government National Mortgage Association (GNMA), the Federal Deposit Insurance Corporation (FDIC), and the National Credit Union Administration (NCUA). U.S. Government-sponsored agencies include, but are not limited to, such agencies as the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA).
- This item is to be completed by institutions that have adopted ASU 2022-01, as applicable.
- The total reported in column A must equal Schedule RC, item 2.a, plus Schedule RI-B, Part II, item 7, column B. The total reported in column D must equal Schedule RC, item 2.b.
- Includes held-to-maturity securities at amortized cost, available-for-sale debt securities at fair value, and equity securities with readily determinable fair values not held for trading (reported in Schedule RC, item 2.c) at fair value.
- Includes held-to-maturity securities at amortized cost, available-for-sale debt securities at fair value, and equity securities with readily determinable fair values not held for trading (reported in Schedule RC, item 2.c) at fair value.
- Report fixed-rate debt securities by remaining maturity and floating-rate debt securities by next repricing date.
- Report fixed-rate debt securities by remaining maturity and floating-rate debt securities by next repricing date.
- Sum of Memorandum items 2.c.(1) and 2.c.(2) plus any nonaccrual "Other mortgage-backed securities" included in Schedule RC-N, item 10, column C, must equal Schedule RC-B, sum of items 4.b and 4.c.(2), columns A and D.

Schedule RC-C Part I - Loans and Leases(Form Type - 051)

Do not deduct the allowance for credit losses on loans and leases or the allocated transfer risk reserve from amounts reported in this schedule. Report (1) loans and leases held for sale at the lower of cost or fair value, (2) loans and leases held for investment, net of unearned income, and (3) loans and leases accounted for at fair value under a fair value option. Exclude assets held for trading and commercial paper.

Dollar amounts in thousands

1. Loans secured by real estate:			1.
a. Construction, land development, and other land loans:			1.a.
1. 1-4 family residential construction loans.....	RCONF158	179	1.a.1.
2. Other construction loans and all land development and other land loans.....	RCONF159	0	1.a.2.
b. Secured by farmland (including farm residential and other improvements).....	RCON1420	2,456	1.b.
c. Secured by 1-4 family residential properties:			1.c.
1. Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.	RCON1797	0	1.c.1.
2. Closed-end loans secured by 1-4 family residential properties:			1.c.2.
a. Secured by first liens.....	RCON5367	21	1.c.2.a.
b. Secured by junior liens.....	RCON5368	0	1.c.2.b.
d. Secured by multifamily (5 or more) residential properties.....	RCON1460	0	1.d.
e. Secured by nonfarm nonresidential properties:			1.e.
1. Loans secured by owner-occupied nonfarm nonresidential properties.....	RCONF160	1,551	1.e.1.
2. Loans secured by other nonfarm nonresidential properties.....	RCONF161	329	1.e.2.
2. Loans to depository institutions and acceptances of other banks.....	RCON1288	0	2.
3. Loans to finance agricultural production and other loans to farmers.....	RCON1590	1,625	3.
4. Commercial and industrial loans.....	RCON1766	1,493	4.
5. Not applicable			5.
6. Loans to individuals for household, family, and other personal expenditures (i.e., consumer loans) (includes purchased paper):			6.
a. Credit cards.....	RCONB538	0	6.a.
b. Other revolving credit plans.....	RCONB539	0	6.b.
c. Automobile loans.....	RCONK137	597	6.c.
d. Other consumer loans (includes single payment and installment, loans other than automobile loans, and all student loans).....	RCONK207	1,156	6.d.
7. Not applicable			7.
8. Obligations (other than securities and leases) of states and political subdivisions in the U.S.....	RCON2107	0	8.
9. Loans to nondepository financial institutions and other loans:			9.
a. Loans to nondepository financial institutions.....	RCONJ454	0	9.a.
b. Other loans.....	RCONJ464	3	9.b.
10. Lease financing receivables (net of unearned income).....	RCON2165	0	10.
11. LESS: Any unearned income on loans reflected in items 1-9 above.....	RCON2123	0	11.
12. Total loans and leases held for investment and held for sale (sum of items 1 through 10 minus item 11) (must equal Schedule RC, sum of items 4.a and 4.b).....	RCON2122	9,410	12.

Dollar amounts in thousands

Memorandum items 1.a.(1) through 1.f.(5) are to be completed semiannually in the June and December reports only. Memorandum item 1.g is to be completed quarterly.

1. Loan modifications to borrowers experiencing financial difficulty that are in compliance with their modified terms (included in Schedule RC-C, Part I, and not reported as past due or nonaccrual in Schedule RC-N, Memorandum item 1):

a. Construction, land development, and other land loans:

1. 1-4 family residential construction loans.....

RCONK158 NR M.1.a.1.

2. Other construction loans and all land development and other land loans.....

RCONK159 NR M.1.a.2.

b. Loans secured by 1-4 family residential properties.....

RCONF576 NR M.1.b.

c. Secured by multifamily (5 or more) residential properties.....

RCONK160 NR M.1.c.

d. Secured by nonfarm nonresidential properties:

1. Loans secured by owner-occupied nonfarm nonresidential properties.....

RCONK161 NR M.1.d.1.

2. Loans secured by other nonfarm nonresidential properties.....

RCONK162 NR M.1.d.2.

e. Commercial and industrial loans.....

RCONK256 NR M.1.e.

f. All other loans (include loans to individuals for household, family, and other personal expenditures).....

RCONK165 NR M.1.f.

1. Loans secured by farmland.....

RCONK166 NR M.1.f.1.

2. Not applicable

M.1.f.2.

3. Not applicable

M.1.f.3.

4. Loans to individuals for household, family, and other personal expenditures:

M.1.f.4.

a. Credit cards.....

RCONK098 NR M.1.f.4.a.

b. Automobile loans.....

RCONK203 NR M.1.f.4.b.

c. Other (includes revolving credit plans other than credit cards and other consumer loans).....

RCONK204 NR M.1.f.4.c.

Memorandum item 1.f.(5) is to be completed by:

* Banks with \$300 million or more in total assets

* Banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, Part I, item 3) exceeding 5 percent of total loans

5. Loans to finance agricultural production and other loans to farmers¹.....

RCONK168 NR M.1.f.5.

g. Total loan modifications to borrowers experiencing financial difficulty that are in compliance with their modified terms (sum of Memorandum items 1.a.(1) through 1.f.).....

RCONHK25 0 M.1.g.

2. Maturity and repricing data for loans and leases (excluding those in nonaccrual status):

a. Closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, Part I, item 1.c.(2)(a)) with a remaining maturity or next repricing date of:^{1, 2}

M.2.

M.2.a.

1. Three months or less.....

RCONA564 0 M.2.a.1.

2. Over three months through 12 months.....

RCONA565 0 M.2.a.2.

3. Over one year through three years.....

RCONA566 0 M.2.a.3.

4. Over three years through five years.....

RCONA567 0 M.2.a.4.

5. Over five years through 15 years.....

RCONA568 20 M.2.a.5.

6. Over 15 years.....

RCONA569 0 M.2.a.6.

b. All loans and leases (reported in Schedule RC-C, Part I, items 1 through 10, above) EXCLUDING closed-end loans secured by first liens on 1-4 family residential properties (reported in Schedule RC-C, Part I, item 1.c.(2)(a), above) with a remaining maturity or next repricing date of:^{1, 3}

M.2.b.

1. Three months or less.....

RCONA570 1,762 M.2.b.1.

2. Over three months through 12 months.....

RCONA571 2,149 M.2.b.2.

3. Over one year through three years.....

RCONA572 1,854 M.2.b.3.

4. Over three years through five years.....

RCONA573 2,793 M.2.b.4.

5. Over five years through 15 years.....

RCONA574 831 M.2.b.5.

6. Over 15 years.....

RCONA575 0 M.2.b.6.

c. Loans and leases (reported in Schedule RC-C, Part I, items 1 through 10, above) with a REMAINING MATURITY of one year or less (excluding those in nonaccrual status).....

RCONA247 3,581 M.2.c.

1. The \$300 million asset-size test and the 5 percent of total loans test are based on the total assets and total loans reported on the June 30, 2023, Report of Condition.

1, 2. 1. Report fixed-rate loans and leases by remaining maturity and floating rate loans by next repricing date. 2. Sum of Memorandum items 2.a.(1) through 2.a.(6) plus total nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total closed-end loans secured by first liens on 1-4 family residential properties from Schedule RC-C, Part I, item 1.c.(2)(a).

1, 3. 1. Report fixed-rate loans and leases by remaining maturity and floating rate loans by next repricing date. 3. Sum of Memorandum items 2.b.(1) through 2.b.(6), plus total nonaccrual loans and leases from Schedule RC-N, item 9, column C, minus nonaccrual closed-end loans secured by first liens on 1-4 family residential properties included in Schedule RC-N, item 1.c.(2)(a), column C, must equal total loans and leases from Schedule RC-C, Part I, sum of items 1 through 10, minus total closed-end loans secured

Dollar amounts in thousands

3. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-C, Part I, items 4 and 9 ⁴	RCON2746	0	M.3.
<i>Memorandum item 4 is to be completed semiannually in the June and December reports only.</i>			
4. Adjustable-rate closed-end loans secured by first liens on 1-4 family residential properties (included in Schedule RC-C, Part I, item 1.c.(2)(a)).....	RCON5370	NR	M.4.
5. Not applicable			M.5.
6. Not applicable			M.6.
7. Not applicable			M.7.
<i>Memorandum item 8.a is to be completed semiannually in the June and December reports only.</i>			
8. Closed-end loans with negative amortization features secured by 1-4 family residential properties:			M.8.
a. Total amount of closed-end loans with negative amortization features secured by 1-4 family residential properties (included in Schedule RC-C, Part I, items 1.c.(2)(a) and 1.c.(2)(b)).....	RCONF230	NR	M.8.a.
<i>Memorandum items 8.b and 8.c are to be completed annually in the December report only by banks that had closed-end loans with negative amortization features secured by 1-4 family residential properties (as reported in Schedule RC-C, Part I, Memorandum item 8.a) as of December 31, 2021, that exceeded the lesser of \$100 million or 5 percent of total loans and leases held for investment and held for sale (as reported in Schedule RC-C, Part I, item 12).</i>			
b. Total maximum remaining amount of negative amortization contractually permitted on closed-end loans secured by 1-4 family residential properties.....	RCONF231	NR	M.8.b.
c. Total amount of negative amortization on closed-end loans secured by 1-4 family residential properties included in the amount reported in Memorandum item 8.a above.....	RCONF232	NR	M.8.c.
9. Loans secured by 1-4 family residential properties in process of foreclosure (included in Schedule RC-C, Part I, items 1.c.(1), 1.c.(2)(a), and 1.c.(2)(b)).....	RCONF577	0	M.9.
10. Not applicable			M.10.

4. Exclude loans secured by real estate that are included in Schedule RC-C, Part I, items 1.a through 1.e.

Dollar amounts in thousands

11. Not applicable M.11.

Dollar amounts in thousands		(Column A) Fair value of acquired loans and leases at acquisition date	(Column B) Gross contractual amounts receivable at acquisition date	(Column C) Best estimate at acquisition date of contractual cash flows not expected to be collected
Memorandum item 12 is to be completed semiannually in the June and December reports only.				
12. Loans (not considered purchased credit deteriorated) and leases held for investment that were acquired in business combinations with acquisition dates in the current calendar year.....	RCONGW45	NR	RCONGW46	NR

Dollar amounts in thousands

Memorandum item 13 is to be completed by banks that had construction, land development, and other land loans (as reported in Schedule RC-C, Part I, item 1.a) that exceeded 100 percent of the sum of tier 1 capital (as reported in Schedule RC-R, Part I, item 26) plus the allowance for loan and lease losses or the allowance for credit losses on loans and leases, as applicable (as reported in Schedule RC, item 4.c) as of December 31, 2021.						M.13.
13. Construction, land development, and other land loans with interest reserves:						
a. Amount of loans that provide for the use of interest reserves (included in Schedule RC-C, Part I, item 1.a).....	RCONG376	NR				M.13.a.
b. Amount of interest capitalized from interest reserves on construction, land development, and other land loans that is included in interest and fee income on loans during the quarter (included in Schedule RI, item 1.a.(1)(b))..	RIADG377	NR				M.13.b.
Memorandum item 14 is to be completed by all banks.						
14. Pledged loans and leases.....	RCONG378	0				M.14.
Memorandum item 15 is to be completed for the December report only.						
15. Reverse mortgages:						M.15.
Memorandum item 15 is to be completed for the December report only.						
a. Reverse mortgages outstanding that are held for investment (included in Schedule RC-C, item 1.c, above).....	RCONPR04	NR				M.15.a.
b. Estimated number of reverse mortgage loan referrals to other lenders during the year from whom compensation has been received for services performed in connection with the origination of the reverse mortgages.....	RCONPR05	NR				M.15.b.
c. Principal amount of reverse mortgage originations that have been sold during the year.....	RCONPR06	NR				M.15.c.
Memorandum item 16 is to be completed by all banks in the June and December reports only.						
16. Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit that have converted to non-revolving closed-end status (included in item 1.c.(1) above).....	RCONLE75	NR				M.16.
Amounts reported in Memorandum items 17.a and 17.b will not be made available to the public on an individual institution basis.						
17. Eligible loan modifications under Section 4013, Temporary Relief from Troubled Debt Restructurings, of the 2020 Coronavirus Aid, Relief, and Economic Security Act:						M.17.
a. Number of Section 4013 loans outstanding.....	RCONLG24	CONF				M.17.a.
b. Outstanding balance of Section 4013 loans.....	RCONLG25	CONF				M.17.b.

Schedule RC-C Part II - Loans to Small Businesses and Small Farms(Form Type - 051)

Report the number and amount currently outstanding as of the report date of business loans with "original amounts" of \$1,000,000 or less and farm loans with "original amounts" of \$500,000 or less. The following guidelines should be used to determine the "original amount" of a loan:
(1) For loans drawn down under lines of credit or loan commitments, the "original amount" of the loan is the size of the line of credit or loan commitment when the line of credit or loan commitment was most recently approved, extended, or renewed prior to the report date. However, if the amount currently outstanding as of the report date exceeds this size, the "original amount" is the amount currently outstanding on the report date. (2) For loan participations and syndications, the "original amount" of the loan participation or syndication is the entire amount of the credit originated by the lead lender. (3) For all other loans, the "original amount" is the total amount of the loan at origination or the amount currently outstanding as of the report date, whichever is larger.

Dollar amounts in thousands

1. Indicate in the appropriate box at the right whether all or substantially all of the dollar volume of your bank's "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, Part I, items 1.e.(1) and 1.e.(2), and all or substantially all of the dollar volume of your bank's "Commercial and industrial loans" reported in Schedule RC-C, Part I, item 4, have original amounts of \$100,000 or less (If your bank has no loans outstanding in both of these two loan categories, place an "X" in the box marked "NO.").....	RCON6999	NR	1.
If YES, complete items 2.a and 2.b below, skip items 3 and 4, and go to item 5. If NO and your bank has loans outstanding in either loan category, skip items 2.a and 2.b, complete items 3 and 4 below, and go to item 5. If NO and your bank has no loans outstanding in both loan categories, skip items 2 through 4, and go to item 5			2.
2. Report the total number of loans currently outstanding for each of the following Schedule RC-C, Part I, loan categories: a. "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, Part I, items 1.e.(1) and 1.e.(2) (Note: Sum of items 1.e.(1) and 1.e.(2) divided by the number of loans should NOT exceed \$100,000.).....	RCON5562	NR	2.a.
b. "Commercial and industrial loans" reported in Schedule RC-C, Part I, item 4 (Note: Item 4 divided by the number of loans should NOT exceed \$100,000.).....	RCON5563	NR	2.b.

Dollar amounts in thousands

	(Column A) Number of Loans		(Column B) Amount Currently Outstanding		
3. Number and amount currently outstanding of "Loans secured by nonfarm nonresidential properties" reported in Schedule RC-C, Part I, items 1.e.(1) and 1.e.(2) (sum of items 3.a through 3.c must be less than or equal to Schedule RC-C, Part I, sum of items 1.e.(1) and 1.e.(2)):					3.
a. With original amounts of \$100,000 or less.....	RCON5564	NR	RCON5565	NR	3.a.
b. With original amounts of more than \$100,000 through \$250,000.....	RCON5566	NR	RCON5567	NR	3.b.
c. With original amounts of more than \$250,000 through \$1,000,000.....	RCON5568	NR	RCON5569	NR	3.c.
4. Number and amount currently outstanding of "Commercial and industrial loans" reported in Schedule RC-C, Part I, item 4 (sum of items 4.a through 4.c must be less than or equal to Schedule RC-C, Part I, item 4):					4.
a. With original amounts of \$100,000 or less.....	RCON5570	NR	RCON5571	NR	4.a.
b. With original amounts of more than \$100,000 through \$250,000.....	RCON5572	NR	RCON5573	NR	4.b.
c. With original amounts of more than \$250,000 through \$1,000,000.....	RCON5574	NR	RCON5575	NR	4.c.

Dollar amounts in thousands

5. Indicate in the appropriate box at the right whether all or substantially all of the dollar volume of your bank's "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, Part I, item 1.b, and all or substantially all of the dollar volume of your bank's "Loans to finance agricultural production and other loans to farmers" in reported in Schedule RC-C, Part I, item 3, have original amounts of \$100,000 or less (If your bank has no loans outstanding in both of these two loan categories, place an "X" in the box marked "NO.").....	RCON6860	NR	5.
If YES, complete items 6.a and 6.b below, and do not complete items 7 and 8. If NO and your bank has loans outstanding in either loan category, skip items 6.a and 6.b and complete items 7 and 8 below. If NO and your bank has no loans outstanding in both loan categories, do not complete items 6 through 8.			6.
6. Report the total number of loans currently outstanding for each of the following Schedule RC-C, Part I, loan categories: a. "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, Part I, item 1.b (Note: Item 1.b, divided by the number of loans should NOT exceed \$100,000.).....	RCON5576	NR	6.a.
b. "Loans to finance agricultural production and other loans to farmers" in reported in Schedule RC-C, Part I, item 3 (Note: Item 3 divided by the number of loans should NOT exceed \$100,000.).....	RCON5577	NR	6.b.

Dollar amounts in thousands		(Column A) Number of Loans		(Column B) Amount Currently Outstanding	
7. Number and amount currently outstanding of "Loans secured by farmland (including farm residential and other improvements)" reported in Schedule RC-C, Part I, item 1.b (sum of items 7.a through 7.c must be less than or equal to Schedule RC-C, Part I, item 1.b):					7.
a. With original amounts of \$100,000 or less.....	RCON5578	NR	RCON5579	NR	7.a.
b. With original amounts of more than \$100,000 through \$250,000.....	RCON5580	NR	RCON5581	NR	7.b.
c. With original amounts of more than \$250,000 through \$500,000.....	RCON5582	NR	RCON5583	NR	7.c.
8. Number and amount currently outstanding of "Loans to finance agricultural production and other loans to farmers" reported in Schedule RC-C, Part I, item 3 (sum of items 8.a through 8.c must be less than or equal to Schedule RC-C, Part I, item 3):					8.
a. With original amounts of \$100,000 or less.....	RCON5584	NR	RCON5585	NR	8.a.
b. With original amounts of more than \$100,000 through \$250,000.....	RCON5586	NR	RCON5587	NR	8.b.
c. With original amounts of more than \$250,000 through \$500,000.....	RCON5588	NR	RCON5589	NR	8.c.

Schedule RC-E - Deposit Liabilities(Form Type - 051)

Dollar amounts in thousands		(Column A) Transaction Accounts Total transaction accounts (including total demand deposits)	(Column B) Transaction Accounts Memo: Total demand deposits (included in column A)	(Column C) Nontransaction Accounts Total nontransaction accounts (including MMDAs)	
Deposits of:					
1. Individuals, partnerships, and corporations.....	RCONB549	30,615		RCONB550	29,334 1.
2. U.S. Government.....	RCON2202	0		RCON2520	0 2.
3. States and political subdivisions in the U.S.....	RCON2203	14,683		RCON2530	430 3.
4. Commercial banks and other depository institutions in the U.S.....	RCONB551	0		RCONB552	0 4.
5. Banks in foreign countries.....	RCON2213	0		RCON2236	0 5.
6. Foreign governments and official institutions (including foreign central banks).....	RCON2216	0		RCON2377	0 6.
7. Total (sum of items 1 through 6) (sum of columns A and C must equal Schedule RC, item 13.a).....	RCON2215	45,298	RCON2210 28,092	RCON2385	29,764 7.

Dollar amounts in thousands

1. Selected components of total deposits (i.e., sum of item 7, columns A and C):			M.1.
<i>Memorandum item 1.a is to be completed semiannually in the June and December reports only.</i>			
a. Total Individual Retirement Accounts (IRAs) and Keogh Plan accounts.....	RCON6835	NR	M.1.a.
b. Total brokered deposits.....	RCON2365	0	M.1.b.
c. Brokered deposits of \$250,000 or less (fully insured brokered deposits) ²	RCONHK05	0	M.1.c.
d. Maturity data for brokered deposits:			M.1.d.
1. Brokered deposits of \$250,000 or less with a remaining maturity of one year or less (included in Memorandum item 1.c above).....	RCONHK06	0	M.1.d.1.
2. Not applicable			M.1.d.2.
3. Brokered deposits of more than \$250,000 with a remaining maturity of one year or less (included in Memorandum item 1.b above).....	RCONK220	0	M.1.d.3.
e. Preferred deposits (uninsured deposits of states and political subdivisions in the U.S. reported in item 3 above which are secured or collateralized as required under state law) (to be completed for the December report only).	RCON5590	NR	M.1.e.
f. Estimated amount of deposits obtained through the use of deposit listing services that are not brokered deposits.....	RCONK223	0	M.1.f.
g. Total reciprocal deposits (as of the report date).....	RCONJH83	0	M.1.g.
<i>Memorandum items 1.h.(1) through 1.h.(4) and 1.i. are to be completed semiannually in the June and December reports only.</i>			M.1.h.
h. Sweep deposits:			
1. Fully insured, affiliate sweep deposits.....	RCONMT87	NR	M.1.h.1.
2. Not fully insured, affiliate sweep deposits.....	RCONMT89	NR	M.1.h.2.
3. Fully insured, non-affiliate sweep deposits.....	RCONMT91	NR	M.1.h.3.
4. Not fully insured, non-affiliate sweep deposits.....	RCONMT93	NR	M.1.h.4.
i. Total sweep deposits that are not brokered deposits.....	RCONMT95	NR	M.1.i.
2. Components of total nontransaction accounts (sum of Memorandum items 2.a through 2.d must equal item 7, column C above):			M.2.
a. Savings deposits:			M.2.a.
1. Money market deposit accounts (MMDAs).....	RCON6810	6,010	M.2.a.1.
2. Other savings deposits (excludes MMDAs).....	RCON0352	12,200	M.2.a.2.
b. Total time deposits of less than \$100,000.....	RCON6648	4,461	M.2.b.
c. Total time deposits of \$100,000 through \$250,000.....	RCONJ473	4,864	M.2.c.
d. Total time deposits of more than \$250,000.....	RCONJ474	2,229	M.2.d.
e. Individual Retirement Accounts (IRAs) and Keogh Plan accounts of \$100,000 or more included in Memorandum items 2.c and 2.d above.....	RCONF233	238	M.2.e.
3. Maturity and repricing data for time deposits of \$250,000 or less:			M.3.
a. Time deposits of \$250,000 or less with a remaining maturity or next repricing date of:			M.3.a.
1. Three months or less.....	RCONHK07	2,643	M.3.a.1.
2. Over three months through 12 months.....	RCONHK08	6,664	M.3.a.2.
3. Over one year through three years.....	RCONHK09	0	M.3.a.3.
4. Over three years.....	RCONHK10	19	M.3.a.4.
b. Time deposits of \$250,000 or less with a REMAINING MATURITY of one year or less (included in Memorandum items 3.a.(1) and 3.a.(2) above) ³	RCONHK11	9,307	M.3.b.
4. Maturity and repricing data for time deposits of more than \$250,000:			M.4.
a. Time deposits of more than \$250,000 with a remaining maturity or next repricing date of:			M.4.a.
1. Three months or less.....	RCONHK12	259	M.4.a.1.
2. Over three months through 12 months.....	RCONHK13	1,970	M.4.a.2.
3. Over one year through three years.....	RCONHK14	0	M.4.a.3.
4. Over three years.....	RCONHK15	0	M.4.a.4.
b. Time deposits of more than \$250,000 with a REMAINING MATURITY of one year or less (included in Memorandum items 4.a.(1) and 4.a.(2) above) ³	RCONK222	2,228	M.4.b.
<i>Memorandum item 5 is to be completed semiannually in the June and December reports only.</i>			
5. Does your institution offer one or more consumer deposit account products, i.e., transaction account or nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use?.....	RCONP752	NR	M.5.

2. The dollar amounts used as the basis for reporting in Memorandum items 1.c reflect the deposit insurance limits in effect on the report date.
3. Report both fixed-and floating-rate time deposits by remaining maturity. Exclude floating-rate time deposits with a next repricing date of one year or less that have a remaining maturity of over one year.

Dollar amounts in thousands

Memorandum items 6 and 7 are to be completed annually in the December report only by institutions with \$1 billion or more in total assets that answered "Yes" to Memorandum 5 above. The \$1 billion asset size test is based on the total assets reported on the June 30, 2023, Report of Condition.

6. Components of total transaction account deposits of individuals, partnerships, and corporations (sum of Memorandum items 6.a and 6.b must be less than or equal to Schedule RC-E, item 1, column A):

a. Total deposits in those noninterest-bearing transaction account deposit products intended primarily for individuals for personal, household, or family use.....

b. Total deposits in those interest-bearing transaction account deposit products intended primarily for individuals for personal, household, or family use.....

7. Components of total nontransaction account deposits of individuals, partnerships, and corporations (sum of Memorandum items 7.a.(1), 7.a.(2), 7.b.(1), and 7.b.(2) plus all time deposits of individuals, partnerships, and corporations must equal Schedule RC-E, item 1, column C):

a. Money market deposit accounts (MMDAs) of individuals, partnerships, and corporations (sum of Memorandum items 7.a.(1) and 7.a.(2) must be less than or equal to Schedule RC-E, Memorandum item 2.a.(1) above):

1. Total deposits in those MMDA deposit products intended primarily for individuals for personal, household, or family use.....

2. Deposits in all other MMDAs of individuals, partnerships, and corporations.....

b. Other savings deposit accounts of individuals, partnerships, and corporations (sum of Memorandum s 7.b.(1) and 7.b.(2) must be less than or equal to Schedule RC-E, Memorandum item 2.a.(2) above):

1. Total deposits in those other savings deposit account deposit products intended primarily for individuals for personal, household, or family use.....

2. Deposits in all other savings deposit accounts of individuals, partnerships, and corporations.....

		M.6.
RCONP753	NR	M.6.a.
RCONP754	NR	M.6.b.
		M.7.
		M.7.a.
RCONP756	NR	M.7.a.1.
RCONP757	NR	M.7.a.2.
		M.7.b.
RCONP758	NR	M.7.b.1.
RCONP759	NR	M.7.b.2.

Schedule RC-F - Other Assets(Form Type - 051)

Dollar amounts in thousands

1. Accrued interest receivable ²	RCONB556	316	1.
2. Net deferred tax assets ³	RCON2148	0	2.
3. Interest-only strips receivable (not in the form of a security) on mortgage loans and other financial assets ⁴	RCONHT80	0	3.
4. Equity investments without readily determinable fair values ⁵	RCON1752	74	4.
5. Life insurance assets:			5.
a. General account life insurance assets.....	RCONK201	1,501	5.a.
b. Separate account life insurance assets.....	RCONK202	0	5.b.
c. Hybrid account life insurance assets.....	RCONK270	627	5.c.
<i>Items 6.a through 6.j are to be completed semiannually in the June and December reports only.</i>			
6. All other assets (itemize and describe amounts greater than \$100,000 that exceed 25 percent of this item).....	RCON2168	143	6.
a. Prepaid expenses.....	RCON2166	NR	6.a.
b. Repossessed personal property (including vehicles).....	RCON1578	NR	6.b.
c. Derivatives with a positive fair value held for purposes other than trading.....	RCONC010	NR	6.c.
d. Not applicable			6.d.
e. Computer software.....	RCONFT33	NR	6.e.
f. Accounts receivable.....	RCONFT34	NR	6.f.
g. Receivables from foreclosed government-guaranteed mortgage loans.....	RCONFT35	NR	6.g.
h. Disclose component and the dollar amount of that component:			6.h.
1. Describe component.....	TEXT3549	NR	6.h.1.
2. Amount of component.....	RCON3549	NR	6.h.2.
i. Disclose component and the dollar amount of that component:			6.i.
1. Describe component.....	TEXT3550	NR	6.i.1.
2. Amount of component.....	RCON3550	NR	6.i.2.
j. Disclose component and the dollar amount of that component:			6.j.
1. Describe component.....	TEXT3551	NR	6.j.1.
2. Amount of component.....	RCON3551	NR	6.j.2.
7. Total (sum of items 1 through 6) (must equal Schedule RC, item 11).....	RCON2160	2,661	7.

2. Include accrued interest receivable on loans, leases, debt securities, and other interest-bearing assets. Exclude accrued interest receivables on financial assets that are reported elsewhere on the balance sheet.
3. See discussion of deferred income taxes in Glossary entry on "income taxes."
4. Report interest-only strips receivable in the form of a security as available-for-sale securities in Schedule RC, item 2.b, or as trading assets in Schedule RC, item 5, as appropriate.
5. Include Federal Reserve stock, Federal Home Loan Bank stock, and bankers' bank stock.

Schedule RC-G - Other Liabilities(Form Type - 051)

Dollar amounts in thousands

1. Not available			1.
a. Interest accrued and unpaid on deposits ¹	RCON3645	14	1.a.
b. Other expenses accrued and unpaid (includes accrued income taxes payable).....	RCON3646	0	1.b.
2. Net deferred tax liabilities ²	RCON3049	0	2.
3. Allowance for credit losses on off-balance sheet credit exposures.....	RCONB557	0	3.
4. All other liabilities (itemize and describe amounts greater than \$100,000 that exceed 25 percent of this item).....	RCON2938	65	4.
a. Accounts payable.....	RCON3066	NR	4.a.
b. Deferred compensation liabilities.....	RCONC011	NR	4.b.
c. Dividends declared but not yet payable.....	RCON2932	NR	4.c.
d. Derivatives with a negative fair value held for purposes other than trading.....	RCONC012	NR	4.d.
e. Operating lease liabilities.....	RCONLB56	NR	4.e.
f. Disclose component and the dollar amount of that component:			4.f.
1. Describe component.....	TEXT3552	NR	4.f.1.
2. Amount of component.....	RCON3552	NR	4.f.2.
g. Disclose component and the dollar amount of that component:			4.g.
1. Describe component.....	TEXT3553	NR	4.g.1.
2. Amount of component.....	RCON3553	NR	4.g.2.
h. Disclose component and the dollar amount of that component:			4.h.
1. Describe component.....	TEXT3554	NR	4.h.1.
2. Amount of component.....	RCON3554	NR	4.h.2.
5. Total.....	RCON2930	79	5.

1. For savings banks, include "dividends" accrued and unpaid on deposits.
2. See discussion of deferred income taxes in Glossary entry on "income taxes."

Schedule RC-K - Quarterly Averages(Form Type - 051)

Dollar amounts in thousands

1. Interest-bearing balances due from depository institutions.....	RCON3381	2,481	1.
2. U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities) ²	RCONB558	29,344	2.
3. Mortgage-backed securities ²	RCONB559	3,760	3.
4. All other debt securities and equity securities with readily determinable fair values not held for trading purposes ²	RCONB560	28,395	4.
5. Federal funds sold and securities purchased under agreements to resell.....	RCON3365	9,699	5.
6. Loans:			6.
a. Total loans.....	RCON3360	8,822	6.a.
b. Loans secured by real estate:			6.b.
1. Loans secured by 1-4 family residential properties.....	RCON3465	23	6.b.1.
2. All other loans secured by real estate.....	RCON3466	4,461	6.b.2.
c. Commercial and industrial loans.....	RCON3387	1,188	6.c.
d. Loans to individuals for household, family, and other personal expenditures:			6.d.
1. Credit cards.....	RCONB561	0	6.d.1.
2. Other (includes revolving credit plans other than credit cards, automobile loans, and other consumer loans).....	RCONB562	1,919	6.d.2.
7. Not applicable			7.
8. Lease financing receivables (net of unearned income).....	RCON3484	0	8.
9. Total assets ⁴	RCON3368	88,214	9.
10. Interest-bearing transaction accounts (interest-bearing demand deposits, NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts).....	RCON3485	20,579	10.
11. Nontransaction accounts:			11.
a. Savings deposits (includes MMDAs).....	RCONB563	18,588	11.a.
b. Time deposits of \$250,000 or less.....	RCONHK16	9,263	11.b.
c. Time deposits of more than \$250,000.....	RCONHK17	2,231	11.c.
12. Federal funds purchased and securities sold under agreements to repurchase.....	RCON3353	0	12.
<i>To be completed by banks with \$100 million or more in total assets:</i>			
13. Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases) ⁵	RCON3355	NR	13.
<i>Memorandum item 1 is to be completed by:</i> <i>* banks with \$300 million or more in total assets, and</i> <i>* banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, Part 1, item 3) exceeding 5 percent of total loans.</i>			
1. Loans to finance agricultural production and other loans to farmers ²	RCON3386	1,512	M.1.

2. Quarterly averages for all debt securities should be based on amortized cost.
2. Quarterly averages for all debt securities should be based on amortized cost.
4. The quarterly average for total assets should reflect securities not held for trading as follows: a) Debt securities at amortized cost, b) Equity securities with readily determinable fair values at fair value, and c) Equity investments without readily determinable fair values, their balance sheet carrying values (i.e., fair value or, if elected, cost minus impairment, if any, plus or minus changes resulting from observable price changes).
5. The asset-size tests and the 5 percent of total loans test are based on the total assets and total loans reported on the June 30, 2023, Report of Condition.
2. The \$300 million asset-size test and the 5 percent of total loans test are based on the total assets and total loans reported on the June 30, 2023, Report of Condition.

Schedule RC-L - Off-Balance Sheet Items(Form Type - 051)

Please read carefully the instructions for the preparation of Schedule RC-L. Some of the amounts reported in Schedule RC-L are regarded as volume indicators and not necessarily as measures of risk.

Dollar amounts in thousands		
1. Unused commitments:		1.
a. Revolving, open-end lines secured by 1-4 family residential properties, i.e., home equity lines.....	RCON3814	0 1.a.
b. Credit card lines.....	RCON3815	0 1.b.
c. Commitments to fund commercial real estate, construction, and land development loans:		1.c.
1. Secured by real estate:		1.c.1.
a. 1-4 family residential construction loan commitments.....	RCONF164	0 1.c.1.a.
b. Commercial real estate, other construction loan, and land development loan commitments.....	RCONF165	0 1.c.1.b.
2. NOT secured by real estate.....	RCON6550	0 1.c.2.
d. Not applicable		1.d.
e. Other unused commitments:		1.e.
1. Commercial and industrial loans.....	RCONJ457	0 1.e.1.
2. Loans to financial institutions.....	RCONJ458	0 1.e.2.
3. All other unused commitments.....	RCONJ459	57 1.e.3.
2. Financial standby letters of credit.....	RCON3819	0 2.
3. Performance standby letters of credit.....	RCON3821	0 3.
4. Commercial and similar letters of credit.....	RCON3411	0 4.
5. Not applicable		5.
6. Securities lent and borrowed:		6.
a. Securities lent (including customers' securities lent where the customer is indemnified against loss by the reporting bank).....	RCON3433	0 6.a.
b. Securities borrowed.....	RCON3432	0 6.b.

Dollar amounts in thousands		
7. Not applicable		7.

Dollar amounts in thousands

8. Not applicable			8.
9. All other off-balance sheet liabilities (exclude derivatives) (itemize and describe each component of this item over 25 percent of Schedule RC, item 27.a, "Total bank equity capital").....	RCON3430	0	9.
a. Not applicable			9.a.
b. Not applicable			9.b.
c. Standby letters of credit issued by another party (e.g., a Federal Home Loan Bank) on the bank's behalf.....	RCONC978	NR	9.c.
d. Disclose component and the dollar amount of that component:			9.d.
1. Describe component.....	TEXT3555	NR	9.d.1.
2. Amount of component.....	RCON3555	NR	9.d.2.
e. Disclose component and the dollar amount of that component:			9.e.
1. Describe component.....	TEXT3556	NR	9.e.1.
2. Amount of component.....	RCON3556	NR	9.e.2.
f. Disclose component and the dollar amount of that component:			9.f.
(TEXT3557) NR	RCON3557	NR	9.f.1.
10. All other off-balance sheet assets (exclude derivatives) (itemize and describe each component of this item over 25 percent of Schedule RC, item 27.a, "Total bank equity capital").....	RCON5591	0	10.
a. Not applicable			10.a.
b. Disclose component and the dollar amount of that component:			10.b.
1. Describe component.....	TEXT5592	NR	10.b.1.
2. Amount of component.....	RCON5592	NR	10.b.2.
c. Disclose component and the dollar amount of that component:			10.c.
1. Describe component.....	TEXT5593	NR	10.c.1.
2. Amount of component.....	RCON5593	NR	10.c.2.
d. Disclose component and the dollar amount of that component:			10.d.
1. Describe component.....	TEXT5594	NR	10.d.1.
2. Amount of component.....	RCON5594	NR	10.d.2.
e. Disclose component and the dollar amount of that component:			10.e.
1. Describe component.....	TEXT5595	NR	10.e.1.
2. Amount of component.....	RCON5595	NR	10.e.2.
<i>Items 11.a and 11.b are to be completed semiannually in the June and December reports only.</i>			
11. Year-to-date merchant credit card sales volume:			11.
a. Sales for which the reporting bank is the acquiring bank.....	RCONC223	NR	11.a.
b. Sales for which the reporting bank is the agent bank with risk.....	RCONC224	NR	11.b.

Schedule RC-M - Memoranda(Form Type - 051)

Dollar amounts in thousands

1. Extensions of credit by the reporting bank to its executive officers, directors, principal shareholders, and their related interests as of the report date:			1.
a. Aggregate amount of all extensions of credit to all executive officers, directors, principal shareholders, and their related interests.....	RCON6164	0	1.a.
b. Number of executive officers, directors, and principal shareholders to whom the amount of all extensions of credit by the reporting bank (including extensions of credit to related interests) equals or exceeds the lesser of \$500,000 or 5 percent of total capital as defined for this purpose in agency regulations.....	RCON6165	0	1.b.
2. Intangible assets:			2.
a. Mortgage servicing assets.....	RCON3164	0	2.a.
1. Estimated fair value of mortgage servicing assets.....	RCONA590	0	2.a.1.
b. Goodwill.....	RCON3163	0	2.b.
c. All other identifiable intangible assets.....	RCONJF76	0	2.c.
d. Total (sum of items 2.a, 2.b, and 2.c) (must equal Schedule RC, item 10).....	RCON2143	0	2.d.
3. Other real estate owned:			3.
a. Construction, land development, and other land.....	RCON5508	0	3.a.
b. Farmland.....	RCON5509	0	3.b.
c. 1-4 family residential properties.....	RCON5510	0	3.c.
d. Multifamily (5 or more) residential properties.....	RCON5511	0	3.d.
e. Nonfarm nonresidential properties.....	RCON5512	0	3.e.
f. Total (sum of items 3.a through 3.e) (must equal Schedule RC, item 7).....	RCON2150	0	3.f.
4. Cost of equity securities with readily determinable fair values not held for trading (the fair value of which is reported in Schedule RC, item 2.c) ¹	RCONJA29	0	4.
5. Other borrowed money:			5.
a. Federal Home Loan Bank advances:			5.a.
1. Advances with a remaining maturity or next repricing date of: ¹			5.a.1.
a. One year or less.....	RCONF055	0	5.a.1.a.
b. Over one year through three years.....	RCONF056	0	5.a.1.b.
c. Over three years through five years.....	RCONF057	0	5.a.1.c.
d. Over five years.....	RCONF058	0	5.a.1.d.
2. Advances with a REMAINING MATURITY of one year or less (included in item 5.a.(1)(a) above) ²	RCON2651	0	5.a.2.
3. Structured advances (included in items 5.a.(1)(a) - (d) above).....	RCONF059	0	5.a.3.
b. Other borrowings:			5.b.
1. Other borrowings with a remaining maturity or next repricing date of: ³			5.b.1.
a. One year or less.....	RCONF060	0	5.b.1.a.
b. Over one year through three years.....	RCONF061	0	5.b.1.b.
c. Over three years through five years.....	RCONF062	0	5.b.1.c.
d. Over five years.....	RCONF063	0	5.b.1.d.
2. Other borrowings with a REMAINING MATURITY of one year or less (included in item 5.b.(1)(a) above) ⁴ ..	RCONB571	0	5.b.2.
c. Total (sum of items 5.a.(1)(a)-(d) and items 5.b.(1)(a)-(d)) (must equal Schedule RC, item 16).....	RCON3190	0	5.c.
6. Does the reporting bank sell private label or third party mutual funds and annuities?.....	RCONB569	NR	6.
7. Assets under the reporting bank's management in proprietary mutual funds and annuities.....	RCONB570	NR	7.
8. Internet website addresses and physical office trade names:			8.
a. Uniform Resource Locator (URL) of the reporting institution's primary Internet website (home page), if any (Example: www.examplebank.com):.....	TEXT4087	Click here for value	8.a.

- Item 4 is to be completed only by insured state banks that have been approved by the FDIC to hold grandfathered equity investments. See instructions for this item and the Glossary entry for "Securities Activities" for further detail on accounting for investments in equity securities.
- Report fixed-rate advances by remaining maturity and floating-rate advances by next repricing date.
- Report both fixed- and floating-rate advances by remaining maturity. Exclude floating-rate advances with a next repricing date of one year or less that have a remaining maturity of over one year.
- Report fixed-rate other borrowings by remaining maturity and floating-rate other borrowings by next repricing date.
- Report both fixed- and floating-rate other borrowings by remaining maturity. Exclude floating-rate other borrowings with a next repricing date of one year or less that have a remaining maturity of over one year.

Dollar amounts in thousands

b. URLs of all other public-facing Internet websites that the reporting institution uses to accept or solicit deposits from the public, if any (Example: www.examplebank.biz): ¹			8.b.
1. URL 1.....	TE01N528	NR	8.b.1.
2. URL 2.....	TE02N528	NR	8.b.2.
3. URL 3.....	TE03N528	NR	8.b.3.
4. URL 4.....	TE04N528	NR	8.b.4.
5. URL 5.....	TE05N528	NR	8.b.5.
6. URL 6.....	TE06N528	NR	8.b.6.
7. URL 7.....	TE07N528	NR	8.b.7.
8. URL 8.....	TE08N528	NR	8.b.8.
9. URL 9.....	TE09N528	NR	8.b.9.
10. URL 10.....	TE10N528	NR	8.b.10.
c. Trade names other than the reporting institution's legal title used to identify one or more of the institution's physical offices at which deposits are accepted or solicited from the public, if any:			8.c.
1. Trade name 1.....	TE01N529	NR	8.c.1.
2. Trade name 2.....	TE02N529	NR	8.c.2.
3. Trade name 3.....	TE03N529	NR	8.c.3.
4. Trade name 4.....	TE04N529	NR	8.c.4.
5. Trade name 5.....	TE05N529	NR	8.c.5.
6. Trade name 6.....	TE06N529	NR	8.c.6.
Items 9, 11, 12, 14.a, and 14.b are to be completed annually in the December report only.			
9. Do any of the bank's Internet websites have transactional capability, i.e., allow the bank's customers to execute transactions on their accounts through the website?.....		RCON4088	NR 9.
10. Secured liabilities:			10.
a. Amount of "Federal funds purchased" that are secured (included in Schedule RC, item 14.a).....		RCONF064	0 10.a.
b. Amount of "Other borrowings" that are secured (included in Schedule RC-M, items 5.b.(1)(a) - (d)).....		RCONF065	0 10.b.
11. Does the bank act as trustee or custodian for Individual Retirement Accounts, Health Savings Accounts, and other similar accounts?.....		RCONG463	NR 11.
12. Does the bank provide custody, safekeeping, or other services involving the acceptance of orders for the sale or purchase of securities?.....		RCONG464	NR 12.
13. Not applicable			13.
14. Captive insurance and reinsurance subsidiaries:			14.
a. Total assets of captive insurance subsidiaries ¹		RCONK193	NR 14.a.
b. Total assets of captive reinsurance subsidiaries ¹		RCONK194	NR 14.b.
Item 15 is to be completed by institutions that are required or have elected to be treated as a Qualified Thrift Lender.			15.
15. Qualified Thrift Lender (QTL) test:			
a. Does the institution use the Home Owners' Loan Act (HOLA) QTL test or the Internal Revenue Service Domestic Building and Loan Association (IRS DBLA) test to determine its QTL compliance? (for the HOLA QTL test, enter 1; for the IRS DBLA test, enter 2).....		RCONL133	NR 15.a.
b. Has the institution been in compliance with the HOLA QTL test as of each month end during the quarter or the IRS DBLA test for its most recent taxable year, as applicable?.....		RCONL135	NR 15.b.
Item 16.a and, if appropriate, items 16.b.(1) through 16.b.(3) are to be completed annually in the December report only.			16.
16. International remittance transfers offered to consumers: ¹			
a. Estimated number of international remittance transfers provided by your institution during the calendar year ending on the report date.....		RCONN523	NR 16.a.
Items 16.b.(1) through 16.b.(3) are to be completed by institutions that reported 501 or more international remittance transfers in item 16.a in either or both of the current report or the most recent prior report in which item 16.a was required to be completed.			16.b.
b. Estimated dollar value of remittance transfers provided by your institution and usage of regulatory exceptions during the calendar year ending on the report date:			
1. Estimated dollar value of international remittance transfers.....		RCONN524	NR 16.b.1.
2. Estimated number of international remittance transfers for which your institution applied the permanent exchange rate exception.....		RCONMM07	NR 16.b.2.

- Report only highest level URLs (for example, report www.examplebank.biz, but do not also report www.examplebank.biz/checking). Report each top level domain name used (for example, report both www.examplebank.biz and www.examplebank.net).
- Report total assets before eliminating intercompany transactions between the consolidated insurance or reinsurance subsidiary and other offices or consolidated subsidiaries of the reporting bank.
- Report information about international electronic transfers of funds offered to consumers in the United States that: (a) are "remittance transfers" as defined by subpart B of Regulation E (12 CFR § 1005.30(e)), or (b) would qualify as "remittance transfers" under subpart B of Regulation E (12 CFR § 1005.30(e)) but are excluded from that definition only because the provider is not providing those transfers in the normal course of its business. See 12 CFR § 1005.30(f). For purposes of this item 16, such trans

Dollar amounts in thousands

3. Estimated number of international remittance transfers for which your institution applied the permanent covered third-party fee exception.....	RCONMQ52	NR	16.b.3.
17. U.S. Small Business Administration Paycheck Protection Program (PPP) loans and the Federal Reserve PPP Liquidity Facility (PPPLF): ²			17.
a. Number of PPP loans outstanding.....	RCONLG26	0	17.a.
b. Outstanding balance of PPP loans.....	RCONLG27	0	17.b.
c. Outstanding balance of PPP loans pledged to the PPPLF.....	RCONLG28	0	17.c.
d. Outstanding balance of borrowings from Federal Reserve Banks under the PPPLF with a remaining maturity of:			17.d.
1. One year or less.....	RCONLL59	0	17.d.1.
2. More than one year.....	RCONLL60	0	17.d.2.
e. Quarterly average amount of PPP loans pledged to the PPPLF and excluded from "Total assets for the leverage ratio" reported in Schedule RC-R, Part I, item 30.....	RCONLL57	0	17.e.

(TEXT4087) www.cnbss.com

2. Paycheck Protection Program (PPP) covered loans as defined in sections 7(a)(36) and 7(a)(37) of the Small Business Act (15 U.S.C. 636(a)(36) and (37)).

Schedule RC-N - Past Due and Nonaccrual Loans Leases and Other Assets(Form Type - 051)

Amounts reported in Schedule RC-N, items 1 through 8, include guaranteed and unguaranteed portions of past due and nonaccrual loans and leases. Report in items 10 and 11 below certain guaranteed loans and leases that have already been included in the amounts reported in items 1 through 8

Dollar amounts in thousands	(Column A) Past due 30 through 89 days and still accruing		(Column B) Past due 90 days or more and still accruing		(Column C) Nonaccrual		
1. Loans secured by real estate:							1.
a. Construction, land development, and other land loans:							1.a.
1. 1-4 family residential construction loans.....	RCONF172	0	RCONF174	0	RCONF176	0	1.a.1.
2. Other construction loans and all land development and other land loans.....	RCONF173	0	RCONF175	0	RCONF177	0	1.a.2.
b. Secured by farmland.....	RCON3493	0	RCON3494	0	RCON3495	0	1.b.
c. Secured by 1-4 family residential properties:							1.c.
1. Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.....	RCON5398	0	RCON5399	0	RCON5400	0	1.c.1.
2. Closed-end loans secured by 1-4 family residential properties:							1.c.2.
a. Secured by first liens.....	RCONC236	0	RCONC237	0	RCONC229	0	1c2a.
b. Secured by junior liens.....	RCONC238	0	RCONC239	0	RCONC230	0	1c2b.
d. Secured by multifamily (5 or more) residential properties.....	RCON3499	0	RCON3500	0	RCON3501	0	1.d.
e. Secured by nonfarm nonresidential properties:							1.e.
1. Loans secured by owner-occupied nonfarm nonresidential properties.....	RCONF178	0	RCONF180	0	RCONF182	0	1.e.1.
2. Loans secured by other nonfarm nonresidential properties.....	RCONF179	0	RCONF181	0	RCONF183	0	1.e.2.
2. Loans to depository institutions and acceptances of other banks.....	RCONB834	0	RCONB835	0	RCONB836	0	2.
3. Not applicable							3.
4. Commercial and industrial loans.....	RCON1606	0	RCON1607	0	RCON1608	0	4.
5. Loans to individuals for household, family, and other personal expenditures:							5.
a. Credit cards.....	RCONB575	0	RCONB576	0	RCONB577	0	5.a.
b. Automobile loans.....	RCONK213	0	RCONK214	0	RCONK215	0	5.b.
c. Other (includes revolving credit plans other than credit cards and other consumer loans).....	RCONK216	0	RCONK217	0	RCONK218	0	5.c.
6. Not applicable							6.
7. All other loans ¹	RCON5459	0	RCON5460	0	RCON5461	0	7.
8. Lease financing receivables.....	RCON1226	0	RCON1227	0	RCON1228	0	8.
9. Total loans and leases (sum of items 1 through 8).....	RCON1406	0	RCON1407	0	RCON1403	0	9.
10. Debt securities and other assets (exclude other real estate owned and other repossessed assets).....	RCON3505	0	RCON3506	0	RCON3507	0	10.
11. Loans and leases reported in items 1 through 8 above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC.....	RCONK036	0	RCONK037	0	RCONK038	0	11.
a. Guaranteed portion of loans and leases included in item 11 above, excluding rebooked "GNMA loans".....	RCONK039	0	RCONK040	0	RCONK041	0	11.a.
b. Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item 11 above.....	RCONK042	0	RCONK043	0	RCONK044	0	11.b.
12. Portion of covered loans and leases reported in item 9 above that is protected by loss-sharing agreements with the FDIC.....			RCONK103	0	RCONK104	0	12.
Memorandum items 1.a.(1) through 1.f.(5) are to be completed semiannually in the June and December reports only. Memorandum item 1.g is to be completed quarterly.							
1. Loan modifications to borrowers experiencing financial difficulty included in Schedule RC-N, items 1 through 7, above (and not reported in Schedule RC-C, Part 1, Memorandum item 1):							M.1.
a. Construction, land development, and other land loans:							M.1.a.
1. 1-4 family residential construction loans.....	RCONK105	NR	RCONK106	NR	RCONK107	NR	M1a1.
2. Other construction loans and all land development and other land loans.....	RCONK108	NR	RCONK109	NR	RCONK110	NR	M1a2.
b. Loans secured by 1-4 family residential properties.....	RCONF661	NR	RCONF662	NR	RCONF663	NR	M.1.b.

1. Includes past due and nonaccrual "Loans to finance agricultural productions and other loans to farmers," "Obligations (other than securities and leases) of states and political subdivisions in the U.S.," and "Loans to nondepository financial institutions and other loans."

Dollar amounts in thousands		(Column A) Past due 30 through 89 days and still accruing		(Column B) Past due 90 days or more and still accruing		(Column C) Nonaccrual	
c. Secured by multifamily (5 or more) residential properties.....	RCONK111	NR	RCONK112	NR	RCONK113	NR	M.1.c.
d. Secured by nonfarm nonresidential properties:							M.1.d.
1. Loans secured by owner-occupied nonfarm nonresidential properties.....	RCONK114	NR	RCONK115	NR	RCONK116	NR	M.1d.1.
2. Loans secured by other nonfarm nonresidential properties.....	RCONK117	NR	RCONK118	NR	RCONK119	NR	M.1d.2.
e. Commercial and industrial loans.....	RCONK257	NR	RCONK258	NR	RCONK259	NR	M.1.e.
f. All other loans (include loans to individuals for household, family, and other personal expenditures).....	RCONK126	NR	RCONK127	NR	RCONK128	NR	M.1.f.
<i>Itemize loan categories included in Memorandum item 1.f, above that exceed 10 percent of total loan modifications to borrowers experiencing financial difficulty that are past due 30 days or more or in nonaccrual status (sum of Memorandum items 1.a through 1.f, columns A through C):</i>							
1. Loans secured by farmland.....	RCONK130	NR	RCONK131	NR	RCONK132	NR	M.1f.1.
2. Not applicable							M.1f.2.
3. Not applicable							M.1f.3.
4. Loans to individuals for household, family, and other personal expenditures:							M.1f.4.
a. Credit cards.....	RCONK274	NR	RCONK275	NR	RCONK276	NR	M.1f.4.a.
b. Automobile loans.....	RCONK277	NR	RCONK278	NR	RCONK279	NR	M.1f.4.b.
c. Other (includes revolving credit plans other than credit cards and other consumer loans).....	RCONK280	NR	RCONK281	NR	RCONK282	NR	M.1f.4.c.
<i>Memorandum item 1.f.(5) is to be completed by: * Banks with \$300 million or more in total assets * Banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, Part I, item 3) exceeding 5 percent of total loans</i>							
5. Loans to finance agricultural production and other loans to farmers ¹	RCONK138	NR	RCONK139	NR	RCONK140	NR	M.1f.5.
g. Total loan modifications to borrowers experiencing financial difficulty included in Schedule RC-N, items 1 through 7, above (sum of Memorandum items 1.a.(1) through 1.f) ²	RCONHK26	0	RCONHK27	0	RCONHK28	0	M.1.g.
2. Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in Schedule RC-N, items 4 and 7, above.....	RCON6558	0	RCON6559	0	RCON6560	0	M.2.
3. Not applicable							M.3.
<i>Memorandum item 4 is to be completed by: * banks with \$300 million or more in total assets * banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers (Schedule RC-C, Part I, item 3) exceeding 5 percent of total loans:</i>							
4. Loans to finance agricultural production and other loans to farmers (included in Schedule RC-N, item 7, above) ¹	RCON1594	0	RCON1597	0	RCON1583	0	M.4.

1. The \$300 million asset-size test and the 5 percent of total loans test are based on the total assets and total loans reported on the June 30, 2023, Report of Condition.
2. Exclude amounts reported in Memorandum items 1.f.(1) through 1.f.(5) when calculating the total in Memorandum item 1.g.
1. The \$300 million asset-size test and the 5 percent of total loans test are based on the total assets and total loans reported on the June 30, 2023, Report of Condition.

Dollar amounts in thousands	(Column A) Past due 30 through 89 days and still accruing		(Column B) Past due 90 days or more and still accruing		(Column C) Nonaccrual	
	RCONC240	NR	RCONC241	NR	RCONC226	NR
5. Loans and leases held for sale (included in Schedule RC-N, items 1 through 8, above).....						

M.5.

Dollar amounts in thousands	
6. Not applicable	

M.6.

Dollar amounts in thousands	
Memorandum items 7 and 8 are to be completed semiannually in the June and December reports only.	
7. Additions to nonaccrual assets during the previous six months.....	
8. Nonaccrual assets sold during the previous six months.....	

RCONC410NRM.7.

RCONC411NRM.8.

Dollar amounts in thousands	(Column A) Past due 30 through 89 days and still accruing		(Column B) Past due 90 days or more and still accruing		(Column C) Nonaccrual	
9. Not applicable						

M.9.

Schedule RC-O - Other Data for Deposit Insurance and FICO Assessments(Form Type - 051)

All FDIC-insured depository institutions must complete items 1 and 2, 4 through 9,10, and 11, Memorandum item 1, and, if applicable, item 9.a, Memorandum items 2, 3, and 6 through 18 each quarter. Unless otherwise indicated, complete items 1 through 11 and Memorandum items 1 through 3 on an "unconsolidated single FDIC certificate number basis" (see instructions) and complete Memorandum items 6 through 18 on a fully consolidated basis.

Dollar amounts in thousands

1. Total deposit liabilities before exclusions (gross) as defined in Section 3(l) of the Federal Deposit Insurance Act and FDIC regulations.....	RCONF236	75,076	1.
2. Total allowable exclusions, including interest accrued and unpaid on allowable exclusions.....	RCONF237	0	2.
3. Not applicable			3.
4. Average consolidated total assets for the calendar quarter.....	RCONK652	88,214	4.
a. Averaging method used (for daily averaging, enter 1; for weekly averaging, enter 2).....	RCONK653	1	4.a.
5. Average tangible equity for the calendar quarter ¹	RCONK654	9,948	5.
6. Holdings of long-term unsecured debt issued by other FDIC-insured depository institutions.....	RCONK655	0	6.
7. Unsecured "Other borrowings" with a remaining maturity of (sum of items 7.a through 7.d must be less than or equal to Schedule RC-M, items 5.b.(1)(a)-(d) minus item 10.b):			7.
a. One year or less.....	RCONG465	0	7.a.
b. Over one year through three years.....	RCONG466	0	7.b.
c. Over three years through five years.....	RCONG467	0	7.c.
d. Over five years.....	RCONG468	0	7.d.
8. Subordinated notes and debentures with a remaining maturity of (sum of items 8.a through 8.d must equal Schedule RC, item 19):			8.
a. One year or less.....	RCONG469	0	8.a.
b. Over one year through three years.....	RCONG470	0	8.b.
c. Over three years through five years.....	RCONG471	0	8.c.
d. Over five years.....	RCONG472	0	8.d.
9. Brokered reciprocal deposits (included in Schedule RC-E, Memorandum item 1.b).....	RCONG803	0	9.
Item 9.a is to be completed on a fully consolidated basis by all institutions that own another insured depository institution.			
a. Fully consolidated brokered reciprocal deposits.....	RCONL190	NR	9.a.
10. Banker's bank certification: Does the reporting institution meet both the statutory definition of a banker's bank and the business conduct test set forth in FDIC regulations?.....	RCONK656	No	10.
If the answer to item 10 is "YES," complete items 10.a and 10.b.			
a. Banker's bank deduction.....	RCONK657	NR	10.a.
b. Banker's bank deduction limit.....	RCONK658	NR	10.b.
11. Custodial bank certification: Does the reporting institution meet the definition of a custodial bank set forth in FDIC regulations?.....	RCONK659	No	11.
If the answer to item 11 is "YES," complete items 11.a and 11.b.			
a. Custodial bank deduction.....	RCONK660	NR	11.a.
b. Custodial bank deduction limit.....	RCONK661	NR	11.b.
1. Total deposit liabilities of the bank, including related interest accrued and unpaid, less allowable exclusions, including related interest accrued and unpaid (sum of Memorandum items 1.a.(1), 1.b.(1), 1.c.(1), and 1.d.(1) must equal Schedule RC-O, item 1 less item 2):			M.1.
a. Deposit accounts (excluding retirement accounts) of \$250,000 or less: ¹			M.1.a.
1. Amount of deposit accounts (excluding retirement accounts) of \$250,000 or less.....	RCONF049	43,449	M.1.a.1.
2. Number of deposit accounts (excluding retirement accounts) of \$250,000 or less.....	RCONF050	221	M.1.a.2.
b. Deposit accounts (excluding retirement accounts) of more than \$250,000: ¹			M.1.b.
1. Amount of deposit accounts (excluding retirement accounts) of more than \$250,000.....	RCONF051	30,746	M.1.b.1.
2. Number of deposit accounts (excluding retirement accounts) of more than \$250,000.....	RCONF052	43	M.1.b.2.
c. Retirement deposit accounts of \$250,000 or less: ¹			M.1.c.
1. Amount of retirement deposit accounts of \$250,000 or less.....	RCONF045	881	M.1.c.1.
2. Number of retirement deposit accounts of \$250,000 or less.....	RCONF046	30	M.1.c.2.
d. Retirement deposit accounts of more than \$250,000: ¹			M.1.d.
1. Amount of retirement deposit accounts of more than \$250,000.....	RCONF047	0	M.1.d.1.

- See instructions for averaging methods. For deposit insurance assessment purposes, tangible equity is defined as Tier 1 capital as set forth in the banking agencies' regulatory capital standards and reported in Schedule RC-R, Part I, item 26, except as described in the instructions.
- The dollar amounts used as the basis for reporting in Memorandum items 1.a through 1.d reflect the deposit insurance limits in effect on the report date.

Dollar amounts in thousands		
2. Number of retirement deposit accounts of more than \$250,000.....	CONF048	0 M.1.d.2.
Memorandum item 2 is to be completed by banks with \$1 billion or more in total assets. The \$1 billion asset-size test is based on the total assets reported on the June 30, 2023, Report of Condition.		
2. Estimated amount of uninsured deposits including related interest accrued and unpaid (see instructions) ³	CON5597	NR M.2.
3. Has the reporting institution been consolidated with a parent bank or savings association in that parent bank's or parent savings association's Call Report? If so, report the legal title and FDIC Certificate Number of the parent bank or parent savings association:		M.3.
a. Legal title.....	TEXTA545	NR M.3.a.
b. FDIC Certificate Number.....	CONA545	0 M.3.b.

3. Uninsured deposits should be estimated based on the deposit insurance limits set forth in Memorandum items 1.a through 1.d.

Schedule RC-R Part I - Regulatory Capital Components and Ratios(Form Type - 051)

Part I is to be completed on a consolidated basis.

Dollar amounts in thousands

1. Common stock plus related surplus, net of treasury stock and unearned employee stock ownership plan (ESOP) shares.....	RCOAP742	960	1.
2. Retained earnings ¹	RCOAKW00	9,100	2.
a. Does your institution have a CECL transition election in effect as of the quarter-end report date? (enter "0" for No; enter "1" for Yes with a 3-year CECL transition election; enter "2" for Yes with a 5-year 2020 CECL transition election.).....	RCOAJJ29	NR	2.a.
3. Accumulated other comprehensive income (AOCI).....	RCOAB530	-1,223	3.
a. AOCI opt-out election (enter "1" for Yes; enter "0" for No.).....	RCOAP838	1	3.a.
4. Common equity tier 1 minority interest includable in common equity tier 1 capital.....	RCOAP839	0	4.
5. Common equity tier 1 capital before adjustments and deductions (sum of items 1 through 4).....	RCOAP840	8,837	5.
6. LESS: Goodwill net of associated deferred tax liabilities (DTLs).....	RCOAP841	0	6.
7. LESS: Intangible assets (other than goodwill and mortgage servicing assets (MSAs)), net of associated DTLs.....	RCOAP842	0	7.
8. LESS: Deferred tax assets (DTAs) that arise from net operating loss and tax credit carryforwards, net of any related valuation allowances and net of DTLs.....	RCOAP843	0	8.
9. AOCI-related adjustments (if entered "1" for Yes in item 3.a, complete only items 9.a through 9.e; if entered "0" for No in item 3.a, complete only item 9.f):			9.
a. LESS: Net unrealized gains (losses) on available-for-sale debt securities (if a gain, report as a positive value; if a loss, report as a negative value).....	RCOAP844	-1,222	9.a.
b. Not applicable.			9.b.
c. LESS: Accumulated net gains (losses) on cash flow hedges (if a gain, report as a positive value; if a loss, report as a negative value).....	RCOAP846	0	9.c.
d. LESS: Amounts recorded in AOCI attributed to defined benefit postretirement plans resulting from the initial and subsequent application of the relevant GAAP standards that pertain to such plans (if a gain, report as a positive value; if a loss, report as a negative value).....	RCOAP847	0	9.d.
e. LESS: Net unrealized gains (losses) on held-to-maturity securities that are included in AOCI (if a gain, report as a positive value; if a loss, report as a negative value).....	RCOAP848	0	9.e.
f. LESS: Accumulated net gain (loss) on cash flow hedges included in AOCI, net of applicable income taxes, that relate to the hedging of items that are not recognized at fair value on the balance sheet (if a gain, report as a positive value; if a loss, report as a negative value) (To be completed only by institutions that entered "0" for No in item 3.a.).....	RCOAP849	NR	9.f.
10. Other deductions from (additions to) common equity tier 1 capital before threshold-based deductions:			10.
a. LESS: Unrealized net gain (loss) related to changes in the fair value of liabilities that are due to changes in own credit risk (if a gain, report as a positive value; if a loss, report as a negative value).....	RCOAP850	0	10.a.
b. LESS: All other deductions from (additions to) common equity tier 1 capital before threshold-based deductions.			10.b.
11. Not applicable			11.
12. Subtotal (item 5 minus items 6 through 10.b).....	RCOAP852	10,059	12.
13. LESS: Investments in the capital of unconsolidated financial institutions, net of associated DTLs, that exceed 25 percent of item 12.....	RCOALB58	0	13.
14. LESS: MSAs, net of associated DTLs, that exceed 25 percent of item 12.....	RCOALB59	0	14.
15. LESS: DTAs arising from temporary differences that could not be realized through net operating loss carrybacks, net of related valuation allowances and net of DTLs, that exceed 25 percent of 12.....	RCOALB60	0	15.
16. Not applicable			16.
17. LESS: Deductions applied to common equity tier 1 capital due to insufficient amounts of additional tier 1 capital and tier 2 capital to cover deductions ¹	RCOAP857	0	17.
18. Total adjustments and deductions for common equity tier 1 capital (sum of items 13 through 17).....	RCOAP858	0	18.
19. Common equity tier 1 capital (item 12 minus item 18).....	RCOAP859	10,059	19.
20. Additional tier 1 capital instruments plus related surplus.....	RCOAP860	0	20.
21. Non-qualifying capital instruments subject to phase out from additional tier 1 capital	RCOAP861	0	21.
22. Tier 1 minority interest not included in common equity tier 1 capital.....	RCOAP862	0	22.
23. Additional tier 1 capital before deductions (sum of items 20, 21, and 22).....	RCOAP863	0	23.
24. LESS: Additional tier 1 capital deductions.....	RCOAP864	0	24.
25. Additional tier 1 capital (greater of item 23 minus item 24, or zero).....	RCOAP865	0	25.
26. Tier 1 capital (sum of items 19 and 25).....	RCOA8274	10,059	26.

Dollar amounts in thousands

27. Average total consolidated assets ²	RCOAKW03	88,214	27.
28. LESS: Deductions from common equity tier 1 capital and additional tier 1 capital (sum of items 6, 7, 8, 10.b, 13 through 15, 17, and certain elements of item 24 - see instructions).....	RCOAP875	0	28.
29. LESS: Other deductions from (additions to) assets for leverage ratio purposes.....	RCOAB596	0	29.
30. Total assets for the leverage ratio (item 27 minus items 28 and 29).....	RCOAA224	88,214	30.
31. Leverage ratio (item 26 divided by 30).....	RCOA7204	11.4030%	31.
a. Does your institution have a community bank leverage ratio (CBLR) framework election in effect as of the quarter-end report date? (enter "1" for Yes; enter "0" for No).....	RCOALE74	1	31.a.
<i>Item 31.b is to be completed only by non-advanced approaches institutions that elect to use the Standardized Approach for Counterparty Credit Risk (SA-CCR) for purposes of the standardized approach.</i>			
b. Standardized Approach for Counterparty Credit Risk opt-in election (enter "1" for Yes; leave blank for No.) ¹	RCOANC99	NR	31.b.

Dollar amounts in thousands

	(Column A) Amount		(Column B) Percentage		
32. Total assets (Schedule RC, item 12); (must be less than \$10 billion).....	RCOA2170	83,979			32.
33. Trading assets and trading liabilities (Schedule RC, sum of items 5 and 15). Report as a dollar amount in Column A and as a percentage of total assets (5% limit) in Column B.....	RCOAKX77	0	RCOAKX78	0%	33.
34. Off-balance sheet exposures:					34.
a. Unused portion of conditionally cancellable commitments.....	RCOAKX79	57			34.a.
b. Securities lent and borrowed (Schedule RC-L, sum of items 6.a and 6.b).....	RCOAKX80	0			34.b.
c. Other off-balance sheet exposures.....	RCOAKX81	0			34.c.
d. Total off-balance sheet exposures (sum of items 34.a through 34.c). Report as a dollar amount in Column A and as a percentage of total assets (25% limit) in Column B.....	RCOAKX82	57	RCOAKX83	0.0679%	34.d.

Dollar amounts in thousands

35. Unconditionally cancellable commitments.....	RCOAS540	0	35.
36. Investments in the tier 2 capital of unconsolidated financial institutions.....	RCOALB61	0	36.
37. Allocated transfer risk reserve.....	RCOA3128	0	37.
38. Amount of allowances for credit losses on purchased credit-deteriorated assets:			38.
a. Loans and leases held for investment.....	RCOAJJ30	NR	38.a.
b. Held-to-maturity debt securities.....	RCOAJJ31	NR	38.b.
c. Other financial assets measured at amortized cost.....	RCOAJJ32	NR	38.c.

Dollar amounts in thousands

39. Tier 2 capital instruments plus related surplus.....	RCOAP866	NR	39.
40. Non-qualifying capital instruments subject to phase out from tier 2 capital.....	RCOAP867	NR	40.
41. Total capital minority interest that is not included in tier 1 capital.....	RCOAP868	NR	41.
42. Adjusted allowances for credit losses (AACL) ²	RCOA5310	NR	42.
43. Not applicable.			43.
44. Tier 2 capital before deductions (sum of items 39 through 42).....	RCOAP870	NR	44.
45. LESS: Tier 2 capital deductions.....	RCOAP872	NR	45.
46. Tier 2 capital (greater of item 44 minus item 45, or zero).....	RCOA5311	NR	46.
47. Total capital (sum of items 26 and 46).....	RCOA3792	NR	47.
48. Total risk-weighted assets (from Schedule RC-R, Part II, item 31).....	RCOAA223	NR	48.

1. Institutions that have elected to apply the 3-year or the 5-year 2020 CECL transition provision should include the applicable portion of the CECL transitional amount or the modified CECL transitional amount, respectively, in this item.

1. An institution that has a CBLR framework election in effect as of the quarter-end report date is neither required to calculate tier 2 capital nor make any deductions that would have been taken from tier 2 capital as of the report date.

Dollar amounts in thousands

49. Common equity tier 1 capital ratio (item 19 divided by item 48).....	RCOAP793	NR	49.
50. Tier 1 capital ratio (item 26 divided by item 48).....	RCOA7206	NR	50.
51. Total capital ratio (item 47 divided by item 48).....	RCOA7205	NR	51.

Dollar amounts in thousands

52. Institution-specific capital conservation buffer necessary to avoid limitations on distributions and discretionary bonus payments.....	RCOAH311	NR	52.
53. Eligible retained income ³	RCOAH313	NR	53.
54. Distributions and discretionary bonus payments during the quarter ⁴	RCOAH314	NR	54.

2. Institutions that have elected to apply the 3-year or the 5-year 2020 CECL transition provision should include the applicable portion of the CECL transitional amount or the modified CECL transitional amount, respectively, in item 27.

1. For the December 31, 2021, report date only, advanced approaches institutions that adopt SA-CCR prior to the mandatory compliance date should enter "1" in item 31.b.

2. Institutions that have elected to apply the 3-year or the 5-year 2020 CECL transition provision should subtract the applicable portion of the AACL transitional amount or the modified AACL transitional amount, respectively, from the AACL, as defined in the regulatory capital rule, before determining the amount of AACL includable in tier 2 capital. See instructions for further detail on the CECL transition provisions.

3. Institutions must complete item 53 only if the amount reported in item 52 above is less than or equal to 2.5000 percent.

4. Institutions must complete item 54 only if the amount reported in Schedule RC-R, Part I, item 52, in the Call Report for the previous calendar quarter-end report date was less than or equal to 2.5000 percent.

Schedule RC-R Part II - Risk-Weighted Assets(Form Type - 051)

Institutions are required to assign a 100 percent risk weight to all assets not specifically assigned a risk weight under Subpart D of the federal banking agencies' regulatory capital rules and not deducted from tier 1 or tier 2 capital.

Dollar amounts in thousands	(Column A) Totals from Schedule RC	(Column B) Adjustments to Totals Reported in Column A	(Column C) Allocation by Risk-Weight Category 0%	(Column D) Allocation by Risk-Weight Category 2%	(Column E) Allocation by Risk-Weight Category 4%	(Column F) Allocation by Risk-Weight Category 10%	(Column G) Allocation by Risk-Weight Category 20%	(Column H) Allocation by Risk-Weight Category 50%	(Column I) Allocation by Risk-Weight Category 100%	(Column J) Allocation by Risk-Weight Category 150%	
1. Cash and balances due from depository institutions.....	RCOND957 NR	RCONS396 NR	RCOND958 NR				RCOND959 NR	RCONS397 NR	RCOND960 NR	RCONS398 NR	1.
2. Securities:											2.
a. Held-to-maturity securities ³	RCOND961 NR	RCONS399 NR	RCOND962 NR	RCONHJ74 NR	RCONHJ75 NR		RCOND963 NR	RCOND964 NR	RCOND965 NR	RCONS400 NR	2.a.
b. Available-for-sale debt securities and equity securities with readily determinable fair values not held for trading.....	RCONJA21 NR	RCONS402 NR	RCOND967 NR	RCONHJ76 NR	RCONHJ77 NR		RCOND968 NR	RCOND969 NR	RCOND970 NR	RCONS403 NR	2.b.
3. Federal funds sold and securities purchased under agreements to resell:											3.
a. Federal funds sold.....	RCOND971 NR		RCOND972 NR				RCOND973 NR	RCONS410 NR	RCOND974 NR	RCONS411 NR	3.a.
b. Securities purchased under agreements to resell.....	RCONH171 NR	RCONH172 NR									3.b.
4. Loans and leases held for sale:											4.
a. Residential mortgage exposures.....	RCONS413 NR	RCONS414 NR	RCONH173 NR				RCONS415 NR	RCONS416 NR	RCONS417 NR		4.a.
b. High volatility commercial real estate exposures.....	RCONS419 NR	RCONS420 NR	RCONH174 NR				RCONH175 NR	RCONH176 NR	RCONH177 NR	RCONS421 NR	4.b.
c. Exposures past due 90 days or more or on nonaccrual ³	RCONS423 NR	RCONS424 NR	RCONS425 NR	RCONHJ78 NR	RCONHJ79 NR		RCONS426 NR	RCONS427 NR	RCONS428 NR	RCONS429 NR	4.c.

Dollar amounts in thousands	(Column K) Allocation by Risk-Weight Category 250%	(Column L) Allocation by Risk-Weight Category 300%	(Column M) Allocation by Risk-Weight Category 400%	(Column N) Allocation by Risk-Weight Category 600%	(Column O) Allocation by Risk-Weight Category 625%	(Column P) Allocation by Risk-Weight Category 937.5%	(Column Q) Allocation by Risk-Weight Category 1,250%	(Column R) Application of Other Risk-Weighting Approaches Exposure Amount	(Column S) Application of Other Risk-Weighting Approaches Risk-Weighted Asset Amount	
1. Cash and balances due from depository institutions										1.
2. Securities:										2.
a. Held-to-maturity securities										2.a.
b. Available-for-sale debt securities and equity securities with readily determinable fair values not held for trading.....		RCONS405 NR		RCONS406 NR				RCONH271 NR	RCONH272 NR	2.b.
3. Federal funds sold and securities purchased under agreements to resell:										3.
a. Federal funds sold										3.a.

3. Institutions should report as a negative number allowances eligible for inclusion in tier 2 capital in Column B, which excludes PCD allowances. should report as a negative number in
3. For loans and leases held for sale, exclude residential mortgage exposures, high volatility commercial real estate exposures, or sovereign exposures that are past due 90 days or more or on nonaccrual.

	(Column K) Allocation by Risk-Weight Category 250%	(Column L) Allocation by Risk-Weight Category 300%	(Column M) Allocation by Risk-Weight Category 400%	(Column N) Allocation by Risk-Weight Category 600%	(Column O) Allocation by Risk-Weight Category 625%	(Column P) Allocation by Risk-Weight Category 937.5%	(Column Q) Allocation by Risk-Weight Category 1,250%	(Column R) Application of Other Risk-Weighting Approaches Exposure Amount	(Column S) Application of Other Risk-Weighting Approaches Risk-Weighted Asset Amount	
Dollar amounts in thousands										
b. Securities purchased under agreements to resell										3.b.
4. Loans and leases held for sale:										4.
a. Residential mortgage exposures.....								RCONH273 NR	RCONH274 NR	4.a.
b. High volatility commercial real estate exposures.....								RCONH275 NR	RCONH276 NR	4.b.

	(Column K) Allocation by Risk-Weight Category 250%	(Column L) Allocation by Risk-Weight Category 300%	(Column M) Allocation by Risk-Weight Category 400%	(Column N) Allocation by Risk-Weight Category 600%	(Column O) Allocation by Risk-Weight Category 625%	(Column P) Allocation by Risk-Weight Category 937.5%	(Column Q) Allocation by Risk-Weight Category 1,250%	(Column R) Application of Other Risk-Weighting Approaches Exposure Amount	(Column S) Application of Other Risk-Weighting Approaches Risk-Weighted Asset Amount	
Dollar amounts in thousands										
c. Exposures past due 90 days or more or on nonaccrual ⁶								RCONH277 NR	RCONH278 NR	4.c.

	(Column A) Totals from Schedule RC	(Column B) Adjustments to Totals Reported in Column A	(Column C) Allocation by Risk-Weight Category 0%	(Column D) Allocation by Risk-Weight Category 2%	(Column E) Allocation by Risk-Weight Category 4%	(Column F) Allocation by Risk-Weight Category 10%	(Column G) Allocation by Risk-Weight Category 20%	(Column H) Allocation by Risk-Weight Category 50%	(Column I) Allocation by Risk-Weight Category 100%	(Column J) Allocation by Risk-Weight Category 150%	
Dollar amounts in thousands											
4. Loans and leases held for sale (continued):											4.
d. All other exposures.....	RCONS431 NR	RCONS432 NR	RCONS433 NR	RCONHJ80 NR	RCONHJ81 NR		RCONS434 NR	RCONS435 NR	RCONS436 NR	RCONS437 NR	4.d.
5. Loans and leases held for investment:											5.
a. Residential mortgage exposures.....	RCONS439 NR	RCONS440 NR	RCONH178 NR				RCONS441 NR	RCONS442 NR	RCONS443 NR		5.a.
b. High volatility commercial real estate exposures.....	RCONS445 NR	RCONS446 NR	RCONH179 NR				RCONH180 NR	RCONH181 NR	RCONH182 NR	RCONS447 NR	5.b.
c. Exposures past due 90 days or more or on nonaccrual ⁷	RCONS449 NR	RCONS450 NR	RCONS451 NR	RCONHJ82 NR	RCONHJ83 NR		RCONS452 NR	RCONS453 NR	RCONS454 NR	RCONS455 NR	5.c.
d. All other exposures.....	RCONS457 NR	RCONS458 NR	RCONS459 NR	RCONHJ84 NR	RCONHJ85 NR		RCONS460 NR	RCONS461 NR	RCONS462 NR	RCONS463 NR	5.d.
6. LESS: Allowance for credit losses on loans and leases.....	RCON3123 296	RCON3123 296									6.
7. Trading assets.....	RCOND976 NR	RCONS466 NR	RCOND977 NR	RCONHJ86 NR	RCONHJ87 NR		RCOND978 NR	RCOND979 NR	RCOND980 NR	RCONS467 NR	7.
8. All other assets ⁸	RCOND981 NR	RCONS469 NR	RCOND982 NR	RCONHJ88 NR	RCONHJ89 NR		RCOND983 NR	RCOND984 NR	RCOND985 NR	RCONH185 NR	8.
a. Separate account bank-owned life insurance											8.a.
b. Default fund contributions to central counterparties											8.b.

	(Column K) Allocation by Risk-Weight Category 250%	(Column L) Allocation by Risk-Weight Category 300%	(Column M) Allocation by Risk-Weight Category 400%	(Column N) Allocation by Risk-Weight Category 600%	(Column O) Allocation by Risk-Weight Category 625%	(Column P) Allocation by Risk-Weight Category 937.5%	(Column Q) Allocation by Risk-Weight Category 1,250%	(Column R) Application of Other Risk-Weighting Approaches Exposure Amount	(Column S) Application of Other Risk-Weighting Approaches Risk-Weighted Asset Amount	
Dollar amounts in thousands										
4. Loans and leases held for sale (continued):										4.
d. All other exposures.....								RCONH279 NR	RCONH280 NR	4.d.
5. Loans and leases held for investment:										5.
a. Residential mortgage exposures.....								RCONH281 NR	RCONH282 NR	5.a.
b. High volatility commercial real estate exposures.....								RCONH283 NR	RCONH284 NR	5.b.
c. Exposures past due 90 days or more or on nonaccrual ¹¹								RCONH285 NR	RCONH286 NR	5.c.
d. All other exposures.....								RCONH287 NR	RCONH288 NR	5.d.
6. LESS: Allowance for credit losses on loans and leases										6.
7. Trading assets.....		RCONH186 NR	RCONH290 NR	RCONH187 NR				RCONH291 NR	RCONH292 NR	7.
8. All other assets ¹²	RCONH293 NR	RCONH188 NR	RCONS470 NR	RCONS471 NR				RCONH294 NR	RCONH295 NR	8.
a. Separate account bank-owned life insurance.....								RCONH296 NR	RCONH297 NR	8.a.
b. Default fund contributions to central counterparties.....								RCONH298 NR	RCONH299 NR	8.b.

6. For loans and leases held for sale, exclude residential mortgage exposures, high volatility commercial real estate exposures, or sovereign exposures that are past due 90 days or more or on nonaccrual.
7. For loans and leases, net of unearned income, exclude residential mortgage exposures, high volatility commercial real estate exposures, or sovereign exposures that are past due 90 days or more or on nonaccrual.
8. Includes premises and fixed assets; other real estate owned; investments in unconsolidated subsidiaries and associated companies; direct and indirect investments in real estate ventures; intangible assets; and other assets.
11. For loans and leases, net of unearned income, exclude residential mortgage exposures, high volatility commercial real estate exposures, or sovereign exposures that are past due 90 days or more or on nonaccrual.
12. Includes premises and fixed assets; other real estate owned; investments in unconsolidated subsidiaries and associated companies; direct and indirect investments in real estate ventures; intangible assets; and other assets.

	(Column A) Totals	(Column B) Adjustments to Totals Reported in Column A	(Column Q) Allocation by Risk-Weight Category (Exposure Amount) 1,250%	(Column T) Total Risk-Weighted Asset Amount by Calculation Methodology SSFA	(Column U) Total Risk-Weighted Asset Amount by Calculation Methodology Gross-Up	
Dollar amounts in thousands						
9. On-balance sheet securitization exposures:						9.
a. Held-to-maturity securities ²	RCONS475 NR	RCONS476 NR	RCONS477 NR	RCONS478 NR	RCONS479 NR	9.a.
b. Available-for-sale securities.....	RCONS480 NR	RCONS481 NR	RCONS482 NR	RCONS483 NR	RCONS484 NR	9.b.
c. Trading assets.....	RCONS485 NR	RCONS486 NR	RCONS487 NR	RCONS488 NR	RCONS489 NR	9.c.
d. All other on-balance sheet securitization exposures.....	RCONS490 NR	RCONS491 NR	RCONS492 NR	RCONS493 NR	RCONS494 NR	9.d.
10. Off-balance sheet securitization exposures.....	RCONS495 NR	RCONS496 NR	RCONS497 NR	RCONS498 NR	RCONS499 NR	10.

2. Institutions should report as a negative number in column B, those allowances for credit losses eligible for inclusion in tier 2 capital, which excludes allowances for credit losses on purchased credit-deteriorated assets.

	(Column A) Totals From Schedule RC	(Column B) Adjustments to Totals Reported in Column A	(Column C) Allocation by Risk-Weight Category 0%	(Column D) Allocation by Risk-Weight Category 2%	(Column E) Allocation by Risk-Weight Category 4%	(Column F) Allocation by Risk-Weight Category 10%	(Column G) Allocation by Risk-Weight Category 20%	(Column H) Allocation by Risk-Weight Category 50%	(Column I) Allocation by Risk-Weight Category 100%	(Column J) Allocation by Risk-Weight Category 150%	
Dollar amounts in thousands											
11. Total balance sheet assets ¹⁴	RCON2170 83,979	RCONS500 NR	RCOND987 NR	RCONHJ90 NR	RCONHJ91 NR		RCOND988 NR	RCOND989 NR	RCOND990 NR	RCONS503 NR	11.

	(Column K) Allocation by Risk-Weight Category 250%	(Column L) Allocation by Risk-Weight Category 300%	(Column M) Allocation by Risk-Weight Category 400%	(Column N) Allocation by Risk-Weight Category 600%	(Column O) Allocation by Risk-Weight Category 625%	(Column P) Allocation by Risk-Weight Category 937.5%	(Column Q) Allocation by Risk-Weight Category 1,250%	(Column R) Application of Other Risk-Weighting Approaches Exposure Amount	
Dollar amounts in thousands									
11. Total balance sheet assets ¹⁴	RCONS504 NR	RCONS505 NR	RCONS506 NR	RCONS507 NR			RCONS510 NR	RCONH300 NR	11.

	(Column A) Face, Notional, or Other Amount	(Column B) Credit Equivalent Amount	(Column C) Allocation by Risk-Weight Category 0%	(Column D) Allocation by Risk-Weight Category 2%	(Column E) Allocation by Risk-Weight Category 4%	(Column F) Allocation by Risk-Weight Category 10%	(Column G) Allocation by Risk-Weight Category 20%	(Column H) Allocation by Risk-Weight Category 50%	(Column I) Allocation by Risk-Weight Category 100%	(Column J) Allocation by Risk-Weight Category 150%	
Dollar amounts in thousands											
12. Financial standby letters of credit	RCOND991 NR	RCOND992 NR	RCOND993 NR	RCONHJ92 NR	RCONHJ93 NR		RCOND994 NR	RCOND995 NR	RCOND996 NR	RCONS511 NR	12.
13. Performance standby letters of credit and transaction-related contingent items	RCOND997 NR	RCOND998 NR	RCOND999 NR				RCONG603 NR	RCONG604 NR	RCONG605 NR	RCONS512 NR	13.
14. Commercial and similar letters of credit with an original maturity of one year or less	RCONG606 NR	RCONG607 NR	RCONG608 NR	RCONHJ94 NR	RCONHJ95 NR		RCONG609 NR	RCONG610 NR	RCONG611 NR	RCONS513 NR	14.
15. Retained recourse on small business obligations sold with recourse	RCONG612 NR	RCONG613 NR	RCONG614 NR				RCONG615 NR	RCONG616 NR	RCONG617 NR	RCONS514 NR	15.

	(Column A) Face, Notional, or Other Amount	(Column B) Credit Equivalent Amount	(Column C) Allocation by Risk-Weight Category 0%	(Column D) Allocation by Risk-Weight Category 2%	(Column E) Allocation by Risk-Weight Category 4%	(Column F) Allocation by Risk-Weight Category 10%	(Column G) Allocation by Risk-Weight Category 20%	(Column H) Allocation by Risk-Weight Category 50%	(Column I) Allocation by Risk-Weight Category 100%	(Column J) Allocation by Risk-Weight Category 150%	
Dollar amounts in thousands											
16. Repo-style transactions ²¹	RCONS515 NR	RCONS516 NR	RCONS517 NR	RCONS518 NR	RCONS519 NR		RCONS520 NR	RCONS521 NR	RCONS522 NR	RCONS523 NR	16.
17. All other off-balance sheet liabilities	RCONG618 NR	RCONG619 NR	RCONG620 NR				RCONG621 NR	RCONG622 NR	RCONG623 NR	RCONS524 NR	17.
18. Unused commitments (exclude unused commitments to asset-backed commercial paper conduits):											18.
a. Original maturity of one year or less	RCONS525 NR	RCONS526 NR	RCONS527 NR	RCONHJ96 NR	RCONHJ97 NR		RCONS528 NR	RCONS529 NR	RCONS530 NR	RCONS531 NR	18.a.

14. For each of columns A through R of item 11, report the sum of items 1 through 9. For item 11, the sum of columns B through R must equal column A. Item 11, column A, must equal Schedule RC, item 12.

21. Includes securities purchased under agreements to resell (reverse repos), securities sold under agreements to repurchase (repos), securities borrowed, and securities lent.

Dollar amounts in thousands		(Column A) Face, Notional, or Other Amount	(Column B) Credit Equivalent Amount	(Column C) Allocation by Risk-Weight Category 0%	(Column D) Allocation by Risk-Weight Category 2%	(Column E) Allocation by Risk-Weight Category 4%	(Column F) Allocation by Risk-Weight Category 10%	(Column G) Allocation by Risk-Weight Category 20%	(Column H) Allocation by Risk-Weight Category 50%	(Column I) Allocation by Risk-Weight Category 100%	(Column J) Allocation by Risk-Weight Category 150%	
b. Original maturity exceeding one year.....		RCONG624 NR	RCONG625 NR	RCONG626 NR	RCONHJ98 NR	RCONHJ99 NR		RCONG627 NR	RCONG628 NR	RCONG629 NR	RCONS539 NR	18.b.
19. Unconditionally cancelable commitments.....		RCONS540 NR	RCONS541 NR									19.
20. Over-the-counter derivatives.....			RCONS542 NR	RCONS543 NR	RCONHK00 NR	RCONHK01 NR	RCONS544 NR	RCONS545 NR	RCONS546 NR	RCONS547 NR	RCONS548 NR	20.
21. Centrally cleared derivatives.....			RCONS549 NR	RCONS550 NR	RCONS551 NR	RCONS552 NR		RCONS554 NR	RCONS555 NR	RCONS556 NR	RCONS557 NR	21.
22. Unsettled transactions (failed trades) ²²		RCONH191 NR		RCONH193 NR				RCONH194 NR	RCONH195 NR	RCONH196 NR	RCONH197 NR	22.

22. For item 22, the sum of columns C through Q must equal column A.

	(Column O) Allocation by Risk-Weight Category 625%	(Column P) Allocation by Risk-Weight Category 937.5%	(Column Q) Allocation by Risk-Weight Category 1,250%	(Column R) Application of Other Risk-Weighting Approaches Credit Equivalent Amount	(Column S) Application of Other Risk-Weighting Approaches Risk-Weighted Asset Amount	
Dollar amounts in thousands						
16. Repo-style transactions ²⁴				RCONH301 NR	RCONH302 NR	16.
17. All other off-balance sheet liabilities						17.
18. Unused commitments (exclude unused commitments to asset-backed commercial paper conduits):						18.
a. Original maturity of one year or less.....				RCONH303 NR	RCONH304 NR	18.a.
b. Original maturity exceeding one year.....				RCONH307 NR	RCONH308 NR	18.b.
19. Unconditionally cancelable commitments						19.
20. Over-the-counter derivatives.....				RCONH309 NR	RCONH310 NR	20.
21. Centrally cleared derivatives						21.
22. Unsettled transactions (failed trades) ²⁵	RCONH198 NR	RCONH199 NR	RCONH200 NR			22.

24. Includes securities purchased under agreements to resell (reverse repos), securities sold under agreements to repurchase (repos), securities borrowed, and securities lent.
25. For item 22, the sum of columns C through Q must equal column A.

Dollar amounts in thousands		(Column C) Allocation by Risk-Weight Category 0%	(Column D) Allocation by Risk-Weight Category 2%	(Column E) Allocation by Risk-Weight Category 4%	(Column F) Allocation by Risk-Weight Category 10%	(Column G) Allocation by Risk-Weight Category 20%	(Column H) Allocation by Risk-Weight Category 50%	(Column I) Allocation by Risk-Weight Category 100%	(Column J) Allocation by Risk-Weight Category 150%	
23. Total assets, derivatives, off-balance sheet items, and other items subject to risk weighting by risk-weight category (for each of columns C through P, sum of items 11 through 22; for column Q, sum of items 10 through 22).....		RCONG630 NR	RCONS558 NR	RCONS559 NR	RCONS560 NR	RCONG631 NR	RCONG632 NR	RCONG633 NR	RCONS561 NR	23.
24. Risk weight factor										24.
25. Risk-weighted assets by risk-weight category (for each column, item 23 multiplied by item 24).....		RCONG634 NR	RCONS569 NR	RCONS570 NR	RCONS571 NR	RCONG635 NR	RCONG636 NR	RCONG637 NR	RCONS572 NR	25.

Dollar amounts in thousands		(Column K) Allocation by Risk-Weight Category 250%	(Column L) Allocation by Risk-Weight Category 300%	(Column M) Allocation by Risk-Weight Category 400%	(Column N) Allocation by Risk-Weight Category 600%	(Column O) Allocation by Risk-Weight Category 625%	(Column P) Allocation by Risk-Weight Category 937.5%	(Column Q) Allocation by Risk-Weight Category 1,250%	
23. Total assets, derivatives, off-balance sheet items, and other items subject to risk weighting by risk-weight category (for each of columns C through P, sum of items 11 through 22; for column Q, sum of items 10 through 22).....		RCONS562 NR	RCONS563 NR	RCONS564 NR	RCONS565 NR	RCONS566 NR	RCONS567 NR	RCONS568 NR	23.
24. Risk weight factor									24.
25. Risk-weighted assets by risk-weight category (for each column, item 23 multiplied by item 24).....		RCONS573 NR	RCONS574 NR	RCONS575 NR	RCONS576 NR	RCONS577 NR	RCONS578 NR	RCONS579 NR	25.

Dollar amounts in thousands

<i>Items 26 through 31 are to be completed quarterly.</i>			
26. Risk-weighted assets base for purposes of calculating the adjusted allowances for credit losses (AACL) 1.25 percent threshold.....	RCONS580	NR	26.
27. Standardized market-risk weighted assets (applicable only to banks that are covered by the market risk capital rule).....	RCONS581	NR	27.
28. Risk-weighted assets before deductions for excess AACL and allocated risk transfer risk reserve ²⁷	RCONB704	NR	28.
29. LESS: Excess AACL ²⁸	RCONA222	NR	29.
30. LESS: Allocated transfer risk reserve.....	RCON3128	NR	30.
31. Total risk-weighted assets (item 28 minus items 29 and 30).....	RCONG641	NR	31.
<i>Memorandum items 1, 2, and 3 are to be completed semiannually in the June and December reports only.</i>			
1. Current credit exposure across all derivative contracts covered by the regulatory capital rules.....	RCONG642	NR	M.1.

Dollar amounts in thousands	(Column A) With a remaining maturity of One year or less		(Column B) With a remaining maturity of Over one year through five years		(Column C) With a remaining maturity of Over five years		
2. Notional principal amounts of over-the-counter derivative contracts:							M.2.
a. Interest rate.....	RCONS582	NR	RCONS583	NR	RCONS584	NR	M.2.a.
b. Foreign exchange rate and gold.....	RCONS585	NR	RCONS586	NR	RCONS587	NR	M.2.b.
c. Credit (investment grade reference asset).....	RCONS588	NR	RCONS589	NR	RCONS590	NR	M.2.c.
d. Credit (non-investment grade reference asset).....	RCONS591	NR	RCONS592	NR	RCONS593	NR	M.2.d.
e. Equity.....	RCONS594	NR	RCONS595	NR	RCONS596	NR	M.2.e.
f. Precious metals (except gold).....	RCONS597	NR	RCONS598	NR	RCONS599	NR	M.2.f.
g. Other.....	RCONS600	NR	RCONS601	NR	RCONS602	NR	M.2.g.
3. Notional principal amounts of centrally cleared derivative contracts:							M.3.
a. Interest rate.....	RCONS603	NR	RCONS604	NR	RCONS605	NR	M.3.a.
b. Foreign exchange rate and gold.....	RCONS606	NR	RCONS607	NR	RCONS608	NR	M.3.b.
c. Credit (investment grade reference asset).....	RCONS609	NR	RCONS610	NR	RCONS611	NR	M.3.c.
d. Credit (non-investment grade reference asset).....	RCONS612	NR	RCONS613	NR	RCONS614	NR	M.3.d.
e. Equity.....	RCONS615	NR	RCONS616	NR	RCONS617	NR	M.3.e.
f. Precious metals (except gold).....	RCONS618	NR	RCONS619	NR	RCONS620	NR	M.3.f.
g. Other.....	RCONS621	NR	RCONS622	NR	RCONS623	NR	M.3.g.

Dollar amounts in thousands

4. Amount of allowances for credit losses on purchased credit-deteriorated assets:			M.4.
a. Loans and leases held for investment.....	RCONJJ30	NR	M.4.a.
b. Held-to-maturity debt securities.....	RCONJJ31	NR	M.4.b.
c. Other financial assets measured at amortized cost.....	RCONJJ32	NR	M.4.c.

Schedule RC-T - Fiduciary and Related Services(Form Type - 051)

Dollar amounts in thousands

1. Does the institution have fiduciary powers? (If "NO," do not complete Schedule RC-T.).....	RCONA345	No	1.
2. Does the institution exercise the fiduciary powers it has been granted?.....	RCONA346	No	2.
3. Does the institution have any fiduciary or related activity (in the form of assets or accounts) to report in this schedule? (If "NO," do not complete the rest of Schedule RC-T.).....	RCONB867	No	3.

27. Sum of items 2.b through 20, column S; items 9.a, 9.b, 9.c, 9.d, and 10, columns T and U; item 25, columns C through Q; and item 27 (if applicable).
28. Institutions that have elected to apply the 3-year or the 5-year 2020 CECL transition provision should subtract the applicable portion of the AACL transitional amount or the modified AACL transitional amount, respectively, from the AACL, as defined in the regulatory capital rule, before determining the amount of excess AACL.

Dollar amounts in thousands	(Column A) Managed Assets		(Column B) Non-Managed Assets		(Column C) Number of Managed Accounts		(Column D) Number of Non-Managed Accounts		
4. Personal trust and agency accounts.....	RCONB868	NR	RCONB869	NR	RCONB870	NR	RCONB871	NR	4.
5. Employee benefit and retirement-related trust and agency accounts:									5.
a. Employee benefit - defined contribution.....	RCONB872	NR	RCONB873	NR	RCONB874	NR	RCONB875	NR	5.a.
b. Employee benefit - defined benefit.....	RCONB876	NR	RCONB877	NR	RCONB878	NR	RCONB879	NR	5.b.
c. Other employee benefit and retirement-related accounts.....	RCONB880	NR	RCONB881	NR	RCONB882	NR	RCONB883	NR	5.c.
6. Corporate trust and agency accounts.....	RCONB884	NR	RCONB885	NR	RCONC001	NR	RCONC002	NR	6.
7. Investment management and investment advisory agency accounts.....	RCONB886	NR	RCONJ253	NR	RCONB888	NR	RCONJ254	NR	7.
8. Foundation and endowment trust and agency accounts.....	RCONJ255	NR	RCONJ256	NR	RCONJ257	NR	RCONJ258	NR	8.
9. Other fiduciary accounts.....	RCONB890	NR	RCONB891	NR	RCONB892	NR	RCONB893	NR	9.
10. Total fiduciary accounts (sum of items 4 through 9).....	RCONB894	NR	RCONB895	NR	RCONB896	NR	RCONB897	NR	10.
11. Custody and safekeeping accounts.....			RCONB898	NR			RCONB899	NR	11.
12. Not applicable									12.
13. Individual Retirement Accounts, Health Savings Accounts, and other similar accounts (included in items 5.c and 11).....	RCONJ259	NR	RCONJ260	NR	RCONJ261	NR	RCONJ262	NR	13.

Dollar amounts in thousands

14. Personal trust and agency accounts.....	RIADB904	NR	14.
15. Employee benefit and retirement-related trust and agency accounts:			15.
a. Employee benefit - defined contribution.....	RIADB905	NR	15.a.
b. Employee benefit - defined benefit.....	RIADB906	NR	15.b.
c. Other employee benefit and retirement-related accounts.....	RIADB907	NR	15.c.
16. Corporate trust and agency accounts.....	RIADA479	NR	16.
17. Investment management and investment advisory agency accounts.....	RIADJ315	NR	17.
18. Foundation and endowment trust and agency accounts.....	RIADJ316	NR	18.
19. Other fiduciary accounts.....	RIADA480	NR	19.
20. Custody and safekeeping accounts.....	RIADB909	NR	20.
21. Other fiduciary and related services income.....	RIADB910	NR	21.
22. Total gross fiduciary and related services income (sum of items 14 through 21) (must equal Schedule RI, item 5.a).....	RIAD4070	0	22.
23. Less: Expenses.....	RIADC058	NR	23.
24. Less: Net losses from fiduciary and related services.....	RIADA488	NR	24.
25. Plus: Intracompany income credits for fiduciary and related services.....	RIADB911	NR	25.
26. Net fiduciary and related services income.....	RIADA491	NR	26.

	(Column A) Personal Trust and Agency and Investment Management Agency Accounts		(Column B) Employee Benefit and Retirement-Related Trust and Agency Accounts		(Column C) All Other Accounts		
Dollar amounts in thousands							
1. Managed assets held in fiduciary accounts:						M.1.	
a. Noninterest-bearing deposits.....	RCONJ263	NR	RCONJ264	NR	RCONJ265	NR	M.1.a.
b. Interest-bearing deposits.....	RCONJ266	NR	RCONJ267	NR	RCONJ268	NR	M.1.b.
c. U.S. Treasury and U.S. Government agency obligations.....	RCONJ269	NR	RCONJ270	NR	RCONJ271	NR	M.1.c.
d. State, county, and municipal obligations.....	RCONJ272	NR	RCONJ273	NR	RCONJ274	NR	M.1.d.
e. Money market mutual funds.....	RCONJ275	NR	RCONJ276	NR	RCONJ277	NR	M.1.e.
f. Equity mutual funds.....	RCONJ278	NR	RCONJ279	NR	RCONJ280	NR	M.1.f.
g. Other mutual funds.....	RCONJ281	NR	RCONJ282	NR	RCONJ283	NR	M.1.g.
h. Common trust funds and collective investment funds.....	RCONJ284	NR	RCONJ285	NR	RCONJ286	NR	M.1.h.
i. Other short-term obligations.....	RCONJ287	NR	RCONJ288	NR	RCONJ289	NR	M.1.i.
j. Other notes and bonds.....	RCONJ290	NR	RCONJ291	NR	RCONJ292	NR	M.1.j.
k. Investments in unregistered funds and private equity investments.....	RCONJ293	NR	RCONJ294	NR	RCONJ295	NR	M.1.k.
l. Other common and preferred stocks.....	RCONJ296	NR	RCONJ297	NR	RCONJ298	NR	M.1.l.
m. Real estate mortgages.....	RCONJ299	NR	RCONJ300	NR	RCONJ301	NR	M.1.m.
n. Real estate.....	RCONJ302	NR	RCONJ303	NR	RCONJ304	NR	M.1.n.
o. Miscellaneous assets.....	RCONJ305	NR	RCONJ306	NR	RCONJ307	NR	M.1.o.
p. Total managed assets held in fiduciary accounts (for each column, sum of Memorandum items 1.a through 1.o).....	RCONJ308	NR	RCONJ309	NR	RCONJ310	NR	M.1.p.

Dollar amounts in thousands	(Column A) Managed Assets		(Column B) Number of Managed Accounts		
q. Investments of managed fiduciary accounts in advised or sponsored mutual funds.....	RCONJ311	NR	RCONJ312	NR	M.1.q.

Dollar amounts in thousands		(Column A) Number of Issues		(Column B) Principal Amount Outstanding		
2. Corporate trust and agency accounts:					M.2.	
a. Corporate and municipal trusteeships.....		RCONB927	NR	RCONB928	NR	M.2.a.
1. Issues reported in Memorandum item 2.a that are in default.....		RCONJ313	NR	RCONJ314	NR	M.2.a.1.
b. Transfer agent, registrar, paying agent, and other corporate agency.....		RCONB929	NR			M.2.b.

Dollar amounts in thousands		(Column A) Number of Funds		(Column B) Market Value of Fund Assets		
<i>Memoranda items 3.a through 3.g are to be completed by banks with collective investment funds and common trust funds with a total market value of \$1 billion or more as of the preceding December 31.</i>						M.3.
3. Collective investment funds and common trust funds:						
a. Domestic equity.....	RCONB931	NR	RCONB932	NR		M.3.a.
b. International/Global equity.....	RCONB933	NR	RCONB934	NR		M.3.b.
c. Stock/Bond blend.....	RCONB935	NR	RCONB936	NR		M.3.c.
d. Taxable bond.....	RCONB937	NR	RCONB938	NR		M.3.d.
e. Municipal bond.....	RCONB939	NR	RCONB940	NR		M.3.e.
f. Short term investments/Money market.....	RCONB941	NR	RCONB942	NR		M.3.f.
g. Specialty/Other.....	RCONB943	NR	RCONB944	NR		M.3.g.
h. Total collective investment funds (sum of Memorandum items 3.a through 3.g).....	RCONB945	NR	RCONB946	NR		M.3.h.

Dollar amounts in thousands	(Column A) Gross Losses Managed Accounts		(Column B) Gross Losses Non-Managed Accounts		(Column C) Recoveries		
4. Fiduciary settlements, surcharges, and other losses:							M.4.
a. Personal trust and agency accounts.....	RIADB947	NR	RIADB948	NR	RIADB949	NR	M.4.a.
b. Employee benefit and retirement-related trust and agency accounts.....	RIADB950	NR	RIADB951	NR	RIADB952	NR	M.4.b.
c. Investment management agency accounts.....	RIADB953	NR	RIADB954	NR	RIADB955	NR	M.4.c.
d. Other fiduciary accounts and related services.....	RIADB956	NR	RIADB957	NR	RIADB958	NR	M.4.d.
e. Total fiduciary settlements, surcharges, and other losses (sum of Memorandum items 4.a through 4.d) (sum of columns A and B minus column C must equal Schedule RC-T, item 24).....	RIADB959	NR	RIADB960	NR	RIADB961	NR	M.4.e.

Schedule SU - Supplemental Information(Form Type - 051)

Dollar amounts in thousands				
1. Does the institution have any derivative contracts?.....	RCONFT00	No	1.	
a. Total gross notional amount of interest rate derivatives held for trading.....	RCONA126	NR	1.a.	
b. Total gross notional amount of all other derivatives held for trading.....	RCONFT01	NR	1.b.	
c. Total gross notional amount of interest rate derivatives not held for trading.....	RCON8725	NR	1.c.	
d. Total gross notional amount of all other derivatives not held for trading.....	RCONFT02	NR	1.d.	
2. For each of the two calendar quarters preceding the current calendar quarter, did the institution meet one or both of the following mortgage banking activity thresholds: (1) Sales of 1-4 family residential mortgage loans during the calendar quarter exceeded \$10 million, or (2) 1-4 family residential mortgage loans held for sale or trading as of calendar quarter-end exceeded \$10 million?.....	RCONFT03	No	2.	
a. Principal amount of 1-4 family residential mortgage loans sold during the quarter.....	RCONFT04	NR	2.a.	
b. Quarter-end amount of 1-4 family residential mortgage loans held for sale or trading.....	RCONFT05	NR	2.b.	
3. Does the institution use the fair value option to measure any of its assets or liabilities?.....	RCONFT06	No	3.	
a. Aggregate amount of fair value option assets.....	RCONHK18	NR	3.a.	
b. Aggregate amount of fair value option liabilities.....	RCONHK19	NR	3.b.	
c. Year-to-date net gains (losses) recognized in earnings on fair value option assets.....	RIADF551	NR	3.c.	
d. Year-to-date net gains (losses) recognized in earnings on fair value option liabilities.....	RIADF553	NR	3.d.	
4. Does the institution have any assets it has sold and securitized with servicing retained or with recourse or other seller-provided credit enhancements?.....	RCONFT07	No	4.	
a. Total outstanding principal balance of assets sold and securitized by the reporting institution with servicing retained or with recourse or other seller-provided credit enhancement.....	RCONFT08	NR	4.a.	
5. Does the institution have any assets it has sold with recourse or other seller-provided credit enhancements but has not securitized?.....	RCONFT09	No	5.	
a. Total outstanding principal balance of assets sold by the reporting institution with recourse or other seller-provided credit enhancements, but not securitized by the reporting institution.....	RCONFT10	NR	5.a.	
6. Does the institution service any closed-end 1-4 family residential mortgage loans for others or does it service more than \$10 million of other financial assets for others?.....	RCONFT11	No	6.	
a. Total outstanding principal balance of closed-end 1-4 family residential mortgage loans serviced for others plus the total outstanding principal balance of other financial assets serviced for others if more than \$10 million.....	RCONFT12	NR	6.a.	
7. Does the institution have any consolidated variable interest entities?.....	RCONFT13	No	7.	
a. Total assets of consolidated variable interest entities ¹	RCONFT14	NR	7.a.	
b. Total liabilities of consolidated variable interest entities.....	RCONFT15	NR	7.b.	
8. Does the institution, together with affiliated institutions, have outstanding credit card receivables that exceed \$500 million as of the report date or is the institution a credit card specialty bank as defined for Uniform Bank Performance Report purposes?.....	RCONFT16	No	8.	
a. Outstanding credit card fees and finance charges included in credit cards to individuals for household, family, and other personal expenditures (retail credit cards).....	RCONC391	NR	8.a.	
b. Separate valuation allowance for uncollectible retail credit card fees and finance charges.....	RIADC389	NR	8.b.	
c. Amount of allowance for credit losses on loans and leases attributable to retail credit card fees and finance charges.....	RIADC390	NR	8.c.	
d. Uncollectible retail credit card fees and finance charges reversed against year-to-date income.....	RIADC388	NR	8.d.	

1. Institutions should report assets net of any applicable allowance for credit losses.

Optional Narrative Statement Concerning the Amounts Reported in the Consolidated Reports of Condition and Income(Form Type - 051)

Dollar amounts in thousands		
1. Comments?.....	RCON6979	No 1.
2. Bank Management Statement (please type or print clearly; 750 character limit):.....	TEXT6980	NR 2.

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APPENDIX A

SUBSCRIPTION AGREEMENT

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION REQUIREMENTS THEREOF, INCLUDING REGULATION D AND REGULATION S PROMULGATED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION THEREUNDER, AND HAS NOT BEEN REGISTERED UNDER ANY STATE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS THEREOF. THE SECURITIES PURCHASED HEREUNDER ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND REGULATIONS PURSUANT TO REGISTRATION UNDER OR EXEMPTION FROM REGISTRATION REQUIREMENTS THEREUNDER.

THE PURCHASE OF THE SECURITIES OFFERED THEREBY INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.

SUBSCRIPTION AGREEMENT

This Subscription Agreement (“Agreement”) is made as of the date set forth on the signature page hereto, by and between USV Bancorp, Inc., a Texas corporation (the “Company”), and the subscriber specified on the signature page hereto (“Subscriber”).

RECITALS

A. The Company is conducting a private offering (the “Offering”) of a minimum of 3,000,000 shares and a maximum of 5,000,000 shares of its common stock, par value \$0.01 per share (the “Common Shares”), at a subscription price of ten dollars (\$10.00) per Common Share (the “Subscription Price”), pursuant to the terms and subject to the conditions described in the Confidential Private Placement Memorandum, dated November 20, 2024, as it may be supplemented and amended (the “Memorandum”), which is incorporated into and made part of this Agreement.

B. Subscriber desires to acquire the number of Common Shares as described on the signature page of this Agreement pursuant to the terms and conditions of this Agreement and the Memorandum.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein and other good and valuable consideration, the parties hereto agree as follows:

1. Subscription.

1.1 Subject to and in accordance with the terms and conditions of this Agreement, Subscriber hereby irrevocably subscribes for and agrees to purchase at the Subscription Price the number of Common Shares (the “Subscription Shares”) for the aggregate Subscription Price (the “Purchase Price”) set forth on Subscriber’s signature page hereto. Such agreement of Subscriber to purchase the Subscription Shares for the Purchase Price is referred to herein as the “Subscription Commitment”. Subscriber acknowledges and agrees that the Company, in its sole and absolute discretion, may accept or reject, in whole or in part, the Subscription Commitment for any reason or no reason at all.

1.2 The Company will deliver notice to Subscriber calling for the payment of the Purchase Price for the Subscription Shares (such notice, the “Payment Notice”). Subject to and in accordance with the terms and conditions of this Agreement and the Payment Notice, Subscriber agrees to deliver funds in the amount of the Purchase Price to the Company within seven (7) business days following the delivery of the Payment Notice.

1.3 Subscriber shall purchase the Subscription Shares from the Company for cash payable by cashier’s check, wire transfer or other means acceptable to the Company. Checks should be made payable to “USV Bancorp, Inc.” The

Payment Notice will include instructions for delivery of such proceeds to a specified non-interest bearing escrow account at a financial institution set forth in the Payment Notice (the “Escrow Account”). The Company will not pay any interest on the funds held in the Escrow Account.

1.4 Subscriber understands that this Offering is being conducted to raise funds necessary to capitalize the Company, which has entered into an Agreement and Plan of Merger, dated September 30, 2024 (the “Merger Agreement”), with CNB National Financial Corporation, a Texas corporation (“CNB”), pursuant to which the Company will acquire (the “Acquisition”) CNB and its wholly-owned subsidiary bank, The City National Bank of San Saba (the “Bank”).

1.5 Subscriber understands that it, together with any affiliates and permitted transferees whom the regulators would deem to be “acting in concert,” cannot beneficially own more than 9.9% of the Company’s outstanding Common Shares in the aggregate, except as approved by the Company’s board of directors and subject to making any required regulatory filings and receiving any required regulatory approvals in connection therewith.

1.6 Termination. The Company may terminate this Offering for any reason or no reason at all prior to the final closing of this Offering. If the Company does not obtain subscriptions for at least \$30,000,000 of net proceeds, the Company may terminate this Offering. If the Company terminates the Offering, it will return funds to subscribers without interest.

1.7 Increase in Maximum Offering Size. The Company reserves the right in its sole discretion to increase the maximum number of Common Shares for sale in this Offering by up to an additional 1,000,000 Common Shares.

2. Representations and Warranties of the Subscriber. Subscriber hereby represents and warrants to, and agrees with, the Company as follows:

2.1 Authority; Validity. Subscriber has the requisite power, capacity and authority necessary to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by Subscriber and the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein have been duly and validly authorized by all necessary actions, corporate or otherwise, in respect thereof. This Agreement constitutes legal, valid and binding obligations of Subscriber, enforceable against it accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance or similar laws affecting the enforcement of creditors’ rights generally and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding of law or equity). **Subscriber has completed Appendix A (Subscription Data Sheet) beginning on page 11, and Appendix B (Federal Income Tax Backup Withholding) beginning on page 13.**

2.2 No Public Solicitation. Subscriber has a pre-existing, substantive relationship whether through a close business association, close friendship or close family tie with the Company or one or more of its principals, executive officers or directors. Subscriber did not learn of the Offering as a result of or subsequent to any general solicitation, advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over the air or radio, or presented at any seminar or open meeting.

2.3 No Conflicts. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by Subscriber do not and will not (a) breach, violate, conflict with or result in a default under any provision of, or constitute an event that, after notice or lapse of time or both, would result in a breach, violation, conflict or default under, or accelerate the performance required under, or result in the termination of or give any person or entity the right to terminate, (i) any material contract to which Subscriber is a party or by which Subscriber’s assets are bound or (ii) any material law, regulation or order binding upon or applicable to Subscriber, (b) violate or conflict with the organizational documents of Subscriber, if Subscriber is an entity other than an individual, or (c) require any approval, consent, compliance, exemption, authorization or other action by, or notice to, or filing with, any governmental body or any other person or entity, or the lapse of any waiting period under any law, except for any approvals, consents or authorizations that have been obtained, actions taken, notices given, or filings made, prior to the execution and delivery hereof.

2.4 Professional Advice. The Company has advised Subscriber to, and Subscriber has obtained, to the extent Subscriber deems necessary, professional legal and tax advice with respect to the risks inherent in the investment in the

Subscription Shares, the condition and business of the Company and the suitability of the investment in the Subscription Shares in light of Subscriber's financial condition and investment needs.

2.5 Non-U.S. Person.

(a) Subscriber is not a U.S. person as defined in Rule 902 of Regulation S, issued under the Securities Act, and Subscriber is not acquiring the Subscription Shares for the account or benefit of any U.S. Person. Under Rule 902, a "U.S. person" means: (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. person; (iv) any trust of which any trustee is a U.S. person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if: (y) organized or incorporated under the laws of any foreign jurisdiction; and (z) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a)) who are not natural persons, estates or trusts.

(b) Subscriber has executed this Subscription Agreement outside the United States (as defined in Rule 902(l) of Regulation S) and is acquiring the Subscription Shares in an "offshore transaction" (as defined in Rule 902(h) of Regulation S). The Subscription Shares were not offered to Subscriber in the United States, and at the time of execution of this Subscription Agreement and at the time of any offer to purchase the Subscription Shares, Subscriber was outside of the United States.

(c) Subscriber is not acquiring the Subscription Shares pursuant to an arrangement with a purchaser in the United States who is a U.S. person, nor is Subscriber purchasing the Subscription Shares as part of a plan or scheme to evade the registration provision of the Securities Act.

(d) Subscriber is not a "distributor" (as defined in Rule 902(d) of Regulation S).

(e) Subscriber understands that the sale of the Subscription Shares have not been registered under the Securities Act in reliance upon an exemption therefrom for non-public or limited offerings or in accordance with the provisions of Regulation S. Subscriber covenants that for one year from the end of the Offering, Subscriber will not make any resale, transfer or other disposition of the Subscription Shares except in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration (accompanied by an opinion of counsel acceptable to the Company that such resale, transfer or other disposition is exempt from the registration provisions of all applicable U.S. federal and state laws). Subscriber agrees not to engage in any hedging transactions with regard to the Subscription Shares unless the same are in compliance with the Securities Act. Subscriber understands and agree that the Company makes no representation as to the compliance with applicable local laws of any territory or jurisdiction outside the United States in connection with the purchase of the Subscription Shares.

(f) Subscriber agrees to furnish any additional information requested to assure compliance with applicable securities laws of the United States in connection with the purchase and sale of the Subscription Shares.

2.6 OFAC. Neither Subscriber nor any person or entity on whose behalf Subscriber is acting is (i) named on the list of "Specially Designated Nationals" published by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") or the Consolidated Sanctions List published by OFAC; (ii) a national or resident of, an entity organized or chartered by or in, a government instrumentality of, or an organization with a place of business in a country, territory or region that (x) is subject to any sanctions administered by OFAC (including, without limitation, Cuba, Iran, North Korea, Sudan, Syria and the Crimea region of Ukraine), (y) is otherwise a country, territory or person that is the target of sanctions administered by OFAC or the U.S. Department of State, or (z) has been designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering; (iii) an entity that is 50% or more beneficially owned by one or more persons named on the list of "Specially Designated Nationals" or whose property or interest in property is blocked by sanctions administered by OFAC; (iv) a person or entity engaged, directly or indirectly, in any transactions or other activities

with any country, territory, entity or person prohibited by OFAC; (v) a “Foreign Shell Bank” within the meaning of the USA PATRIOT ACT; (vi) a person that resides in, or an entity that is organized under the laws of, a jurisdiction designated by the Secretary of the Treasury under Section 311 or Section 312 of the USA PATRIOT ACT as warranting special measures due to money laundering concerns; (vii) a person that is designated by the Secretary of the Treasury as warranting such special measures due to money laundering concerns; or (viii) a person that otherwise appears on any U.S.-government provided list of known or suspected terrorists or terrorist organizations.

2.7 Foreign Investors. If Subscriber is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (the “Code”)), Subscriber hereby represents that he, she or it has satisfied itself as to the full observance of the laws of Subscriber’s jurisdiction in connection with the investment in the Subscription Shares, including (A) the legal requirements within Subscriber’s jurisdiction for the purchase of the Subscription Shares, (B) any foreign exchange restrictions applicable to such purchase, (C) any governmental or other consents that may need to be obtained, including but not limited to any requisite license, and (D) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Subscription Shares. Subscriber’s subscription, payment for and continued beneficial ownership of Subscription Shares will not violate any applicable securities or other laws of Subscriber’s jurisdiction.

2.8 Suitability. The investment in the Subscription Shares is suitable for Subscriber based upon Subscriber’s investment objectives and financial needs, and Subscriber has adequate net worth and means for providing for Subscriber’s current financial needs and contingencies and has no need for liquidity of investment with respect to the Subscription Shares. Subscriber’s overall commitment to investments that are illiquid or not readily marketable is not disproportionate to Subscriber’s net worth, and an investment in the Subscription Shares will not cause such overall commitment to become excessive. Subscriber acknowledges that the Subscription Shares are not deposits or savings accounts and are not insured by the Federal Deposit Insurance Corporation or any other government agency.

2.9 Investment Intent. The Subscription Shares to be acquired by Subscriber pursuant to this Agreement are being acquired for Subscriber’s own account and with no intention of distributing or reselling such Subscription Shares or any part thereof in any transaction that would be in violation of the securities laws of the United States, any state of the United States or any foreign jurisdiction. If Subscriber should in the future decide to dispose of any of such Subscription Shares, Subscriber understands and agrees that Subscriber may do so only in compliance with the Certificate of Formation and the Securities Act and applicable state and foreign securities laws, as then applicable and in effect.

2.10 Restricted Securities.

(a) Subscriber understands that: (i) the Subscription Shares will not be registered at the time of their issuance under the Securities Act for the reason that the issuance provided for in this Agreement is exempt pursuant to Section 4(a)(2) of the Securities Act, (ii) the reliance of the Company on such exemption is predicated in part on each Subscriber’s representations set forth herein, (iii) such Subscription Shares must be held indefinitely unless a subsequent disposition thereof is registered under the Securities Act or is exempt from registration and (iv) that for a period of one year after the end of the Offering, the Subscription Shares may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (other than a distributor), except pursuant to registration under the Securities Act or pursuant to an available exemption from the registration provisions of the Securities Act. Subscriber acknowledges that the Company has no obligation to register or qualify its Subscription Shares. Subscriber acknowledges that no public market now exists for its Subscription Shares and that the Company has given no assurance that a public market will ever exist. Accordingly, Subscriber must bear the economic and financial risk of an investment in its Subscription Shares for an indefinite period of time.

(b) Subscriber agrees that: (i) Subscriber will not sell, assign, pledge, give, transfer or otherwise dispose of the Subscription Shares or any interest therein, or make any offer or attempt to do any of the foregoing, except pursuant to a registration of the Subscription Shares under the Securities Act and all applicable state securities laws, or in a transaction which is exempt from the registration provisions of the Securities Act and all applicable state securities laws; (ii) the Company and its affiliates shall not be required to give effect to any purported transfer of such Subscription Shares except upon compliance with the foregoing restrictions; and (iii)

each certificate representing the Subscription Shares will bear a restrictive legend substantially in the following form:

“THE SHARES REPRESENTED BY THIS CERTIFICATE (THE “SHARES”) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER FEDERAL OR STATE SECURITIES LAW. THE SHARES MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR AN OPINION OF COUNSEL, SATISFACTORY TO USV BANCORP, INC. (THE “COMPANY”), THAT AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS EXISTS.

THESE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT, AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN CERTAIN TRANSACTIONS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. HEDGING TRANSACTIONS IN REGARD TO THESE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.”

(c) Subscriber acknowledges that neither the Company nor any other person offered to sell the Subscription Shares to it by means of any form of general solicitation or advertising.

2.11 Investigation. Subscriber has been furnished with or has had access to such documents, materials and information (including the opportunity to ask questions of, and receive answers from, the Company concerning the terms and conditions of the transactions contemplated by this Agreement and Subscriber’s investment in the Subscription Shares) that Subscriber deems necessary or appropriate for evaluating an investment in the Company, and Subscriber has read carefully such documents, materials and information and understands and has evaluated the types of risks involved with a purchase of the Subscription Shares. Subscriber acknowledges that Subscriber is familiar with the business, financial condition and operations of the Company. Except for the representations and warranties contained in this Agreement, Subscriber has not relied upon any representations or other information (whether oral or written) from the Company or its stockholders, directors, officers or affiliates, or from any other person or entity, in connection with its investment in the Subscription Shares. Subscriber acknowledges that the Company has not given any assurances with respect to the tax consequences or any other economic considerations associated with the acquisition, ownership or disposition of the Subscription Shares. Subscriber recognizes, understands and has evaluated all of the risk factors related to the purchase of the Subscription Shares, including, but not limited to, those set forth under the caption “Risk Factors” in the Memorandum. Subscriber understands that no U.S. federal or state agency has passed upon this investment or upon the Company, or upon the accuracy, validity or completeness of any documentation provided to Subscriber in connection with the transactions contemplated by this Agreement, nor has any such agency made any finding or determination as to this investment. Subscriber understands that (i) any estimates or projections concerning the expected performance of the Company, by their nature, constitute “forward-looking statements” (for purposes of applicable federal and state securities laws) and involve significant elements of subjective judgment and analysis that may or may not be correct; (ii) there can be no assurances that any such projections or goals will be attained; and (iii) any such projections and estimates should not be relied on as a promise or representation of the Company’s future performance.

2.12 Purchaser Representative (if applicable). In the event that Subscriber has obtained a purchaser representative to assist Subscriber in connection with evaluating the merits and risks of Subscriber’s prospective investment, such purchaser representative has represented to Subscriber that he or she (i) has no business relationship with the Company, (ii) represents only Subscriber and not the Company, and (iii) is compensated only by Subscriber.

2.13 High Degree of Risk; Ability to Bear Risk. SUBSCRIBER RECOGNIZES THAT AN INVESTMENT IN THE SUBSCRIPTION SHARES INVOLVES A HIGH DEGREE OF RISK. SUBSCRIBER IS IN A FINANCIAL POSITION TO HOLD THE SUBSCRIPTION SHARES AND IS ABLE TO BEAR THE ECONOMIC RISK AND WITHSTAND A COMPLETE LOSS OF ITS INVESTMENT IN THE SUBSCRIPTION SHARES.

2.14 Disclosure. Subscriber understands and agrees that the Company may communicate CNB the aggregate amount of subscription funds that have been placed in the Escrow Account. Subscriber further understands and agrees that the Company may be required to disclose my identity to the regulatory agencies acting on the Company's application for the Acquisition.

2.15 Additional Risks. Subscriber is aware of and accepts the following specified risks, which risks are not intended by the Company to be exhaustive in any way, and Subscriber acknowledges and agrees it is responsible for evaluating and assessing the risks of its investment in the Subscription Shares:

(a) No Operating History. Subscriber acknowledges and agrees that the Company is newly formed and has limited operating history, and will, immediately following consummation of the transactions contemplated by this Agreement, hold no assets other than the cash received as a result of the transactions provided for by this Agreement.

(b) Business Plan Risk. There is no assurance that the Company will be successful in its acquisition of, implementation of its business plans for, or will be able to successfully operate, CNB or the Bank.

(c) Regulatory Risk. There is no assurance that the Company will receive regulatory approval to acquire and operate the Bank.

(d) No Incentives Promised. The Company has not made any promises, orally or in writing, to Subscriber for incentives, including without limitation, options, warrants, restricted stock or other securities, as consideration for the risks associated with Subscriber's subscription for the Common Shares.

3. Indemnification. Subscriber understands the meaning and legal consequences of the representations, warranties and agreements set forth in this Subscription Agreement and agree to indemnify and hold harmless the Company, its officers, directors, employees, agents and controlling persons thereof, past, present or future, from and against any and all liabilities, losses, costs, damages and expenses, including costs and reasonable attorneys' fees, arising out of or related to (i) the resale or other distribution by Subscriber of all or any portion of the Common Shares in violation of the Securities Act or of any applicable state securities laws or (ii) any breach of any of Subscriber's representations, warranties or agreements contained in this Subscription Agreement or in any other document provided by Subscriber to the Company in connection with Subscriber's investment in the Common Share.

4. Miscellaneous.

4.1 Governing Law; Submission to Jurisdiction. This Agreement shall be construed under and governed by the internal laws of the State of Texas, without giving effect to any conflict of laws provisions (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of Texas in each case located in the City of Houston and County of Harris, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

4.2 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, WHICH CANNOT BE WAIVED, EACH OF THE PARTIES HERETO HEREBY WAIVES AND COVENANTS THAT NEITHER IT NOR ANY ASSIGNEE OR SUCCESSOR HERETO WILL ASSERT (WHETHER AS A PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO (I) A JURY TRIAL IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, CAUSE OF ACTION, ACTION, SUIT OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE, OR (II) CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS SECTION 4.2 HAVE BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. NONE OF THE

PARTIES HERETO HAVE AGREED WITH OR REPRESENTED TO ANY OTHER PARTY HERETO THAT THE PROVISIONS OF THIS SECTION 4.2 WILL NOT BE FULLY ENFORCED IN ALL INSTANCES. ANY OF THE PARTIES HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 4.2 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OF THE PARTIES HERETO TO THE WAIVER OF ITS RIGHT TO A JURY TRIAL.

4.3 Attorneys' Fees. If attorneys' fees or other costs are incurred to secure performance of any obligation under this Agreement, to establish damages for the breach thereof or to obtain any other appropriate relief, whether by way of prosecution or defense, the Prevailing Party (defined below) will be entitled to recover reasonable attorneys' fees and costs incurred in connection therewith. A party will be considered the "Prevailing Party" if (a) it initiated the litigation and substantially obtained the relief it sought, either through a judgment or the losing party's voluntary action before trial or judgment, (b) the other party withdraws its action without substantially obtaining the relief the other party sought (except pursuant to a signed settlement agreement) or (c) it did not initiate the litigation and judgment is entered into for any party, but without substantially granting the relief sought by the initiating party or granting more substantial relief to the non-initiating party with respect to any counterclaim asserted by the non-initiating party in connection with such litigation.

4.4 Notices. All notices and other communications under this Agreement must be in writing and will be deemed given (i) when delivered personally, (ii) on the fifth (5th) business day after being mailed by certified mail, return receipt requested, (iii) the next business day after delivery to a recognized overnight courier or (iv) upon transmission and confirmation by receipt by a facsimile operator if sent by facsimile, to the parties at the addresses or facsimile numbers set forth immediately beneath their respective names on the signature pages hereto.

4.5 Entire Agreement. This Agreement constitutes the entire agreement of the Company and each Subscriber with respect to the Subscription Shares and the other matters herein and supersede and preempt any prior written, or prior or contemporaneous oral, understandings, agreements or representations by or among any of the parties that may have related to the Subscription Shares or the other matters herein.

4.6 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party to this Agreement of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

4.7 Survival and Representations and Warranties. All representations, warranties, covenants and agreements set forth in this Agreement will survive the execution and delivery of this Agreement and the closing and the consummation of the transactions contemplated by this Agreement.

4.8 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, administrators, personal representatives, successors and permitted assigns. Nothing in this Agreement is intended or will be construed to confer on any person or entity other than the parties or their successors and assigns any rights or benefits under this Agreement.

4.9 Assignment. Neither this Agreement, nor any interest of the undersigned herein, shall be assignable or transferable by the undersigned in whole or in part by operation of law or otherwise.

4.10 Further Assurances. The parties hereto will, at their own cost and expense, execute and deliver all such future instruments and take such other and further actions as may be reasonably necessary or appropriate to carry out the provisions of this Agreement and the intention of the parties as expressed herein.

4.11 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any applicable law, then the provision will be deemed to be modified to the extent necessary to render it legal, valid and enforceable, and if no such modification will render it legal, valid and enforceable, then this Agreement will be construed

as if not containing the provision held to be invalid, and the rights and obligations of the parties will be construed and enforced accordingly.

4.12 Representation of Counsel. Each party to this Agreement has been advised to seek independent legal counsel and has had the opportunity to consult with independent legal counsel in connection with the negotiation and execution of this Agreement and the transactions contemplated hereby. Each party to this Agreement acknowledges that Hunton Andrews Kurth LLP has acted as counsel solely to the Company and that it does not represent Subscriber and has not provided legal counsel to Subscriber.

4.13 Interpretation. The articles and sections contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and will not in any way affect the meaning or interpretation of this Agreement. No provision of this Agreement shall be construed against or interpreted to the disadvantage of any party by reason of such party having drafted or being deemed to have drafted such provision.

4.14 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or portable document format (pdf)) for the convenience of the parties hereto, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Signature page to follow]

IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement this ____ day of _____, 202__.

Number of Shares: _____ (minimum of 500 Common Shares)

Subscription price: \$_____ (number of Common Shares x \$10.00; minimum of \$5,000.00)

**TRUST OR OTHER ENTITY
SUBSCRIBER**

(Name of Entity)

By: _____
(Signature and Title)

**INDIVIDUAL SUBSCRIBER
(and Spouse if Joint Subscriber)**

(Signature)

(Print Name)

(Signature)

(Print Name)

ACCEPTANCE OF SUBSCRIPTION
(to be completed by and at the discretion of the Company)

The Company hereby accepts the foregoing subscription as to _____ Common Shares on this ____ day of _____, 202__ in reliance upon the representations, warranties, covenants, agreements and statements of such subscriber contained in the subscriber's Subscription Agreement.

USV BANCORP, INC.
a Texas corporation

By: _____
Tri Dinh Minh Nguyen, Chairman and President

APPENDIX A

**SUBSCRIPTION DATA SHEET
(Please Print or Type)**

1. Name: _____
2. Marital Status: _____
3. Residence Address and Telephone: _____
Do not use a Post Office Box Address: _____

4. Business Address and Telephone: _____

5. Preferred mailing address:
(Check one) () Residence
 () Business
 () Other: _____

6. Additional Information:

A. Securities Industry Affiliation: Is the potential investor employed by or associated with the securities industry or a financial services regulator?

☐ Yes ☐ No ☐ N/A

If Yes, please provide the Firm Name(s) and Location(s):

Firm Name(s): _____

Location(s) (City, State): _____

B. ERISA Information: Is the potential investor purchasing Common Shares in the Company with funds that constitute, directly or indirectly, assets of any employee benefit plan subject to ERISA?

☐ Yes ☐ No ☐ N/A

C. Politically Exposed Person - Is the potential investor a senior foreign government, political or military official, or an immediate family member or close associate of such person (a "*politically exposed person*")?

☐ Yes ☐ No ☐ N/A

If Yes, please provide the following information:

Which government? _____

What position in the government? _____

If an immediate family member or close associate of a politically exposed person, what relationship to the politically exposed person? _____

7. **Employment Status**

Are you currently:

☐ Employed ☐ Self-Employed ☐ Not Employed ☐ Retired ☐ Student ☐ Other: _____

Job Title		Occupation	
Employer		Years with this Employer	
Business Address		Apt/Suite No.	
City	State	ZIP Code	Country

8. **USA PATRIOT Act Information** (Required by Federal law)

All applicants please provide the information below. Non-resident aliens, also include a completed W-8BEN. Provide copy of government document, e.g., valid driver's license, passport, etc. **For an entity, please provide this information for each equity owner of the entity. For a trust, please provide this information for the trustee of the trust.**

Date of Birth (mm/dd/yyyy)	Social Security or Taxpayer ID No.	Country of Citizenship
ID No. (Select one): <input type="checkbox"/> Driver's License (copy required) <input type="checkbox"/> Passport <input type="checkbox"/> State ID <input type="checkbox"/> Other Government-issued ID		Place/Country of Issuance
Issue Date (mm/yyyy)	Expiration Date (mm/yyyy)	Country of Tax Residence (if different than country of citizenship)

9. **Multiple Owners or Holders:** If the Common Shares are to be held by more than one person, please check if to be held as:

- _____ (1) Tenants in common
 _____ (2) Tenants by the entireties
 _____ (3) Joint tenants with rights of survivorship and not as tenants in common
 _____ (4) Under Uniform Transfer to Minors Act: If so, indicate name of Custodian:

 Name of Custodian

IF THE COMMON SHARES ARE TO BE HELD BY MORE THAN ONE PERSON AND IF NO OTHER INDICATION IS MADE, IT WILL BE ISSUED TO THE INDIVIDUALS AS TENANTS IN COMMON.

APPENDIX B

FEDERAL INCOME TAX BACKUP WITHHOLDING

In order to prevent the application of federal income tax backup withholding, each Subscriber must provide the Company with a correct Taxpayer Identification Number (“TIN”). An individual’s social security number is Subscriber’s TIN. The TIN should be provided in the space provided in the Substitute Form W-9 below.

Under federal income tax law, any person who is required to furnish Subscriber’s correct TIN to another person, and who fails to comply with such requirements, may be subject to a \$50 penalty imposed by the IRS.

Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the IRS. Certain taxpayers, including all corporations, are not subject to these backup withholding and reporting requirements.

If the shareholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future, “Applied For” should be written in the space provided for the TIN on the Substitute Form W-9.

SUBSTITUTE FORM W-9

Under penalties of perjury, Subscriber certifies that: (i) the number shown on this form is Subscriber’s correct Taxpayer Identification Number (or Subscriber is waiting for a Taxpayer Identification Number to be issued) and (ii) Subscriber is not subject to backup withholding because: (a) Subscriber is exempt from backup withholding; or (b) Subscriber has not been notified by the Internal Revenue Service (“IRS”) that Subscriber is subject to backup withholding as a result of a failure to report all interest or dividends; or (c) Subscriber has been notified by the IRS that Subscriber is no longer subject to backup withholding, and (iii) Subscriber is a U.S. citizen or other U.S. person (including a U.S. resident alien).

You must cross out item (ii) above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (ii).

Each subscriber should complete this section.

Signature of Subscriber

Signature of Subscriber

Printed Name

Printed Name

Social Security or Employer
Identification No.

Social Security or Employer
Identification No.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION REQUIREMENTS THEREOF, INCLUDING REGULATION D AND REGULATION S PROMULGATED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION THEREUNDER, AND HAS NOT BEEN REGISTERED UNDER ANY STATE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS THEREOF. THE SECURITIES PURCHASED HEREUNDER ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND OTHER APPLICABLE LAWS AND REGULATIONS PURSUANT TO REGISTRATION UNDER OR EXEMPTION FROM REGISTRATION REQUIREMENTS THEREUNDER.

THE PURCHASE OF THE SECURITIES OFFERED HEREBY INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.

SUBSCRIPTION AGREEMENT

This Subscription Agreement (“Agreement”) is made as of the date set forth on the signature page hereto, by and between USV Bancorp, Inc., a Texas corporation (the “Company”), and the subscriber specified on the signature page hereto (“Subscriber”).

RECITALS

A. The Company is conducting a private offering (the “Offering”) of a minimum of 3,000,000 shares and a maximum of 5,000,000 shares of its common stock, par value \$0.01 per share (the “Common Shares”), at a subscription price of ten dollars (\$10.00) per Common Share (the “Subscription Price”), pursuant to the terms and subject to the conditions described in the Confidential Private Placement Memorandum, dated November 20, 2024, as it may be supplemented and amended (the “Memorandum”), which is incorporated into and made part of this Agreement.

B. Subscriber desires to acquire the number of Common Shares as described on the signature page of this Agreement pursuant to the terms and conditions of this Agreement and the Memorandum.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein and other good and valuable consideration, the parties hereto agree as follows:

1. Subscription.

1.1 Subject to and in accordance with the terms and conditions of this Agreement, Subscriber hereby irrevocably subscribes for and agrees to purchase at the Subscription Price the number of Common Shares (the “Subscription Shares”) for the aggregate Subscription Price (the “Purchase Price”) set forth on Subscriber’s signature page hereto. Such agreement of Subscriber to purchase the Subscription Shares for the Purchase Price is referred to herein as the “Subscription Commitment.” Subscriber acknowledges and agrees that the Company, in its sole and absolute discretion, may accept or reject, in whole or in part, the Subscription Commitment for any reason or no reason at all.

1.2 The Company will deliver notice to Subscriber calling for the payment of the Purchase Price for the Subscription Shares (such notice, the “Payment Notice”). Subject to and in accordance with the terms and conditions of this Agreement and the Payment Notice, Subscriber agrees to deliver funds in the amount of the Purchase Price to the Company within seven (7) business days following the delivery of the Payment Notice.

1.3 Subscriber shall purchase the Subscription Shares from the Company for cash payable by cashier’s check, wire transfer or other means acceptable to the Company. Checks should be made payable to “USV Bancorp, Inc.” The

Payment Notice will include instructions for delivery of such proceeds to a specified non-interest bearing escrow account at a financial institution set forth in the Payment Notice (the “Escrow Account”). The Company will not pay any interest on the funds held in the Escrow Account.

1.4 Subscriber understands that this Offering is being conducted to raise funds necessary to capitalize the Company, which has entered into an Agreement and Plan of Merger, dated September 30, 2024 (the “Merger Agreement”), with CNB National Financial Corporation, a Texas corporation (“CNB”), pursuant to which the Company will acquire (the “Acquisition”) CNB and its wholly-owned subsidiary bank, The City National Bank of San Saba (the “Bank”).

1.5 Subscriber understands that it, together with any affiliates and permitted transferees whom the regulators would deem to be “acting in concert,” cannot beneficially own more than 9.9% of the Company’s outstanding Common Shares in the aggregate, except as approved by the Company’s board of directors and subject to making any required regulatory filings and receiving any required regulatory approvals in connection therewith.

1.6 Termination. The Company may terminate this Offering for any reason or no reason at all prior to the final closing of this Offering. If the Company does not obtain subscriptions for at least \$30,000,000 of net proceeds, the Company may terminate this Offering. If the Company terminates the Offering, it will return funds to subscribers without interest.

1.7 Increase in Maximum Offering Size. The Company reserves the right in its sole discretion to increase the maximum number of Common Shares for sale in this Offering by up to an additional 1,000,000 Common Shares.

2. Representations and Warranties of the Subscriber. Subscriber hereby represents and warrants to, and agrees with, the Company as follows:

2.1 Authority; Validity. Subscriber has the requisite power, capacity and authority necessary to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by Subscriber and the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein have been duly and validly authorized by all necessary actions, corporate or otherwise, in respect thereof. This Agreement constitutes legal, valid and binding obligations of Subscriber, enforceable against it accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance or similar laws affecting the enforcement of creditors’ rights generally and subject to general principles of equity (regardless of whether enforcement is sought in a proceeding of law or equity).

2.2 No Public Solicitation. Subscriber has a pre-existing, substantive relationship whether through a close business association, close friendship or close family tie with the Company or one or more of its principals, executive officers or directors. Subscriber did not learn of the Offering as a result of or subsequent to any general solicitation, advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over the air or radio, or presented at any seminar or open meeting.

2.3 No Conflicts. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby by Subscriber do not and will not (a) breach, violate, conflict with or result in a default under any provision of, or constitute an event that, after notice or lapse of time or both, would result in a breach, violation, conflict or default under, or accelerate the performance required under, or result in the termination of or give any person or entity the right to terminate, (i) any material contract to which Subscriber is a party or by which Subscriber’s assets are bound or (ii) any material law, regulation or order binding upon or applicable to Subscriber, (b) violate or conflict with the organizational documents of Subscriber, if Subscriber is an entity other than an individual, or (c) require any approval, consent, compliance, exemption, authorization or other action by, or notice to, or filing with, any governmental body or any other person or entity, or the lapse of any waiting period under any law, except for any approvals, consents or authorizations that have been obtained, actions taken, notices given, or filings made, prior to the execution and delivery hereof.

2.4 Professional Advice. The Company has advised Subscriber to, and Subscriber has obtained, to the extent Subscriber deems necessary, professional legal and tax advice with respect to the risks inherent in the investment in the Subscription Shares, the condition and business of the Company and the suitability of the investment in the Subscription Shares in light of Subscriber’s financial condition and investment needs.

2.5 Accredited/Well Informed Investor Determination. Subscriber has initialed each of the following that describes Subscriber's financial condition for the purpose of determining whether Subscriber qualifies as an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended:

- _____ (i) a natural person whose individual net worth¹ (or joint net worth² with such person's spouse or spousal equivalent) exceeds \$1,000,000 (excluding the value of the primary residence of such person);
- _____ (ii) a natural person who had an individual income³ in excess of \$200,000 in each of the two most recent years and who reasonably expects to have an individual income in excess of \$200,000 in the current year or who had joint income⁴ in excess of \$300,000 in each of the two most recent years and who reasonably expects to have joint income in excess of \$300,000 in the current year;
- _____ (iii) a director or executive officer of the Company;
- _____ (iv) a trust with total assets in excess of \$5,000,000 not formed for the specific purpose of acquiring Common Shares in the Company, whose purchase of the Common Shares is directed by a "sophisticated person" as described in Rule 506(b)(2)(ii) of Regulation D (i.e., a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of the prospective investment);
- _____ (v) an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 ("ERISA"), if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which fiduciary is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- _____ (vi) an SEC-registered broker-dealer, SEC or state-registered investment adviser, or exempt reporting adviser;
- _____ (vii) a tax-exempt charitable organization, corporation, limited liability corporation, or partnership with assets in excess of \$5,000,000;

¹ For purposes of this item, "net worth" means the excess of total assets at fair market value, including home and personal property, over total liabilities, including mortgage debt. If the current fair market value of such person's primary residence exceeds the amount of debt secured by such residence (including primary and secondary mortgages, equity lines, etc.), then the value of the residence and the amount of all such debt are to be excluded from the calculation of such person's net worth (i.e., the amount of "equity" in the residence cannot be included in calculating the person's net worth). If the amount of debt secured by such person's primary residence exceeds the current fair market value of such residence, then the amount by which the debt exceeds the value of the residence is to be subtracted from such person's net worth (i.e., the amount that the residence is "underwater" must be included in calculating the person's net worth).

² For purposes of this item, "joint net worth" can be the aggregate net worth of the investor and spouse or spousal equivalent; assets need not be held jointly to be included in the calculation. Reliance on the joint net worth standard does not require that the securities be purchased jointly. The term spousal equivalent shall mean a cohabitant occupying a relationship generally equivalent to that of a spouse.

³ For purposes of this item, "individual income" means adjusted gross income as reported for federal income tax purposes, less any income attributable to a spouse or to property owned by a spouse, increased by the following amounts (but not including any amounts attributable to a spouse or to property owned by a spouse): (i) the amount of any interest income received which is tax-exempt under §103 of the Internal Revenue Code; (ii) the amount of losses claimed as a limited partner in a limited partnership (as reported on Schedule E of Form 1040); (iii) any deduction claimed for depletion under §611 et seq. of the Internal Revenue Code; and (iv) any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of §1202 of the Internal Revenue Code prior to its repeal by the Tax Reform Act of 1986.

⁴ For purposes of this item, "joint income" means adjusted gross income as reported for federal income tax purposes, including any income attributable to a spouse or to property owned by a spouse, increased by the following amounts (including any amounts attributable to a spouse or to property owned by a spouse): (i) the amount of any interest income received which is tax-exempt under §103 of the Internal Revenue Code; (ii) the amount of losses claimed as a limited partner in a limited partnership (as reported on Schedule E of Form 1040); (iii) any deduction claimed for depletion under §611 et seq. of the Internal Revenue Code; and (iv) any amount by which income from long-term capital gains has been reduced in arriving at adjusted gross income pursuant to the provisions of §1202 of the Internal Revenue Code prior to its repeal by the Tax Reform Act of 1986.

- _____ (viii) an enterprise in which all the equity owners are accredited investors;
- _____ (ix) an entity of a type not otherwise qualifying as accredited that own investments in excess of \$5,000,000;
- _____ (x) an individual holding in good standing any of the general securities representative license (Series 7), the investment adviser representative license (Series 65), or the private securities offerings representative license (Series 82);
- _____ (xi) a family office and its family clients if the family office has assets under management in excess of \$5,000,000 and whose prospective investments are directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment;
- _____ (xii) private business development company;
- _____ (xiii) any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Securities and Exchange Commission has designated as qualifying an individual for accredited investor status; or
- _____ (xiv) None of the above.

If you marked, “None of the above,” you MUST complete Appendix A (Questionnaire For Non-Accredited Investors) beginning on page 11.

All investors must also complete Appendix B (Subscription Data Sheet) beginning on page 13, and Appendix C (Federal Income Tax Backup Withholding) beginning on page 15.

2.6 OFAC. Neither Subscriber nor any person or entity on whose behalf Subscriber is acting is (i) named on the list of “Specially Designated Nationals” published by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) or the Consolidated Sanctions List published by OFAC; (ii) a national or resident of, an entity organized or chartered by or in, a government instrumentality of, or an organization with a place of business in a country, territory or region that (x) is subject to any sanctions administered by OFAC (including, without limitation, Cuba, Iran, North Korea, Sudan, Syria and the Crimea region of Ukraine), (y) is otherwise a country, territory or person that is the target of sanctions administered by OFAC or the U.S. Department of State, or (z) has been designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering; (iii) an entity that is 50% or more beneficially owned by one or more persons named on the list of “Specially Designated Nationals” or whose property or interest in property is blocked by sanctions administered by OFAC; (iv) a person or entity engaged, directly or indirectly, in any transactions or other activities with any country, territory, entity or person prohibited by OFAC; (v) a “Foreign Shell Bank” within the meaning of the USA PATRIOT ACT; (vi) a person that resides in, or an entity that is organized under the laws of, a jurisdiction designated by the Secretary of the Treasury under Section 311 or Section 312 of the USA PATRIOT ACT as warranting special measures due to money laundering concerns; (vii) a person that is designated by the Secretary of the Treasury as warranting such special measures due to money laundering concerns; or (viii) a person that otherwise appears on any U.S.-government provided list of known or suspected terrorists or terrorist organizations.

2.7 Foreign Investors. If Subscriber is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (the “Code”)), Subscriber hereby represents that he, she or it has satisfied itself as to the full observance of the laws of Subscriber’s jurisdiction in connection with the investment in the Subscription Shares, including (A) the legal requirements within Subscriber’s jurisdiction for the purchase of the Subscription Shares,

(B) any foreign exchange restrictions applicable to such purchase, (C) any governmental or other consents that may need to be obtained, including but not limited to any requisite license, and (D) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Subscription Shares. Subscriber's subscription, payment for and continued beneficial ownership of Subscription Shares will not violate any applicable securities or other laws of Subscriber's jurisdiction.

2.8 Suitability. The investment in the Subscription Shares is suitable for Subscriber based upon Subscriber's investment objectives and financial needs, and Subscriber has adequate net worth and means for providing for Subscriber's current financial needs and contingencies and has no need for liquidity of investment with respect to the Subscription Shares. Subscriber's overall commitment to investments that are illiquid or not readily marketable is not disproportionate to Subscriber's net worth, and an investment in the Subscription Shares will not cause such overall commitment to become excessive. Subscriber acknowledges that the Subscription Shares are not deposits or savings accounts and are not insured by the Federal Deposit Insurance Corporation or any other government agency.

2.9 Investment Intent. The Subscription Shares to be acquired by Subscriber pursuant to this Agreement are being acquired for Subscriber's own account and with no intention of distributing or reselling such Subscription Shares or any part thereof in any transaction that would be in violation of the securities laws of the United States, any state of the United States or any foreign jurisdiction. If Subscriber should in the future decide to dispose of any of such Subscription Shares, Subscriber understands and agrees that Subscriber may do so only in compliance with the Certificate of Formation and the Securities Act and applicable state and foreign securities laws, as then applicable and in effect.

2.10 Restricted Securities.

(a) Subscriber understands that: (i) the Subscription Shares will not be registered at the time of their issuance under the Securities Act for the reason that the issuance provided for in this Agreement is exempt pursuant to Section 4(a)(2) of the Securities Act, (ii) the reliance of the Company on such exemption is predicated in part on each Subscriber's representations set forth herein, and (iii) such Subscription Shares must be held indefinitely unless a subsequent disposition thereof is registered under the Securities Act or is exempt from registration. Subscriber acknowledges that the Company has no obligation to register or qualify its Subscription Shares. Subscriber acknowledges that no public market now exists for its Subscription Shares and that the Company has given no assurance that a public market will ever exist. Accordingly, Subscriber must bear the economic and financial risk of an investment in its Subscription Shares for an indefinite period of time.

(b) Subscriber agrees that: (i) Subscriber will not sell, assign, pledge, give, transfer or otherwise dispose of the Subscription Shares or any interest therein, or make any offer or attempt to do any of the foregoing, except pursuant to a registration of the Subscription Shares under the Securities Act and all applicable state securities laws, or in a transaction which is exempt from the registration provisions of the Securities Act and all applicable state securities laws; (ii) the Company and its affiliates shall not be required to give effect to any purported transfer of such Subscription Shares except upon compliance with the foregoing restrictions; and (iii) each certificate representing the Subscription Shares will bear a restrictive legend substantially in the following form:

“THE SHARES REPRESENTED BY THIS CERTIFICATE (THE “SHARES”) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY OTHER FEDERAL OR STATE SECURITIES LAW. THE SHARES MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR AN OPINION OF COUNSEL, SATISFACTORY TO USV BANCORP, INC. (THE “COMPANY”), THAT AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS EXISTS.”

(c) Subscriber acknowledges that neither the Company nor any other person offered to sell the Subscription Shares to it by means of any form of general solicitation or advertising.

2.11 Investigation. Subscriber has been furnished with or has had access to such documents, materials and information (including the opportunity to ask questions of, and receive answers from, the Company concerning the terms

and conditions of the transactions contemplated by this Agreement and Subscriber's investment in the Subscription Shares) that Subscriber deems necessary or appropriate for evaluating an investment in the Company, and Subscriber has read carefully such documents, materials and information and understands and has evaluated the types of risks involved with a purchase of the Subscription Shares. Subscriber acknowledges that Subscriber is familiar with the business, financial condition and operations of the Company. Except for the representations and warranties contained in this Agreement, Subscriber has not relied upon any representations or other information (whether oral or written) from the Company or its stockholders, directors, officers or affiliates, or from any other person or entity, in connection with its investment in the Subscription Shares. Subscriber acknowledges that the Company has not given any assurances with respect to the tax consequences or any other economic considerations associated with the acquisition, ownership or disposition of the Subscription Shares. Subscriber recognizes, understands and has evaluated all of the risk factors related to the purchase of the Subscription Shares, including, but not limited to, those set forth under the caption "Risk Factors" in the Memorandum. Subscriber understands that no U.S. federal or state agency has passed upon this investment or upon the Company, or upon the accuracy, validity or completeness of any documentation provided to Subscriber in connection with the transactions contemplated by this Agreement, nor has any such agency made any finding or determination as to this investment. Subscriber understands that (i) any estimates or projections concerning the expected performance of the Company, by their nature, constitute "forward-looking statements" (for purposes of applicable federal and state securities laws) and involve significant elements of subjective judgment and analysis that may or may not be correct; (ii) there can be no assurances that any such projections or goals will be attained; and (iii) any such projections and estimates should not be relied on as a promise or representation of the Company's future performance.

2.12 Purchaser Representative (if applicable). In the event that Subscriber has obtained a purchaser representative to assist Subscriber in connection with evaluating the merits and risks of Subscriber's prospective investment, such purchaser representative has represented to Subscriber that he or she (i) has no business relationship with the Company, (ii) represents only Subscriber and not the Company, and (iii) is compensated only by Subscriber.

2.13 High Degree of Risk; Ability to Bear Risk. SUBSCRIBER RECOGNIZES THAT AN INVESTMENT IN THE SUBSCRIPTION SHARES INVOLVES A HIGH DEGREE OF RISK. SUBSCRIBER IS IN A FINANCIAL POSITION TO HOLD THE SUBSCRIPTION SHARES AND IS ABLE TO BEAR THE ECONOMIC RISK AND WITHSTAND A COMPLETE LOSS OF ITS INVESTMENT IN THE SUBSCRIPTION SHARES.

2.14 Disclosure. Subscriber understands and agrees that the Company may communicate CNB the aggregate amount of subscription funds that have been placed in the Escrow Account. Subscriber further understands and agrees that the Company may be required to disclose my identity to the regulatory agencies acting on the Company's application for the Acquisition.

2.15 Additional Risks. Subscriber is aware of and accepts the following specified risks, which risks are not intended by the Company to be exhaustive in any way, and Subscriber acknowledges and agrees it is responsible for evaluating and assessing the risks of its investment in the Subscription Shares:

(a) No Operating History. Subscriber acknowledges and agrees that the Company is newly formed and has limited operating history, and will, immediately following consummation of the transactions contemplated by this Agreement, hold no assets other than the cash received as a result of the transactions provided for by this Agreement.

(b) Business Plan Risk. There is no assurance that the Company will be successful in its acquisition of, implementation of its business plans for, or will be able to successfully operate, CNB or the Bank.

(c) Regulatory Risk. There is no assurance that the Company will receive regulatory approval to acquire and operate the Bank.

(d) No Incentives Promised. The Company has not made any promises, orally or in writing, to Subscriber for incentives, including without limitation, options, warrants, restricted stock or other securities, as consideration for the risks associated with Subscriber's subscription for the Common Shares.

3. Indemnification. Subscriber understands the meaning and legal consequences of the representations, warranties and agreements set forth in this Subscription Agreement and agree to indemnify and hold harmless the Company, its officers, directors, employees, agents and controlling persons thereof, past, present or future, from and against any and all liabilities, losses, costs, damages and expenses, including costs and reasonable attorneys' fees, arising out of or related to (i) the resale or other distribution by Subscriber of all or any portion of the Common Shares in violation of the Securities Act or of any applicable state securities laws or (ii) any breach of any of Subscriber's representations, warranties or agreements contained in this Subscription Agreement or in any other document provided by Subscriber to the Company in connection with Subscriber's investment in the Common Share.

4. Miscellaneous.

4.1 Governing Law; Submission to Jurisdiction. This Agreement shall be construed under and governed by the internal laws of the State of Texas, without giving effect to any conflict of laws provisions (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of Texas in each case located in the City of Houston and County of Harris, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

4.2 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, WHICH CANNOT BE WAIVED, EACH OF THE PARTIES HERETO HEREBY WAIVES AND COVENANTS THAT NEITHER IT NOR ANY ASSIGNEE OR SUCCESSOR HERETO WILL ASSERT (WHETHER AS A PLAINTIFF, DEFENDANT OR OTHERWISE) ANY RIGHT TO (I) A JURY TRIAL IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM, DEMAND, CAUSE OF ACTION, ACTION, SUIT OR PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT OR THE SUBJECT MATTER HEREOF, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT OR TORT OR OTHERWISE, OR (II) CONSOLIDATE ANY SUCH ACTION WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS SECTION 4.2 HAVE BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. NONE OF THE PARTIES HERETO HAVE AGREED WITH OR REPRESENTED TO ANY OTHER PARTY HERETO THAT THE PROVISIONS OF THIS SECTION 4.2 WILL NOT BE FULLY ENFORCED IN ALL INSTANCES. ANY OF THE PARTIES HERETO MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 4.2 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF EACH OF THE PARTIES HERETO TO THE WAIVER OF ITS RIGHT TO A JURY TRIAL.

4.3 Attorneys' Fees. If attorneys' fees or other costs are incurred to secure performance of any obligation under this Agreement, to establish damages for the breach thereof or to obtain any other appropriate relief, whether by way of prosecution or defense, the Prevailing Party (defined below) will be entitled to recover reasonable attorneys' fees and costs incurred in connection therewith. A party will be considered the "Prevailing Party" if (a) it initiated the litigation and substantially obtained the relief it sought, either through a judgment or the losing party's voluntary action before trial or judgment, (b) the other party withdraws its action without substantially obtaining the relief the other party sought (except pursuant to a signed settlement agreement) or (c) it did not initiate the litigation and judgment is entered into for any party, but without substantially granting the relief sought by the initiating party or granting more substantial relief to the non-initiating party with respect to any counterclaim asserted by the non-initiating party in connection with such litigation.

4.4 Notices. All notices and other communications under this Agreement must be in writing and will be deemed given (i) when delivered personally, (ii) on the fifth (5th) business day after being mailed by certified mail, return receipt requested, (iii) the next business day after delivery to a recognized overnight courier or (iv) upon transmission and confirmation by receipt by a facsimile operator if sent by facsimile, to the parties at the addresses or facsimile numbers set forth immediately beneath their respective names on the signature pages hereto.

4.5 Entire Agreement. This Agreement constitutes the entire agreement of the Company and each Subscriber with respect to the Subscription Shares and the other matters herein and supersede and preempt any prior written, or prior or contemporaneous oral, understandings, agreements or representations by or among any of the parties that may have related to the Subscription Shares or the other matters herein.

4.6 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party to this Agreement of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

4.7 Survival and Representations and Warranties. All representations, warranties, covenants and agreements set forth in this Agreement will survive the execution and delivery of this Agreement and the closing and the consummation of the transactions contemplated by this Agreement.

4.8 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, administrators, personal representatives, successors and permitted assigns. Nothing in this Agreement is intended or will be construed to confer on any person or entity other than the parties or their successors and assigns any rights or benefits under this Agreement.

4.9 Assignment. Neither this Agreement, nor any interest of the undersigned herein, shall be assignable or transferable by the undersigned in whole or in part by operation of law or otherwise.

4.10 Further Assurances. The parties hereto will, at their own cost and expense, execute and deliver all such future instruments and take such other and further actions as may be reasonably necessary or appropriate to carry out the provisions of this Agreement and the intention of the parties as expressed herein.

4.11 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any applicable law, then the provision will be deemed to be modified to the extent necessary to render it legal, valid and enforceable, and if no such modification will render it legal, valid and enforceable, then this Agreement will be construed as if not containing the provision held to be invalid, and the rights and obligations of the parties will be construed and enforced accordingly.

4.12 Representation of Counsel. Each party to this Agreement has been advised to seek independent legal counsel and has had the opportunity to consult with independent legal counsel in connection with the negotiation and execution of this Agreement and the transactions contemplated hereby. Each party to this Agreement acknowledges that Hunton Andrews Kurth LLP has acted as counsel solely to the Company and that it does not represent Subscriber and has not provided legal counsel to Subscriber.

4.13 Interpretation. The articles and sections contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and will not in any way affect the meaning or interpretation of this Agreement. No provision of this Agreement shall be construed against or interpreted to the disadvantage of any party by reason of such party having drafted or being deemed to have drafted such provision.

4.14 Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile or portable document format (pdf)) for the convenience of the parties hereto, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

[Signature page to follow]

IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement this ____ day of _____, 202__.

Number of Shares: _____ (minimum of 500 Common Shares)

Subscription price: \$_____ (number of Common Shares x \$10.00; minimum of \$5,000.00)

**TRUST OR OTHER ENTITY
SUBSCRIBER**

(Name of Entity)

By: _____
(Signature and Title)

**INDIVIDUAL SUBSCRIBER
(and Spouse if Joint Subscriber)**

(Signature)

(Print Name)

(Signature)

(Print Name)

ACCEPTANCE OF SUBSCRIPTION
(to be completed by and at the discretion of the Company)

The Company hereby accepts the foregoing subscription as to _____ Common Shares on this ____ day of _____, 202__ in reliance upon the representations, warranties, covenants, agreements and statements of such subscriber contained in the subscriber's Subscription Agreement.

USV BANCORP, INC.
a Texas corporation

By: _____
Tri Dinh Minh Nguyen, Chairman and President

APPENDIX A

QUESTIONNAIRE FOR NON-ACCREDITED INVESTORS

1. If you are not an “accredited investor,” in order to demonstrate to the Company the suitability of your investment in the Common Shares and acknowledging that the Company may rely on the following information in discharging its responsibilities under federal and state securities laws, please provide the following information:

(a) Name of present employer and nature of employer’s business: _____

Position of the undersigned: _____

If you have held the above position for less than five (5) years, provide your employment history during the past five (5) years and the inclusive dates of each:

<u>Employer</u>	<u>Position</u>	<u>From</u>	<u>To</u>

(b) Please indicate your frequency of investment in the following types of private placements.

		<u>Frequency of Investment</u>		
		<u>Often</u>	<u>Occasionally</u>	<u>Never</u>
		(Please check one)		
(i)	marketable securities	_____	_____	_____
(ii)	cash or cash equivalents	_____	_____	_____
(iii)	real estate	_____	_____	_____
(iv)	oil and gas	_____	_____	_____
(v)	high technology	_____	_____	_____
(vi)	venture capital investments; start-up companies	_____	_____	_____
(vii)	independent businesses in which the undersigned owns a majority interest	_____	_____	_____
(viii)	independent business in which the undersigned owns minority interests	_____	_____	_____
(ix)	unregistered (restricted) securities	_____	_____	_____

(c)

Yes/True	No/False	Information requested
-----------------	-----------------	------------------------------

_____	_____	The undersigned’s proposed investment in these securities will not exceed 10% of the undersigned’s net worth, excluding my residence, its furnishings and automobiles.
-------	-------	--

_____	_____	The undersigned has made one or more investments in non-publicly traded securities or limited partnerships within the past five years.
-------	-------	--

Yes/True	No/False	Information requested
_____	_____	The undersigned has made one or more investments in securities issued by banks or other financial institutions (excluding certificates of deposit) within the past five years.
_____	_____	The undersigned's purchase of these securities is in accordance with the undersigned's investment goals and objectives, which investment goals and objectives include assuming a degree of risk in connection with investments in banks or other financial institutions.
_____	_____	The undersigned's marginal federal income tax rate (the highest rate at which any of the undersigned's income is taxed) for the undersigned's most recently filed federal income tax return was (check one that applies):
_____	_____	24% or higher
_____	_____	32% or higher
_____	_____	35% or higher
_____	_____	37%
_____	_____	The undersigned understands that these securities are not insured or guaranteed by the Federal Deposit Insurance Corporation, and that the undersigned may lose all or part of my investment.

(d) I have made the following additional investments and/or am involved in the following activities which may reflect my knowledge and experience in financial and business matters and demonstrate my suitability for an investment in the Common Shares:

2. Have you had the opportunity to ask questions of, and receive answers from, the Company and/or its authorized agents concerning the terms and conditions of the offering and received any additional information requested from the Company?

Yes _____ No _____

3. Do you understand that these securities may not be freely transferred?

Yes _____ No _____

4. Do you understand the representations being made by you under Section 2 of the Subscription Agreement?

Yes _____ No _____

APPENDIX B

**SUBSCRIPTION DATA SHEET
(Please Print or Type)**

1. Name: _____
2. Marital Status: _____
3. Residence Address and Telephone: _____
Do not use a Post Office Box Address: _____

4. Business Address and Telephone: _____

5. Preferred mailing address:
(Check one) () Residence
 () Business
 () Other: _____

6. Additional Information:

A. Securities Industry Affiliation: Is the potential investor employed by or associated with the securities industry or a financial services regulator?

☐ Yes ☐ No ☐ N/A

If Yes, please provide the Firm Name(s) and Location(s):

Firm Name(s): _____

Location(s) (City, State): _____

B. ERISA Information: Is the potential investor purchasing Common Shares in the Company with funds that constitute, directly or indirectly, assets of any employee benefit plan subject to ERISA?

☐ Yes ☐ No ☐ N/A

C. Politically Exposed Person - Is the potential investor a senior foreign government, political or military official, or an immediate family member or close associate of such person (a "*politically exposed person*")?

☐ Yes ☐ No ☐ N/A

If Yes, please provide the following information:

Which government? _____

What position in the government? _____

If an immediate family member or close associate of a politically exposed person, what relationship to the politically exposed person? _____

7. **Employment Status**

Are you currently:

☐ Employed ☐ Self-Employed ☐ Not Employed ☐ Retired ☐ Student ☐ Other: _____

Job Title		Occupation	
Employer		Years with this Employer	
Business Address		Apt/Suite No.	
City	State	ZIP Code	Country

8. **USA PATRIOT Act Information** (Required by Federal law)

All applicants please provide the information below. Non-resident aliens, also include a completed W-8BEN. Provide copy of government document, e.g., valid driver's license, passport, etc. **For an entity, please provide this information for each equity owner of the entity. For a trust, please provide this information for the trustee of the trust.**

Date of Birth (mm/dd/yyyy)	Social Security or Taxpayer ID No.	Country of Citizenship
ID No. (Select one): <input type="checkbox"/> Driver's License (copy required) <input type="checkbox"/> Passport <input type="checkbox"/> State ID <input type="checkbox"/> Other Government-issued ID		Place/Country of Issuance
Issue Date (mm/yyyy)	Expiration Date (mm/yyyy)	Country of Tax Residence (if different than country of citizenship)

9. **Multiple Owners or Holders:** If the Common Shares are to be held by more than one person, please check if to be held as:

- _____ (1) Tenants in common
 _____ (2) Tenants by the entireties
 _____ (3) Joint tenants with rights of survivorship and not as tenants in common
 _____ (4) Under Uniform Transfer to Minors Act: If so, indicate name of Custodian:

 Name of Custodian

IF THE COMMON SHARES ARE TO BE HELD BY MORE THAN ONE PERSON AND IF NO OTHER INDICATION IS MADE, IT WILL BE ISSUED TO THE INDIVIDUALS AS TENANTS IN COMMON.

APPENDIX C

FEDERAL INCOME TAX BACKUP WITHHOLDING

In order to prevent the application of federal income tax backup withholding, each Subscriber must provide the Company with a correct Taxpayer Identification Number (“TIN”). An individual’s social security number is Subscriber’s TIN. The TIN should be provided in the space provided in the Substitute Form W-9 below.

Under federal income tax law, any person who is required to furnish Subscriber’s correct TIN to another person, and who fails to comply with such requirements, may be subject to a \$50 penalty imposed by the IRS.

Backup withholding is not an additional tax. Rather, the tax liability of persons subject to backup withholding will be reduced by the amount of tax withheld. If backup withholding results in an overpayment of taxes, a refund may be obtained from the IRS. Certain taxpayers, including all corporations, are not subject to these backup withholding and reporting requirements.

If the shareholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future, “Applied For” should be written in the space provided for the TIN on the Substitute Form W-9.

SUBSTITUTE FORM W-9

Under penalties of perjury, Subscriber certifies that: (i) the number shown on this form is Subscriber’s correct Taxpayer Identification Number (or Subscriber is waiting for a Taxpayer Identification Number to be issued) and (ii) Subscriber is not subject to backup withholding because: (a) Subscriber is exempt from backup withholding; or (b) Subscriber has not been notified by the Internal Revenue Service (“IRS”) that Subscriber is subject to backup withholding as a result of a failure to report all interest or dividends; or (c) Subscriber has been notified by the IRS that Subscriber is no longer subject to backup withholding, and (iii) Subscriber is a U.S. citizen or other U.S. person (including a U.S. resident alien).

You must cross out item (ii) above if you have been notified by the IRS that you are subject to backup withholding because of underreporting interest or dividends on your tax return. However, if after being notified by the IRS that you were subject to backup withholding you received another notification from the IRS that you are no longer subject to backup withholding, do not cross out item (ii).

Each subscriber should complete this section.

Signature of Subscriber

Signature of Subscriber

Printed Name

Printed Name

Social Security or Employer
Identification No.

Social Security or Employer
Identification No.

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APPENDIX B

AGREEMENT AND PLAN OF MERGER

AGREEMENT AND PLAN OF MERGER

by and among

USV BANCORP, INC.

and

CNB NATIONAL FINANCIAL CORPORATION

and

**SAM MURRAY,
as Shareholders' Representative**

Dated as of September 30, 2024

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AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger ("Agreement") dated as of September 30, 2024, is by and between USV Bancorp, Inc. ("USV"), a Texas corporation, CNB National Financial Corporation (the "Company"), a Texas corporation and bank holding company registered under the Bank Holding Company Act of 1956, as amended (the "BHC Act"), and Sam Murray, on his or her own behalf and as the representative of the other shareholders of the Company (the "Shareholders' Representative").

RECITALS

WHEREAS, the Company, USV and the Shareholders' Representative desire to enter into the transactions contemplated by this Agreement;

WHEREAS, a to-be formed Texas corporation and wholly-owned subsidiary of USV ("Merger Sub") will be added to this Agreement prior to the Effective Time (as defined herein) by means of the Accession Agreement attached hereto as Exhibit A (the "Accession Agreement");

WHEREAS, the respective boards of directors of USV and the Company have determined that the business combination transaction provided for in this Agreement is advisable and in the best interests of the respective companies and their shareholders pursuant to which USV will, on the terms and conditions set forth in this Agreement, acquire the Company and The City National Bank of San Saba (the "Bank"), a national banking association and wholly-owned subsidiary of the Company, through the merger of Merger Sub with and into the Company, with the Company continuing as the surviving corporation in the merger (the "Merger"), as a wholly-owned subsidiary of USV;

WHEREAS, immediately following the Merger, and pursuant to a separate agreement and plan of merger substantially in the form attached hereto as Exhibit B (the "Second Merger Agreement"), USV and the Company shall be combined through a parent-subsidary merger, with USV continuing as the surviving corporation in the merger (the "Second Merger");

WHEREAS, immediately following the Second Merger, and pursuant to a separate agreement to be agreed upon by the parties (the "Bank Merger Agreement"), a to-be-formed interim national banking association (the "Interim Bank") and the Bank shall merge, with the Bank continuing as the surviving bank in the merger (the "Bank Merger");

WHEREAS, the respective boards of directors of USV and the Company have approved this Agreement and the transactions proposed herein on the terms and conditions set forth in this Agreement; and

WHEREAS, as a condition and inducement to USV's willingness to enter into this Agreement, (i) each non-employee director of the Company or the Bank has entered into a support agreement in the form attached hereto as Exhibit C (collectively, the "Director Support Agreements"), and (ii) certain executive officers of the Bank as set forth on Section 10.2(f) of the Disclosure Schedules (as defined herein) have each entered into an Employment Agreement in the form attached hereto as Exhibit D (the "Employment Agreement").

AGREEMENT

NOW, THEREFORE, in consideration of such premises and the mutual representations, warranties, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as set forth below.

ARTICLE I THE MERGER

Section 1.1. The Merger. Subject to the terms and conditions of this Agreement, at the Effective Time (as defined herein), Merger Sub will merge with and into the Company, with the Company continuing as the surviving corporation (which, as the surviving corporation, is hereinafter referred to as “Continuing Corporation” whenever reference is made to it at or after the Effective Time), pursuant to, and with the effect provided for in, Title 1, Chapter 10 of the Texas Business Organizations Code (the “TBOC”).

Section 1.2. Organizational Documents and Facilities of Continuing Corporation. At the Effective Time and until thereafter amended in accordance with applicable law, the Organizational Documents of Continuing Corporation shall be the Organizational Documents (as defined herein) of the Company as in effect at the Effective Time. Unless and until changed by the board of directors of Continuing Corporation, the main office of Continuing Corporation shall be the main office of the Company as of the Effective Time. The established offices and facilities of the Company immediately prior to the Merger shall become established offices and facilities of Continuing Corporation. Until thereafter changed in accordance with law or the Organizational Documents of Continuing Corporation, all corporate acts, plans, policies, contracts, approvals and authorizations of the Company and Merger Sub and their respective shareholders, boards of directors, committees elected or appointed thereby, officers and agents, which were valid and effective immediately prior to the Effective Time, shall be taken for all purposes as the acts, plans, policies, contracts, approvals and authorizations of Continuing Corporation and shall be as effective and binding thereon as the same were with respect to the Company and Merger Sub, respectively, as of the Effective Time.

Section 1.3. Board of Directors and Officers of Continuing Corporation. At the Effective Time and until thereafter changed in accordance with applicable law and the Organizational Documents of Continuing Corporation, the members of the board of directors of Merger Sub at the Effective Time shall be the board of directors of Continuing Corporation. At the Effective Time and until thereafter changed in accordance with applicable law and the Organizational Documents of Continuing Corporation, the executive officers of Merger Sub immediately prior to the Effective Time shall be the executive officers of Continuing Corporation.

Section 1.4. Effect of Merger. At the Effective Time, the corporate existence of the Company and Merger Sub shall, as provided in the provisions of law heretofore mentioned, be consolidated and continued in Continuing Corporation, and Continuing Corporation shall be deemed to be a continuation in entity and identity of the Company and Merger Sub. All rights, franchises, and interests of the Company and Merger Sub, respectively, in and to any type of property and choses in action shall be transferred to and vested in Continuing Corporation by virtue of the Merger without reversion or impairment, without further act or deed and without any assignment having occurred, but subject to any existing liens or other encumbrances thereon. The Merger shall have all other effects set forth in Title 1, Chapter 10 of the TBOC.

Section 1.5. Liabilities of Continuing Corporation. At the Effective Time, Continuing Corporation shall be liable for all Liabilities (as defined herein) and obligations of the Company and Merger Sub. All Liabilities and obligations of the Company and of Merger Sub, respectively, matured or unmatured, whether accrued, absolute, contingent or otherwise, and whether or not reflected or reserved against on balance sheets, books of account, or records of the Company or Merger Sub, as the case may be, shall be those of Continuing Corporation and shall not be released or impaired by the Merger. All rights of creditors and other obligees and all liens on property of either the Company or USV shall be preserved unimpaired subsequent to the Merger.

Section 1.6. Approvals and Notices. This Agreement shall be submitted to the shareholders of the Company in accordance with the terms of this Agreement, Title 1, Chapter 10 of the TBOC and the Organizational Documents of the Company. The Company and USV shall proceed with commercially reasonable efforts and cooperate fully in the procurement of any other consents and approvals and the taking of any other actions in satisfaction of all other requirements prescribed by law or otherwise necessary for consummation of the Merger on the terms herein provided, including the preparation and submission of all necessary filings, requests for waivers, notices and certificates with the Board of Governors of the Federal Reserve System (the “Federal Reserve Board”), the Office of the Comptroller of the Currency (the “OCC”) and any other applicable governmental authority with jurisdiction over the Company and the Bank.

Section 1.7. Modification of Structure. Notwithstanding any provision of this Agreement to the contrary, USV and the Company may mutually agree in writing to modify the structure of the transactions contemplated hereby, and the parties shall enter into such alternative transactions as they may determine to effect the purposes of this Agreement so long as (i) the consideration to be paid to the holders of the issued and outstanding shares of common stock, \$10.00 par value per share, of the Company (“Company Stock”) under this Agreement is not thereby changed in kind or in time received or reduced in amount solely because of such modification; (ii) such modification will not be likely to delay, jeopardize receipt of, or impose a Burdensome Condition upon any required regulatory approvals; or (iii) there are no adverse Tax consequences to the Company’s shareholders as a result of such modification; provided that the limitations in this Section 1.7 shall not apply to the election described in Section 7.5(g).

Section 1.8. Second Merger and Bank Merger.

(a) Immediately following the Merger, the Company shall be merged with and into USV, with USV continuing as the surviving corporation and succeeding to and assuming all rights and obligations of the Company in accordance with the applicable laws of Texas. Following the Second Merger, the separate corporate existence of the Company shall cease. Immediately after entering into this Agreement, USV and the Company shall enter into the Second Merger Agreement. At the request of USV, the Company shall execute such articles or certificate of merger and such other documents and certificates as are necessary to make the Second Merger effective immediately following the Effective Time of the Merger.

(b) Prior to the Effective Time, Interim Bank and the Bank shall mutually agree upon the terms and conditions of, and enter into, the Bank Merger Agreement. Pursuant to the Bank Merger Agreement and immediately following the consummation of the Second Merger, Interim Bank shall be merged with and into the Bank. At the request of USV, the Company shall cause the Bank to execute such articles or certificate of merger and such other documents and certificates as are necessary to cause the Bank Merger to be effective immediately following the consummation of the Second Merger.

Section 1.9. Tax Treatment. Unless the parties make the election described in Section 7.5(g), the parties intend for the Merger to be treated as a taxable purchase and sale of the stock of the Company to USV for federal income Tax purposes.

ARTICLE II CONSIDERATION AND EXCHANGE PROCEDURES

Section 2.1. Merger Consideration.

(a) *No effect on outstanding USV Stock.* Each share of common stock, par value \$0.01 per share, of USV issued and outstanding immediately prior to the Effective Time shall remain issued and outstanding and shall not be affected by the Merger.

(b) *Effect on Merger Sub Stock.* Each share of common stock of Merger Sub, par value \$0.01 per share, outstanding prior to the Effective Time shall be converted automatically into and become one newly issued, fully paid and non-assessable share of common stock of the Continuing Corporation.

(c) *Effect on Company Stock.* At the Effective Time, each share of Company Stock issued and outstanding immediately prior to the Effective Time (excluding any Treasury Shares and Dissenting Shares (as such terms are defined herein)) shall automatically, by virtue of the Merger and without any action on the part of the holder thereof, be cancelled and converted into and represent only the right to receive from USV, without interest, an amount of cash equal to the Per Share Merger Consideration (as defined herein).

(d) *Cancellation of Treasury Shares.* Each share of Company Stock held in the treasury of the Company and each share of Company Stock owned by any direct or indirect wholly-owned Subsidiary (as defined herein) of the Company immediately prior to the Effective Time (the “Treasury Shares”) (other than (i) shares of Company Stock held, directly or indirectly, in trust accounts, managed accounts and the like or otherwise held in a fiduciary capacity that are beneficially owned by third parties and (ii) shares of Company Stock held in respect of a debt previously contracted) shall be cancelled (the “Cancelled Shares”) without any conversion and no payment or distribution shall be made with respect thereto.

(e) *Stock Certificates and Book-Entry Shares.* Each holder of a certificate (“Stock Certificate”) that immediately prior to the Effective Time represented any such shares of Company Stock and the holders of shares of Company Stock designated by a book-entry representing a non-certificate share of Company Stock shall cease to have any rights with respect to such shares of Company Stock, except the right to receive, following the Effective Time, the Per Share Merger Consideration in cash for such shares in accordance with this Section 2.1.

(f) For purposes of this Agreement, the following terms shall have the meanings set forth below:

(i) “Aggregate Merger Consideration” means \$16,000,000 in cash (which shall include the Earnest Money Deposit and the Tax Gross Up Amount (as such terms are defined herein)).

(ii) “Per Share Merger Consideration” means cash in an amount equal to the quotient of (A) the Aggregate Merger Consideration, divided by (B) the number of the shares of Company Stock outstanding immediately prior to the Effective Time.

(iii) “Pre-Closing Taxes” means (A) any and all Taxes imposed on or payable by the Company or the Bank or any of their respective assets or operations for a Pre-Closing Tax Period, including, without limitation, any Taxes attributable to a Pre-Closing Tax Period that the Company or the Bank has elected to defer pursuant to the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) and (B) any and all Taxes of any Person imposed on the Company or the Bank as a transferee or successor, by contract, or pursuant to any applicable laws, which Taxes relate to an event, agreement or transaction occurring on or before the Closing Date.

(iv) “Pre-Closing Tax Period” means any taxable period (or portion thereof) ending on or prior to the Closing Date; provided, that for federal and, with respect to those states that treat the Company for state income Tax purposes analogously to its treatment as an S

corporation under the Code for such purposes, state income Tax purposes, it shall mean taxable periods ending on or before the Closing Date.

Section 2.2. Dissenting Shares. Each share of Company Stock issued and outstanding immediately prior to the Effective Time, the holder of which has not voted in favor of nor consented in writing to the approval of the Merger and who has properly perfected his or her dissenter's rights of appraisal by following the exact procedure required by Title 1, Chapter 10, Subchapter H of the TBOC, is referred to herein as a "Dissenting Share." Notwithstanding any provision of this Agreement to the contrary, each Dissenting Share shall not be converted into or represent the right to receive the Per Share Merger Consideration pursuant to this ARTICLE II and shall be entitled only to such rights as are available to such holder pursuant to the applicable provisions of the TBOC. Each holder of Dissenting Shares shall be entitled to receive the value of such Dissenting Shares held by him or her in accordance with the applicable provisions of the TBOC; *provided*, such holder complies with the procedures contemplated by and set forth in the applicable provisions of the TBOC. If any holder of any Dissenting Shares shall effectively withdraw or lose his or her dissenter's rights under the applicable provisions of the TBOC, each such Dissenting Share shall be deemed to have been converted into, and to have become exchangeable for, only the right to receive the Per Share Merger Consideration without any interest thereon in accordance with the provisions of this ARTICLE II.

Section 2.3. Payment Procedures.

(a) On the Closing Date, USV will deliver or cause to be delivered to the Bank (in such capacity, the "Paying Agent"), an amount of cash equal to the Aggregate Merger Consideration to be paid pursuant to the terms of this Agreement. Upon the first anniversary of the Closing Date, any such cash remaining in the possession of the Paying Agent (together with any earnings in respect thereof) shall be delivered to USV. Any holder of Cancelled Shares who has not theretofore exchanged his or her Cancelled Shares pursuant to this ARTICLE II shall thereafter be entitled to look exclusively to USV, and only as a general creditor thereof, for the consideration to which he or she may be entitled upon exchange of such Cancelled Shares pursuant to this ARTICLE II. Notwithstanding the foregoing, neither the Paying Agent nor any party hereto shall be liable to any holder of Cancelled Shares for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar laws.

(b) At least ten (10) Business Days prior to the Closing Date, the Paying Agent shall mail or deliver to each Person who is, according to a list of the shareholders of the Company (the "Shareholder List"), a holder of record of Company Stock and a form of letter of transmittal, the form of which shall be mutually approved by USV and the Company (the "Letter of Transmittal"). The Letter of Transmittal shall (i) specify that delivery shall be effected, and risk of loss and title to Cancelled Shares shall pass, only upon proper delivery of such certificates to the Paying Agent; (ii) contain such any other provisions and/or documents as USV and the Company may reasonably and mutually determine (which may include, without limitation, Form W-9s and/or FIRPTA affidavits pursuant to section 1445 of the Code stating that such Person is not a "Foreign Person" as defined in section 1445 of the Code); and (iii) contain instructions for use in effecting the surrender of the Stock Certificates in exchange for the Per Share Merger Consideration.

(c) Upon the later of (i) the Effective Time and (ii) five (5) Business Days after surrender to the Paying Agent of a Stock Certificate for cancellation together with the Letter of Transmittal, duly executed and completed in accordance with the instructions thereto, the Paying Agent shall pay and distribute to the holder of such Stock Certificate the appropriate Per Share Merger Consideration in respect of such holder's surrendered Stock Certificate(s) in the manner elected by such holder in its Letter of Transmittal, and such Stock Certificates shall forthwith be canceled. Until so surrendered, each such Stock Certificate shall represent after the Effective Time, for all purposes, only the right to receive, without interest, the Per Share Merger Consideration to be issued or paid in consideration therefor upon surrender

of such Stock Certificate in accordance with this Section. No interest will accrue or be paid with respect to any property to be delivered upon surrender of Stock Certificates.

(d) In the event of a transfer of ownership of a Stock Certificate representing Company Stock that is not registered in the stock transfer records of the Company, the Per Share Merger Consideration shall be delivered pursuant to Section 2.3(c) in exchange therefor to a Person other than the Person in whose name the Company Stock so surrendered is registered if the Stock Certificate formerly representing such Company Stock shall be properly endorsed or otherwise be in proper form for transfer and the Person requesting such payment or issuance shall pay any transfer or other similar Taxes required to be paid by reason of such payment or issuance to a person other than the registered holder of Company Stock or establish to the satisfaction of USV that the Tax has been paid or is not applicable.

(e) Paying Agent, or any other relevant payor hereunder, shall be entitled to deduct and withhold from the Per Share Merger Consideration and any other amounts otherwise payable pursuant to this Agreement to any holder of Company Stock (including with respect to any Dissenting Shares) and any other recipient of payments hereunder such amounts as may be required to be deducted or withheld under the Internal Revenue Code of 1986, as amended (the “Code”), or any other applicable law, with respect to the making of such payment, and to collect any necessary Tax forms, including IRS Forms W-8 or W-9, as applicable, or any similar information, from a holder of Company Stock and any other recipients of payments hereunder. To the extent the amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of shares of Company Stock in respect of whom such deduction and withholding was made.

(f) After the Effective Time, there shall be no transfers on the stock transfer books of the Company of any shares of Company Stock that were issued and outstanding immediately prior to the Effective Time other than to settle transfers of Company Stock that occurred prior to the Effective Time. If, after the Effective Time, any Company Stock is presented for transfer to USV, it shall be cancelled and exchanged for the Per Share Merger Consideration in accordance with Section 2.1 and the procedures set forth in this ARTICLE II.

(g) In the event that any Stock Certificate shall have been lost, stolen, mutilated, or destroyed, and upon the making of an affidavit of that fact by the holder claiming such Stock Certificate to be lost, stolen, mutilated or destroyed and, if reasonably required by USV, the delivery of a lost stock certificate affidavit and indemnity agreement in a form reasonably acceptable to USV from such holder, USV will issue in exchange for such lost, stolen, mutilated, or destroyed Stock Certificate the Per Share Merger Consideration deliverable in respect thereof pursuant to this Agreement.

Section 2.4. Earnest Money Deposit.

(a) Contemporaneously with the execution and delivery of this Agreement, as an inducement for the Company to enter into this Agreement, USV has deposited a non-refundable earnest money deposit of \$100,000 into a non-fiduciary custodial account at the Bank (the “Earnest Money Deposit”); *provided*, however, in the event the Outside Closing Date has been unilaterally extended by USV pursuant to Section 9.1(a)(iii), USV shall deposit an additional \$150,000 into the non-fiduciary custodial account at the Bank to increase the Earnest Money Deposit to \$250,000.

(b) The parties hereto agree that, for U.S. federal income Tax purposes (and, to the extent permitted by law, applicable state income Tax purposes) at all times prior to the Effective Time during which this Agreement remains in effect, USV shall be treated as the owner of the Earnest Money Deposit (including, for the avoidance of doubt, any investment earnings or income on the Earnest Money Deposit), in accordance with Treasury Regulations Section 1.468B-7(c) and Proposed Treasury Regulations

Section 1.468B-8(h)(2) (February 1, 1999), as such Proposed Treasury Regulations may be amended or modified, including upon the issuance of temporary or final regulations.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to USV as set forth below. On or prior to the date hereof, the Company delivered to USV schedules (the “Disclosure Schedules”) setting forth, among other things, items the disclosure of which are necessary or appropriate (a) in response to an express disclosure requirement contained in a provision hereof, (b) as an exception to one or more representations and warranties contained in this ARTICLE III or (c) as an exception to one or more covenants contained in this Agreement. Disclosure in any section of the Disclosure Schedules shall apply only to the indicated section of this Agreement, except to the extent that it is reasonably apparent on its face that such disclosure is relevant to another section of this Agreement.

Section 3.1. Organization.

(a) The Company is a for profit corporation duly incorporated, validly existing and in good standing under the laws of the State of Texas and a bank holding company duly registered under the BHC Act, subject to all laws, rules, and regulations applicable to bank holding companies. The Bank is a national banking association duly formed, validly existing and in good standing under the laws of United States. Other than the Bank, the Company has no other Subsidiary.

(b) Each of the Company and the Bank has requisite power and authority (including all licenses, registrations, qualifications, franchises, permits and other governmental authorizations which are legally required) to own, lease and operate their respective properties and to engage in the business and activities now conducted by each of them, except where the failure to be so licensed or qualified has not had, and is not reasonably likely to have, a Material Adverse Effect with respect to the Company and the Bank. To the Company’s knowledge, no suspension or cancellation of any such necessary license, registration, qualification, franchise, permit or authorization is threatened. The nature of the business of the Company and the Bank and their respective activities do not require the Company or the Bank to be qualified to do business in any jurisdiction other than the State of Texas, except where the failure to be so qualified has not had, and is not reasonably likely to have, a Material Adverse Effect with respect to the Company and the Bank.

(c) The Bank is duly authorized to conduct general banking business, embracing all usual deposit functions of commercial banks as well as commercial, industrial and real estate loans, installment credits, collections and safe deposit facilities subject to the supervision of the OCC and the FDIC. The deposit accounts of the Bank are insured by the FDIC through the Deposit Insurance Fund to the fullest extent permitted by law, and all premiums and assessments due and owing as of the date hereof required in connection therewith have been paid by the Bank.

(d) True and complete copies of the Organizational Documents of the Company and the Bank have been delivered to USV.

(e) Section 3.1(e) of the Disclosure Schedules lists any Person, other than the Bank, in which the Company or the Bank own or have the right to acquire capital stock. Other than as set forth in Section 3.1(e) of the Disclosure Schedules, neither the Company nor the Bank (i) has any Subsidiaries or Affiliates; (ii) is a general partner or owner in any joint venture, general partnership, limited partnership, trust or other non-corporate entity; or (iii) knows of any arrangement pursuant to which the capital stock of

any corporation is or has been held in trust (whether express, constructive, resulting or otherwise) for the benefit of all shareholders of the Company.

Section 3.2. Capitalization.

(a) The entire authorized capital stock of the Company consists of one million (1,000,000) shares of Company Stock, and one million (1,000,000) shares of preferred stock, par value \$1.00 per share (the “Preferred Stock”). As of the date of this Agreement, there are 37,460 shares of Company Stock issued and outstanding, and no shares of Preferred Stock issued and outstanding. All of the issued and outstanding shares of Company Stock are validly issued, fully paid and nonassessable and have not been issued in violation of the preemptive rights of any Person or in violation of any applicable federal or state securities laws.

(b) The entire authorized capital stock of the Bank consists solely of 48,000 shares of common stock, par value \$10.00 per share, of which 48,000 shares are issued and outstanding as of the date of this Agreement. All of the issued and outstanding shares of the Bank have been duly authorized, validly issued, are fully paid and nonassessable (except as provided in 12 U.S.C. § 55) and have not been issued in violation of the preemptive rights of any Person or in violation of any applicable federal or state securities laws. The Company is, and as of the Closing Date will be, the lawful record and beneficial owner of all of the outstanding stock and other securities of the Bank, free and clear of any liens, claims, encumbrances, security interests, or restrictions of any kind (other than transfer restrictions imposed by applicable federal and state securities laws). There are no outstanding subscriptions, options, warrants, calls, contracts, demands, commitments, convertible securities, or other agreements or arrangements of any character or nature whatever under which the Company or the Bank is or may become obligated to issue, assign, or transfer any securities of the Bank. There are no restrictions applicable to the payment of dividends on the stock of the Bank except pursuant to applicable laws and regulations. There are no irrevocable proxies with respect to shares of the Bank and there are no outstanding or authorized subscriptions, options, warrants, calls, rights, or other agreements or commitments of any kind restricting the transfer of, requiring the issuance or sale of, or otherwise relating to any such shares of capital stock of the Bank to any Person.

(c) There are no existing options, stock appreciation rights, stock appreciation units, warrants, calls, convertible securities, or commitments of any kind obligating the Company to issue any authorized and unissued Company Stock or Preferred Stock.

(d) The Company does not have any outstanding commitment or obligation to repurchase, reacquire, or redeem any of its outstanding capital stock or other securities. To the knowledge of the Company, there are no voting trusts, voting agreements, buy-sell agreements or other similar arrangements affecting the Company Stock.

(e) Other than as set forth on Section 3.2(e) of the Disclosure Schedules, the Company has not paid any dividends on the Company Stock within the three (3) years preceding the Effective Time.

Section 3.3. Authority; Approvals.

(a) The Company has the requisite corporate power and authority to execute and deliver this Agreement and any related documents to which it is a party and, subject to the approval by the Company’s shareholders, perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by the Company and assuming due authorization, execution and delivery by USV, is a duly authorized, valid, legally binding agreement of the Company enforceable against the Company in accordance with its terms,

subject to the effect of bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to creditors' rights generally and general equitable principles.

(b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly, validly and unanimously approved by the board of directors of the Company. The board of directors of the Company has (i) determined that this Agreement and the transactions contemplated hereby are advisable and in the best interests of the Company and its shareholders, (ii) directed that this Agreement be submitted to the Company's shareholders for approval and adoption and (iii) resolved to recommend to the Company's shareholders that they approve this Agreement. Except for the approval of the shareholders of the Company, no further corporate proceedings on the part of the Company are necessary to execute and deliver this Agreement or the related documents and to consummate the transactions contemplated hereby or thereby.

(c) Section 3.3(c) of the Disclosure Schedules lists all governmental consents, approvals, authorizations, applications, filings, notices, registrations and qualifications that are required to be made or obtained by the Company or the Bank in connection with or for the consummation of the transactions contemplated by this Agreement, including the Merger (collectively, the "Regulatory Approvals"). Other than federal and state securities laws and the Regulatory Approvals, no consents or approvals of or filings or registrations with any Governmental Body (as defined herein) or, except as set forth in Section 3.4(b) of the Disclosure Schedules, with any other Person are necessary in connection with the execution and delivery by the Company of this Agreement and the related documents to which it is a party or the consummation by the Company of the transactions contemplated hereby or thereby.

Section 3.4. No Conflicts; Consents.

(a) Neither the execution and delivery by the Company of this Agreement and the related documents nor the consummation of the transactions contemplated hereby or thereby, nor compliance by the Company with any of the provisions hereof or thereof, will, assuming that the Regulatory Approvals and Company Shareholder Approval (as defined herein) are duly obtained, (i) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or result in the loss of any benefit or creation of any right on the part of any third party under, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of any lien, charge or encumbrance upon any of the material properties or assets of the Company or the Bank under any of the terms, conditions or provisions of (1) the Organizational Documents of the Company or the Bank or (2) except as set forth in Section 3.4(a) of the Disclosure Schedules, any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which the Company or the Bank is a party or by which it may be bound, or to which the Company or the Bank or any of the properties or assets of the Company or the Bank may be subject; or (ii) violate any law, statute, code, ordinance, rule, regulation, permit, concession, grant, franchise, or any judgment, ruling, order, writ, injunction, or decree applicable to the Company or the Bank or any of their respective properties or assets.

(b) Except for the Regulatory Approvals, Company Shareholder Approval, and as set forth in Section 3.4(b) of the Disclosure Schedules (each item so set forth therein a "Required Consent"), no consent, approval, notice, license, permit, order or authorization of or registration, declaration or filing with any Person is required to be obtained or made by the Company or the Bank in connection with the execution and delivery of this Agreement and the related documents to which they are a party and the consummation of the transactions contemplated hereby and thereby.

Section 3.5. Proceedings. Except as set forth in Section 3.5 of the Disclosure Schedules, there are no Proceedings (as defined herein) pending or, to the Company's knowledge, threatened against the

Company or the Bank, and the Company has no knowledge of any basis on which any such Proceedings could be brought, which could reasonably be expected to result in a Material Adverse Effect on the Company or which could question the validity of any action taken or to be taken in connection with this Agreement or the transactions contemplated hereby. Neither the Company nor the Bank is in default with respect to any judgment, order, writ, injunction, decree, award, rule, or regulation of any arbitrator or Governmental Body.

Section 3.6. Financial Statements.

(a) Attached in Section 3.6(a) of the Disclosure Schedules are true, correct and complete copies of the unaudited balance sheets as of December 31, 2023 and 2022 for each of the Company and the Bank, and the related statements of income for the years ended December 31, 2023 and 2022 (the “Annual Financial Statements”). The Company has also furnished or made available to USV a true, correct and complete copy of the Consolidated Reports of Condition and Income (“Call Reports”) filed by the Bank as of and for the period ended June 30, 2024. The Annual Financial Statements and Call Reports are collectively referred to in this Agreement as the “Financial Statements.”

(b) Except as set forth in Section 3.6(b) of the Disclosure Schedules, the Annual Financial Statements have been prepared from the books and records of the Company and the Bank and fairly present, in all material respects, the financial position, results of operations, stockholders’ equity and cash flows of the Company and the Bank at the dates and for the periods indicated and in conformity with GAAP applied on a consistent basis throughout the periods indicated. The Call Reports fairly present the financial position of the Bank and the results of its operations at the dates and for the periods indicated in compliance with the rules and regulations of applicable federal banking authorities. The Call Reports do not contain any items of special or nonrecurring income in excess of \$100,000 or any other income not earned in the ordinary course of business in excess of \$100,000. The Company has calculated its allowance for loan and lease losses in accordance with GAAP as applied to banking institutions, including the Call Report Instructions and in accordance with all applicable rules and regulations. To the Company’s knowledge, the Bank’s allowance for loan and lease losses is, and as of the Closing Date will be, adequate in all material respects to provide for all losses, net of recoveries relating to loans previously charged off, on all outstanding loans of the Bank.

(c) As of the dates of the Financial Statements and as of the date of this Agreement, neither the Company nor the Bank had any material Liabilities (whether accrued, absolute, contingent or otherwise) except as fully set forth or provided for in such Financial Statements.

Section 3.7. Compliance with Laws and Regulatory Filings.

(a) Since January 1, 2022, the Company and the Bank have complied in all material respects with and are not in material default or violation under any applicable law, statute, order, rule, regulation, policy and/or guideline of any Governmental Body relating to the Company or the Bank, including all laws related to data protection or privacy, the USA PATRIOT Act, the Bank Secrecy Act, the Equal Credit Opportunity Act and Regulation B, the Fair Housing Act, the Community Reinvestment Act, the Fair Credit Reporting Act, the Truth in Lending Act and Regulation Z, the Home Mortgage Disclosure Act, the Fair Debt Collection Practices Act, the Electronic Fund Transfer Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, any regulations promulgated by the Consumer Financial Protection Bureau, the Interagency Policy Statement on Retail Sales of Non-deposit Investment Products, the SAFE Mortgage Licensing Act of 2008, the Real Estate Settlement Procedures Act, Regulation X, Flood Disaster Protection Act, Home Owners Equity Protection Act, Right to Financial Privacy Act, Unfair, Deceptive or Abusive Acts or Practices and any other law relating to bank secrecy, discriminatory lending, financing or leasing practices, money laundering prevention, Sections 23A and 23B of the Federal Reserve Act, the

Sarbanes-Oxley Act, and all agency requirements relating to the origination, sale and servicing of mortgage and consumer loans. Neither the Company nor the Bank has had nor suspected any material incidents of fraud or defalcation involving the Company, the Bank or any of their respective officers, directors or Affiliates during the last two (2) years. To the Company's knowledge, each of the Company and the Bank has timely and properly filed and maintained all requisite Currency Transaction Reports and Suspicious Activity Reports and has properly monitored transaction activity (including wire transfers). The Bank is designated as a small bank for purposes of the Community Reinvestment Act and has a Community Reinvestment Act rating of "satisfactory."

(b) The Company and the Bank have filed all reports, registrations and statements, together with any amendments required to be made thereto, that are required to be filed with the Federal Reserve Board, the FDIC, the OCC, or any other Governmental Body having supervisory jurisdiction over the Company and the Bank, and such reports, registrations and statements as finally amended or corrected, are true and correct in all material respects. Except for normal examinations conducted by bank regulatory agencies in the ordinary course of business or as set forth in Section 3.7(b) of the Disclosure Schedules, no Governmental Body has initiated any Proceeding or, to the Company's knowledge, investigation into the business or operations of the Company or the Bank. There is no material unresolved violation, criticism or exception by any bank regulatory agency with respect to any report relating to any examinations of the Bank or the Company.

(c) The Company has no knowledge of any fact or circumstance relating to the Company or the Bank that would materially impede or delay receipt of any Regulatory Approvals.

(d) To the knowledge of the Company, none of the Company, or the Bank, or any director, officer, employee, agent or other person acting on behalf of the Company or the Bank has, directly or indirectly, (i) used any funds of the Company or the Bank for unlawful contributions, unlawful gifts, unlawful entertainment or other expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic governmental officials or employees or to foreign or domestic political parties or campaigns from funds of the Company or the Bank, (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any similar law, (iv) established or maintained any unlawful fund of monies or other assets of the Company or the Bank, (v) made any fraudulent entry on the books or records of the Company or the Bank, or (vi) made any unlawful bribe, unlawful rebate, unlawful payoff, unlawful influence payment, unlawful kickback or other unlawful payment to any person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business to obtain special concessions for the Company or the Bank, to pay for favorable treatment for business secured or to pay for special concessions already obtained for the Company or the Bank, or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury.

Section 3.8. Absence of Certain Changes. Since December 31, 2023, (a) the Company and the Bank have conducted their respective businesses in the ordinary and usual course consistent with safe and sound banking practices (except as otherwise required by this Agreement and excluding the incurrence of expenses related to this Agreement and the transactions contemplated hereby), (b) except as set forth in Section 3.8 of the Disclosure Schedules, neither the Company nor the Bank has engaged in the activities proscribed by Section 5.2(b) and (c) no Material Adverse Effect on the Company or the Bank has occurred.

Section 3.9. Investments. The Company has furnished to USV a true, correct and complete list of all securities, including municipal bonds, owned by the Company, and also a list of the securities owned by the Bank as of June 30, 2024 (the "Securities Portfolio"). Except as set forth in Section 3.9 of the Disclosure Schedules, all such securities are owned by the Bank (a) of record, except those held in bearer form, and (b) beneficially, free and clear of all mortgages, liens, pledges and encumbrances. Section 3.9 of

the Disclosure Schedules also discloses any Person in which the ownership interest of the Company, whether held directly or indirectly, equals five percent (5%) or more of the issued and outstanding voting securities of the issuer thereof. To the Company's knowledge, there are no voting trusts or other agreements or understandings with respect to the voting of any of the securities in the Securities Portfolio.

Section 3.10. Loan Portfolio and Reserve for Credit Losses.

(a) All evidences of indebtedness and leases of the Company or the Bank (individually a "Loan" and collectively, the "Loans"), including any renewals and extensions of any Loan, were solicited, originated and currently exist in compliance in all material respects with all applicable requirements of federal and state law and regulations promulgated thereunder. The Loans are adequately documented, and each note evidencing a Loan or credit agreement or security instrument related to a Loan constitutes a valid and binding obligation of the obligor thereunder, enforceable in accordance with the terms thereof, except as the enforceability thereof may be limited by bankruptcy, insolvency or other laws affecting creditors' rights, and all actions necessary to protect any related security interest have been duly taken. Neither the Company nor the Bank has entered into any oral modifications or amendments or additional agreements related to the Loans that are not reflected in its records. There is no valid claim or defense to the enforcement of any Loan and none has been asserted, and the Company has no knowledge of any acts or omissions that would give rise to any claim or right of rescission, set off, counterclaim or defense.

(b) The credit files of the Company and the Bank contain all material information (excluding general, local or national industry, economic or similar conditions) known to the Company or the Bank that is reasonably required to evaluate in accordance with generally prevailing practices in the banking industry the collectability of the Loan portfolio of the Company or the Bank (including Loans that will be outstanding if it advances funds it is obligated to advance).

(c) The allowance for loan and lease losses shown on the Financial Statements as of June 30, 2024, was, and the allowance for loan and lease losses to be shown on any Financial Statements of the Company or the Bank or Call Reports of the Bank as of any date subsequent to the execution of this Agreement will be, calculated in accordance with GAAP in all material respects as applied to banking institutions and all applicable rules and regulations, and in the reasonable opinion of management, adequate in all material respects to provide for all probable losses, net of recoveries relating to loans previously charged off, on Loans outstanding (including accrued interest receivable) of the Company or the Bank and other extensions of credit (including letters of credit or commitments to make loans or extend credit); provided, however, that no representation or warranty is made as to the sufficiency of collateral securing or the collectability of such Loans.

Section 3.11. Certain Loans and Related Matters.

(a) Except as set forth in Section 3.11(a) of the Disclosure Schedules, as of June 30, 2024, neither the Company nor the Bank is a party to any written or oral: (i) loan agreement, note or borrowing arrangement, other than credit card loans and other loans the unpaid balance of which does not exceed \$10,000 per loan, under the terms of which the obligor is sixty (60) days delinquent in payment of principal or interest or in default of any other material provisions as of the date hereof; (ii) loan agreement, note or borrowing arrangement which has been classified as "substandard," "doubtful," "loss," "other loans especially mentioned," "other assets especially mentioned" or any comparable classifications; (iii) loan agreement, note or borrowing arrangement, including any loan guaranty, with any director or executive officer of the Company or the Bank, or any ten percent (10%) or more shareholder of the Company, or any person, corporation or enterprise controlling, controlled by or under common control with any of the foregoing; or (iv) loan agreement, note or borrowing arrangement in violation of any law, regulation or rule

applicable to the Company or the Bank including those promulgated, interpreted or enforced by any regulatory agency with supervisory jurisdiction over the Company or the Bank.

(b) Section 3.11(b) of the Disclosure Schedules contains the “watch list of loans” of the Bank (“Watch List”) as of June 30, 2024. To the knowledge of the Company, there is no other Loan, loan agreement, note or borrowing arrangement which should be included on the Watch List based on the Company’s or the Bank’s ordinary course of business.

Section 3.12. Trust Business. Neither the Company nor the Bank has been appointed in a fiduciary or representative capacity in respect of any trusts, executorships, administrations, guardianships, conservatorships, or other fiduciary representative capacity. Neither the Company nor the Bank administers or otherwise holds any indenture, pooling and servicing, private label, paying agency, collateral or disbursing agency, securities (whether bond, note, debenture or other) registrar, transfer agency, document custody or other fiduciary or agency contracts.

Section 3.13. Real Property Owned or Leased.

(a) Section 3.13(a) of the Disclosure Schedules contains a true, correct and complete list of all real property owned or leased by the Company or the Bank, including non-residential other real estate, and the owner or lessee thereof (the “Company Real Property”). True and complete copies of all deeds and leases for, or other documentation evidencing ownership of or a leasehold interest in, the Company Real Property, title insurance policies for the Company Real Property that is owned by the Company or the Bank, and all mortgages, deeds of trust and security agreements to which such property is subject have been furnished or made available to USV.

(b) No lease or deed with respect to any Company Real Property contains any restrictive covenant that materially restricts the use, transferability or value of such Company Real Property pertaining to its current primary purpose.

(c) To the Company’s knowledge, none of the buildings and structures located on any Company Real Property, nor any appurtenances thereto or equipment therein, nor the operation or maintenance thereof, violates in any manner any restrictive covenants or encroaches on any property owned by others, nor does any building or structure of third parties encroach upon any Company Real Property, except those violations and encroachments that do not, individually or in the aggregate, materially adversely affect the value or use and enjoyment of the relevant Company Real Property. No condemnation proceeding is pending or, to the Company’s knowledge, threatened, which could reasonably be expected to preclude or materially impair the use of any Company Real Property in the manner in which it is currently being used.

(d) The Company or the Bank has good and indefeasible title to, or a valid and enforceable leasehold interest in, all Company Real Property, and such interest is free and clear of all liens, including Tax liens, charges, imperfections of title or other encumbrances, except (i) statutory liens for amounts not yet delinquent or which are being contested in good faith through proper proceedings and for which adequate reserves have been provided in the Financial Statements; and (ii) easements, covenants, restrictions and other matters of record which do not, individually or in the aggregate, materially adversely affect the use and enjoyment of the relevant real property.

(e) All buildings and other facilities used in the business of the Company and the Bank are in adequate condition (ordinary wear and tear excepted) and are free from defects which materially interfere with the current use of such facilities.

Section 3.14. Personal Property. Except as set forth in Section 3.14 of the Disclosure Schedules, each of the Company and the Bank has good title to, or a valid leasehold interest in, all personal property, whether tangible or intangible, used in the conduct of its business (the “Company Personal Property”), free and clear of all liens, charges, imperfections of title or other encumbrances and except (i) statutory liens for amounts not yet delinquent or which are being contested in good faith through proper proceedings and for which adequate reserves have been provided in the Financial Statements and (ii) such other liens, charges, imperfections of title and encumbrances as do not, individually or in the aggregate materially adversely affect the use and enjoyment of the relevant Company Personal Property. Subject to ordinary wear and tear, the Company Personal Property, taken as a whole, is in good operating condition and repair and is adequate for the uses to which it is being put.

Section 3.15. Environmental Laws. To the knowledge of Company, the Company and the Bank and any business owned or operated by any of them, whether or not held in a fiduciary or representative capacity, are and for the last seven (7) years have been in compliance in all material respects with all Environmental Laws (as defined herein) and permits thereunder. Neither the Company nor the Bank has received written notice of any violation of any Environmental Laws or generated, stored, or disposed of any materials designated as Hazardous Materials (as defined herein), and they are not subject to any claim, lien, charge or other encumbrance under any Environmental Laws. No Company Real Property and no real estate currently owned, operated or leased (including any property acquired by foreclosure or deeded in lieu thereof) by the Company or the Bank or owned, operated or leased by the Company or the Bank within the ten (10) years preceding the date of this Agreement, has been designated by a Governmental Body as requiring any environmental investigation, cleanup or response action to comply with Environmental Laws, or, to the knowledge of the Company, has been the site of any release of any Hazardous Materials. To the Company’s knowledge, (a) no asbestos was used in the construction of any Company Real Property (or any improvements thereon), (b) no real property currently or previously owned by the Company or the Bank is, or has been, a heavy industrial site or landfill, and (c) there are no underground storage tanks at any properties owned or operated by the Company or the Bank and, except as set forth on Section 3.15 of the Disclosure Schedules, no underground storage tanks have been closed or removed from any properties owned or operated by the Company or the Bank. The Company has made available to USV all environmental audits, site assessments, documentation regarding off-site disposal of Hazardous Materials, reports and other material environmental documents related to the Company Real Property, any real property formerly owned or operated by the Company or the Bank or any of their respective predecessors, and any other real property acquired by foreclosure or deeded in lieu thereof, which are in the possession or reasonable control of the Company or the Bank.

Section 3.16. Taxes.

(a) Subject to applicable extension periods, the Company and the Bank have duly and timely filed with the appropriate Governmental Body all income and other material Tax Returns that each was required to file, including any Tax Returns of any Affiliated Group of which either the Company or the Bank is or was a member. All such Tax Returns are true, correct and complete in all material respects. All income and other material Taxes due and owing by the Company or the Bank and any Affiliated Group of which either the Company or the Bank is or was a member (whether or not shown on any Tax Return) have been timely and duly paid to the appropriate Governmental Body. Neither the Company nor the Bank is currently the beneficiary of any extension of time within which to file any Tax Return. No claim has ever been raised in writing (or, to the knowledge of the Company or the Bank, in any other manner) by an authority in a jurisdiction where the Company or the Bank does not file Tax Returns that the Company or the Bank is or may be subject to Tax by that jurisdiction or required to file a Tax Return with that jurisdiction. There are no Security Interests on any of the assets of the Company or the Bank that arose in connection with any failure (or alleged failure) of the Company or the Bank to pay any Tax.

(b) The Company and the Bank have collected or withheld and duly and timely paid to the appropriate Governmental Body all Taxes required to have been collected or withheld in connection with amounts paid or owing to any employee, independent contractor, creditor, shareholder, or other third party, and all information returns (including, for the avoidance of doubt, Forms W-2 and Forms 1099) and other material documents required with respect to such withholding and remittances have been properly and timely filed and maintained. Each of the Company and the Bank has correctly classified those individuals performing services to or for the benefit of the Company or the Bank, as applicable, as common law employees, leased employees, independent contractors or agents, as applicable.

(c) There is no action, suit, Proceeding, audit, assessment, dispute or claim concerning any Liability for Taxes of the Company or the Bank in progress, claimed, raised, or threatened by any Governmental Body. Section 3.16(c) of the Disclosure Schedules lists all U.S. federal, state, local, and foreign income Tax Returns filed with respect to the Company or the Bank for all open Tax years, and indicates those Tax Returns that have been audited, and indicates those Tax Returns that currently are the subject of audit. The Company has made available to USV correct and complete copies of all U.S. federal income Tax Returns, examination reports, and statements of deficiencies assessed against or agreed to by the Company or the Bank with respect to all taxable periods that are still open under the applicable statute of limitations. Neither the Company nor the Bank has ever requested or received a private letter ruling or other similar ruling from any Governmental Body. Neither the Company nor the Bank has filed, nor does either have any present intent to file, any ruling requests with any taxing authority, including any request to change any accounting method.

(d) Neither the Company nor the Bank has waived any statute of limitations in respect of Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(e) The Company has not been a United States real property holding corporation within the meaning of § 897(c)(2) of the Code during the applicable period specified in § 897(c)(1)(A)(ii) of the Code. Neither the Company nor the Bank has participated in a “listed transaction” as defined under Treasury Regulation § 1.6011-4(b)(2). Neither the Company nor the Bank (i) is a party to any Tax indemnity, allocation or sharing agreement, (ii) has been a member of an Affiliated Group filing a consolidated U.S. federal income Tax Return (other than the Affiliated Group of which the Company is the common parent) or (iii) has any Liability for the Taxes of any Person (other than the Company and the Bank) under Treasury Regulation § 1.1502-6 (or any similar provision of state, local, or foreign law), as a transferee or successor, by contract, or otherwise.

(f) Neither the Company nor the Bank has been required to disclose on its U.S. federal income Tax Returns any position that could give rise to a substantial understatement of U.S. federal income Tax within the meaning of § 6662 of the Code.

(g) None of the Company, the Bank, USV or any Affiliate of USV will be required to include any item of income in, and none of the Company, the Bank, USV or any Affiliate of USV will be required to exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting for a Pre-Closing Tax Period under § 481 of the Code (or any corresponding or similar provision of state, local or foreign income Tax law); (ii) “closing agreement” as described in § 7121 of the Code (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or prior to the Closing Date; (iii) any election to defer Taxes pursuant to U.S. Pub. L. 116 – 136, the CARES Act, or any similar state, local, or non-U.S. Tax law or official guidance promulgated in connection with SARS-CoV-2 or COVID-19, and any evolutions or mutations thereof or related or associated epidemics, pandemic or disease outbreaks, or related economic dislocation; (iv) installment sale or open transaction disposition made on or prior to the Closing Date; or (v) prepaid amount received on or prior to the Closing Date.

(h) Neither the Company nor the Bank has constituted either a “distributing corporation” or a “controlled corporation” (within the meaning of § 355(a)(1)(A) of the Code) in a distribution of stock under § 355 of the Code (i) in the two (2) years prior to the date of this Agreement or (ii) in a distribution which could otherwise constitute part of a “plan” or “series of related transactions” (within the meaning of § 355(e) of the Code) in conjunction with the transactions contemplated by this Agreement.

(i) The unpaid Taxes of the Company and the Bank (i) did not, as of June 30, 2024, exceed the current liability accruals for Taxes (excluding any reserves for deferred Taxes established to reflect timing differences between book and Tax income) set forth in the Financial Statements and (ii) do not exceed such current liability accruals for Taxes (excluding reserves for any deferred Taxes) as adjusted for the passage of time through the Closing Date in accordance with the past custom and practice of the Company and the Bank in filing their Tax Returns. Since June 30, 2024, neither the Company nor the Bank has incurred any liability for Taxes outside the ordinary course of business.

(j) All related party transactions involving the Company and/or the Bank have been conducted at arm’s length in compliance with Section 482 of the Code and the Treasury Regulations promulgated thereunder (and any corresponding or similar provision of state, local, or non-U.S. law).

(k) Neither the Company nor the Bank is a party to or member of any joint venture, partnership, limited liability company or other arrangement or contract which could reasonably be expected to be treated as a partnership for federal income Tax purposes.

(l) At all times since January 1, 2003 (the “Election Date”), the Company has been, continues to be, and up to the Closing Date will be, an “S corporation” within the meaning of Section 1361(a)(1) of the Code for federal and state income Tax purposes (an “S corporation”). At all times since the Election Date, the Bank has been, continues to be, and up to the Closing Date will be, a “qualified Subchapter S subsidiary” within the meaning of Section 1361(b)(3) of the Code for federal and state income Tax purposes (a “Qsub”). Neither the Company nor the Bank (i) has any potential liability for Taxes under Section 1374 or Section 1375 of the Code (or any similar provisions of applicable state or local law) or (ii) shall be liable for any tax under Section 1374 or Section 1375 of the Code (or any similar or corresponding provision of state or local Tax law) in connection with the transactions contemplated by this Agreement. Since the Election Date, (i) neither the Company nor the Bank has ever acquired assets from another corporation in a transaction in which the Company’s tax basis for the acquired assets was determined, in whole or in part, by reference to the tax basis of the acquired assets (or any other property) in the hands of the transferor, and (ii) the Company has never acquired stock of any corporation that is a Qsub (other than the Bank). No event has occurred since the Election Date that terminated, or could terminate, the Company’s status as an S corporation or the Bank’s status as a Qsub.

(m) Within the past three (3) years, the Internal Revenue Service (the “IRS”) has not challenged the interest deduction on any of the Company’s or any of the Bank’s debt on the basis that such debt constitutes equity for U.S. federal income Tax purposes.

Section 3.17. Contracts and Commitments.

(a) Except as set forth in Section 3.17(a) of the Disclosure Schedules (the “Company Contracts”), neither the Company nor the Bank is a party to or bound by any of the following (whether written or oral, express or implied):

(i) employment, independent contractor, consulting, change-in-control, retention, or severance contracts or similar arrangements;

(ii) collective bargaining agreements, memorandums of understanding, or other contracts with any Union;

(iii) bonus, stock option, restricted stock, stock appreciation, deferred compensation arrangement, profit-sharing plan, pension plan, retirement plan, welfare plan or other employee benefit plan, agreement or arrangement;

(iv) any lease or license with respect to any property, real or personal, whether as landlord, tenant, licensor or licensee that involves annual payments in excess of \$20,000;

(v) contract or commitment for capital expenditures in excess of \$20,000 in the aggregate;

(vi) to the extent not nonpublic OCC information, contract or commitment for the purchase of materials or supplies or for the performance of services over a period of more than sixty (60) days after the date of this Agreement or not terminable upon notice of sixty (60) days or less and involves payments in excess of \$20,000 during the term thereof;

(vii) contract or option to purchase or sell any real or personal property other than any contract for the purchase of personal property in the ordinary course of business and other than trade payables;

(viii) contract, agreement or letter with respect to the management or operations of the Company or the Bank imposed by any Governmental Body having supervisory jurisdiction over the Company or the Bank;

(ix) note, debenture, agreement, contract or indenture related to the borrowing by the Company or the Bank of money other than those entered into in the ordinary course of business;

(x) guaranty of any obligation for the borrowing of money, excluding endorsements made for collection, repurchase or resell agreements, letters of credit and guaranties made in the ordinary course of business;

(xi) agreement with or extension of credit to any executive officer or director of the Company or the Bank or holder of ten percent (10%) or more of the issued and outstanding Company Stock, or any Affiliate of such Person;

(xii) agreement with any executive officer or director of the Company or the Bank or holder of ten percent (10%) or more of the issued and outstanding Company Stock or any Affiliate of such Person, relating to bank owned life insurance ("BOLI");

(xiii) [Reserved];

(xiv) any agreement containing covenants that limit the ability of the Company or the Bank to compete in any line of business or with any Person, or that involve any restriction on the geographic area in which, or method by which, the Company (including any successor thereof) or the Bank (including any successor thereof) may carry on its business (other than as may be required by law or any Governmental Body);

(xv) any data processing or other electronic banking services agreement or contract which may not be terminated without payment or penalty upon notice of thirty (30) days or less;

(xvi) any agreement pursuant to which the Company or the Bank may become obligated to invest in or contribute capital to any Person;

(xvii) any agreement between the Bank, on the one hand, and a Person listed on Section 3.1(e) of the Disclosure Schedules, on the other hand;

(xviii) any contract that requires a consent to, waiver of, monetary fee or payment for or otherwise contains a provision relating to or contemplating a “change of control”, acquisition, or merger of the Company or that would or would reasonably be expected to prevent, delay or impair the consummation of the transactions contemplated by this Agreement; or

(xix) contracts, other than the foregoing, with annual payments aggregating \$20,000 or more not made in the ordinary course of business.

(b) Each Company Contract is legal, valid and binding on the Company or the Bank, as the case may be, and to the knowledge of the Company, the other parties thereto, enforceable by the Company or the Bank, as the case may be, in accordance with its terms (subject to the effect of bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to creditors’ rights generally and general equitable principles) and is in full force and effect. Each of the Company and the Bank has performed in all material respects all obligations required to be performed by it to date under each Company Contract and there are no existing material defaults by the Company or the Bank, as the case may be, or, to the knowledge of the Company, the other party thereunder and, to the knowledge of the Company, there are no allegations or assertions of such by any party under such Company Contract or any events that with notice, lapse of time or the happening or occurrence of any other event would be reasonably likely to constitute a default thereunder. A true and complete copy of each Company Contract has been delivered or made available to USV.

Section 3.18. Fidelity Bonds and Insurance.

(a) A true, correct and complete list of all fidelity bonds and insurance policies (including any BOLI) owned or held by or on behalf of either the Company or the Bank (other than credit-life policies), including the insurer, policy numbers, amount of coverage, deductions, type of insurance, effective and termination dates and any material pending claims thereunder is set forth in Section 3.18(a) of the Company Disclosure Schedules.

(b) All policies of general liability, theft, life, fire, workers’ compensation, health, directors and officers, business interruption and other forms of insurance owned or held by the Company or the Bank (i) are in full force and effect and all premiums that are due and payable with respect thereto are currently paid; (ii) are sufficient for compliance with all requirements of applicable laws and all agreements to which the Company or the Bank is a party; (iii) consistent with past practices as to amount and scope for the business conducted by the Company and the Bank in respect of amounts, types and risks insured; (iv) are valid, outstanding and enforceable policies (except as may be limited by bankruptcy, insolvency, moratorium, reorganization or similar laws affecting the rights of creditors generally and the availability of equitable remedies); and (v) will remain in full force and effect up to the Effective Time, subject to normal renewal policies and procedures, including the payment of premiums. To the knowledge of the Company, no insurer under any such policy or bond has canceled or indicated to the Company or the Bank an intention to cancel or not to renew any such policy or bond effective at any time prior to the

Effective Time or generally disclaimed liability thereunder. To the knowledge of the Company, neither the Company nor the Bank is in default under any such policy or bond, and all material claims thereunder have been filed. Neither the Company nor the Bank has been denied or had revoked or rescinded any policy of insurance during the last three (3) fiscal years.

Section 3.19. Regulatory Actions and Approvals. Other than in the case of nonpublic OCC information, there are no Proceedings pending or, to the knowledge of the Company, threatened, against the Company or the Bank by or before any Governmental Body or arbitrator having jurisdiction over the Company or the Bank. Except where disclosure would be prohibited by applicable law, including the provisions of 12 C.F.R. Part 4, neither the Company nor the Bank is subject to a formal or informal agreement, memorandum of understanding, enforcement action with, or any type of financial assistance by, any Governmental Body or arbitrator having jurisdiction over it. Neither the Company nor the Bank knows of any fact or circumstance relating to it that would materially impede or delay receipt of any Regulatory Approvals, the Merger, or the other transactions contemplated by this Agreement, nor does the Company or the Bank have any reason to believe that it will not be able to obtain all Regulatory Approvals. The Bank is “well capitalized” (as that term is defined in 12 C.F.R. § 6.4(b)(1)), and “well managed” (as that term is defined in 12 C.F.R. § 5.3). The Bank is an “eligible depository institution” (as that term is defined in 12 C.F.R. § 5.3). Notwithstanding the foregoing, the Company and the Bank will not be required to take any action in this Agreement that would cause it to violate 12 C.F.R. Part 4.

Section 3.20. Employee Matters.

(a) Section 3.20(a) of the Disclosure Schedules contains a list of all current employees of the Company or the Bank—including, without limitation, those individuals for whom the Company or the Bank is a joint employer—as of the date hereof, including any such employee who is on a leave of absence of any nature, and sets forth for each such individual the following: (i) name and (ii) title or position (including whether full or part time). The Company has provided USV a true and complete list containing the following information, as of the date hereof, for each such individual: (i) hire date; (ii) current base compensation rate; (iii) bonus or other incentive-based compensation paid in the prior calendar year and current target bonus or other incentive-based compensation; (iv) exempt or non-exempt classification under the Fair Labor Standards Act; (v) pay-rolling entity; and (vi) primary work location. As of the date hereof, all compensation payable to all employees of the Company and the Bank for services performed on or prior to the date hereof have been paid in full (or accrued on the Company’s interim Financial Statements) and, except as set forth in Section 3.20(a) the Disclosure Schedules, there are no outstanding agreements, understandings or commitments of the Company or the Bank with respect to any compensation.

(b) Section 3.20(b) of the Disclosure Schedules contains a list of all Persons who, as of the date hereof, are parties to an independent contractor or consulting agreement directly with the Company or the Bank. The Company has provided USV a true and complete list containing the following information, as of the date hereof, for each such individual: (i) name; (ii) compensation rate; (iii) contract expiration date and terms; and (iv) a brief description of services provided. Neither the Company nor the Bank is, nor within the past three (3) years has been, a party to an agreement with a staffing services agency or similar provider of contract labor for the provision of workers. As of the date hereof, all compensation payable to all independent contractors and consultants of the Company and the Bank for services performed on or prior to the date hereof have been paid in full (or accrued in full on the Company’s interim Financial Statements) and there are no outstanding agreements, understandings or commitments of the Company or the Bank with respect to any compensation.

(c) Neither the Company nor the Bank is, nor has been, a party to, bound by, or negotiating any collective bargaining agreement or other contract with a Union, and there is not, and has not been, any Union representing or purporting to represent any employee of the Company or the Bank.

Neither the Company nor the Bank has a duty to bargain with any Union. As of the date hereof, there is not any unfair labor practice charge or complaint or any other Proceedings pending before the National Labor Relations Board or any other Governmental Body having jurisdiction thereof and, to the Company's knowledge, no such complaint has been threatened. Neither the Company nor the Bank has received any written notice concerning, and, to the Company's knowledge, there is not and has never been, any activities or proceedings of any Union (or representatives thereof) to organize any employees, or of any strikes, slowdowns, work stoppages, lockouts or threats thereof, by or with respect to any employees.

(d) The Company and the Bank have complied in all material respects with all labor and employment laws, including, without limitation, any provisions thereof relating to wages, hours, workplace discrimination, collective bargaining and the payment of workers' compensation insurance and social security and similar Taxes, and, to the knowledge of the Company, no person has asserted to the Company or the Bank that the Company or the Bank is liable for any arrearages of wages, workers' compensation insurance premiums or any Taxes or penalties for failure to comply with any of the foregoing. There are no Proceedings pending, or to the Company's knowledge, threatened against the Company or the Bank with respect to allegations of a violation of any labor or employment law, and the Company has no knowledge of any basis on which any such Proceedings could be brought. To the Company's knowledge, during the past three (3) years, no allegations of sexual harassment have been made against any employee that serves, or former employee that served, as a member of the management team of the Company or the Bank. Neither the Company nor the Bank has entered into any settlement agreements related to allegations of sexual harassment or sexual misconduct by any employee that serves, or former employee that served, as a member of the management team of the Company or the Bank, and the Company believes that the relationships between the Company's and the Bank's employees are good.

(e) Neither the Company nor the Bank has implemented, and does not intend to implement, any plant closing or layoff of employees that could implicate the WARN Act.

Section 3.21. Compensation and Benefit Plans.

(a) Section 3.21(a) of the Disclosure Schedules lists all employee benefit plans, policies, arrangements, programs, practices, or agreements (i) providing benefits or compensation to any current or former employees, directors, consultants or other service providers of the Company or any of its ERISA Affiliates (as defined herein) (including service providers provided to the Company or any of its ERISA Affiliates through a contractual arrangement with a third-party professional employer organization ("Company PEO")), or (ii) that are sponsored or maintained by the Company or any of its ERISA Affiliates, or (iii) to which the Company or any of its ERISA Affiliates contributes or is obligated to contribute on behalf of current or former employees, directors, consultants or other service providers of the Company or any of its ERISA Affiliates, or (iv) with respect to which the Company or any of its ERISA Affiliates has any Liability, including, but not limited to, any employee welfare benefit plan within the meaning of § 3(1) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), any employee pension benefit plan within the meaning of § 3(2) of ERISA or any employment or consulting agreement, collective bargaining agreement, or employee stock ownership, bonus, incentive, deferred compensation, stock purchase, stock option, equity or phantom equity compensation, retention, severance, change of control, hospitalization or other medical, dental, vision, accident, disability, life or other insurance, executive compensation, paid time off or fringe benefit plan, policy, arrangement, program, practice, or agreement (each of the foregoing, a "Company Employee Plan"). Section 3.21(a) of the Disclosure Schedules designates the Company Employee Plans for which the Company or an ERISA Affiliate is the plan sponsor and the plans, arrangements or agreements for which a Company PEO is the plan sponsor ("Company PEO Plan"). Neither the Company nor any ERISA Affiliate has any liability or contingent liability with respect to any Company PEO Plan except to the extent that the Company or the ERISA Affiliate is contractually obligated to make payments to the Company PEO for coverage under such Company PEO Plan. As of the

date of this Agreement, all such payments have been made or accrued for. There are no pending or, to the knowledge of the Company, threatened Proceedings, audits or other claims (except routine claims for benefits) relating to any Company Employee Plan. All of the Company Employee Plans comply and have been administered in all material respects with their terms and with all applicable requirements of ERISA, the Code and other applicable laws. There has occurred no “prohibited transaction” (as defined in § 406 of ERISA or § 4975 of the Code) with respect to the Company Employee Plans which is likely to result in the imposition of any penalties or Taxes upon the Company or the Bank under § 502(i) of ERISA or § 4975 of the Code. All contributions, premiums or other payments required by law or by any Company Employee Plan have been made by the due date thereof.

(b) Neither the Company nor the Bank has any Liabilities for post-retirement or post-employment welfare benefits under any Company Employee Plan, except for coverage required by Part 6 of Title I of ERISA or § 4980B of the Code, or similar state laws, the cost of which is borne by the insured individuals. Each Company Employee Plan that is intended to be a “qualified plan” within the meaning of Section 401(a) of the Code is qualified in form and operation and no event or circumstance has occurred that would disqualify any such Company Employee Plan. The Company has provided or made available to USV copies of (i) each Company Employee Plan, including all amendments thereto, (ii) the most recent summary plan descriptions of each Company Employee Plan, (iii) each trust agreement, insurance policy or other instrument relating to the funding or administration of any Company Employee Plan, (iv) the three most recent annual reports (Form 5500 series) and accompanying schedules filed with the IRS or the United States Department of Labor with respect to each Company Employee Plan, (v) the most recent determination letter issued by the IRS with respect to each Company Employee Plan that is intended to qualify under § 401 of the Code, (vi) the most recent available Financial Statements for each Company Employee Plan, and (vii) the most recent audited Financial Statements for each Company Employee Plan for which audited statements are required by ERISA.

(c) Neither the Company nor any ERISA Affiliate has any Liability with respect to a “multiemployer plan” within the meaning of § 4001(a)(3) of ERISA (“Multiemployer Plans”). Neither the Company nor any ERISA Affiliate has ever contributed to or been obligated to contribute to any Multiemployer Plan, and neither the Company nor any ERISA Affiliate has incurred any withdrawal liability under Part I of Subtitle E of Title IV of ERISA that has not been satisfied in full. Neither the Company nor any ERISA Affiliate sponsors, maintains or contributes to any employee benefit plan that is subject to § 412 of the Code or Title IV of ERISA, and neither the Company nor any ERISA Affiliate has ever sponsored, maintained, contributed to or been obligated to contribute to any plan subject to § 412 of the Code or Title IV of ERISA.

(d) There does not now exist, nor do any circumstances exist that could result in, any Controlled Group Liability (as defined herein) of the Company or the Bank now or following the Closing.

(e) Except as set forth in Section 3.21(e) of the Disclosure Schedules or as required by applicable law, the consummation of the transactions contemplated by this Agreement will not, either alone or in combination with another event (where such other event by itself would not result in such consequence), (i) entitle any current or former employee, director, officer, consultant or other service provider of the Company or the Bank to severance pay, retention bonuses, parachute payments, non-competition payments, unemployment compensation or any other payment or benefit, (ii) accelerate the time of payment or vesting, or increase the amount of compensation due to any current or former employee, director, officer, consultant or other service provider of the Company or the Bank (whether by virtue of any termination, severance, change of control or similar benefits or otherwise), (iii) cause the Company to transfer or set aside any assets to fund any benefits under any Company Employee Plan, or (iv) limit or restrict the right to amend, terminate, or transfer the assets of any Company Employee Plan on or following the Effective Time. There is no contract, agreement, plan or other arrangement covering any service

provider or former service provider of the Company or the Bank that, individually or in the aggregate, could give rise to the payment by the Company or the Bank of any amount that would not be deductible pursuant to the terms of § 162(m) or § 280G of the Code. Neither the Company or the Bank is party to, or otherwise obligated under, any contract, agreement, plan or arrangement that provides for the gross-up of excise Taxes imposed by § 4999 of the Code.

(f) Each Company Employee Plan that is a “non-qualified deferred compensation plan” within the meaning of § 409A(d)(1) of the Code complies in all material respects with the requirements of § 409A of the Code and the guidance promulgated thereunder, except to the extent any non-compliance would not result in any material liability to the Company or the Bank. Neither the Company nor the Bank is party to, or otherwise obligated under, any contract, agreement, plan or arrangement that provides for the gross-up of Taxes imposed by § 409A(a)(1)(B) of the Code.

(g) The Company and the Bank have complied with the requirements of the Health Insurance Portability and Accountability Act of 1996, and the rules and regulations promulgated thereunder, and the Patient Protection and Affordable Care Act of 2010, and the rules and regulations promulgated thereunder. No event or circumstance exists which could reasonably be expected to result in any Tax, Liability or penalty under Sections 4980B, 4980D, 4980G, 4980H or 5000 of the Code. The Company and the Bank have maintained records that are sufficient to satisfy the reporting requirements under §§ 6055 and 6056 of the Code, to the extent required.

Section 3.22. Brokers, Finders and Financial Advisors. Other than as set forth in Section 3.22 of the Disclosure Schedules, neither the Company, nor the Bank nor any of their respective officers, directors or employees have employed any broker, finder, financial advisor or investment banker or incurred any Liability for any brokerage, financial advisory, investment banking or other similar fees or commissions in connection with this Agreement and the transactions contemplated hereby.

Section 3.23. Accounting Controls. Each of the Company and the Bank has devised and maintained a system of internal accounting controls consistent with past practices to provide reasonable assurances that: (a) all material transactions are executed in accordance with general or specific authorization of its board of directors (or similar management body) and/or its duly authorized executive officers; (b) all material transactions are recorded as necessary to permit the preparation of financial statements in conformity with GAAP consistently applied by it or other criteria applicable to such financial statements; (c) control of the material assets of the Company and the Bank is permitted only in accordance with general or specific authorization of its board of directors (or similar management body) and/or its duly authorized executive officers; and (d) the recorded accountability for material items is compared with the actual levels at reasonable intervals and appropriate actions taken with respect to any differences.

Section 3.24. Derivative Contracts. Neither the Company nor the Bank is a party to nor has agreed to enter into an exchange traded or over-the-counter swap, forward, future, option, cap, floor or collar financial contract or agreement, or any other contract or agreement not included in the Financial Statements which is a financial derivative contract (including various combinations thereof).

Section 3.25. Deposits. Except as listed in Section 3.25 of the Disclosure Schedules, no deposit of the Bank is a “brokered” deposit (as such term is defined in 12 C.F.R. § 337.6(a)(2)) or is subject to any encumbrance, legal restraint or other legal process (other than garnishments, pledges, set off rights, escrow limitations and similar actions taken in the ordinary course of business).

Section 3.26. Interest Rate Risk Management Instruments. Other than loan products that provide for interest rate caps or floors, neither the Company nor the Bank has any interest rate swaps, caps, floors

and option agreements and other interest rate risk management arrangements, whether entered into for the account of the Company or the Bank or for the account of a customer of the Company or the Bank.

Section 3.27. Information Technology; Security & Privacy. To the Company's knowledge, all information technology and computer systems and services (including software, information technology and telecommunication hardware and other equipment) relating to the transmission, storage, maintenance, organization, presentation, generation, processing or analysis of data and information, whether or not in electronic format, used in or necessary to the conduct of the Bank's business (collectively, "Company IT Systems") have been properly maintained in all material respects by technically competent personnel, in accordance with standards set by the manufacturers or otherwise in accordance with standards prudent in the industry (including strong passwords), to ensure proper operation, monitoring and use. The Company IT Systems are in material compliance with regulatory standards and guidelines as required by applicable law. In the opinion of the Company, the Company and the Bank have commercially reasonable disaster recovery plans, procedures and facilities for their businesses and have taken commercially reasonable steps to safeguard Company IT Systems. Company IT Systems are in good working condition to effectively perform all information technology operations necessary to conduct consolidated business. Except as set forth on Section 3.27 of the Disclosure Schedules, to the knowledge of the Company, since January 1, 2023, neither the Company nor the Bank have experienced any material disruption to, or material interruption in, their conduct of business attributable to a defect, bug, breakdown, cyber or security breach or other failure or deficiency of the Company IT Systems. To the Company's knowledge, the Company and the Bank have taken reasonable measures to provide for the backup and recovery of the data and information necessary to the conduct of its business (including such data and information that is stored on magnetic or optical media in the ordinary course) without material disruption to, or material interruption in, the conduct of its business. Neither the Company nor the Bank is in breach of any material contract related to any Company IT Systems. To the Company's knowledge, the Company and the Bank have at all times complied in all material respects with all applicable legal requirements (including but not limited to all regulatory standards and guidelines) relating to privacy, data protection and the collection and use of personal information gathered or accessed in the course of the operations of the Company and the Bank. The Company and the Bank have at all times complied in all material respects with all rules, policies and procedures established by the Company and the Bank from time to time with respect to the foregoing. No claims are pending and, to the Company's knowledge, no claims have been asserted or threatened against the Company or the Bank or are likely to be asserted or threatened against the Company or the Bank by any Person alleging a violation of such Person's privacy, personal or confidentiality rights under any such laws, policies or procedures. The consummation of the Merger and the other transactions contemplated hereby will not breach or otherwise cause any violation of any such laws, policies or procedures. With respect to all personal information described herein, the Company and the Bank have taken all steps reasonably necessary (including implementing and monitoring compliance with measures with respect to technical and physical security) to protect such information in a manner consistent with the laws, policies or procedures referred to herein and there has been no unauthorized access to or other misuse of such information.

Section 3.28. Intellectual Property Rights.

(a) Section 3.28(a) of the Disclosure Schedules contains a correct and complete list of all registered trademarks, registered service marks, trademark and service mark applications, trade names and registered copyrights presently owned or held by the Company or the Bank or used in a material manner by them in the conduct of their business under license pursuant to a material contract (the "Intellectual Property"). The Company and the Bank own or have the right to use and continue to use the Intellectual Property in the operation of their business. To the Company's knowledge, neither the Company nor the Bank is, to the Company's knowledge, infringing or violating any patent, copyright, trademark, service mark, label filing or trade name owned or otherwise held by any other party, nor has the Company or the

Bank used any confidential information or any trade secrets owned or otherwise held by any other party, without holding a valid license for such use.

(b) Neither the Company nor the Bank is engaging, nor has any been charged with engaging, in any kind of unfair or unlawful competition. Neither the execution, delivery or performance of this Agreement or the related documents nor the consummation of the transactions contemplated hereby or thereby will in any way impair the right of the Company or the Bank or the Continuing Corporation to use, sell, license or dispose of, or to bring any action for the infringement of, the Intellectual Property.

Section 3.29. Shareholders' List. Section 3.29 of the Disclosure Schedules contains a true, correct and complete list of the record holders of shares of Company Stock as of a date within ten (10) Business Days prior to the date of this Agreement, containing their names, state of domicile and number of shares held of record, which shareholders' list is in all respects accurate as of such date and will be updated to include, without limitation, addresses not more than ten (10) Business Days prior to Closing.

Section 3.30. Books and Records. The minute books, stock certificate books and stock transfer ledgers of the Company and the Bank (a) have been kept in a reasonably accurate manner and in the ordinary course of business, (b) are complete and correct in all material respects, and (c) do not fail to reflect material transactions involving the business of the Company or the Bank that properly should have been set forth therein and that have not been accurately so set forth.

Section 3.31. Forms of Instruments, Etc. The Company and the Bank will make available to USV, upon request, copies of all standard forms of notes, mortgages, deeds of trust and other routine documents of a like nature used on a regular and recurring basis by the Company and the Bank in the ordinary course of its business.

Section 3.32. Dissenting Shareholders. The Company has no knowledge of any plan or intention on the part of any shareholder of the Company to make written demand for payment of the fair value of such holder's shares of Company Stock in the manner provided in Section 2.2.

Section 3.33. [Reserved].

Section 3.34. Representations Not Misleading. No representation or warranty by the Company contained in this Agreement (including the Disclosure Schedules of the Company), contains or will contain on the Closing Date (taking into account the supplemental Disclosure Schedules of the Company) any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein, in light of the circumstances under which it was or will be made, not misleading. All information regarding the Company and the Bank furnished by the Company and the Bank to USV for the purpose of preparing the regulatory applications contemplated herein will be true and correct as of the date such information is provided. Except as disclosed herein, the Company has no knowledge of any matter that materially adversely affects the Company's or the Bank's ability to perform the transactions contemplated by this Agreement or the other agreements contemplated hereby.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF USV

Except as disclosed to the Company in the letter (the "USV Disclosure Letter") delivered to the Company by USV prior to the execution of this Agreement (with reference to the section numbers of the representations and warranties in this ARTICLE IV to which the information in such letter relates, unless it is reasonably apparent from a reading of such disclosure that the disclosure is applicable to other representations and warranties), USV hereby represents and warrants to the Company as follows:

Section 4.1. Organization.

(a) USV is a corporation duly organized, validly existing and in good standing under the laws of the State of Texas.

(b) USV has full power and authority (including all licenses, registrations, qualifications, franchises, permits and other governmental authorizations which are legally required) to own, lease and operate its properties, to engage in the business and activities now conducted by it and to enter into this Agreement, except where the failure to be so licensed or qualified would not have a Material Adverse Effect on USV. To USV's knowledge, no suspension or cancellation of any such necessary license, registration, qualification, franchise, permit or authorization is threatened. The nature of the business of USV does not require USV to be qualified to do business in any jurisdiction other than the State of Texas, except where the failure to be so qualified has not had, and is not reasonably likely to have, a Material Adverse Effect with respect to USV. USV engages only in activities (and holds properties only of the types) permitted to bank holding companies by the BHC Act, and the rules and regulations promulgated thereunder.

(c) True and complete copies of the Organizational Documents of USV have been delivered to the Company.

(d) USV (i) has no Subsidiaries or Affiliates; (ii) is not a general partner or owner in any joint venture, general partnership, limited partnership, trust or other non-corporate entity; or (iii) does not know of any arrangement pursuant to which the capital stock of any corporation is or has been held in trust (whether express, constructive, resulting or otherwise) for the benefit of all shareholders of USV.

Section 4.2. Authority; Execution and Delivery.

(a) USV has the requisite corporate power and authority to execute and deliver this Agreement and any related documents to which it is a party and perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. This Agreement has been duly executed and delivered by USV and is a duly authorized, valid, legally binding agreement of USV enforceable against USV in accordance with its terms, subject to the effect of bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to creditors' rights generally and general equitable principles.

(b) The execution and delivery of this Agreement and the consummation of the Merger have been duly and validly approved by the board of directors of USV. USV has taken all corporate action necessary to authorize the execution, delivery and (provided the required regulatory and shareholder approvals are obtained) performance of this Agreement and the other agreements and documents contemplated hereby to which it is a party.

Section 4.3. Approvals. Other than (a) the Regulatory Approvals and (b) the filing of the certificate of merger with the Secretary of State of the State of Texas pursuant to the requirements of the TBOC, no consents or approvals of or filings or registrations with any Governmental Body or with any other Person are necessary in connection with the execution and delivery by USV of this Agreement and the related documents to which it is a party or the consummation by USV of the transactions contemplated hereby or thereby.

Section 4.4. No Conflicts; Consents. Neither the execution and delivery by USV of this Agreement and the related documents nor the consummation of the transactions contemplated hereby or thereby, nor compliance by USV with any of the provisions hereof or thereof, will (a) violate, conflict with,

or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of, or result in the loss of any benefit or creation of any right on the part of any third party under, or accelerate the performance required by, or result in a right of termination or acceleration of, or result in the creation of any lien, charge or encumbrance upon any of the material properties or assets of USV under any of the terms, conditions or provisions of (i) the Organizational Documents of USV or (ii) any note, bond, mortgage, indenture, deed of trust, license, lease, agreement or other instrument or obligation to which USV is a party or by which it may be bound, or to which USV or any of the properties or assets of USV may be subject, or (b) assuming that the Regulatory Approvals are duly obtained, violate any law, statute, code, ordinance, rule, regulation, permit, concession, grant, franchise or any judgment, ruling, order, writ, injunction or decree applicable to USV or any of its properties or assets. Other than (y) the Regulatory Approvals and (z) the filing of the certificate of merger with the Secretary of State of the State of Texas pursuant to the requirements of the TBOC, no consent, approval, notice, license, permit, order or authorization of or registration, declaration or filing with any Person is required to be obtained or made by USV in connection with the execution and delivery of this Agreement and the related documents to which it is a party and the consummation of the transactions contemplated hereby and thereby.

Section 4.5. Proceedings. There are no Proceedings pending or, to USV's knowledge, threatened against USV, and USV has no knowledge of any basis on which any such Proceedings could be brought which could reasonably be expected to result in a Material Adverse Effect on USV or which could question the validity of any action taken or to be taken in connection with this Agreement and the transactions contemplated hereby. USV is not in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any arbitrator or Governmental Body.

Section 4.6. Regulatory Actions and Approvals. There are no Proceedings pending or, to the knowledge of USV, threatened, against USV by or before any Governmental Body or arbitrator having jurisdiction over USV. Except where disclosure would be prohibited by applicable law, USV is not subject to a formal or informal agreement, memorandum of understanding, enforcement action with, or any type of financial assistance by, any Governmental Body or arbitrator having jurisdiction over it. USV does not know of any fact or circumstance relating to it that would materially impede or delay receipt of any Regulatory Approvals, the Merger, or the other transactions contemplated by this Agreement, nor does USV have any reason to believe that it will not be able to obtain all Regulatory Approvals.

Section 4.7. Compliance with Laws and Regulatory Filings.

(a) Since January 1, 2022, USV has complied in all material respects with and is not in material default or material violation under (and with the giving of notice or the passage of time will not be in material default or material violation) any applicable law, statute, order, rule, regulation, policy and/or guideline of any Governmental Body relating to it. USV has neither had nor suspected any material incidents of fraud or defalcation since its inception involving it or any of its officers, directors or Affiliates during the last two (2) years.

(b) USV filed all reports, registrations and statements, together with any amendments required to be made thereto, that are required to be filed with any other Governmental Body having supervisory jurisdiction over it, and such reports, registrations and statements as finally amended or corrected, are true and correct in all material respects. Except in the ordinary course of business, no Governmental Body has initiated any Proceeding or, to USV's knowledge, investigation into the business or operations of USV.

(c) USV has no knowledge of any fact or circumstance relating to USV that would materially impede or delay receipt of any Regulatory Approvals.

(d) To the knowledge of USV, neither USV, or any director, officer, employee, agent or other person acting on behalf of USV has, directly or indirectly, (i) used any funds of USV for unlawful contributions, unlawful gifts, unlawful entertainment or other expenses relating to political activity, (ii) made any unlawful payment to foreign or domestic governmental officials or employees or to foreign or domestic political parties or campaigns from funds of USV, (iii) violated any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any similar law, (iv) established or maintained any unlawful fund of monies or other assets of USV, (v) made any fraudulent entry on the books or records of USV, or (vi) made any unlawful bribe, unlawful rebate, unlawful payoff, unlawful influence payment, unlawful kickback or other unlawful payment to any person, private or public, regardless of form, whether in money, property or services, to obtain favorable treatment in securing business to obtain special concessions for USV, to pay for favorable treatment for business secured or to pay for special concessions already obtained for USV, or is currently subject to any United States sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury.

Section 4.8. Brokers, Finders and Financial Advisors. Other than as set forth in Section 4.8 of the Disclosure Letter, neither USV nor any of their respective officers, directors or employees have employed any broker, finder, financial advisor or investment banker or incurred any Liability for any brokerage, financial advisory, investment banking or other similar fees or commissions in connection with this Agreement and the transactions contemplated hereby.

Section 4.9. Absence of Certain Changes. Since December 31, 2023, (a) USV has conducted its business in the ordinary and usual course (except as otherwise required by this Agreement and excluding the incurrence of expenses related to this Agreement and the transactions contemplated hereby), (b) USV has not engaged in the activities proscribed by Section 6.7 and (c) no Material Adverse Effect on USV has occurred.

Section 4.10. Representations Not Misleading. No representation or warranty by USV contained in this Agreement (including the Disclosure Letter), contains or will contain on the Closing Date (taking into account the supplemental Disclosure Letter) any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein, in light of the circumstances under which it was or will be made, not misleading. Except as disclosed herein, USV has no knowledge of any matter that materially adversely affects USV's ability to perform the transactions contemplated by this Agreement or the other agreements contemplated hereby.

ARTICLE V COVENANTS OF THE COMPANY

The Company covenants and agrees with USV as follows:

Section 5.1. Amendment to Company Articles; Approval of Shareholders of the Company; Efforts.

(a) The Company shall use commercially reasonable efforts to take all actions legally necessary to approve and effectuate an amendment to the Company's Articles of Incorporation in the manner set forth in Section 5.1(a) of the Disclosure Schedules (the "Articles Amendment") to be effective no later than fifteen (15) Business Days after the date of this Agreement.

(b) Following the effectiveness of the Articles Amendment, the Company shall use commercially reasonable efforts to request that the Company's shareholders having at least the minimum number of votes that would be necessary to approve this Agreement and the transactions contemplated hereby execute a written consent in lieu of a meeting of the Company's shareholders taking action to

approve this Agreement and the transactions contemplated hereby no later than thirty (30) Business Days after the date of this Agreement (the “Written Consent”). In the event the Company is unable to receive the signatures of such shareholders having at least the minimum number of votes that would be necessary to approve this Agreement and the transactions contemplated hereby, on or prior to the date that is thirty (30) Business Days after the date of this Agreement, the Company shall continue to use commercially reasonable efforts to obtain the requisite shareholder approval for this Agreement and the transactions contemplated hereby, including by taking commercially reasonable steps under applicable laws and its Organizational Documents necessary to duly call, give notice of, convene and hold a special meeting of the Company’s shareholders to be called to consider the Merger, this Agreement and the transactions contemplated hereby (the “Company Shareholder Meeting”) at such time as may be mutually agreed to by the parties for the purpose of (i) considering and voting upon the approval of this Agreement and the transactions contemplated hereby, and (ii) for such other purposes consistent with the complete performance of this Agreement as may be necessary and desirable. The board of directors of the Company shall recommend to the shareholders of the Company the approval and adoption of this Agreement and the transactions contemplated hereby, and, subject to Section 5.1(c) below, shall not withdraw, amend or modify such recommendation in a manner adverse to USV (a “Change in Recommendation”) and shall use commercially reasonable efforts to obtain the necessary approvals by the Company’s shareholders of this Agreement and the transactions contemplated hereby via the signed Written Consent or at the Company Shareholder Meeting (the “Company Shareholder Approval”).

(c) Notwithstanding the foregoing Section 5.1(a) and Section 5.1(b), if the Company has complied with Section 5.5, the board of directors of the Company may effect a Change in Recommendation if the Company or any of its representatives receives an unsolicited bona fide Acquisition Proposal before the approval of the Company’s shareholders that the board of directors of the Company has (i) determined in its good faith judgment (after consultation with its outside legal counsel) to constitute or would reasonably be expected to result in a Superior Proposal, and (ii) determined in its good faith judgment (after consultation with the Company’s outside legal counsel) that the failure to effect a Change in Recommendation would cause it to violate its fiduciary duties under applicable law.

(d) Unless this Agreement has been terminated pursuant to Section 9.1, the Company agrees that its obligations pursuant to this Section 5.1 to obtain the Written Consent or, if such Written Consent is not obtained within the time period provided in Section 5.1(b), convene and hold the Company Shareholder Meeting, shall not be affected by the commencement, public proposal, public disclosure or communication to the Company of any Acquisition Proposal.

(e) If this Agreement is approved by the Company’s shareholders, the Company shall take all reasonable actions to aid and assist in the consummation of the Merger, and shall use commercially reasonable efforts to take or cause to be taken all other actions necessary, proper or advisable to consummate the transactions contemplated by this Agreement, including such actions as it and USV reasonably consider necessary, proper or advisable in connection with filing applications with, or obtaining approvals from, all Governmental Bodies having jurisdiction over the transactions contemplated by this Agreement.

Section 5.2. Activities of the Company Pending Closing.

(a) From the date hereof to and including the Closing Date, as long as this Agreement remains in effect, and unless USV has consented in writing (which consent shall not be unreasonably withheld or delayed) or as otherwise expressly contemplated or permitted by other provisions of this Agreement or except as may be required by applicable law or an order or policy of a Governmental Body, the Company shall, and shall cause the Bank to:

(i) conduct its affairs (including the making of or agreeing to make any loans or other extensions of credit) only in the ordinary course of business consistent with past practices;

(ii) except as required by reasonable business practices, use commercially reasonable efforts to preserve intact its present business organizations, keep available the services of its present executive officers and directors and preserve its relationships with customers and advantageous business relationships;

(iii) promptly give written notice to USV of (A) any material change in its business, operations or prospects, (B) other than in the case of nonpublic OCC information, any complaints, investigations or hearings (or communications indicating that the same may be contemplated) of any Governmental Body having jurisdiction over the Company or the Bank, (C) other than in the case of nonpublic OCC information, the institution or threat of any Proceeding against the Company or the Bank or (D) the occurrence of any event or the failure of any event to occur or the existence of any circumstance that would reasonably be expected to cause (1) a breach of any covenant, condition or agreement contained herein, (2) any of the representations or warranties of the Company contained in this Agreement to be untrue or inaccurate in any material respect (without regard to any materiality qualifiers contained therein) or (3) a Material Adverse Effect on the Company or the Bank;

(iv) timely file, subject to extensions, all Tax Returns required to be filed with the appropriate Governmental Body, and timely pay all Taxes that become due and payable, except those being contested in good faith by appropriate proceedings, to the appropriate Governmental Body, by the Company or the Bank;

(v) promptly notify USV of any Tax Proceeding or claim pending or threatened against or with respect to the Company or the Bank;

(vi) accrue and account for Taxes of the Company or the Bank in the ordinary course of business, consistent with past practices and in accordance with GAAP;

(vii) withhold from each payment made to each of its employees the amount of all Taxes required to be withheld therefrom and pay the same to the proper Governmental Body; and

(viii) except as required by law or regulation or expressly permitted by this Agreement, take no action which would adversely affect or delay the ability of the Company or USV to obtain the Regulatory Approvals or any other approvals required for consummation of the transactions contemplated hereby or to perform its obligations and agreements under this Agreement.

(b) From the date hereof to and including the Effective Time, consistent with past practices and except (1) as expressly permitted by this Agreement (including in Section 5.2 of the Disclosure Schedules) or (2) as may be required by applicable law or an order or policy of a Governmental Body, the Company shall not, and shall not permit the Bank to, without the written consent of USV, which consent shall not be unreasonably withheld, conditioned or delayed:

(i) adjust, split, combine or reclassify any of the Company Stock;

(ii) make, acquire, modify or renew, or agree to make, acquire, modify or renew any loans, loan participations or other extensions of credit (whether directly or indirectly

through the purchase of loan participations from other lenders, deal paper or otherwise) to any Borrower that (A) would be a material violation of its policies and procedures in effect as of the date hereof, (B) would not be in the ordinary course of business consistent with past practices, (C) would exceed \$1,000,000 in the aggregate to any new Borrower with respect to any new loan to be made or acquired, or (D) would exceed \$1,000,000 in the aggregate to any existing Borrower with respect to any existing loan to be modified or renewed (except (1) pursuant to commitments made before the date of this Agreement that are listed in Section 5.2 of the Disclosure Schedules and not covered by items (A) or (B) of this clause or (2) loans fully secured by a certificate of deposit at the Bank); provided, that in the event that the Bank desires to make or renew any such loan which would exceed the applicable \$1,000,000 limitations set forth above, it shall so advise USV via e-mail transmission to Guido Piggott, guidopiggott@gmail.com. USV shall notify the Bank via e-mail transmission within two (2) Business Days of receipt of such notice whether USV consents to such loan or extension of credit, *provided* that if USV fails to notify the Bank within such time frame, USV shall be deemed to have consented to such loan or extension of credit; provided, however, that in no event shall USV or its Affiliates be entitled to take any actions or mandate consent that would afford it control over the Company or the Bank prior to the Effective Time;

(iii) issue or sell or obligate itself to issue or sell any shares of the Company or the Bank's capital stock or any warrants, rights or options to acquire, or any securities convertible into, any shares of the Company or the Bank's capital stock;

(iv) grant any stock appreciation rights, stock appreciation units, restricted stock, stock options or other form of incentive compensation;

(v) open, close or relocate any branch office, or acquire or sell or agree to acquire or sell, any branch office or any deposit liabilities;

(vi) enter into, adopt, amend or terminate any agreement of the type that would be required to be disclosed in Section 3.17(a) of the Disclosure Schedules, or any other material agreement, or acquire or dispose of any material amount of assets or Liabilities or make any change in any of its leases, except in the ordinary course of business consistent with past practices;

(vii) hire any employee with an annual salary in excess of \$50,000;

(viii) retain any independent contractor whose engagement cannot be terminated by the Company or the Bank without notice and without penalty;

(ix) other than as recommended or suggested by regulatory authorities, grant any severance or termination payment to, or enter into or amend any employment, collective bargaining, change-in-control, retention, noncompetition, retirement, parachute, severance or indemnification agreement with, any officer, director, employee or agent of the Company or the Bank, either individually or as part of a class of similarly situated Persons;

(x) (A) increase in any manner the compensation or fringe benefits of any of its employees, directors, consultants or other service providers other than in the ordinary course of business consistent with past practice and pursuant to policies currently in effect, (B) pay any perquisite such as automobile allowance, club membership or dues or other similar benefits other than in accordance with past practice, or (C) institute any employee welfare, retirement or similar plan or arrangement;

(xi) amend any Company Employee Plan, other than as required to maintain the Tax qualified status of such plan or as contemplated under this Agreement;

(xii) except for cash distributions in the ordinary course of business consistent with past practices or to allow for each shareholder's taxable income of the Company at the highest margin rate resulting from the Company's S Corporation election, (A) declare, pay or set aside for payment any dividend or other distribution (whether in cash, stock or property) in respect to the Company Stock, other than the payment of dividends from the Bank to the Company, or (B) directly or indirectly, purchase, redeem or otherwise acquire any shares of Company Stock;

(xiii) make any change in accounting methods, principles and practices, except as may be required by GAAP or rules of any Governmental Body;

(xiv) in the ordinary course of business consistent with past practices, sell, transfer, convey, mortgage, encumber or otherwise dispose of any material properties or assets (including "other real estate owned") or interest therein, other than other real estate owned properties under contract for sale as of the date of this Agreement;

(xv) foreclose upon or otherwise acquire any commercial real property prior to receipt of a recent Phase I environmental review thereof, a copy of which shall be provided to USV;

(xvi) increase or decrease the rate of interest paid on deposit accounts, except in a manner consistent with the Company's past practices;

(xvii) charge off any loan or other extension of credit greater than \$50,000 without two (2) Business Days' prior written notice to USV of the amount of such charge-off; provided, that if such charge-off is made at the request of a Governmental Body or pursuant to rules or regulations of any Governmental Body, then no prior notice or consent by USV shall be required;

(xviii) (A) establish any new Subsidiary or Affiliate or enter into any new line of business, or (B) except pursuant to contracts or agreements in force at the date of or permitted by this Agreement, make any equity investment in, or purchase outside the ordinary course of business any property or assets of, any other Person;

(xix) materially deviate from policies and procedures existing as of the date of this Agreement with respect to (A) classification of assets, (B) the allowance for loan and lease losses (C) accrual of interest on assets, except as otherwise required by the provisions of this Agreement, applicable law or regulation or any Governmental Body;

(xx) except as set forth in Section 5.1(a), amend or change any provision of the Organizational Documents of the Company or the Bank;

(xxi) make any capital expenditure which would exceed an aggregate of \$25,000;

(xxii) except in the ordinary course of business consistent with past practices, excluding deposits and certificates of deposit, incur or modify any indebtedness for borrowed money, including Federal Home Loan Bank advances;

(xxiii) prepay any material indebtedness or other similar arrangements so as to cause the Company to incur any material prepayment penalty thereunder;

(xxiv) settle any Proceeding (A) involving payment by it of money damages in excess of \$50,000 in the aggregate or (B) imposing any restriction on the operations of the Company or the Bank;

(xxv) make any changes to its investment Securities Portfolio or the manner in which the portfolio is classified or reported; provided, however, that the Company and the Bank may, to the extent consistent with the Company's past practices, sell investment securities and purchase U.S. governmental agency securities, municipal securities, and corporate securities with a corporate credit rating of A or better; or

(xxvi) make, revoke or change any Tax election or Tax method of accounting, settle or compromise any Tax liability, enter into any "closing agreement" within the meaning of § 7121 of the Code (or any similar provision of state, local or foreign law), surrender any right to claim a return of Taxes, file any amended Tax Return, or consent to any extension or waiver of any statute of limitations, in each case, with respect to the Company or the Bank;

(xxvii) revoke the Company's election to be treated as an S corporation or the Bank's election to be treated as a Qsub or take, or fail to take, any action (other than the sale of the Company's Stock to USV pursuant to this Agreement) that would result in the termination of the Company's status as an S corporation or the Bank's status as a Qsub;

(xxviii) other than as set forth in Section 3.22 of the Disclosure Schedules, employ or enter into an agreement to employ any broker, finder, financial advisor or investment banker in connection with this Agreement and the transactions contemplated hereby; or

(xxix) enter into any contract or agreement that commits the Company or the Bank to do any of the foregoing.

Section 5.3. Access to Properties and Records.

(a) To the extent permitted by applicable law, the Company shall and shall cause the Bank, upon reasonable notice from USV to the Company to: (i) afford the employees and officers and authorized representatives (including legal counsel, accountants and consultants) of USV reasonable access to the properties, books and records of the Company and the Bank during normal business hours in order that USV may have the opportunity to make such reasonable investigation as it shall reasonably desire to make of the affairs of the Company and the Bank and to conduct the environmental investigations provided in Section 5.11, and (ii) furnish USV with such additional financial and operating data and other information as to the business and properties of the Company as USV, from time to time, reasonably request, *provided, however*, that USV shall request permission for all such access reasonably in advance and all such access shall be conducted in a manner designed to be the least disruptive to the normal business operations and employee or customer relations of the Bank.

(b) As soon as practicable after they become available, the Company shall deliver or make available to USV all unaudited monthly and quarterly financial information prepared for the internal use of management of the Company and all Call Reports filed by the Bank with the appropriate Governmental Body after the date of this Agreement. In the event of the termination of this Agreement, USV shall return to the Company all documents and other information obtained pursuant hereto and shall keep confidential any information obtained pursuant to Section 7.2.

Section 5.4. Information for Regulatory Applications.

(a) To the extent permitted by law and during the pendency of this Agreement, the Company shall use commercially reasonable efforts to furnish USV with all information concerning the Company or the Bank required for inclusion in any application, filing, statement or document to be made or filed by USV with any Governmental Body in connection with the transactions contemplated by this Agreement. The Company shall use commercially reasonable efforts to fully cooperate with USV in the filing of any applications or other documents necessary to complete the transactions contemplated by this Agreement. The Company agrees at any time, upon the request of USV, to furnish to USV a written letter or statement confirming the accuracy of the information with respect to the Company or the Bank contained in any report or other application or statement referred to in this Agreement, and confirming that the information with respect to the Company and the Bank contained in such document or draft was furnished by the Company expressly for use therein or, if such is not the case, indicating the inaccuracies contained in such document or indicating the information not furnished by the Company expressly for use therein.

(b) As applicable, none of the information relating to the Company and the Bank that is provided by the Company for inclusion in the Proxy Statement to be prepared in accordance with the Company's Organizational Documents and applicable law and mailed to the Company's shareholders in connection with the solicitation of proxies by the board of directors of the Company for use at the Company Shareholder Meeting, any filings or approvals under applicable federal or state banking laws or regulations shall, at the time of mailing the Proxy Statement to the Company's shareholders (if necessary), at the time of the Company Shareholder Meeting (if necessary), and at the Effective Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

Section 5.5. Standstill Provision.

(a) The Company agrees that neither it nor the Bank shall, and they shall instruct their respective directors, officers, agents or representatives not to, directly or indirectly take any action to solicit, initiate, encourage or facilitate the making of any inquiries with respect to, or provide any information to, conduct any assessment of or negotiate with any other party with respect to any Acquisition Proposal (as defined herein) or which could reasonably be expected to lead to any Acquisition Proposal.

(b) Notwithstanding the foregoing, prior to the date of the receipt of the Written Consent or the Company Shareholder Meeting, as applicable, the Company may furnish information concerning its business (but in no event the existence of this Agreement or the terms hereof), properties or assets to any Person pursuant to a confidentiality agreement with terms no less favorable to the Company than those contained in this Agreement, and may negotiate and participate in discussions and negotiations with such Person concerning an Acquisition Proposal if, but only if, (i) such Acquisition Proposal provides for consideration to be received by the holders of all, but not less than all, of the issued and outstanding shares of Company Stock; (ii) such Person has, on an unsolicited basis, and in the absence of any violation of this Section 5.5 by the Company, submitted a bona fide written proposal to the Company relating to any such Acquisition Proposal which at least a majority of the full board of directors of the Company determines in good faith, after consultation with outside legal counsel to the Company, involves a Superior Proposal that is reasonably likely to obtain all necessary regulatory approvals, and (iii) in the good faith opinion of the board of directors of the Company, only after consultation with outside legal counsel to the Company, not providing such information or access or engaging in such discussions or negotiations would cause the board of directors of the Company to violate its fiduciary duties to the Company's shareholders under applicable law.

(c) The Company shall promptly, and in any event within two (2) Business Days following (i) receipt of any Acquisition Proposal or (ii) a determination by the board of directors of the Company that an Acquisition Proposal is a Superior Proposal, and prior to providing any such party with any material non-public information, notify USV of such Acquisition Proposal or determination of a Superior Proposal, as the case may be, which notice shall include the identity of the other party and the terms and conditions of any such Acquisition Proposal or Superior Proposal. The notice shall be delivered in accordance with Section 11.6. The Company shall promptly provide to USV any material non-public information regarding the Company provided to another party which was not previously provided to USV, such additional information to be provided no later than the date of provision of such information to such other party. Except as allowed by and subject to Section 5.5(d), the Company shall immediately cease and cause to be terminated any existing activities, discussions or negotiations with any Person conducted heretofore that relate to any Acquisition Proposal. The Company shall, and shall cause the Bank to, take the necessary steps to inform the appropriate Persons referred to in this Section 5.5 of the obligations undertaken in this Section 5.5.

(d) The board of directors of the Company may, at any time prior to the date of the Company Shareholder Meeting, approve, endorse or recommend a Superior Proposal or enter into a definitive agreement with respect to such Superior Proposal, effect a Change in Recommendation pursuant to Section 5.1(c), and terminate this Agreement in accordance with Section 9.1(f); provided, however, that prior to taking any such action (i) the Company has given USV at least five (5) Business Days prior written notice of its intention to take such action (which notice shall specify the material terms and conditions of any such Superior Proposal, including the identity of the party making such Superior Proposal) and such notice includes a copy of any proposed written transaction agreements and related documents with or from the Person or group of Persons making such Superior Proposal, (ii) the Company has negotiated, and has caused its representatives to negotiate, in good faith with USV during such five (5) Business Day period to the extent USV wishes to negotiate, to revise the terms of this Agreement such that it would cause such Superior Proposal to no longer constitute a Superior Proposal and (iii) following the end of such five (5) Business Day period, the board of directors of the Company shall have considered in good faith any changes to this Agreement proposed in writing by USV, and shall have determined that the Superior Proposal would continue to constitute a Superior Proposal if such revisions were to be given effect. In the event of any material revisions to an Acquisition Proposal during any such five (5) Business Day period that could have an impact, influence or other effect on the Company's board of directors' decision or discussion with respect to whether such Acquisition Proposal, as revised, is a Superior Proposal, the Company shall deliver a new written notice to USV pursuant to the foregoing clause (i) and again comply with the requirements of this Section 5.5(d) with respect to such new written notice; *provided, however*, that references herein to the five (5) Business Day period shall be deemed to be references to a three (3) Business Day period with respect thereto.

Section 5.6. [Reserved].

Section 5.7. Liability Insurance. The Company shall purchase for a period of not less than four (4) years after the Effective Time, past acts and extended reporting period insurance coverage for no less than the four-year period immediately preceding the Effective Time under its (a) current directors and executive officers insurance (or comparable coverage), (b) employment practices liability insurance, (c) current financial institutions bond (or comparable coverage) and (d) bankers professional liability, mortgage errors and omissions and fiduciary liability insurance for each of the directors and executive officers of the Company and the Bank currently covered under comparable policies held by the Company or the Bank.

Section 5.8. Allowance for Credit Losses. Unless otherwise required by a regulatory agency, the Company shall cause the Bank to maintain its allowance for loan and lease losses at a level consistent

with the Bank's historical methodology, past practices, existing policies, and in compliance with GAAP and applicable laws, rules and regulations.

Section 5.9. Third Party Consents. The Company shall use commercially reasonable efforts, and USV shall reasonably cooperate with the Company at the Company's request, to provide all required notices and obtain all consents, approvals, authorizations, waivers or similar affirmations described in Section 3.4(b) of the Company Disclosure Schedules.

Section 5.10. Operational Updates. The executive officers of the Company and the Bank agree to meet with the executive officers of USV as reasonably requested by USV to review the financial and operational affairs of the Bank, with the understanding that USV shall in no event be permitted to exercise control of the Company or the Bank prior to the Effective Time and, except as specifically provided under this Agreement, the Company and the Bank shall have no obligation to act in accordance with USV's input; provided, that USV shall have no right to review nonpublic OCC information of the Company or the Bank.

Section 5.11. Environmental Investigation; Rights to Terminate Agreement.

(a) USV and its consultants, agents and representatives shall have the right to the same extent that the Company or the Bank has such right (at USV's cost and expense), but not the obligation or responsibility, to inspect any Company or Bank property, including conducting asbestos surveys and sampling, environmental assessments, including Phase I Environmental Site Assessments ("Phase I"), and investigation, and other non-invasive or non-destructive environmental surveys and analyses (collectively, "Environmental Inspections") at any time on or prior to thirty (30) days after the date of this Agreement. If, as a result of any such Environmental Inspection, further investigation ("Secondary Investigation") including test borings, soil, water, asbestos or other sampling, is deemed desirable by USV, USV shall, within forty-five (45) days after the date of this Agreement, (i) notify the Company of any property for which it intends to conduct such a Secondary Investigation and the reasons for such Secondary Investigation, and (ii) submit a work plan to the Company for such Secondary Investigation. Following receipt of such notice and work plan, the Company shall have fifteen (15) days in which to elect, in its sole discretion, to either terminate this Agreement or comment on the work plan, in which case USV agrees to reasonably consider any and all such comments (and negotiate in good faith any such comments) and conclude such Secondary Investigation, on or prior to forty-five (45) days after the date of receipt of the Company's comments. USV shall give reasonable notice to the Company of such Secondary Investigations, and the Company may place reasonable restrictions on the time and place at which such Secondary Investigations may be carried out.

(b) USV agrees to indemnify and hold harmless the Company and the Bank and their respective officers, employees, agents or Affiliates for any claims for damage to property, or injury or death to persons made as a result of any Environmental Inspection or Secondary Investigation conducted by USV or its agents, representatives or contractors, except to the extent attributable to dangerous conditions on the property attributable to the gross negligence or willful misconduct of the Company or the Bank. If the Closing does not occur, the foregoing indemnities shall survive the termination of this Agreement. Except as set forth herein, USV shall not have any Liability or responsibility of any nature whatsoever for the results, conclusions or other findings related to any Environmental Inspection, Secondary Investigation or other environmental survey. If this Agreement is terminated, then, except as otherwise required by law, reports to any Governmental Body of the results of any Environmental Inspection, Secondary Investigation or other environmental survey shall be made by the Company in the exercise of its sole discretion and not by USV. USV shall make no such report prior to Closing unless required to do so by law, and in such case will give the Company reasonable prior written notice of USV's intentions so as to enable the Company to review and comment on such proposed report.

(c) To the extent that USV identifies any past or present events, conditions or circumstances that would require further investigation, remedial or cleanup action under Environmental Laws, the Company shall use all commercially reasonable best efforts to take and complete any such reporting, remediation or other response actions prior to Closing.

(d) USV shall have the right to terminate this Agreement within ninety (90) days after the date of this Agreement if (i) the results of such Environmental Inspection, Secondary Investigation or other environmental survey are disapproved by USV because the Environmental Inspection, Secondary Investigation or other environmental survey identifies violations or potential violations of Environmental Laws that are reasonably likely to result in a Material Adverse Effect on the Company; (ii) any past or present events, conditions or circumstances that would reasonably be expected to require further investigation, remedial or cleanup action under Environmental Laws involving an expenditure reasonably expected by USV to exceed \$150,000 or that is reasonably likely to result in a Material Adverse Effect on the Company or the Bank; (iii) the Environmental Inspection, Secondary Investigation or other environmental survey identifies the presence of any underground or above ground storage tank in, on or under any Company Real Property that is not shown to be in compliance with all Environmental Laws applicable to such tank, or that has had a release of petroleum or some other Hazardous Materials that has not been remediated in accordance with applicable Environmental Law; or (iv) the Environmental Inspection, Secondary Investigation or other environmental survey identifies the presence of any asbestos-containing material or mold in, on or under any Company Real Property, the removal or abatement of which would reasonably be expected to involve an expenditure in excess of \$150,000 or that is reasonably likely to result a Material Adverse Effect on the Company. USV promptly shall deliver to the Company (at no charge) copies of any environmental report, engineering report, or property condition report prepared by USV or any third party with respect to any Company Real Property (including without limitation copies of reports received by USV pursuant to any Environmental Inspection or Secondary Investigation). Any results or findings of any Environmental Inspections will not be disclosed by USV to any third party not affiliated with USV, unless USV is required by law to disclose such information.

(e) The Company agrees to make available upon request to USV and its consultants, agents and representatives all documents and other materials relating to environmental conditions of any Company Real Property including the results of other environmental inspections and surveys to the extent such documents are in the reasonable control of the Company. The Company also agrees that all engineers and consultants who prepared or furnished such reports may discuss such reports and information with USV and, at USV's cost and expense, shall be entitled to certify the same in favor of USV and its consultants, agents and representatives and make all other data available to USV and its consultants, agents and representatives.

Section 5.12. Financial Statements. The unaudited balance sheets as of future dates and the related statements of income of the Company and the Bank for the periods then ended, which may be provided by the Company to USV subsequent to the date hereof, shall be prepared from the books and records of the Company and the Bank, and except as set forth on Section 5.12 of the Disclosure Schedules, shall fairly present, in all material respects, the financial position and results of operations of the Company and the Bank at the dates and for the periods indicated in conformity with GAAP applied on a consistent basis throughout the periods indicated, except that unaudited Financial Statements may (i) omit the footnote disclosure required by GAAP and (ii) be subject to normal year-end audit adjustments required by GAAP. The Call Reports filed by the Bank subsequent to the date hereof shall fairly present the financial position of the Bank and the results of its operations at the dates and for the periods indicated in compliance with the rules and regulations of applicable federal and state banking authorities.

Section 5.13. Regulatory Matters. The Company shall and shall cause the Bank to take all necessary actions to address and remediate any findings of or requests, if any, made by a Governmental

Body of the Company or the Bank prior to Closing, or if not possible to address and remediate such findings or requests prior to Closing, and the Company shall accrue an amount sufficient to cover expenses reasonably required by USV to timely remediate after the Merger.

Section 5.14. Reserved.

Section 5.15. No Control. Nothing contained in this Agreement shall give USV or any of its representatives or Affiliates, directly or indirectly, the right to control or direct the operations of the Company or the Bank prior to the Effective Time, and nothing contained in this Agreement shall give the Company or any of its representatives or Affiliates, directly or indirectly, the right to control or direct the operations of USV prior to the Effective Time. Prior to the Effective Time, each of the Company and USV shall exercise, consistent with the terms of this Agreement, complete control and supervision over its and its Subsidiaries' respective operations.

ARTICLE VI COVENANTS OF USV

USV covenants and agrees with the Company as follows:

Section 6.1. Commencement of Private Offering. USV shall commence its private placement (the "Private Offering") as soon as reasonably practicable but in no event later than thirty (30) days of the effective date of this Agreement. At least seven (7) Business Days prior to circulation, USV shall provide the Company drafts of all private placement offering documents for the Company to review and comment upon, and USV shall use its reasonable efforts to incorporate into such documents any reasonable comments or changes suggested by the Company; provided, however, the Company shall have no more than five (5) Business Days from receipt of the draft documents to review and provide comments to such documents to USV. Upon commencement of the Private Offering, USV shall provide the Company with copies of the executed subscription agreements on a weekly basis and shall, upon request by the Company and until closing of the Private Offering, host a meeting each month-end to discuss with the Company the progress of the Private Offering via Zoom web conferencing or other reasonable means of remote communication.

Section 6.2. Regulatory Filings; Efforts.

(a) Unless otherwise agreed to by the Company and USV, as soon as reasonably practicable after receipt of executed subscription agreements for fifty percent (50%) of the capital to be raised in the Private Offering (the "Minimum Subscription Agreements") but no later than March 31, 2025, USV shall file applications for all Regulatory Approvals required to be obtained by USV in connection with this Agreement and the transactions contemplated hereby, including but not limited to the necessary applications for the prior approval of the Merger by the Federal Reserve Board and the OCC and for the approval for USV to become a bank holding company pursuant to Section 3(a)(1) of the BHC Act (12 U.S.C. § 1842 *et seq.*) and Regulation Y promulgated thereunder, or waiver by the Federal Reserve Board of the application and prior approval requirements thereunder.

(b) At least ten (10) Business Days prior to filing such applications, USV shall provide the Company with drafts of the public portions of all applications for all Regulatory Approvals required to be obtained by USV for the Company to review and comment upon, and USV shall use its reasonable efforts to incorporate into such applications any reasonable comments or changes suggested by the Company; provided, however, the Company shall have no more than five (5) Business Days from receipt of the public portions of the applications to review and provide comments upon such applications to USV.

(c) USV shall timely file all documents required to obtain all necessary blue sky permits and approvals, if any, required to carry out the transactions contemplated by this Agreement, shall pay all expenses incident thereto and shall use its commercially reasonable efforts to obtain such permits and approvals on a timely basis.

(d) USV shall keep the Company reasonably informed as to the status of such applications and filings and shall notify it promptly of any developments that reasonably could significantly delay the completion of the Merger.

Section 6.3. Incorporation and Organization of Merger Sub. USV shall incorporate, or shall cause the incorporation of, Merger Sub under the laws of the State of Texas. Before the Closing, USV shall cause Merger Sub not to take any action or execute any agreement, document or certificate except as contemplated by this Agreement and the other agreements contemplated hereby.

Section 6.4. Accession Agreement. USV shall cause Merger Sub to enter into this Agreement by means of the Accession Agreement, the form of which is attached hereto as Exhibit A, and USV shall cause Merger Sub to perform all of its obligations under the Accession Agreement and this Agreement. USV shall vote all the outstanding shares of common stock of Merger Sub in favor of this Agreement.

Section 6.5. Director and Officer Indemnification.

(a) Provided that the Company complies with Section 5.7, for a period of four (4) years after the date hereof, and subject to the limitations contained in applicable Federal Reserve Board, OCC and FDIC regulations and to any limitations contained in the Certificate of Formation of the Company or the Articles of Association of the Bank, USV shall indemnify and hold harmless each present and former director, officer, employee and agent of the Company or the Bank, entitled to indemnification from the Company or the Bank pursuant to the Certificate of Formation of the Company or the Articles of Association of the Bank (each, an "Indemnified Party") against any costs or expenses (including reasonable attorneys' fees), judgments, fines, losses, claims, damages or liabilities incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of matters existing or occurring at or before the Effective Time (including the transactions contemplated by this Agreement), whether asserted or claimed before, at or after the Effective Time, arising in whole or in part out of or pertaining to the fact that he or she was acting in his or her capacity as a director, officer or employee of the Company or the Bank to the fullest extent that the Indemnified Party would be entitled under the Certificate of Formation of the Company or the Articles of Association of the Bank, as applicable, in each case as in effect on the date hereof and to the extent permitted by applicable law.

(b) Any Indemnified Party wishing to claim indemnification under this Section 6.5, upon learning of any such claim, action, suit, proceeding or investigation, is to promptly notify USV, but the failure to so notify shall not relieve USV of any liability it may have to the Indemnified Party to the extent such failure does not prejudice USV. In any such claim, action, suit, proceeding or investigation (whether arising before or after the Effective Time), (i) USV shall have the right to assume the defense thereof and bear the costs incurred in connection therewith and USV shall not be liable to an Indemnified Party for any legal expenses of other counsel or any other expenses subsequently incurred by an Indemnified Party in connection with the defense thereof, except that if USV elects not to assume such defense or counsel for the Indemnified Party advises that there are issues which raise conflicts of interest between USV and the Indemnified Party, the Indemnified Party may retain counsel reasonably satisfactory to USV, and USV shall promptly pay the reasonable fees and expenses of such counsel for the Indemnified Party as any such fees and expenses are incurred by such Indemnified Party (which may not exceed one firm in any jurisdiction), provided that the Indemnified Party for whom fees and expenses are to be paid provides a signed written undertaking to repay such amounts if it is ultimately determined by a court of competent

jurisdiction that such Indemnified Party is not entitled to indemnification under applicable laws or regulations, (ii) the Indemnified Party shall cooperate in the defense of any such matter, (iii) USV shall not be liable for any settlement effected without its prior written consent and (iv) USV shall have no obligation hereunder if indemnification of an Indemnified Party in the manner contemplated hereby is prohibited by applicable laws and regulations.

(c) If USV fails promptly to pay the amounts due pursuant to this Section 6.5, and, in order to obtain such payment, an Indemnified Party commences a Proceeding which results in a judgment against USV for failure to provide indemnification, USV shall pay the costs and expenses of the Indemnified Party (including attorneys' fees and expenses) in connection with such Proceeding. Furthermore, if USV, or any of its successors or assigns, shall consolidate with or merge into any other entity and shall not be the continuing or surviving entity of such consolidation or merger or shall transfer all or substantially all of its assets to any other entity, then and in each case, proper provision shall be made so that the successors and assigns of BFST, or the surviving company shall assume the obligations set forth in this Section 6.5 prior to or simultaneously with the consummation of such transaction.

Section 6.6. Commercially Reasonable Efforts. USV shall use commercially reasonable efforts to perform and fulfill all conditions and obligations on its part to be performed or fulfilled under this Agreement and to cause the completion of the Merger in accordance with this Agreement.

Section 6.7. Activities of USV Pending Closing.

(a) Unless otherwise consented to in writing by the Company (which such consent shall not be unreasonably withheld or delayed), from the date of this Agreement to and including the Closing Date, as long as this Agreement remains in effect, USV shall:

(i) use commercially reasonable efforts to obtain reasonably binding commitments, consisting of executed subscription agreements with bona fide investors for the Private Offering;

(ii) use commercially reasonable efforts to preserve intact its present business organizations and keep available the services of its present officers, directors, key employees and agents;

(iii) promptly give written notice to the Company of (A) any material change in its business or operations or proposed changes to either; (B) any complaints, investigations or hearings (or communications indicating that the same may be contemplated) of any Governmental Body having jurisdiction over USV; (C) the institution or threat of any Proceeding against USV; or (D) any event or condition that would reasonably be expected to cause any of the representations or warranties of USV contained in this Agreement to be untrue in any material respect or which would otherwise cause a Material Adverse Effect with respect to USV;

(iv) not acquire, by merger, consolidation, acquisition of stock or assets, or otherwise, any business or Person or division thereof or make any loans, advances, or capital contributions to or investments in any Person; or

(v) except as required by law or regulation or expressly permitted by this Agreement, take no action which would adversely affect or delay the ability of the Company or USV to obtain any approvals from any regulatory agencies or other approvals required for consummation of the Merger or to perform its obligations and agreements under this Agreement.

(b) Between the date of this Agreement and Closing, USV shall not take or fail to take any action that would, or would reasonably be expected to, materially and adversely affect the ability of USV to (i) obtain the required regulatory approvals to consummate the Merger, (ii) perform in all material respects its covenants set forth in this Agreement or (iii) consummate the Merger.

ARTICLE VII MUTUAL COVENANTS OF USV AND THE COMPANY

Section 7.1. Notification; Updated Disclosure Schedules.

(a) The Company shall give prompt written notice to USV, and USV shall give prompt written notice to the Company, of (i) any representation or warranty made by it in this Agreement becoming untrue or inaccurate in any material respect (without regard to any materiality qualifier contained therein), including as a result of any change in a Schedule, or (ii) the failure by it to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it under this Agreement; provided, however, that no such notification shall affect the representations, warranties, covenants or agreements of the parties or the conditions to the obligations of the parties under this Agreement; and provided further, however, that if such notification under clause (i) relates to any matter which arises for the first time after the date of this Agreement, then the other party may only terminate this Agreement if such matter would cause the condition set forth in Section 10.1(c), with respect to the Company, and in Section 10.1(c), with respect to USV, incapable of being satisfied.

(b) At least five (5) Business Days prior to the Closing Date, the Company shall provide USV with supplemental Disclosure Schedules and USV shall provide the Company with an updated USV Disclosure Letter reflecting any material changes to the Disclosure Schedules and the USV Disclosure Letter, respectively, between the date of this Agreement and the date thereof. Delivery of such supplemental Disclosure Schedules and updated USV Disclosure Letter shall not cure a breach or modify a representation or warranty of this Agreement.

Section 7.2. Confidentiality.

(a) *Definition of Recipient, Disclosing Party, Representative and Person.* For purposes of this Section 7.2, the term “Recipient” means the party receiving the Subject Information (as defined herein) and the term “Disclosing Party” means the party furnishing the Subject Information. The terms “Recipient” or “Disclosing Party,” as used herein, include: (a) all persons and entities related to or affiliated in any way with the Recipient or the Disclosing Party, as the case may be, and (b) any person or entity controlling, controlled by or under common control with the Recipient or the Disclosing Party, as the case may be. The term “Representative” as used herein, includes all directors, officers, shareholders, employees, representatives, advisors, attorneys, accountants, potential investors and agents of any of the foregoing. The term “person” as used in this is Section 7.2 to be broadly interpreted to include any corporation, company, group, partnership, governmental agency or individual.

(b) *Definition of Subject Information.* For purposes of this Section 7.2, the term “Subject Information” means all information furnished to the Recipient or its Representatives (whether prepared by the Disclosing Party, its Representatives or otherwise and whether or not identified as being nonpublic, confidential or proprietary) by or on behalf of the Disclosing Party or its Representatives (including information previously furnished to the Recipient or its Representatives pursuant to other non-disclosure or confidentiality agreements) relating to or involving the business, operations or affairs of the Disclosing Party or otherwise in possession of the Disclosing Party. The term “Subject Information” does not include information that (a) was already in the Recipient’s possession at the time it was first furnished

to Recipient by or on behalf of Disclosing Party, provided that such information is not known by the Recipient to be subject to another confidentiality agreement with or other obligation of secrecy to the Disclosing Party, its Subsidiaries or another party, or (b) becomes generally available to the public other than as a result of a disclosure by the Recipient or its Representatives, or (c) becomes available to the Recipient on a non-confidential basis from a source other than the Disclosing Party, its Representative or otherwise, provided that such source is not known by the Recipient to be bound by a confidentiality agreement with or other obligation of secrecy to the Disclosing Party, its Representative or another party.

(c) Each Recipient hereby agrees that the Subject Information is to be used solely for the purpose of reviewing and evaluating the transactions contemplated by this Agreement and the other agreements contemplated hereby, and that the Subject Information is to be kept confidential by the Recipient and the Recipient's Representatives; but (a) any of such Subject Information may be disclosed to the Recipient's Representatives (including the Recipient's potential investors, accountants and attorneys) who need to know such information for the purpose of evaluating any such possible transaction between the Disclosing Party and the Recipient (it being understood that such Representatives are to be informed by the Recipient of the confidential nature of such information and that the Recipient shall direct and cause such persons to treat such information confidentially); and (b) any disclosure of such Subject Information may be made to which the Disclosing Party consents in writing before any such disclosure by Recipient; *provided, however*, that no such consent is needed for USV to disclose such Subject Information to potential investors in connection with the Private Offering.

Section 7.3. Publicity. Except as otherwise required by applicable law or securities exchange rules or in connection with the regulatory application process, as long as this Agreement is in effect, neither USV nor the Company shall, nor shall they permit any of their officers, directors or representatives to, issue or cause the publication of any press release or public announcement with respect to, or otherwise make any public announcement concerning, the transactions contemplated by this Agreement without the consent of the other party, which consent shall not be unreasonably withheld or delayed.

Section 7.4. Employee Benefit Plans.

(a) To the extent requested by USV, the Company or the Bank shall execute and deliver such instruments and take such other actions as USV may reasonably require in order to cause the amendment or termination of any Company Employee Plan on terms satisfactory to USV and in accordance with applicable law and effective at Closing, except that the winding up of any such plan may be completed following the Closing Date.

(b) USV shall, unless otherwise mutually determined by the parties, keep and maintain each Company Employee Plan in effect at the date of this Agreement after the Effective Time with respect to employees covered by such plans at the Effective Time until such time as the Company Employee Plans are modified as provided herein. USV shall cause the Continuing Corporation as promptly as practicable after the Effective Time (but in any event prior to the next renewal date for each respective Company Employee Plan) to formulate such employee benefit plans for the Continuing Corporation and its Subsidiaries, with respect to employees who were covered by any Company Employee Plan at the Effective Time, which provide benefits substantially the same as provided by each Company Employee Plan. The Continuing Corporation shall: (i) provide employees of the Company and the Bank credit for all years of service with the Company or the Bank, as applicable, prior to the Effective Time for the purpose of eligibility and vesting, (ii) cause any and all pre-existing condition limitations (to the extent such limitations did not apply to a pre-existing condition under comparable Company Employee Plans applicable to the individual immediately prior to the Closing Date) and eligibility waiting periods under group health plans of the Continuing Corporation to be waived with respect to employees of the Company and the Bank who remain as employees of the Continuing Corporation or its Subsidiaries (and their eligible dependents) and

(iii) cause to be credited, for purposes of the Continuing Corporation's health plans, any deductibles or out-of-pocket expenses incurred by employees of the Company and the Bank and their beneficiaries and dependents during the portion of the calendar year prior to their participation in the Continuing Corporation's health plans with the objective that there be no double counting during the year in which the Closing Date occurs of such deductibles or out-of-pocket expenses. Notwithstanding the preceding sentence, to the extent that the Continuing Corporation reasonably determines that compliance with the preceding sentence would be prohibited by applicable law or that such compliance would result in the duplication of benefits, the Continuing Corporation shall have no obligations or liabilities with respect to the requirements of the preceding sentence. Except as otherwise specified in this Agreement, the Continuing Corporation shall honor, or cause to be honored, in accordance with their terms, all vested or accrued benefit obligations to, and contractual rights of, current and former employees of the Company and the Bank.

(c) USV agrees that during the period commencing at the Effective Time and ending on the date which is twelve (12) months from the Effective Time (or if earlier, the date of the employee's termination of employment with the Bank), USV shall cause the Bank to provide each employee of the Bank with base salary or hourly wages which are no less than the base salary or hourly wages provided by the Bank to such employee immediately prior to the Effective Time.

(d) Prior to the Closing Date, USV shall adopt a severance policy that shall provide for standard and customary severance for the termination of employees. USV shall provide the Company with a draft of the severance policy for its review and approval prior to USV's adoption of such policy, which such approval shall not unreasonably be withheld.

Section 7.5. Tax Matters.

(a) Any transfer, documentary, sales, use, stamp, registration and other such Taxes and all conveyance fees, recording charges and other similar fees and charges (including any penalties and interest thereto) incurred in connection with the consummation of the transactions contemplated by this Agreement, if any, shall be borne and paid fifty percent (50%) by the Continuing Corporation and the remaining fifty percent (50%) shall be borne and paid by the Shareholders' Representative on behalf of the shareholders. The party required by applicable law to do so shall file all necessary Tax Returns and other documentation in connection with the Taxes and charges governed by this Section 7.5(a) and the costs of preparing and making such filing shall be paid by such party if and when due. If required by applicable law, the other party shall, and shall cause its Affiliates to, join in the execution of any such Tax Returns and other documentation in connection with such Tax Returns or other documentation.

(b) The Shareholders' Representative shall prepare or cause to be prepared all Tax Returns for the Company or the Bank for any Pre-Closing Tax Period, including the final federal S corporation Tax Return of the Company (and final state and local income Tax Returns, as applicable) of the Company for the taxable year ending as of the Closing Date (the "Final S Corp Tax Return"). To the extent permitted by applicable law, the parties agree that the Final S Corp Tax Return shall include any income, gain, loss, deduction or other tax items of the Company and the Bank for the taxable year ending as of the Closing Date, including but not limited to any Pre-Closing Taxes and any liability for Taxes under Section 1374 or Section 1375 of the Code (or any similar provision of state, local or non-U.S. Tax law or otherwise). The Final S Corp Tax Return (and all relevant work papers and other items required to understand such Tax Return or other items as reasonably requested by the Shareholders' Representative) and each other Tax Return of the Company or the Bank for a Pre-Closing Tax Period shall be provided to USV at least thirty (30) days prior to the earlier of (i) filing such Tax Return or (ii) the due date for filing such Tax Return, including any valid extensions. USV shall have the right to comment on and approve each such Tax Return prior to the filing of such Tax Return, which approval shall not be unreasonably

withheld, conditioned or delayed. The Shareholders' Representative, on behalf of the shareholders, shall be liable for and shall pay any Taxes imposed on the shareholders, the Company, or the Bank with respect to or properly allocable to any Pre-Closing Tax Period (or the pre-Closing portion of any Straddle Tax Period) and shall timely pay any such Taxes to the appropriate Governmental Body (or, if USV has paid such Taxes to a Governmental Body, shall promptly reimburse USV to the extent of such payment).

(c) The Continuing Corporation shall prepare and pay any Tax Returns of the Company or the Bank that are not described in Section 7.5(b), including but not limited to Tax Returns for Straddle Tax Periods (as defined herein). With respect to any Tax Return for the Company or the Bank for any Pre-Closing Tax Period or Straddle Tax Period that are prepared, or caused to be prepared, by the Continuing Corporation, the Shareholders' Representative shall (x) provide any information and documents (including all relevant work papers and other items required to understand such Tax Return) reasonably requested by the Continuing Corporation and (y) timely pay, or cause to be paid, any Taxes related to a Pre-Closing Tax Period or the pre-Closing portion of any Straddle Tax Period that are shown thereon.

(d) The Continuing Corporation and the Shareholders' Representative shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the filing of Tax Returns with respect to a Pre-Closing Tax Period and any audit, litigation, or other proceeding with respect to Taxes for a Pre-Closing Tax Period. Such cooperation shall include the retention and (upon the other party's request) the provision of records and information reasonably relevant to any such audit, litigation, or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. If any Governmental Body conducts any audit or investigation relating to the Company or the Bank, the Continuing Corporation shall represent the Company and the Bank, as applicable and control any such audit or investigation and provide any response required in connection therewith.

(e) For purposes of this Agreement, Taxes of the Company or the Bank, as applicable with respect to any taxable period that begins before but does not end on or before the Closing Date (a "Straddle Tax Period") shall be allocated to the Pre-Closing Tax Period as follows: (i) in the case of Taxes imposed on a periodic basis (such as real or personal property Taxes), the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount to be paid in arrears shall be considered a Tax of such period) multiplied by a fraction, the numerator of which is the number of calendar days in the portion of the Straddle Tax Period ending on and including the day prior to the Closing Date and the denominator of which is the number of calendar days in the entire relevant Straddle Tax Period; and (ii) in the case of Taxes not described in (i) above (such as franchise Taxes, Taxes that are based upon or related to income or receipts, based upon occupancy or imposed in connection with any sale or other transfer or assignment of property (real or personal, tangible or intangible), other than Taxes described in Section 7.5(a)), the amount of any such Taxes shall be determined as if such taxable period ended on the Closing Date.

(f) All sharing, Tax allocation, Tax indemnity agreements or similar agreements or arrangements (whether or not written) with respect to or involving the Company or the Bank shall be terminated as of the Closing Date and, after the Closing Date, neither the Company nor the Bank shall be bound thereby or have any liability thereunder.

(g) At the sole discretion of the USV, upon written notice delivered to the Shareholders' Representative no later than thirty (30) days prior to the Closing Date, the parties agree to prepare and file the election provided by Section 338(h)(10) of the Code and any comparable election under state, county, or local law (collectively and separately, the "Election"). Each party shall provide to the other all information reasonably necessary to permit the making of the Election. If the Election is made by USV, then on or before the Closing Date, the parties hereto shall work in good faith to agree on a methodology

for the allocation of the Aggregate Merger Consideration and any other applicable consideration among the assets of the Company, which shall be consistent with the allocation methodology provided by Section 338 of the Code and the Treasury Regulations thereunder, and which methodology shall be included as an exhibit to the Company's supplemental Disclosure Schedules in connection with the Closing. The Shareholders' Representative shall deliver to USV at Closing, and USV shall deliver to the Shareholders' Representative at Closing, a duly executed IRS Form 8023 (the "Form 8023") to make the Election. The shareholders of the Company and USV shall, no later than thirty (30) days prior to the last date for filing a timely Election, file such executed Form 8023 and all other forms, returns, elections, schedules and documents as may be required to effect and preserve a timely Election. If the amount of Taxes payable by the shareholders of the Company and the Company to all Governmental Bodies as the result of the making of the Election exceeds the total amount of Taxes that would otherwise have been payable by the Company's shareholders and the Company had the Election not been made (*i.e.*, if the transactions contemplated by this Agreement were treated as a "share purchase transaction" and not as an "asset purchase transaction"), then USV shall pay the Shareholders' Representative the Tax Gross Up Amount.

(h) In connection with the Election, and only if such Election is made, on the earlier of sixty (60) days after the Closing Date or thirty (30) days prior to the last date for filing a timely Election, USV shall deliver to the Shareholders' Representative a statement containing an allocation of the Aggregate Merger Consideration (and all other items that are treated as taxable consideration for federal income Tax purposes) among the Company's and the Bank's assets in accordance with the Code and the Treasury Regulations promulgated thereunder (the "Allocation") and an IRS Form 8883 ("Form 8883") to be included with the Tax Return of the Company for the taxable year that includes the Closing Date. The Shareholders' Representative shall reasonably cooperate with USV with respect to the Allocation and Form 8883 and shall provide USV with information reasonably required for USV to prepare the Allocation and Form 8883. Within fifteen (15) days after receipt of the Allocation and Form 8883, the Shareholders' Representative shall review and comment on the Allocation and Form 8883, and provide any written comments to USV. If the Shareholders' Representative does not provide any written comments within such fifteen (15) day period, the Shareholders' Representative shall be deemed to have accepted the Allocation and Form 8883 as prepared by USV and, if the Shareholders' Representative provides any reasonable written comments within such fifteen (15) day period, USV shall consider such comments in good faith. The parties agree to (i) be bound by the Allocation as finally agreed or determined pursuant to this Section 7.5, (ii) act, and cause their Affiliates to act, in a manner consistent with the Allocation in the preparation and filing of all relevant income Tax Returns, and (iii) in the course of any audit or other proceeding to take no position and cause their Affiliates to take no position inconsistent with the Allocation or their Form 8883 for any Tax purpose. Unless otherwise agreed to by the parties, the Allocation shall not include the legal, accounting and other fees or costs incurred by the Company and USV as a result of the transactions contemplated by this Agreement.

Section 7.6. No Control of the Company's and the Bank's Business. Nothing contained in this Agreement shall be deemed to give USV or any of its representatives, directly or indirectly, the right to control or direct the operations of the Company or the Bank prior to the Effective Time. Prior to the Effective Time, the Company and the Bank shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over the operations of the Company and the Bank.

ARTICLE VIII CLOSING

Section 8.1. Closing. The closing of the transactions contemplated by this Agreement ("Closing") will take place remotely via the exchange of documents and signatures or at such location mutually acceptable to the parties hereto. The Closing will take place as soon as practicable once the conditions of ARTICLE X have been satisfied or waived but in any event within the fifteen (15) day period

commencing on the later of the following dates, unless the parties otherwise mutually agree in writing (“Closing Date”):

(a) the receipt of shareholder approvals and the last Regulatory Approval and the expiration of any statutory or regulatory waiting period which is necessary to effect the Merger; and

(b) if the transactions contemplated by this Agreement are being contested in any Proceeding and USV or the Company, pursuant to Section 10.3(a), has elected to contest the same, then the date that such Proceeding has been brought to a conclusion favorable, in the reasonable judgment of each of USV and the Company, to the consummation of the transactions contemplated herein, or such prior date as each of USV and the Company shall reasonably elect whether or not such proceeding has been brought to a conclusion.

Section 8.2. Effective Time. Subject to the terms and upon satisfaction of all requirements of law and the conditions specified in this Agreement including, among other conditions, the receipt of the approval of the shareholders of the Company and of USV and the Regulatory Approvals, the Merger shall become effective, and the effective time of the Merger shall occur, at the date and time specified in the certificate of merger to be filed with the Secretary of State of the State of Texas (“Effective Time”).

Section 8.3. Actions to be Taken at Closing by the Company. At the Closing, the Company will execute, or cause to be executed (as appropriate), and deliver to USV such documents and certificates contemplated to be delivered pursuant to this Agreement or reasonably necessary to evidence the transactions contemplated by this Agreement, including the items set forth in Section 8.3 of the Disclosure Schedules (all of such actions constituting conditions precedent to USV’s obligations to close hereunder).

Section 8.4. Actions to be Taken at Closing by USV. At the Closing, USV will execute, or cause to be executed (as appropriate), and deliver to, or cause to be delivered to, the Company such documents and certificates contemplated to be delivered pursuant to this Agreement or reasonably necessary to evidence the transactions contemplated by this Agreement, including the items set forth in the USV Disclosure Letter (all of such actions constituting conditions precedent the Company’s obligations to close hereunder).

ARTICLE IX TERMINATION

Section 9.1. Termination.

(a) Notwithstanding any other provision of this Agreement, this Agreement may be terminated and the Merger contemplated hereby may be abandoned by action of the board of directors of USV or the Company at any time prior to the Effective Time if:

(i) any court of competent jurisdiction in the United States or other Governmental Body (other than related to Regulatory Approvals as contemplated by Section 9.1(a)(ii)) shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting the Merger and such order, decree, ruling or other action shall be final and non-appealable;

(ii) any of the transactions contemplated by this Agreement are disapproved (or the applications or notices for which are suggested or recommended to be withdrawn) by any Governmental Body or other Person whose approval is required to consummate any of such transactions;

(iii) the Effective Time has not occurred by 5:00 p.m. Central Time on September 30, 2025 (the “Outside Closing Date”), unless the Effective Time is delayed solely on account of a determination not having been made on the transaction by any regulatory authority whose approval is required to complete the Merger in which case the Outside Closing Date may be unilaterally extended by USV to November 29, 2025, by increasing the Earnest Money Deposit provided in Section 2.4(a) herein to \$250,000; *provided, however*, that the right to terminate this Agreement pursuant to this Section 9.1(a)(iii) shall not be available to any party hereto if the failure of such party and its Affiliates (if applicable) to perform or comply in all material respects with its covenants and agreements contained herein shall have been the direct cause of, or resulted directly in, or materially contributed to, the failure of the Effective Time to occurred by Outside Closing Date; or

(iv) the Company Shareholder Approval shall not have been obtained either (i) by reason of the failure to obtain the Written Consent in accordance with Section 5.1(b), or (ii) by reason of the failure to obtain the required vote at the Company Shareholder Meeting.

(b) This Agreement may be terminated at any time prior to the Effective Time by action of the board of directors of the Company if:

(i) USV has not received the Minimum Subscription Agreements on or before February 28, 2025;

(ii) USV has not filed the applications for all Regulatory Approvals required to be obtained by USV on or before March 31, 2025; or

(iii) USV fails to comply in any material respect with any of its covenants or agreements contained in this Agreement, or if any of the representations or warranties of USV contained herein shall be inaccurate in any material respect. If the board of directors of the Company desires to terminate this Agreement because of an alleged breach or inaccuracy as provided in this Section 9.1(b)(iii), the board of directors must notify USV in writing of its intent to terminate stating the reason therefor. USV shall have thirty (30) days from the receipt of such notice to cure the alleged breach or inaccuracy, if the breach or inaccuracy is capable of being cured. The Company’s right to terminate this Agreement pursuant to this Section 9.1(b)(iii) shall not be available if the Company is in material breach of any representation, warranty, covenant or other agreement contained herein.

(c) This Agreement may be terminated at any time prior to the Effective Time by action of the board of directors of USV if:

(i) the Company fails to comply in any material respect with any of its covenants or agreements contained in this Agreement, or if any of the representations or warranties of the Company contained herein shall be inaccurate in any material respect,

(ii) any approval required to be obtained from any regulatory authority or agency is obtained subject to restrictions or conditions on the operations of the Company, the Bank or USV that, in the reasonable judgment of USV, materially and adversely impairs the value of the Company and the Bank, taken as a whole, to USV, that materially and adversely impairs the economic or business benefits of the transactions contemplated by this Agreement to USV or otherwise would, in the reasonable judgment of USV, be so burdensome as to render inadvisable the consummation of the transactions contemplated by this Agreement (a “Burdensome

Condition”) (for purposes of illustration, it would not be deemed a Burdensome Condition if USV is required to raise at least \$30.0 million in capital to obtain Regulatory Approval), or

(iii) any of the conditions set forth in Section 5.11(d) shall have occurred.

In the event the board of directors of USV desires to terminate this Agreement because of an alleged breach or inaccuracy as provided in Section 9.1(c)(i), the board of directors must notify the Company in writing of its intent to terminate stating the reason therefor. The Company shall have thirty (30) days from the receipt of such notice to cure the alleged breach or inaccuracy, if the breach or inaccuracy is capable of being cured. USV’s right to terminate this Agreement pursuant to Section 9.1(c)(i) shall not be available if USV is in material breach of any representation, warranty, covenant or other agreement contained herein.

(d) This Agreement may be terminated at any time prior to the Effective Time upon the mutual written consent of USV and the Company and the approval of such action by their respective boards of directors.

(e) This Agreement may be terminated at any time before the Closing by the board of directors of USV if (i) the Company has breached the covenant contained in Section 5.5 in a manner adverse to USV; (ii) or the board of directors of the Company effects a Change in Recommendation.

(f) This Agreement may be terminated at any time before Closing by the board of directors of the Company to pursue a Superior Proposal if the Company has not materially breached its obligations in Section 5.5.

Section 9.2. Effect of Termination.

(a) If this Agreement is terminated by either USV or the Company as provided in Section 9.1, this Agreement shall become void and have no effect, without any liability on the part of any party or its directors, officers or shareholders, except that the provisions of Section 5.11, Section 7.2, this Section 9.2 and Section 11.5 shall survive termination of this Agreement. Nothing contained in this Section 9.2 shall relieve any party hereto of any liability for a breach of this Agreement.

(b) If this Agreement is terminated pursuant to Section 9.1(e), then the Company shall pay to USV, by wire transfer of same day funds, a termination fee equal to \$600,000 plus a refund of the Earnest Money Deposit.

(c) If this Agreement is terminated pursuant to Section 9.1(f), then the Company shall pay to USV, by wire transfer of same day funds, a termination fee equal to \$600,000 plus a refund of the Earnest Money Deposit.

(d) If this Agreement is terminated pursuant to Section 9.1(a)(ii), Section 9.1(a)(iii), Section 9.1(b), or Section 9.1(c)(ii), then USV shall pay to the Company, by release of the Earnest Money Deposit, the Earnest Money Deposit as the termination fee.

(e) In the event that after the date of this Agreement and prior to the termination of this Agreement, an Acquisition Proposal shall have been made known to senior management or any board member of the Company or has been made directly to its stockholders generally or any Person shall have publicly announced (and not withdrawn) an Acquisition Proposal with respect to the Company and thereafter this Agreement is terminated by USV pursuant to Section 9.1(c)(i) or by USV or the Company pursuant to Section 9.1(a)(iv), and, prior to the date that is nine (9) months after the date of such termination, the Company enters into a definitive agreement, or consummates a transaction, with respect to an

Acquisition Proposal (whether or not the same Acquisition Proposal as that referred to above), then the Company shall, on the earlier of the date it enters into such definitive agreement and the date of consummation of such transaction, pay USV, by wire transfer of same day funds, the termination fee contemplated by Section 9.2(b) to USV.

ARTICLE X CONDITIONS PRECEDENT

Section 10.1. Conditions Precedent to Obligations of USV. The obligation of USV under this Agreement to consummate the Merger is subject to the satisfaction, at or prior to the Closing Date of the following conditions, which may be waived by USV in its sole discretion, to the extent permitted by applicable law:

(a) *Compliance with Representations and Warranties.* (i) Each of the representations and warranties of the Company set forth in Section 3.2 (other than inaccuracies that are de minimis in amount and effect) and Section 3.8 shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (unless any such representation or warranty is made only as of a specific date, in which case as of such specific date); (ii) each of the other representations and warranties made by the Company in this Agreement shall be true and correct in all respects as of the date of this Agreement (unless any such representation or warranty is made only as of a specific date, in which case as of such specific date); provided, however, that the Company may cure any such inaccurate representation or warranty covered by this clause (ii) by providing written notice to USV or taking lawful action to cure within thirty (30) days' of the Company having knowledge of such inaccuracy; and (iii) each of the representations and warranties made by the Company in this Agreement, other than set forth in Section 3.2 and Section 3.8, is true and correct in all material respects (except to the extent such representations and warranties are qualified by their terms by reference to "material," "materiality," "in all material respects," "Material Adverse Effect," or the like, in which case such representations and warranties as so qualified are true and correct in all respects) as of the Closing Date with the same force and effect as if such representations and warranties were made on and as of the Closing Date, except with respect to those representations and warranties specifically made as of an earlier date (in which case such representations and warranties must have been true and correct as of such earlier date). USV shall have received a certificate, executed by an appropriate representative of the Company and dated as of the Closing Date, to the foregoing effect.

(b) *Performance of Obligations.* The Company shall have performed or complied in all material respects with all covenants and obligations required by this Agreement to be performed and complied with prior to or at the Closing. USV shall have received a certificate, executed by an appropriate representative of the Company and dated as of the Closing Date, to the foregoing effect.

(c) *Absence of Material Adverse Effect.* No Material Adverse Effect on the Company or the Bank shall have occurred since the date hereof.

(d) *Certain Agreements.*

(i) Each of the Employment Agreements shall remain in full force and effect.

(ii) Each of the Director Support Agreements shall remain in full force and effect.

(iii) Each agreement entered into by each director or executive officer of the Company or the Bank as a condition and inducement to USV's willingness to enter into this

Agreement, releasing the Company and the Bank from any and all claims by such directors and executive officers (except as described in such instrument), which shall each be in substantially the form attached hereto as Exhibit E, remain in full force and effect.

(e) *Dissenters' Rights.* Holders of shares representing no more than ten percent (10.0%) of the issued and outstanding Company Stock shall have demanded or shall be entitled to receive payment of the fair value of their shares as dissenting shareholders.

(f) *Consents and Approvals.* The Required Consents shall have been obtained, and USV shall have received evidence thereof in form and substance reasonably satisfactory to USV and all applicable waiting periods shall have expired.

(g) *FIRPTA Certificate.* The Company shall have delivered to USV a certificate conforming with the requirements of Treasury Regulations Sections 1.897-2(h) and 1.1445-2(c)(3) certifying that the shares of Company Stock do not constitute "United States real property interests" under Section 897(c) of the Code, together with a notice to the IRS (which shall be filed by USV with the IRS following the Closing) in accordance with the Treasury Regulations Section 1.897-2(h)(2).

(h) *[Reserved].*

(i) *Other Documents.* The Company shall have delivered to USV all other instruments and documents which USV or its counsel may reasonably request to effectuate the transactions contemplated hereby.

Section 10.2. Conditions Precedent to Obligations of the Company. The obligation of the Company under this Agreement to consummate the Merger is subject to the satisfaction, at or prior to the Closing Date, of the following conditions, which may be waived by the Company in its sole discretion, to the extent permitted by applicable law:

(a) *Compliance with Representations and Warranties.* (i) Each of the representations and warranties of USV set forth in Section 4.1 and Section 4.2 shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made on and as of the Closing Date (unless any such representation or warranty is made only as of a specific date, in which case as of such specific date); (ii) each of the other representations and warranties made by USV in this Agreement shall be true and correct in all respects as of the date of this Agreement (unless any such representation or warranty is made only as of a specific date, in which case as of such specific date); provided, however, that USV may cure any such inaccurate representation or warranty covered by this clause (ii) by providing written notice to the Company or taking lawful action to cure within thirty (30) days' of USV having knowledge of such inaccuracy; and (iii) each of the representations and warranties made by USV in this Agreement, other than the representations in Section 4.1 and Section 4.2, is true and correct in all material respects (except to the extent such representations and warranties are qualified by their terms by reference to "material," "materiality," "in all material respects," "Material Adverse Effect," or the like, in which case such representations and warranties as so qualified are true and correct in all respects) as of the Closing Date with the same force and effect as if such representations and warranties were made on and as of the Closing Date, except with respect to those representations and warranties specifically made as of an earlier date (in which case such representations and warranties must have been true and correct as of such earlier date). The Company shall have received a certificate, executed by an appropriate representative of USV and dated as of the Closing Date, to the foregoing effect.

(b) *Performance of Obligations.* USV shall have performed or complied in all material respects with all covenants and obligations required by this Agreement to be performed and

complied with prior to or at the Closing. The Company shall have received a certificate, executed by an appropriate representative of USV and dated as of the Closing Date, to the foregoing effect.

(c) *Absence of Material Adverse Effect.* No Material Adverse Effect on USV shall have occurred since the date hereof.

(d) *Consents and Approvals.* The consents set forth in the USV Disclosure Letter shall have been obtained, and the Company shall have received evidence thereof in form and substance reasonably satisfactory to the Company and all applicable waiting period shall have expired.

(e) *Certificate of Merger Sub.* The Company shall have received a certificate, dated as of the Closing Date, signed by the Secretary or an Assistant Secretary of Merger Sub, pursuant to which Merger Sub will certify (i) the due adoption by the board of directors of Merger Sub of corporate resolutions attached to such certificate authorizing the Merger and the execution and delivery of this Agreement and the other agreements and documents contemplated hereby and the taking of all actions contemplated hereby and thereby; (ii) the due adoption by the sole shareholder of Merger Sub of resolutions authorizing the Merger, this Agreement and the transactions contemplated by the Merger (iii) the incumbency and true signatures of those officers of Merger Sub duly authorized to act on its behalf in connection with the Merger and to execute and deliver this Agreement and other agreements and documents contemplated hereby and the taking of all actions contemplated hereby and thereby on behalf of Merger Sub, (iv) that the copy of the Certificate of Formation and Bylaws of Merger Sub attached to such certificate are true and correct and such Certificate of Formation and Bylaws have not been amended except as reflected in such copy, and (v) that Merger Sub is in good standing with the State of Texas as evidenced by valid Certificates of Good Standing or the like attached to such certificate.

(f) *Employment Agreements.* Simultaneously with the execution of this Agreement, the Bank shall have entered into mutually satisfactory Employment Agreements substantially in the form attached hereto as Exhibit D with the individuals set forth on Section 10.2(f) of the Disclosure Schedules, and such Employment Agreements remain in full force and effect.

(g) *Other Documents.* USV shall have delivered to the Company all other instruments and documents which the Company or its counsel may reasonably request to effectuate the transactions contemplated hereby.

Section 10.3. Conditions Precedent to Obligations of USV and the Company. The respective obligations of USV and the Company under this Agreement are subject to the satisfaction, at or prior to the Closing Date, of the following conditions which may be waived by USV and the Company, respectively, in their sole discretion, to the extent permitted by applicable law:

(a) *Government Approvals.* USV shall (a) have received the Regulatory Approvals, which approvals shall not impose a Burdensome Condition, and (b) any statutory or regulatory waiting period necessary to effect the Merger and the transactions contemplated hereby shall have expired. Such approvals and the transactions contemplated hereby shall not have been contested by any Governmental Body or any third party (except shareholders asserting dissenters' rights) by formal proceeding. It is understood that, if any such contest is brought by formal proceeding, USV or the Company may, but shall not be obligated to, answer and defend such contest or otherwise pursue the Merger and the transactions contemplated hereby over such objection.

(b) *Shareholder Approval.* The shareholders of the Company shall have approved this Agreement and the transactions contemplated hereby by the requisite votes.

ARTICLE XI MISCELLANEOUS

Section 11.1. Certain Definitions. Except as otherwise provided herein, the capitalized terms set forth below shall have the following meanings:

(a) “Acquisition Proposal” means any proposal (whether communicated to the Company or publicly announced to the Company’s shareholders), which is a bona fide offer reasonably likely to obtain regulatory approval, by any Person (other than USV or any of its Affiliates) for an Acquisition Transaction involving the Company, the Bank or any future Subsidiary of the Company, or any combination of such Subsidiaries, the assets of which constitute, or would constitute, fifty percent (50%) or more of the consolidated assets of the Company as reflected on the Company’s most recent consolidated statement of condition prepared in accordance with GAAP.

(b) “Acquisition Transaction” means any transaction or series of related transactions (other than the transactions contemplated by this Agreement) involving: (i) any acquisition or purchase from the Company by any Person or “Group” (as such term is defined in Section 13(d) under the Exchange Act), other than USV or any of its Affiliates, of fifty percent (50%) or more in interest of the total outstanding voting securities of the Company or the Bank, or any tender offer or exchange offer that if consummated would result in any Person or Group (other than USV or any of its Affiliates) beneficially owning fifty percent (50%) or more in interest of the total outstanding voting securities of the Company or the Bank, or any merger, consolidation, business combination or similar transaction involving the Company or the Bank pursuant to which the shareholders of the Company immediately preceding such transaction hold less than seventy-five percent (75%) of the equity interests in the surviving or resulting entity (which includes the parent corporation of any constituent corporation to any such transaction) of such transaction; (ii) any sale or lease (other than in the ordinary course of business), or exchange, transfer, license, acquisition or disposition of fifty percent (50%) or more of the assets of the Company or the Bank; or (iii) any liquidation or dissolution of the Company or the Bank.

(c) “Affiliate” means, with respect to any specified Person, a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified, unless a different definition has been included in this Agreement for purposes of a particular provision hereof. For purposes of this definition, “control” (including the correlative terms “controlling,” “controlled by” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting equity interest, by contract or otherwise.

(d) “Affiliated Group” means any affiliated group within the meaning of § 1504(a) of the Code or any similar group defined under a similar provision of state or local law.

(e) “Borrower” means any Person (including any Affiliate, shareholder, member or partner of such Person) and any guarantor, surety, spouse, co-maker or co-obligor of any extension of credit to any Person;

(f) “Business Day” means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by law to be closed in Houston, Texas.

(g) “Controlled Group Liability” means any and all Liabilities (1) under Title IV of ERISA, (2) under § 302 of ERISA, (3) under §§ 412 and 4971 of the Code, (4) as a result of a failure to comply with the continuation coverage requirements of § 601 *et seq.* of ERISA and § 4980B of the Code or similar state law, and (5) under corresponding or similar provisions of foreign laws or regulations.

(h) “Environmental Laws,” as used in this Agreement, means all applicable federal, state or local statute, law, rule, regulation, ordinance or code now in effect and in each case as amended to date and any controlling judicial or administrative interpretation thereof, including all common law theories (at law or in equity), any judicial or administrative order, consent decree, or judgment, relating to pollution, preservation, remediation or protection of the environment, natural resources, human health or safety, or Hazardous Materials, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, *et seq.*; the Hazardous Materials Transportation Authorization Act, as amended, 49 U.S.C. § 5101, *et seq.*; the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. § 6901, *et seq.*; the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1201, *et seq.*; the Toxic Substances Control Act, 15 U.S.C. § 2601, *et seq.*; the Clean Air Act, 42 U.S.C. § 7401, *et seq.*; and the Safe Drinking Water Act, 42 U.S.C. § 300f, *et seq.*

(i) “ERISA Affiliates” means, with respect to any entity, trade or business, any other entity, trade or business that is a member of a group described in §§ 414(b), (c), (m) or (o) of the Code or § 4001(b)(1) of ERISA that includes the first entity, trade or business, or that is a member of the same “controlled group” as the first entity, trade or business pursuant to § 4001(a)(14) of ERISA.

(j) “Exchange Act” means the Securities Exchange Act of 1934, as the same may be amended from time to time.

(k) “Governmental Body” means any supranational, national, federal, state, local, municipal, foreign or other government or quasi-governmental authority or any department, agency, commission, board, subdivision, bureau, agency, instrumentality, court or other tribunal of any of the foregoing.

(l) “Hazardous Materials,” includes, but is not limited to, (a) any petroleum or petroleum products, natural gas, or natural gas products, radioactive materials, asbestos, mold, urea formaldehyde foam insulation, transformers or other equipment that contains dielectric fluid containing levels of polychlorinated biphenyls (PCBs), and radon gas; (b) any chemicals, materials, waste or substances defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous wastes,” “restricted hazardous wastes,” “toxic substances,” “toxic pollutants,” “contaminants,” or “pollutants,” or words of similar import, under any Environmental Laws; and (c) any other chemical, material, waste or substance which is in any way regulated as hazardous or toxic by any federal, state or local Governmental Body, agency or instrumentality, including mixtures thereof with other materials, and including any regulated building materials such as asbestos and lead, provided, notwithstanding the foregoing or any other provision in this Agreement to the contrary, the words “Hazardous Material” shall not mean or include any such Hazardous Material used, generated, manufactured, stored, disposed of or otherwise handled in normal quantities in the ordinary course of the business of the Company or the Bank in compliance with all Environmental Laws, or such that may be naturally occurring in any ambient air, surface water, ground water, land surface or subsurface strata.

(m) “knowledge” and phrases of similar import means, as to the Company, the actual knowledge of the Chief Executive Officer and the Chief Financial Officer of the Company and any member of the Company’s board of directors after reasonable inquiry and, as to USV, the actual knowledge of any executive officer of USV after reasonable inquiry.

(n) “Liability” means any liability, debt, obligation, loss, damage, claim, cost or expense (including court costs and reasonable attorneys’, accountants’ and other experts’ fees and expenses associated with investigating, preparing for and participating in any litigation or proceeding, including all appeals), interest, penalties, amounts paid in settlement, Taxes, fines, judgments or assessments, in each

case, whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due.

(o) “Material Adverse Effect” with respect to any Person means any effect, change, event, circumstance, condition, occurrence or development that, either individually or in the aggregate, has had or would reasonably be expected to have a material adverse effect on (i) the business, properties, assets, results of operations or financial condition of such party and its Subsidiaries (*provided*, however, that, with respect to this clause (i), Material Adverse Effect shall not be deemed to include the impact of (A) changes, in U.S. GAAP or applicable regulatory accounting requirements applicable to banks or their holding companies generally or changes in Tax policies, rules or regulations; (B) changes in laws, rules or regulations of general applicability to banks or their holding companies or interpretations thereof by courts or Governmental Body, including changes relating to consumer protection and other compliance requirements, such as fair lending and Bank Secrecy Act/anti-money laundering requirements, and regulatory enforcement thereof; (C) general changes in the credit markets or general downgrades in the credit markets; (D) changes, after the date hereof, in global, national or regional political conditions or general economic or market conditions in the United States (and with respect to each of the Company, Bank and USV, in the respective markets in which they operate), including changes in prevailing interest rates, credit availability and liquidity, currency exchange rates, and price levels or trading volumes in the United States or foreign securities markets affecting other companies in the financial services industry; provided that in no event shall a change in the trading price of USV’s common stock or Company Stock, as applicable, by itself, be considered to constitute a Material Adverse Effect; (E) effects of any actions expressly required by this Agreement or that are taken with the prior written consent of the other party hereto in contemplation of the transactions contemplated hereby; (F) any outbreak or escalation of hostilities, declared or undeclared acts of war or terrorism; (G) changes, after the date hereof, resulting from hurricanes, earthquakes, tornados, floods or other natural disasters or from any epidemic, pandemic, or outbreak of any disease or other public health event in the jurisdictions in which the Company, the Bank and USV operates; (H) changes resulting from expenses (such as legal, accounting and investment bankers’ fees) incurred in connection with this Agreement or the transactions contemplated herein, including without limitation payment of any amounts due to, or the provision of any benefits to, any directors, officers or employees under agreements, plans or other arrangements in existence of or contemplated by this Agreement and disclosed to the Company; or (I) any modifications or changes to valuation policies and practices in connection with the Merger or Second Merger or restructuring charges taken in connection with the Merger or Second Merger, in each case in accordance with GAAP; except, with respect to subclause (A) through (I) to the extent that the effects of such change are materially disproportionately adverse to the business, properties, assets, results of operations or financial condition of such party and its Subsidiaries, taken as a whole, as compared to other companies in the industry in which such party and its Subsidiaries operate) or (ii) the ability of such party to timely consummate the transactions contemplated hereby.

(p) “Organizational Documents” means (a) with respect to a corporation, the articles or certificate of incorporation and bylaws of such entity, (b) with respect to a limited partnership, the certificate of limited partnership (or equivalent document) and partnership agreement or similar operational agreement, (c) with respect to a limited liability company, the articles of organization (or equivalent document) and regulations, company agreement, or similar operational document and (d) with respect to any foreign entity, equivalent constituent and governance documents.

(q) “Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a Governmental Body or any department, agency or political subdivision thereof.

(r) “Proceeding” means any action, suit, litigation, arbitration, lawsuit, claim, proceeding, hearing, audit, investigation or dispute (whether civil, criminal, administrative, investigative,

at law or in equity) commenced, brought, conducted, pending or heard by or before, or otherwise involving, any Governmental Body or any arbitrator.

(s) “Proxy Statement” means the proxy statement for the Company Shareholders Meeting.

(t) “Security Interest” means any mortgage, pledge, lien, encumbrance, charge, or other security interest, other than (a) mechanic’s, materialmen’s, and similar liens, (b) liens for Taxes not yet delinquent, (c) purchase money liens and liens securing rental payments under capital lease arrangements, and (d) other liens arising in the ordinary course of business and not incurred in connection with the borrowing of money.

(u) “Subsidiary” or “Subsidiaries” means, with respect to any Person, any other Person (other than a natural person), whether incorporated or unincorporated, in which such Person, directly or indirectly through one or more Subsidiaries (i) has fifty percent (50%) or more equity interest or (ii) owns at least a majority of the securities or ownership interests having by their terms ordinary voting power to elect a majority of the board of directors or other persons performing similar functions; provided, however, that the term shall not include any such entity in which such voting securities or equity interest is owned or controlled in a fiduciary capacity, without sole voting power, or was acquired in securing or collecting a debt previously contracted in good faith.

(v) “Superior Proposal” means a written bona fide Acquisition Proposal that the board of directors of the Company determines, in its good faith judgment (after consultation with the Company’s legal counsel and after taking into account any revisions to this Agreement proposed by USV in accordance with Section 5.5(d)), (i) to be more favorable from a financial point of view to the Company’s shareholders than the transactions contemplated hereby and (ii) to be reasonably likely to be completed, taking into account all legal, financial and regulatory aspects of the proposal. For purposes of the definition of “Superior Proposal,” the references to “20%” and “80%” in the definition of Acquisition Proposal will be deemed to be references to “50%.”

(w) “Tax” or “Taxes” means all (i) United States federal, state or local or non-United States taxes, assessments, charges, duties, levies or other similar governmental charges of any nature, including all income, franchise, margin, profits, capital gains, capital stock, transfer, sales, use, occupation, property, excise, severance, windfall profits, stamp, stamp duty reserve, license, payroll, employment, withholding, escheat, abandonment, unclaimed property, ad valorem, value added, alternative minimum, environmental, customs, social security (or similar), unemployment, sick pay, disability, registration and other taxes, assessments, charges, duties, fees, levies or other similar governmental charges of any kind whatsoever, whether disputed or not, together with all estimated taxes, deficiency assessments, additions to tax, penalties and interest; (ii) any Liability for the payment of any amount of a type described in clause (i) arising by operation of law, Treasury Regulation Section 1.1502-6 (or any predecessor or successor thereof of any analogous or similar provision under law) or otherwise; and (iii) any Liability for the payment of any amount of a type described in clause (i) or clause (ii) as a result of any obligation to indemnify or otherwise assume or succeed to the Liability of any other Person.

(x) “Tax Gross Up Amount” means the amount necessary to cause (i) the proceeds received by the shareholders of the Company from the transactions contemplated by this Agreement, net of any U.S. federal, state and local Taxes arising from such transactions, to be equal to (ii) the proceeds that the shareholders of the Company would have received from the transactions contemplated by this Agreement, net of any U.S. federal, state and local Taxes arising from such transactions had the Election not been made (taking into account any Tax deductions arising from the Company’s payment of compensation (including incentive and deferred compensation) to employees of the Company or the Bank);

provided, however, that the Tax Gross Up Amount shall in no event be a negative number, and provided, further, that, in calculating the Tax Gross Up Amount, only the items of income, gain, deduction, loss, expense and credit arising out of the transactions contemplated by this Agreement shall be considered.

(y) “Tax Return” means any return, declaration, report, claim for refund, or information return or statement relating to Taxes filed or required to be filed with a Governmental Body, including any schedule or attachment thereto, and including any amendment thereof.

(z) “Treasury Regulation” means the regulations (including temporary regulations) promulgated by the United States Department of the Treasury pursuant to and in respect of the provisions of the Code.

(aa) “Union” means a union, works council or other labor organization.

(bb) “WARN Act” means the federal Worker Adjustment and Retraining Notification Act of 1988, and similar state, local and foreign laws related to plant closings, relocations, mass layoffs and employment losses.

Section 11.2. Other Definitional Provisions.

(a) All references in this Agreement to Company Disclosure Schedules, USV Disclosure Letter, Articles, Sections, subsections and other subdivisions refer to the corresponding Company Disclosure Schedules, USV Disclosure Letter, Articles, Sections, subsections and other subdivisions of or to this Agreement unless expressly provided otherwise. Titles appearing at the beginning of any Articles, Sections, subsections or other subdivisions of this Agreement are for convenience only, do not constitute any part of this Agreement, and shall be disregarded in construing the language hereof.

(b) The words “this Agreement,” “herein,” “hereby,” “hereunder” and “hereof,” and words of similar import, refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. The words “this Article,” “this Section” and “this subsection,” and words of similar import, refer only to the Article, Section or subsection hereof in which such words occur. The word “or” is exclusive, and the word “including” (in its various forms) means including without limitation.

(c) All references to “\$” and dollars shall be deemed to refer to United States currency unless otherwise specifically provided.

(d) Pronouns in masculine, feminine or neuter genders shall be construed to state and include any other gender, and words, terms and titles (including terms defined herein) in the singular form shall be construed to include the plural and vice versa, unless the context otherwise requires.

(e) References herein to any law shall be deemed to refer to such law as amended, reenacted, supplemented or superseded in whole or in part and in effect from time to time and also to all rules and regulations promulgated thereunder.

(f) References herein to any contract, agreement, commitment, arrangement or similar terms mean the foregoing as amended, supplemented or modified (including any waiver thereto) in accordance with the terms thereof, except that with respect to any contract, agreement, commitment, arrangement or similar matter listed on any schedule hereto, all such amendments, supplements, modifications must also be listed on such schedule.

(g) If the last day for the giving of any notice or the performance of any act required or permitted under this Agreement is a day that is not a Business Day, then the time for the giving of such notice or the performance of such action shall be extended to the next succeeding Business Day.

(h) Each representation, warranty, covenant and agreement contained in this Agreement will have independent significance, and the fact that any conduct or state of facts may be within the scope of two or more provisions in this Agreement, whether relating to the same or different subject matters and regardless of the relative levels of specificity, shall not be considered in construing or interpreting this Agreement.

(i) References herein to documents being “made available” to USV mean that such documents, prior to the date of this Agreement, have been provided to USV by the Company electronically or in hard copy.

Section 11.3. Investigation; Survival of Agreements. No investigation by the parties hereto made heretofore or hereafter shall affect the representations and warranties of the parties which are contained herein and each such representation and warranty shall survive such investigation. Except for those covenants and agreements expressly to be carried out after the Effective Time, the agreements, representations, warranties and covenants in this Agreement or in any instrument delivered pursuant to this Agreement shall not survive the Effective Time.

Section 11.4. Amendments. This Agreement may be amended by the parties hereto, by action taken by or on behalf of their respective boards of directors, at any time before or after approval of the Merger by the shareholders of the Company; provided, however, that after such approval no such amendment shall reduce the value of or change the form of the consideration to be delivered to each of the Company’s shareholders as contemplated by this Agreement, unless such amendment is subject to the obtaining of the approval of the amendment by the shareholders of the Company and such approval is obtained. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto which expressly states its intention to amend this Agreement.

Section 11.5. Expenses. Whether or not the transactions provided for herein are consummated, each party to this Agreement will pay its respective expenses incurred in connection with the preparation and performance of its obligations under this Agreement. Similarly, each party agrees to indemnify the other party against any cost, expense or Liability (including reasonable attorneys’ fees) in respect of any claim made by any party for a broker’s or finder’s fee in connection with this transaction other than one based on communications between the party and the claimant seeking indemnification.

Section 11.6. Notices. Except as explicitly provided herein, any notice given hereunder shall be in writing and shall be delivered in person, mailed by first class mail, postage prepaid or sent by email, courier or personal delivery to the parties at the following addresses unless by such notice a different address shall have been designated:

If to USV:

USV Bancorp, Inc.
6100 Corporate Drive, Suite 178
Houston, Texas 77036
Attention: Mr. Tri Dinh Minh Nguyen, Chairman and President
Email: ndmtri3@yahoo.com

If to the Company:

CNB National Financial Corporation
209 E Brown
San Saba, Texas 76877
Attention: Mr. Sam Murray, President
Email: samm@cnbss.com

If to the Shareholders' Representative:

Sam Murray
209 E Brown
San Saba, Texas 76877
Email: samm@cnbss.com

All notices sent by mail as provided above shall be deemed delivered three (3) Business Days after deposit in the mail. All notices sent by courier as provided above shall be deemed delivered one day after being sent and all notices sent by email shall be deemed delivered upon confirmation of receipt. All other notices shall be deemed delivered when actually received. Any party to this Agreement may change its address for the giving of notice specified above by giving notice as herein provided. Notices permitted to be sent via email shall be deemed delivered only if sent to such persons at such email addresses as may be set forth in writing (and confirmation of receipt is received by the sending party).

Section 11.7. Appointment of Shareholders' Representative. Sam Murray is hereby appointed as the Shareholders' Representative and as the true and lawful agent and attorney in fact of the shareholders of the Company with full power of substitution to act in the name, place and stead of the shareholders of the Company (or any one of them) in connection with the transactions contemplated by this Agreement. By virtue of the adoption of this Agreement and the transactions contemplated hereby at the Company Shareholder Meeting (regardless of whether or not such shareholder votes in favor of the adoption of this Agreement and the transactions contemplated thereby), each shareholder of the Company shall be deemed to have appointed the Shareholders' Representative to act as his, her or its representative under this Agreement. Without limiting the generality of the foregoing, the Shareholders' Representative shall have full power and authority (but not the obligation) to take all actions under this Agreement that are to be taken by any shareholder of the Company or the Shareholders' Representative. The Shareholders' Representative may take any and all actions on behalf of the shareholders of the Company that it believes are necessary or appropriate under this Agreement. Notwithstanding any provision in this Agreement to the contrary, the Shareholders' Representative shall have no duties to the shareholders of the Company or have any liability to the shareholders of the Company with respect to any action taken, decision made or instruction given by the Shareholders' Representative in connection with this Agreement, other than resulting from the Shareholders' Representative's gross negligence or willful misconduct. USV shall be entitled to rely solely on any decision or action taken by the Shareholders' Representative on behalf of the shareholders of the Company or any such shareholder, and each such decision or action shall be binding on each shareholder of the Company fully as if such shareholder had made such decision or taken such action, and no shareholder of the Company shall have the right to object, dissent, protest or otherwise contest the same.

By executing this Agreement, the Shareholders' Representative agrees to act as, and to undertake the duties and responsibilities of, the Shareholders' Representative as set forth in this Agreement.

Section 11.8. Controlling Law; Jurisdiction.

(a) This Agreement and any claim, controversy or dispute arising under or related in any way to this Agreement and/or the interpretation and enforcement of the rights and duties of the parties hereunder or related in any way to the foregoing, shall be governed by and construed in accordance with the internal, substantive laws of the State of Texas applicable to agreements entered into and to be performed solely within such state without giving effect to the principles of conflict of laws thereof.

(b) Any Proceeding arising out of or relating to the matters contemplated by this Agreement must be brought in the courts of the State of Texas, County of Harris, or, if it has or can acquire jurisdiction, in the United States District Court for the Southern District of Texas, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such Proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of such Proceeding shall be heard and determined only in any such court, and agrees not to bring any Proceeding arising out of or relating to the matters contemplated by this Agreement in any other court. Each party acknowledges and agrees that the provisions of this Section 11.7 constitute a voluntary and bargained for agreement between the parties. Process in any Proceeding may be served on any party anywhere in the world.

Section 11.9. Waiver. At any time prior to the Effective Time, the parties hereto, by action taken or authorized by their respective boards of directors, may, to the extent legally allowed: (a) extend the time for the performance of any of the obligations or other acts of the other parties hereto; (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto; and (c) waive compliance with any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension or waiver shall be valid only if set forth in a written instrument signed on behalf of such party, but such extension or waiver or failure to insist on strict compliance with an obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 11.10. Severability. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as is enforceable. In all such cases, the parties shall use their reasonable best efforts to substitute a valid, legal and enforceable provision which, insofar as practicable, implements the original purposes and intents of this Agreement.

Section 11.11. Entire Agreement. Except for the confidential provisions of the Letter of Intent, dated July 29, 2024, this Agreement and the exhibits and attachments hereto represent the entire agreement between the parties respecting the transactions contemplated hereby, and all understandings and agreements heretofore made between the parties hereto are merged in this Agreement, including the exhibits and schedules delivered pursuant hereto, which (together with any agreements executed by the parties hereto contemporaneously with or, if contemplated hereby, subsequent to the execution of this Agreement) shall

be the sole expression of the agreement of the parties respecting the Merger. Each party to this Agreement acknowledges that, in executing and delivering this Agreement, it has relied only on the written representations, warranties and promises of the other parties hereto that are contained herein or in the other agreements executed by the parties contemporaneously with or, if contemplated hereby, subsequent to the execution of this Agreement, and has not relied on the oral statements of any other party or its representatives.

Section 11.12. Counterparts. This Agreement may be executed in multiple counterparts, any one of which need not contain the signatures of more than one party, but all such counterparts taken together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including .pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

Section 11.13. Assignment; Binding on Successors. Except as otherwise provided herein, this Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective heirs, executors, trustees, administrators, guardians, successors and permitted assigns, but shall not be assigned by any party without the prior written consent of the other parties.

Section 11.14. No Third Party Beneficiaries. Nothing contained in this Agreement, express or implied, is intended to confer upon any persons, other than the parties hereto or their respective successors, any rights, remedies, obligations, or Liabilities under or by reason of this Agreement.

[Signature Page Immediately Follows]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

USV BANCORP, INC.

By: 
Name: Tri Dinh Minh Nguyen
Title: Chairman and President

CNB NATIONAL FINANCIAL CORPORATION

By: _____
Name: Sam Murray
Title: President

SHAREHOLDERS' REPRESENTATIVE

By: _____
Name: Sam Murray

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

USV BANCORP, INC.

By: _____
Name: Tri Dinh Minh Nguyen
Title: Chairman and President

CNB NATIONAL FINANCIAL CORPORATION

By: Sam Murray
Name: Sam Murray
Title: President

SHAREHOLDERS' REPRESENTATIVE

By: Sam Murray
Name: Sam Murray

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APPENDIX C

LIST OF FOUNDERS

		Number of Shares Purchased for \$0.01 per share (“Bonus Shares”)	Number of Bonus Shares Forfeited	Number of Shares Purchased in Second Offering (“Originator Offering”) for \$10.00 per share	Capital Contribution (\$)*	Number of Shares Gifted by Tri	Total Number of Shares Owned
Founder							
	Tri Nguyen	75,500	2,500	10,000	\$ 100,755	15,500	70,000
Director							
	Guido Piggott	30,000		2,500	\$ 25,300		32,500
	Omar Kasani	30,000		2,500	\$ 25,300		32,500
	TOTAL Shares to Originator	135,500	2,500	15,000	\$ 151,355	15,500	135,000
Originator							
	Dr. Hany Amed	10,000	3,323	10,000	\$ 100,100	3,000	23,000
	George Jarkesy	5,000	161	5,000	\$ 50,050	161	10,161
	Hau Do	5,000	161	5,000	\$ 50,050		10,000
	Mai Do Thi Xuan	5,000	161	5,000	\$ 50,050		10,000
	Tam Nguyen	5,000	161	5,000	\$ 50,050		10,000
	Tuan Nguyen	5,000	161	5,000	\$ 50,050	9,000	19,000
	Domique Nguyen	3,000	99	3,000	\$ 30,030		6,000
	Ralph “Skip” McBride	2,500	15,500	2,500	\$ 25,025		5,000
	Thien Tran	2,000	65	2,000	\$ 20,020		4,000
	Trang Tran	2,000	65	2,000	\$ 20,020		4,000
	Anh Nguyen	2,000	65	2,000	\$ 20,020		4,000
	Richard Wang	2,000	1,562	2,000	\$ 20,020	1,500	5,500
	William Wang	2,000	1,562	2,000	\$ 20,020	1,500	5,500
	Nhi Nguyen	0	0	0	\$ -	339	339

	Dr. Anh Nguyen	0	18,000	0	\$ -		0
	Richard Ong	0	18,000	0	\$ -		0
	Ha Thi Duong	0	13,323	0	\$ -		0
	Dr. Thai Nguyen	0	10,323	0	\$ -		0
	Duong Tuan Nguyen	0	10,323	0	\$ -		0
	Ly Thai	0	8,160	0	\$ -		0
	Thanh Tran	0	2,065	0	\$ -		0
	Hung Tran	0	2,065	0	\$ -		0
	Adam Nguyen	0	2,065	0	\$ -		0
	Alex Nguyen	0	2,065	0	\$ -		0
	Anson Nguyen	0	2,065	0	\$ -		0
	TOTAL Shares to Originator	50,500	111,500	50,500	\$ 505,505	15,500	116,500
	TOTAL Shares Distributed	186,000	114,000	65,500	\$ 656,860	15,500	251,500