

COMMUNITY REINVESTMENT ACT

The Community Reinvestment Act or CRA was enacted in 1977 and revised in 1995. The main focus is to encourage banks to meet the credit needs of its community, including low and moderate income neighborhoods. The term redlining is used when banks discriminate based on income or other prohibited classes. When examined by the FDIC, they look at the number of loans within our lending area and the distribution of loans to different income levels. The attached map shows what we consider our market focus.

We were last examined for CRA in December of 2010 and expect another exam in 2015. You need to understand what CRA is and why it is important to keep track of this information. All banks are required to have a public CRA file containing information about the bank locations, business hours, products and services provided, a map indicating our market focus, HMDA (Home Mortgage Disclosure Act) data provided by the FFIEC.gov website, loan-to-deposit ratios for the end of each quarter for the previous year and exam results from the most recent exam.

DECLARATION OF NONDISCRIMINATION

It is the policy of First Community Bank to make its credit products available to all qualified applicants without discrimination on the basis of race, color, religion, sex, marital or familial status, age (over that of majority), national origin, handicap, receipt of public assistance, or good faith exercise of rights under the Federal Consumer Credit Protection Act (the "prohibited bases"). It is the Bank's policy not to discourage the completion of an application for credit by any applicant on any of the prohibited bases. Any advice, counseling, or other assistance offered to any credit applicant shall be offered to all credit applicants regardless of race, sex, marital status, or any other prohibited basis.

Section 1:

CRA Written Comments

Community Reinvestment Act Comments from Consumers – As of 2/2026

2025 – None

2024 – None

2023 – None

2022 – None

2021 – None

2020 - None

Section 2:

CRA

Performance Evaluation

PUBLIC DISCLOSURE

October 11, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Community Bank Certificate Number: 11225

202 Merchant Row
Milton, WI 53563

Federal Deposit Insurance Corporation Division of Depositor and
Consumer Protection Chicago Regional Office

300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

First Community Bank's satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. The following points summarize the bank's CRA performance:

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- The bank made a majority of its home mortgage and small business loans in the assessment area.
- The geographic distribution of loans throughout the assessment area reflects reasonable dispersion among the census tracts of various income levels, including the low- and moderate-income geographies.
- The distribution of borrowers reflects reasonable penetration of loans among individuals of different income levels and businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

First Community Bank (FCB) is a full-service community bank with headquarters in Milton, Wisconsin, and operating in the south central part of the state. The bank is wholly owned by First Community Bancshares Corp., a two-bank holding company located in Anamosa, Illinois, which also owns Citizens Savings Bank in Anamosa, Iowa. Further, the holding company is under common ownership with Marseilles Bancorporation, Inc., a one-bank holding company which owns Marseilles Bank in Marseilles, Illinois. No merger or acquisition activities have occurred since the previous evaluation. FCB received a "Satisfactory" rating at its previous FDIC Performance Evaluation, dated October 31, 2016, based on Interagency Small Institution Examination Procedures.

FCB operates one full-service location, the Milton main office in Rock County. The bank operates one proprietary ATM, located at the main office. Additionally, customers have access to hundreds of surcharge-free ATMs through the bank's participation in the Wisconsin Bankers Association ATM network. Both the main office and ATM are located in a middle-income census tract as

designated by the 2015 American Community Survey (ACS). The bank did not open or close any branches since the previous evaluation.

FCB offers traditional consumer and commercial deposit and credit products. Its primary business strategy continues to focus on 1-4 family residential lending and commercial lending. The bank offers various types of lending products including home mortgage, commercial, agriculture, and consumer loans. Additionally, the bank makes secondary market loans through the Federal Home Loan Bank of Chicago Mortgage Partnership Finance Program, Bankers' Bank, and offers additional government loan programs through the Flagstar Bank broker program. These government programs include Federal Housing Authority (FHA) loans, U.S. Department of Agriculture (USDA) Rural Development loans, and Department of Veterans Affairs (VA) loans. In 2020 and 2021, to aid small businesses impacted by the COVID-19 pandemic, the bank participated in the U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP). These loans assisted businesses that were negatively impacted by the pandemic to retain their workforce.

The bank provides a variety of deposit services including checking, savings, money market deposit accounts, individual retirement accounts, certificates of deposit, and Certificate of Deposit Account Registry Service. Alternative banking services include internet and mobile banking, electronic bill pay, account-to-account transfer ability, and mobile check deposit.

FCB's assets totaled \$136.6 million as of June 30, 2022. As of the same financial date, the bank had total loans of \$87.3 million, total securities of \$38.0 million, and total deposits of \$121.7 million. Assets increased \$41.1 million from the June 30, 2016, financial date at the previous evaluation. Further, total loans increased \$24.1 million and total deposits increased \$39.5 million. These increases are primarily due to organic growth. In addition, the Janesville industrial park in the assessment area has expanded throughout the review period, resulting in additional banking opportunities. There has been no notable change in business strategy between evaluations. The following table illustrates FCB's loan portfolio:

Loan Portfolio Distribution as of 6/30/2022		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	5,169	5.9
Secured by Farmland	13,852	15.9
Secured by 1-4 Family Residential Properties	26,853	30.8
Secured by Multifamily (5 or more) Residential Properties	7,006	8.0
Secured by Nonfarm Nonresidential Properties	24,295	27.8
Total Real Estate Loans	77,175	88.4
Commercial and Industrial Loans	4,138	4.7
Agricultural Production and Other Loans to Farmers	3,416	3.9
Consumer Loans	1,701	2.0
Obligations of State and Political Subdivisions in the U.S.	894	1.0
Other Loans	13	0.0
Lease Financing Receivable (net of unearned income)	-	0.0
Less: Unearned Income	-	0.0
Total Loans	87,337	100.0
<i>Source: Reports of Condition and Income. Due to rounding, totals may not equal 100.0%</i>		

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet assessment area credit needs.

DESCRIPTION OF ASSESSMENT AREA

CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate the bank's performance. The bank designated one assessment area, located within the Janesville-Beloit Metropolitan Statistical Area (MSA). The bank has not changed its assessment area since the last examination. FCB's assessment area consists of 22 contiguous census tracts in Rock County. The bank's assessment area does not arbitrarily exclude any low- or moderate-income census tracts, does not reflect illegal discrimination, and otherwise meets the requirements of the CRA.

The following sections provide demographic and economic information in the assessment area. Sources of data used in this section are as follows: Federal Financial Institutions Examination Council (FFIEC), 2015 ACS, 2010 U.S. Census, 2021 D&B data, U.S. Bureau of Labor Statistics, and the Wisconsin Department of Workforce Development.

Economic and Demographic Data

The 2015 ACS designated the 22 census tracts in FCB's assessment area as follows:

- 1 low-income census tract
- 5 moderate-income census tracts
- 9 middle-income census tracts
- 7 upper-income census tracts

The following table illustrates additional, select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	22	4.5	22.7	40.9	31.8	0.0
Population by Geography	102,541	2.6	15.1	45.0	37.3	0.0
Housing Units by Geography	44,116	2.5	16.3	45.4	35.8	0.0
Owner-Occupied Units by Geography	29,337	1.2	11.6	46.6	40.6	0.0
Occupied Rental Units by Geography	12,102	4.8	26.6	44.6	24.0	0.0
Vacant Units by Geography	2,677	7.4	20.2	36.2	36.2	0.0
Businesses by Geography	5,358	1.9	21.1	34.4	42.5	0.0
Farms by Geography	330	0.9	4.8	29.7	64.5	0.0
Family Distribution by Income Level	27,407	18.0	16.6	21.2	44.2	0.0
Household Distribution by Income Level	41,439	20.2	16.9	17.9	45.0	0.0
Median Family Income MSA - 27500 Janesville-Beloit, WI MSA		\$60,820	Median Housing Value			\$141,221
			Median Gross Rent			\$748
			Families Below Poverty Level			9.1%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The analysis of small business loans under the Borrower Profile criterion compares the distribution of businesses by gross annual revenue (GAR) levels. According to 2021 D&B data, there were 5,358 reporting businesses in the assessment area. GARs for these businesses are below.

- 80.6 percent have \$1 million or less
- 6.0 percent have more than \$1 million
- 13.4 percent have unknown revenues

Service industries represent the largest portion of assessment area businesses at 38.0 percent, followed by retail trade at 16.0 percent, and construction at 8.3 percent. In addition, 65.5 percent of area businesses have four or fewer employees, and 85.4 percent of businesses operate from a single location.

Of the 44,116 housing units in the assessment area, 66.5 percent are owner-occupied, 27.4 percent are occupied rental units, and 6.0 percent are vacant. Examiners use the 2021 FFIEC-updated median family income levels to analyze home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle-, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Janesville-Beloit, WI MSA Median Family Income (27500)				
2021 (\$73,000)	<\$36,500	\$36,500 to <\$58,400	\$58,400 to <\$87,600	≥\$87,600
<i>Source: FFIEC</i>				

The population of the assessment area has remained generally unchanged since the previous evaluation. The assessment area total population reported by the 2015 ACS is only 0.5 percent or 598 people more than the 2010 U.S. Census reported figure.

Data obtained from the U.S. Bureau of Labor Statistics indicates that the unemployment rate in Rock County was generally improving throughout most of the evaluation period, but sharply increased in the second quarter of 2020. Specifically, the unemployment rate peaked in April 2020 at 16.4 percent due to COVID-19 impacts. The following table shows unemployment rates in Rock County have been consistently favorable compared to the nationwide rate; however, they consistently trail the Wisconsin statewide rate.

Unemployment Rates							
Area	2016	2017	2018	2019	2020	2021	August 2022
	%	%	%	%	%	%	%
Rock County	4.3	3.7	3.2	3.5	7.1	4.4	4.0
Statewide	3.9	3.3	3.0	3.2	6.3	3.8	3.3
Nationwide	4.9	4.4	3.9	3.7	8.1	5.4	3.7
<i>Source: Bureau of Labor Statistics.</i>							

According to the Wisconsin Department of Workforce Development, major employers in the assessment area include Dean Clinic, Grainger Industrial Supply, Blackhawk Technical College, Lemans Corp., and Prent Corp.

Competition

The assessment area is moderately competitive in the market for financial services. According to the FDIC Deposit Market Share data as of 2021, 15 financial institutions operate 21 full-service branches within the assessment area. Of these institutions, FCB ranked seventh maintaining 4.2 percent of the deposit market share.

The bank is not required to collect or report small business or home mortgage data, and it has elected not to do so. Therefore, the analysis of loans under the Lending Test does not include direct comparisons against aggregate data. However, the aggregate data is an indicator of the level of demand for lending. As of the time of the evaluation, the most recent aggregate data available is from 2020. Aggregate data for 2020 shows 79 lenders reported 1,796 small business loans in Rock County. Aggregate data for 2020 shows 245 lenders reported 6,618 home mortgage loans in the

assessment area. The aforementioned aggregate data indicates a moderate degree of competition in both products. Many institutions are not required to report lending data; therefore, competition for these loan types is greater than the aggregate data reflects.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the credit needs and opportunities. This information helps determine whether local financial institutions are responsive to these needs.

Examiners contacted an economic development organization that serves Rock County. The contact noted that a local opportunity for lending includes financing projects in the area's Tax Increment Financing (TIF) districts. Certain regions of the County, such as Janesville, have multiple TIF districts open with an emphasis on attracting investors to build affordable housing. Janesville also stacks multiple sources of capital into grants, which encourages further investor participation in the area. Other smaller areas within the County may only be able to afford to have one TIF district open at a time, as such, these TIF districts usually target attraction of small businesses. However, as interest rates continue to rise, there is a need for affordable credit, specifically in smaller communities. Similarly, making use of flexible lending programs would allow prospective borrowers to improve creditworthiness and ultimately allow banks to extend more credit to small businesses and consumers. The contact indicated that financial institutions have been responsive to the credit needs in the area as a whole.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that home mortgage loans and small business loans represent a primary credit need for the assessment area. There is a particular need to provide flexible and affordable credit as interest rates continue to rise, especially for small businesses. The significant percentage of businesses with GARs of \$1 million or less and the percentage of businesses with four or fewer employees support this conclusion.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated October 31, 2016, to the current evaluation date of October 11, 2022. Examiners used the Interagency Small Institution Examination Procedures to evaluate the bank's CRA performance. The procedures consist of evaluating the bank's performance under the Lending Test. The Appendix details the performance criteria for this test, while the Glossary provides for pertinent definitions. This evaluation does not include any lending activity performed by affiliates.

Activities Reviewed

Examiners determined that the bank's major product lines are home mortgage and small business loans. This conclusion considered the bank's business strategy, Call Report data, and the number and dollar volume of loans originated during the evaluation period. Bank records and discussions with bank management indicate that the lending focus and product mix remained consistent throughout the evaluation period.

Excluding PPP loans, the bank's record of originating home mortgage loans by number and dollar volume is greater. Therefore, examiners assigned slightly greater weight to home mortgage lending performance. No other loan types, such as agriculture or consumer loans, represent a major product line. Therefore, these products provided no material support for conclusions or ratings and were not included in the analysis.

Examiners considered all home mortgage loans originated in the period from January 1, 2021, through December 31, 2021. According to bank records, the bank originated 143 home mortgage loans totaling \$29.4 million in 2021. The entire universe was evaluated for the Geographic Distribution criterion. For the Borrower Profile criterion, examiners reviewed a random sample 97 home mortgage loans totaling \$19.7 million.

Examiners also considered all small business loans originated during the period of January 1, 2021, through December 31, 2021. According to bank records, FCB originated 269 small business loans totaling \$13.0 million in 2021. Of these small business loans originated in 2021, FCB made 215 SBA PPP loans totaling \$4.8 million. For the Borrower Profile criterion, examiners reviewed a random sample of 55 small business loans totaling \$3.2 million.

This evaluation presents home mortgage and small business information for 2021 as bank management noted this performance is representative of the entire evaluation period. The 2015 ACS demographic data provides a standard of comparison for the home mortgage loans. D&B data for 2021 provides a standard of comparison for the small business loans.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

FCB demonstrated reasonable performance under the Lending Test. The institution's LTD ratio, Assessment Area Concentration, Geographic Distribution, and Borrower Profile performance supports this conclusion.

Loan-to-Deposit Ratio

FCB's LTD ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The ratio, calculated from Call Report data, averaged 73.7 percent over the past 23 calendar quarters from December 31, 2016, to June 30, 2022. The ratio ranged from a low of 61.6 percent as of December 31, 2021, to a high of 83.7 percent as of December 31, 2018.

The bank maintained a ratio that aligns with similarly situated institutions (SSIs) as shown in the following table. Examiners selected SSIs based on their asset size, banking structure, geographic location, and lending focus.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 6/30/2022 (\$000s)	Average Net LTD Ratio (%)
First Community Bank	136,583	73.7
Similarly-Situated Institution #1	114,903	48.7
Similarly-Situated Institution #2	125,067	74.9
Similarly-Situated Institution #3	212,247	61.1
Similarly-Situated Institution #4	356,028	89.2
<i>Source: Reports of Condition and Income 12/31/2016 – 6/30/2022</i>		

Assessment Area Concentration

The bank made the majority of both home mortgage and small business loans, by number and dollar volume, within its assessment area. See the following table, which reflects the bank’s performance of lending activity inside and outside of the assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2021	108	75.5	35	24.5	143	23,182	78.8	6,228	21.2	29,411
Small Business										
2021	189	70.3	80	29.7	269	11,350	86.8	1,724	13.2	13,074
Total	297	72.1	115	27.9	412	34,532	81.3	7,953	18.7	42,485
<i>Source: Bank Data. Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

The geographic distribution of loans throughout the assessment area reflects reasonable dispersion among the census tracts of various income levels, including the low- and moderate-income geographies. The bank’s reasonable home mortgage performance supports this conclusion. Small business lending performance was poor, but this product received less weight than home mortgage lending. Examiners compared the bank’s small business lending performance to the available D&B data and home mortgage lending performance to demographic data.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. The following table shows the bank originated 2.8 percent of loans by number in the low-income census tract in 2021. This level of lending exceeds the demographic benchmark by 1.6 percentage points.

Lending in moderate-income census tracts slightly trailed the demographic benchmark in 2021, but is within reason. The moderate-income census tracts within the assessment area are located near downtown Janesville, which has many financial institutions, and therefore, increased competition for lending. Specifically, there are approximately eight banks and three credit unions closer to Janesville than FCB’s sole banking location. FCB’s office is located approximately 10 miles from downtown Janesville. Given the demographic considerations and strong competition, the geographic distribution of home mortgage loans is reasonable.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low					
2021	1.2	3	2.8	582	2.5
Moderate					
2021	11.6	9	8.3	1,249	5.4
Middle					
2021	46.6	58	53.7	10,181	43.9
Upper					
2021	40.6	38	35.2	11,171	48.2
Totals					
2021	100.0	108	100.0	23,182	100.0
<i>Source: 2015 ACS; Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Small Business Loans

The bank’s geographic distribution of small business loans throughout the assessment area reflects poor dispersion among census tracts of various income levels, particularly in moderate-income census tracts. See below for details.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2021	1.9	1	0.5	21	0.2
Moderate					
2021	21.1	12	6.3	445	3.9
Middle					
2021	34.4	78	41.3	4,549	40.1
Upper					
2021	42.5	98	51.9	6,334	55.8
Not Available					
2021	0.0	0	0.0	0	0.0
Totals					
2021	100.0	189	100.0	11,350	100.0
<i>Source: 2021 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

In 2021, the bank originated one small business loan within the low-income census tract. However, this assessment area contains only one low-income census tract located in the downtown area of Janesville, with the bank's sole office located approximately 10 miles from downtown Janesville. Additionally, demographics reflect a limited number of businesses in the low-income census tract. As such, performance in low-income census tracts is within reason.

However, for moderate-income census tracts, the bank's performance significantly trailed demographics by 14.8 percentage points. As discussed above, FCB's one location is more than ten miles from the moderate-income census tracts, which are located near the downtown Janesville area. Increased competition includes four national banks, with five branches located in the moderate-income census tracts. These factors demonstrate the increased challenges the bank faces in serving the moderate-income census tracts; however, the bank's geographic distribution of small business loans in the assessment area remains poor due the significant disparity between the bank's level of lending and the demographic benchmark of businesses within those moderate-income tracts.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes in the assessment area. The bank's reasonable performance in home mortgage lending and excellent performance in small business lending supports this conclusion. Details for each reviewed loan product follows.

Home Mortgage Loans

The distribution of home mortgage loans to individuals of different income levels, including low-and moderate-income borrowers, is reasonable. The following table shows that FCB's percentage

of loans originated to low-income borrowers significantly trailed the demographic. A low-income family in the assessment area would face challenges in qualifying for a mortgage under conventional underwriting standards, especially considering the median housing value of \$141,221. Further, 2015 ACS data shows a poverty level of 9.1 percent. Families in poverty face increased challenges, as this segment is not typically able to support a traditional mortgage loan. Therefore, the demand and opportunity for lending to low-income families is more limited than the demographic suggests. This assists in explaining the contrast between the 18.0 percent of families with a low-income level and the bank's performance. Furthermore, although not a direct comparator, aggregate data available for 2020 shows only 5.3 percent of home mortgage loans made in the assessment area were to low-income individuals.

FCB's performance of lending to moderate-income borrowers is comparable to the demographic benchmark, only trailing by 0.2 percentage points. Reasonable performance among moderate-income borrowers compensates for lower performance to low-income borrowers. The below table reflects the levels of lending to borrowers of different incomes within the bank's assessment area, followed by additional lending information.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low					
2021	18.0	2	2.7	235	1.7
Moderate					
2021	16.6	12	16.4	1,711	12.3
Middle					
2021	21.2	14	19.2	1,790	12.9
Upper					
2021	44.2	45	61.6	10,150	73.1
Not Available					
2021	0.0	0	0.0	0	0.0
Totals					
2021	100.0	73	100.0	13,885	100.0

Source: 2015 ACS; Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%.

In addition to in-house lending, FCB refers loans through Flagstar Bank. Many of these referred loans are products that the bank does not offer, such as FHA Loans, USDA Rural Development Loans, and VA loans. These loan types offer more flexible credit underwriting standards.

Similarly, FCB makes and funds loans through Bankers' Bank, which also includes Home Ready loans in addition to the loan programs previously listed. The loans through Flagstar included 15.8 percent by number of loans to low-income borrowers and 36.8 percent by number of loans to moderate-income borrowers. Similarly, although Bankers' Bank did not include any originated loans to low-income borrowers, the bank made 36.8 percent of loans by number of Bankers' Bank

loans to moderate-income borrowers. These loans are not considered in the Lending Test; however, the bank’s participation in these additional programs demonstrate the bank’s efforts in supporting the needs of the low- and moderate-income borrowers in their assessment area. Given the above details, the bank’s level of lending to borrowers of different income levels is reasonable.

Small Business Loans

The distribution of small business loans reflects excellent penetration of loans to businesses with GARs of \$1 million or less. The following table shows that FCB’s percentage of sampled loans originated to businesses with GARs of \$1 million or less significantly exceeds the demographic. Additionally, the bank originated a notable portion of its 2021 small business loans through the SBA PPP, providing small businesses with financial assistance. Examiners sampled 55 small business loans in 2021, of which, 45 loans (81.8 percent) were PPP loans. The below table details the loans from this sample located within the assessment area.

Based on all aforementioned information, examiners conclude that the bank’s record of lending to businesses with revenues of \$1 million or less reflects excellent penetration.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2021	80.6	39	97.5	2,892	95.5
>\$1,000,000					
2021	6.0	1	2.5	136	4.5
Revenue Not Available					
2021	13.4	0	0.0	0	0.0
Totals					
2021	100.0	40	100.0	3,028	100.0

Source: 2021 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution’s overall CRA rating.

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as non-MSA): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

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

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

Section 3:

Branch Information:

First Community Bank
202 Merchant Row
Milton, WI 53563
608-868-7644

<https://www.fcbmilton.com/>

Census Tract: 0031.01

For additional information, visit <https://www.ffiec.gov/>

Hours of Operation:

Lobby:

Monday – Friday: 9 am – 5 pm
Saturday and Sunday: Closed

Drive-up:

Monday – Friday: 8 am – 5 pm
Saturday: 8 am – 12 pm
Sunday: Closed

Office Changes:

FCB Milton has not opened or closed any branches.

Donations and Sponsorships 2025

Organization/Individual

AG Business Council of Rock County
Agrace Foundation - Race for Agrace
American Legion Auxiliary Badger Girls State - Sponsorship
Badger Chordhawks Chorus - Patriotic Concert Donation
Big Brother, Big Sister - Fort Golf for Kid's Sake Hole
Blackhawk Musky Club - Sponsorship
Brodhead Optimists - Fraud Prevention
BTC Foundation - Harvest Dinner
BTC Foundation donation
Charity Golf Today - RGRA Golf Outing Hole Sponsor
Children's Museum - Pledge
Contour Consulting - 4x Summit Sponsorship
Contour Consulting - Sales Accelerator Summit Sponsor
Contour Consulting - Start Up Spark
Fort Atkinson Chamber of Commerce - Golf Outing Sponsor
Fort Atkinson Chamber of Commerce - Supporter Tier Member
Forward Foundation - Ambassador Grant Fund Donation
Forward Janesville - Annual Dinner Tickets
Forward Janesville - Business Expo Table
Forward Janesville - Golf Outing Sponsorship
Forward Janesville - Pledge
Friends of Northside - Donation
Gouvtography - Boys Basketball Gallery
Gouvtography - Softball Photo Gallery
Hawke Garrett - Sponsorship
HealthNet of Rock County - Donation
Inside Scoop - Local Leader Panels
Janesville Jets - School Safety Night
Janesville Performing Arts Center - Sponsorship
Jefferson Cancer Coalition - The Witches Ball
Kandu Industries - Festive Forest Sponsor
Knights of Columbus - 2025 Fish Fry
MACC - Adopt-a-Basket 2025
MACC - Annual Membership Dues

MACC - Easter Egg Scramble
MACC - Greater MACC Golf Open Sponsor
MACC - Junction Function Grill Donation
MACC - Maker Market Sponsor
MACC - Malts & Hops 2025 Grilling Sponsor
MACC - Night with the Stars
MACC - Piggy Bank Sponsor
MAYC - Bank Fundraising
MAYC - Car Show Sponsorship
Meat Market - Gift Card for Milton Chamber Event
MHS Baseball Boosters - Sponsorship
Milton Alumni Girls Basketball Scholarship
Milton Area Youth Center - Sponsorship
Milton Basketball Booster - Sponsorship
Milton Choir Parents - Rock the Rock 2026 - Sponsorship
Milton Community Action - Food Pantry Donation
Milton East Elementary - Trunk or Treat - Donation
Milton FFA Alumni - Sponsorships
Milton Football Boosters - Field Goal Sponsorship
Milton Football Boosters - Golf Outing Sponsorship
Milton Fund - Donation and Trivia Night Sponsorship
Milton Girls Softball Booster Club - Red Hawk Starter Sponsorship
Milton Girls Softball Booster Club - Sponsorship
Milton High School - Sponsorship
Milton High School Soccer Team Plaque
Milton High School Track & Field - Donation
Milton High School Volleyball Booster - Sponsorship
Milton Highschool - Reality Check - Sponsorship
Milton Historical Society - Annual Milton House Sponsorship
Milton Historical Society - Wreath Auction Donation
Milton Hockey Booster Club - Sponsorship
Milton House Museum - Civil War Living History Days - Donation
Milton Marlin's Swim Club
Milton Mason's Lodge #161 - Good Friday Fish Fry
Milton Monsters - Donation
Milton Optimist Club - Independence Day 10K Run
Milton Public Library - Sponsorship

Milton Soccer Booster - Golf Outing Fundraiser
Milton Soccer Booster - Meat Raffle
Milton Wrestling Cheerleaders - Sponsorship
Milton Youth Football - Sponsorship
Milton Youth Tri Fund - Sponsorship
Monster Machines in Motion
National MS Society - MS Walk
Open Doors Foundation - Donation
Open Doors Foundation - 4th of July Rhythm & Booms Sponsor
Open Doors Foundation - Raffle Gift Baskets
PAWS - Cow Pie Bingo donation
Project 16:49 - Sponsorship and Donation
Rock County 4-H- Brochure ad
Rock County 4-H Fair - Sheep Awards
Rock County 4H Meal Animal Sale
Rock County Cancer Coalition - Barb Mallon Spring Gala
Rock County Dairy Promotion Council - Breakfast Sponsorship
Rock County Historical Society - Holiday Tree Show Sponsorship
Rock Green Realty Golf Outing - Sponsorship
Salmeri Development - Golf Outing Sponsorship
South Central Wisconsin Builders Assoc (SCWBA)- Sponsorship
The Shining Star Program
Triple H Ranch - Girl's Night Out Give-a-way
WI Sheep Breeder Co-op - Youth Fund Donation
YMCA - Sips & Support Auction
YMCA - Sips & Support Auction Tickets
YMCA of Northern Rock County - Sip & Support Sweet Success
YWCA - 2025 Women of Distinction Award

First Community Bank

Fee Schedule – Effective 10/31/22

Account Printout	\$1.00
Card Replacement Fee (ATM or Debit)	\$12.00
Collection Fee	\$25.00
Copies of Checks (per check)	\$0.50
Copies of Statements (per statement)	\$5.00
Dormant Fee*	\$2.00/month
Fax (per page – incoming or outgoing)	\$2.00
Foreign Check Handling	\$50.00
Loan Autopay Cancellation Fee	\$20.00
MasterCard/Visa Card Replacement Fee	\$10.00
Missing Signature Return Item Fee	\$20.00
Money Order – Personal	\$3.00
Money Order – Bank	\$4.00
Non-customer Check Cashing	\$15.00
Non-customer Check Cashing (over \$500)	\$20.00
Non-customer Check Cashing (over \$2,500)	\$30.00
Overdraft Fee (per presentment)	\$30.00
Return item Fee (per presentment)	\$30.00
Extended Overdrawn Balance Charge**	\$15.00
Overdraft Protection (transfer fee)	\$4.00
Photocopies	\$0.50/page
Reissue of PIN	\$3.00
Returned Deposit Item	\$20.00
Signature Guarantee Fee	\$20.00
Statement Balancing/Account Research	\$20.00/hour
Stop Payment	\$30.00
Telephone Transfer Fee (performed by bank staff)	\$2.00
Visa Gift Cards	\$4.00
Wire Transfer Fee (incoming)	\$15.00
Wire Transfer Fee (outgoing)	\$20.00
Wire Transfer Fee (International)	\$50.00
Safe Deposit Boxes***	
3x5	\$20.00
5x5	\$30.00
3x10	\$40.00
5x10	\$60.00
10x10	\$100.00
Lost Key Replacement	\$15.00
Drilling of Box	\$250.00

***FDIC does not insure safe deposit box contents.

202 Merchant Row
Milton, WI 53563
608-868-7644

*Dormant Account: After 15 months of inactivity your account will be considered dormant. Charges begin on the 16th month of no activity on the account.

**Extended Overdrawn Balance Charge: (If your account has a negative balance for 5 consecutive days, you will receive Extended Overdrawn Balance Charge on the sixth business day and every sixth business day thereafter until the account balance is no longer negative.)

List of Products and Services

Personal Deposit Products

- Premier Checking
- Community Checking
- Everyday Checking
- Statement Savings
- Money Market
- High Yield Money Market
- Christmas Club Savings
- Certificate Deposits (CDs)
- Individual Retirement Accounts (IRAs)
- Personal Debit Card

Personal Loan Products

- Consumer Loan Services
 - Auto
 - Boat or Recreational Vehicles
 - Credit Cards
- Residential Loans
 - Home Equity Loans/Lines
 - Home Mortgages
 - New Construction
 - Special Loan Programs

Business and Agriculture Deposit Products

- Organization Advantage Checking
- Small Business Advantage Checking
- Small Business Advantage Plus Checking
- Prime Business Advantage Checking
- Public Advantage
- Depository Transfer Checking
- Business Savings Account
- Small Business Money Market

- Prime Advantage Money Market
- Money Reserve Fund
- Public Advantage Money Market
- Business Debit Card

Business Loan Products

- Construction Loans
- Credit Cards
- Government Programs
- Letters of Credit
- Lines of Credit
- Term Loans
- Working Capital Loans

Agriculture Loan Products

- Construction Loans
- Credit Card
- Government Programs
- Letters of Credit
- Lines of Credit
- Term Loans
- Working Capital Loans

Services

- ATM Machine
- Bank-by-Mail
- Cashier's Checks and Money Orders
- Check Ordering
- Debit Cards
- Electronic statements
- External transfers
- Gift Cards

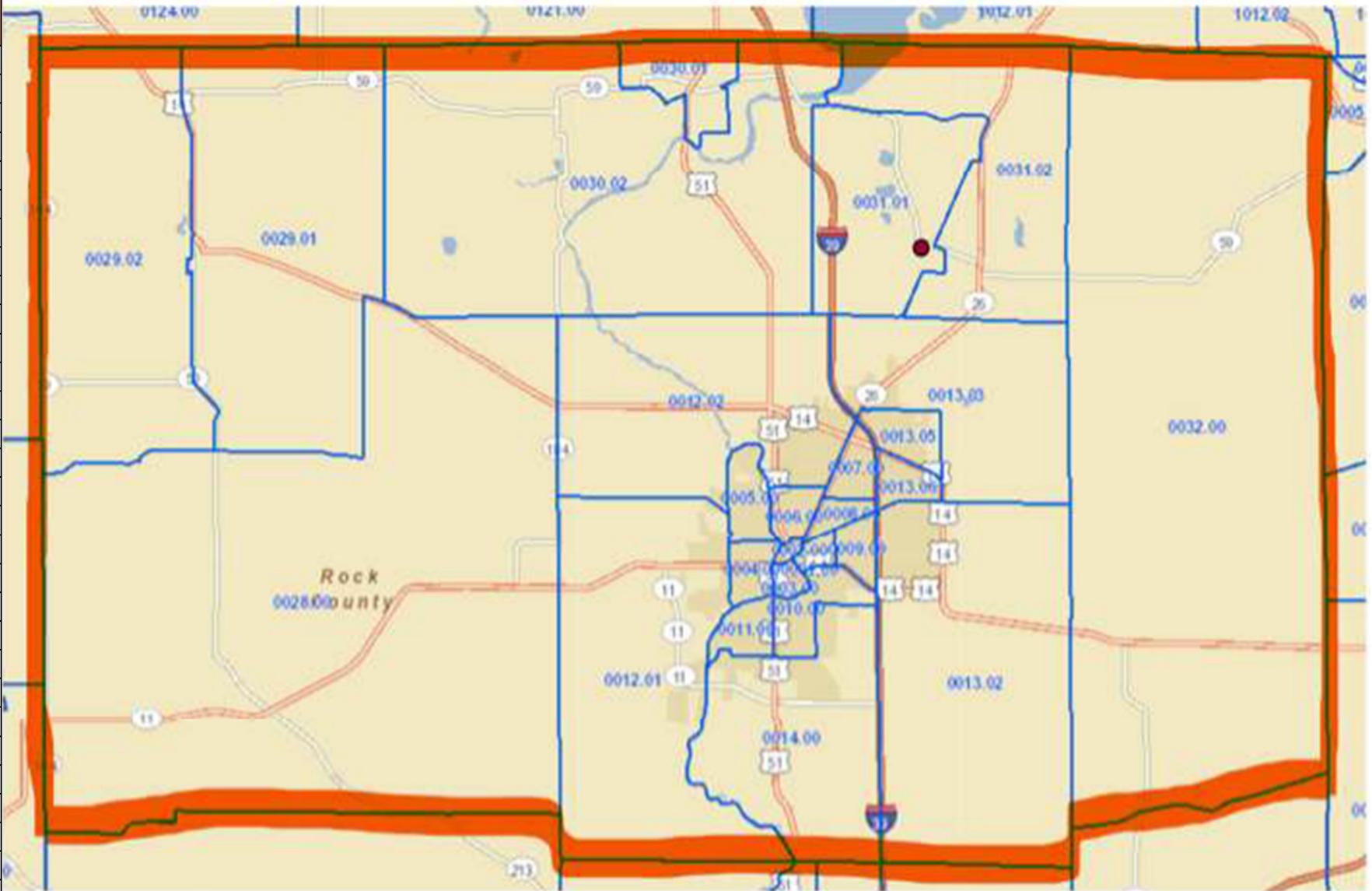
- International Currency Ordering
- Merchant Processing Services
- International Check Processing
- Mobile Banking
- Mobile Deposits
- Online Banking
- Night Deposit
- Notary
- Safe Deposit Boxes
- Savings Bonds – cashing paper bond - (U.S. Department of Treasury announced it will eliminate over-the-counter sales of paper savings bonds on December 31, 2011)
- Signature Guarantee
- Telephone Banking
- Wire transfers

Section 4:

Map of Assessment Area and FFIEC Census Data

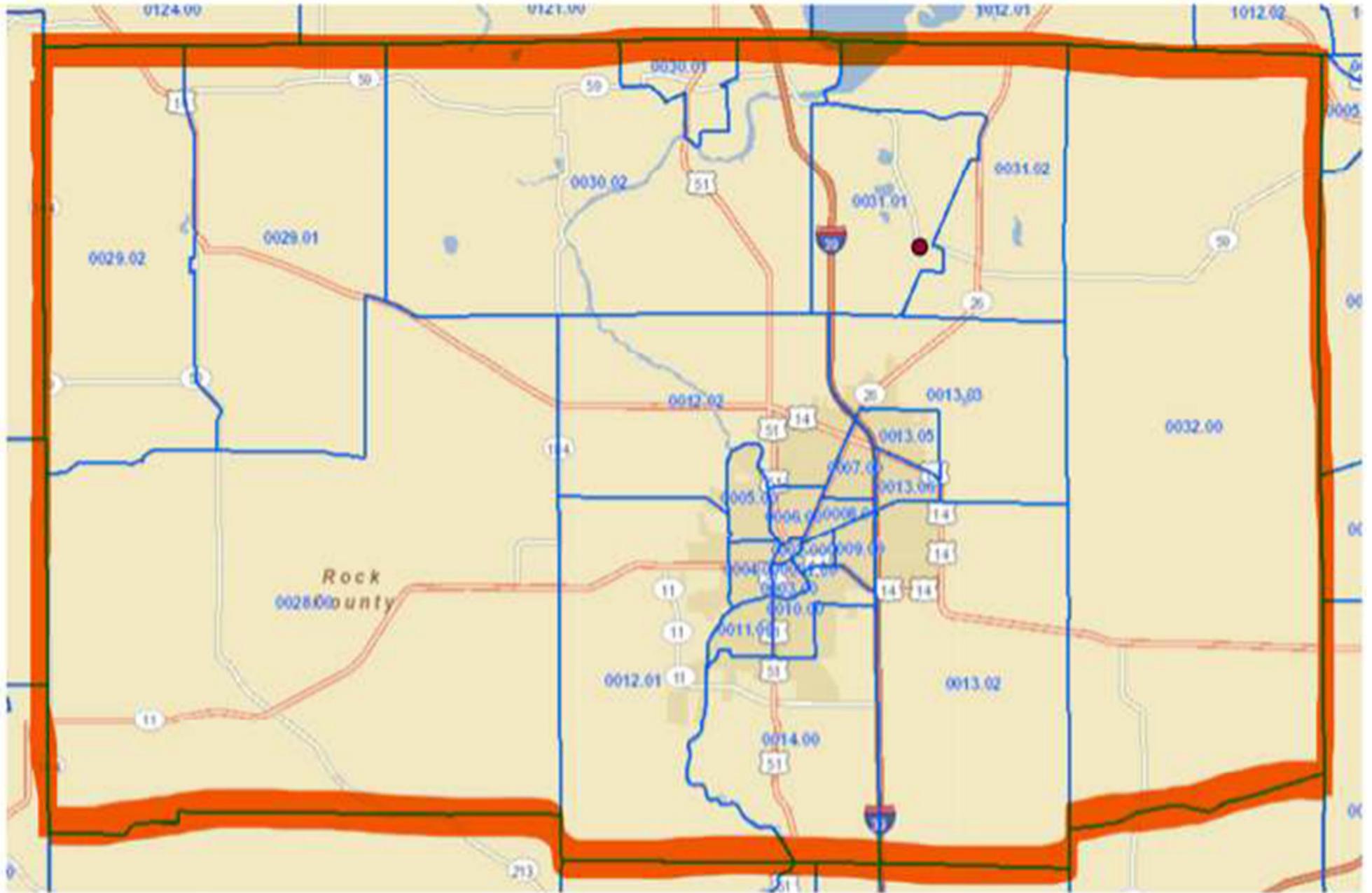
2025

2025 Census Tract & Number of Loans	
1.00	1
2.00	4
3.00	1
4.00	2
5.00	2
6.00	3
7.00	2
8.00	5
9.00	5
10.00	2
11.00	3
12.01	4
12.02	19
13.02	11
13.03	21
13.04	0
13.05	3
13.06	3
14.00	1
28.00	0
29.00	0
29.01	2
29.02	1
30.01	3
30.02	6
31.00	0
31.01	23
31.02	45
32.00	6
Outside of Area	71



Total 249

2026



Year	MSA code	MD code	FIPS Code	State code	County code	State Abbr	County Name	Tract code	Tract Income Level	Distressed or Underserved Tract
2025	27500	NA	55105000100	55	105	WI	ROCK COUNTY	0001.00	1 - Low	No
2025	27500	NA	55105000200	55	105	WI	ROCK COUNTY	0002.00	3 - Middle	No
2025	27500	NA	55105000300	55	105	WI	ROCK COUNTY	0003.00	2 - Moderate	No
2025	27500	NA	55105000400	55	105	WI	ROCK COUNTY	0004.00	3 - Middle	No
2025	27500	NA	55105000500	55	105	WI	ROCK COUNTY	0005.00	3 - Middle	No
2025	27500	NA	55105000600	55	105	WI	ROCK COUNTY	0006.00	2 - Moderate	No
2025	27500	NA	55105000700	55	105	WI	ROCK COUNTY	0007.00	3 - Middle	No
2025	27500	NA	55105000800	55	105	WI	ROCK COUNTY	0008.00	3 - Middle	No
2025	27500	NA	55105000900	55	105	WI	ROCK COUNTY	0009.00	4 - Upper	No
2025	27500	NA	55105001000	55	105	WI	ROCK COUNTY	0010.00	2 - Moderate	No
2025	27500	NA	55105001100	55	105	WI	ROCK COUNTY	0011.00	3 - Middle	No
2025	27500	NA	55105001201	55	105	WI	ROCK COUNTY	0012.01	3 - Middle	No
2025	27500	NA	55105001202	55	105	WI	ROCK COUNTY	0012.02	4 - Upper	No
2025	27500	NA	55105001302	55	105	WI	ROCK COUNTY	0013.02	4 - Upper	No
2025	27500	NA	55105001303	55	105	WI	ROCK COUNTY	0013.03	4 - Upper	No
2025	27500	NA	55105001305	55	105	WI	ROCK COUNTY	0013.05	4 - Upper	No
2025	27500	NA	55105001306	55	105	WI	ROCK COUNTY	0013.06	2 - Moderate	No
2025	27500	NA	55105001400	55	105	WI	ROCK COUNTY	0014.00	3 - Middle	No
2025	27500	NA	55105001500	55	105	WI	ROCK COUNTY	0015.00	3 - Middle	No
2025	27500	NA	55105001600	55	105	WI	ROCK COUNTY	0016.00	2 - Moderate	No

2025	27500	NA	55105001700	55	105	WI	ROCK COUNTY	0017.00	2 - Moderate	No
2025	27500	NA	55105001800	55	105	WI	ROCK COUNTY	0018.00	2 - Moderate	No
2025	27500	NA	55105001900	55	105	WI	ROCK COUNTY	0019.00	2 - Moderate	No
2025	27500	NA	55105002000	55	105	WI	ROCK COUNTY	0020.00	2 - Moderate	No
2025	27500	NA	55105002100	55	105	WI	ROCK COUNTY	0021.00	3 - Middle	No
2025	27500	NA	55105002200	55	105	WI	ROCK COUNTY	0022.00	3 - Middle	No
2025	27500	NA	55105002300	55	105	WI	ROCK COUNTY	0023.00	2 - Moderate	No
2025	27500	NA	55105002400	55	105	WI	ROCK COUNTY	0024.00	3 - Middle	No
2025	27500	NA	55105002500	55	105	WI	ROCK COUNTY	0025.00	2 - Moderate	No
2025	27500	NA	55105002601	55	105	WI	ROCK COUNTY	0026.01	3 - Middle	No
2025	27500	NA	55105002602	55	105	WI	ROCK COUNTY	0026.02	4 - Upper	No
2025	27500	NA	55105002700	55	105	WI	ROCK COUNTY	0027.00	3 - Middle	No
2025	27500	NA	55105002800	55	105	WI	ROCK COUNTY	0028.00	3 - Middle	No
2025	27500	NA	55105002901	55	105	WI	ROCK COUNTY	0029.01	4 - Upper	No
2025	27500	NA	55105002902	55	105	WI	ROCK COUNTY	0029.02	4 - Upper	No
2025	27500	NA	55105003001	55	105	WI	ROCK COUNTY	0030.01	3 - Middle	No
2025	27500	NA	55105003002	55	105	WI	ROCK COUNTY	0030.02	3 - Middle	No
2025	27500	NA	55105003101	55	105	WI	ROCK COUNTY	0031.01	3 - Middle	No
2025	27500	NA	55105003102	55	105	WI	ROCK COUNTY	0031.02	3 - Middle	No
2025	27500	NA	55105003200	55	105	WI	ROCK COUNTY	0032.00	4 - Upper	No

2025	27500	NA	55105003300	55	105	WI	ROCK COUNTY	0033.00	3 - Middle	No
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Section 5:

Loan-To-Deposit

Ratio

(Each Quarter)

03/31/2024- 76.33
06/30/2024 – 76.79
9/30/2024 – 77.65
12/31/2024 -76.24

03/31/2025- 76.82
06/30/2025 – 78.41
9/30/2025 – 79.68
12/31/2025 -83.37