

COMMUNITY REINVESTMENT ACT POLICY

BANK OF DICKSON

FEBRUARY 14, 2023

**DECLARATION OF COMMUNITY INVESTMENT
ADOPTED BY THE BOARD OF DIRECTORS
BANK OF DICKSON**

In conformance with the Community Reinvestment Act of 1977 (CRA), as amended, the Board of Directors of the Bank of Dickson (the Bank) do hereby issue this statement and resolution.

The purpose of the CRA is to encourage all financial institutions to assess and meet the credit needs of their local communities, including low and moderate income neighborhoods. The Board of Directors of the Bank understand and recognize their responsibilities regarding CRA. We feel that with the heritage the Bank has developed over the years of service to the community and in our commitment to continue to conduct business in a safe and sound manner, we have demonstrated and will continue to demonstrate our commitment to our community.

I. POLICY STATEMENT

It is the policy of the Bank to comply with the spirit and intent of all applicable consumer and fair lending laws. No individual will be denied the services of the Bank due to discrimination because of any prohibited basis set forth in the Equal Credit Opportunity Act and the Fair Housing Act. Employees are instructed to treat all persons fairly and not to discourage anyone from applying for credit. The Bank will accept and consider all written applications for credit and will grant such credit based on safe and sound banking principles.

The primary objective of the Bank is to maintain public confidence and its reputation as a sound financial institution. These objectives require a reasonably conservative lending policy and an aggressive loan administration program so that we can continue to maintain portfolios of commercial, real estate, agricultural, and consumer loans.

To meet these objectives, we must operate the Bank profitably and maintain a base from which the Bank can operate profitably in the future. Our loan operations must be limited by the factors of risk, liquidity, flexibility, and consumer considerations.

The Bank believes that a sound loan policy combined with sound loan administration by its officers will result in a sound loan portfolio. A sound loan portfolio is a desirable and profitable means of employing shareholder and depositor funds. The Board realized that the lending includes the assumption of reasonable risks. In the soundest of lending programs, losses will occur; but it is our belief that Bank profits will not be significantly affected by the assumption of reasonable risks. A no-loss loan policy would be too restrictive and would severely inhibit our future growth and our ability to serve the credit needs of the community. We will minimize loan losses through lending policies established by senior management and the Board of Directors.

II. ASSESSEMENT AREA

The Bank of Dickson is a state chartered, FDIC insured bank with four office locations in Dickson,

Tennessee:

- Main Office: 466 Highway 46 South, Dickson, Tennessee
The main office is located in census tract 606.02 of the Nashville, TN MSA
- Branch Office: 107 Henslee Drive, Dickson, Tennessee
This branch office is located in census tract 605.01 of the Nashville, TN MSA
- Branch Office: 101 North Main Street, Dickson, Tennessee
This branch office is located in census tract 605.01 of the Nashville, TN MSA
- Branch Office: 1924 Hwy 46, Dickson, Tennessee
This branch office is located in census tract 606.02 of the Nashville, TN MSA

The Bank of Dickson considers its assessment area to be Dickson County. Dickson County is made up primarily of five townships; Burns, Charlotte, Dickson, Vanleer and White Bluff, with Dickson being the largest community. Although the Bank does not maintain offices in these other communities, it has been able to maintain and service relationships with the residents of these communities due to the trade and employment that occurs in Dickson. As Dickson and Dickson County continues to grow, the Bank is cognizant of the fact that the communities making up the county will tend to merge as to their credit needs.

III. CREDIT SERVICES OFFERED

Within our delineated community, the Bank strives to serve the credit needs of all credit worthy applicants by offering the following types of credit:

- Amortized residential loans for the purchase or refinancing of 1-4 family dwellings
- Mortgages for the renovation or improvement of residential dwellings
- Loans for the construction of a 1-4 family dwelling
- Fixed rate mortgage loans secured by a 1-4 family owner-occupied dwelling
- Adjustable rate mortgage loans secured by a 1-4 family owner-occupied dwelling
- Home Equity real estate loans
- Loans for the development of residential subdivisions
- Commercial loans for the purchase or refinancing of commercial real estate
- Loans for the construction of commercial real estate
- Commercial loans for the purchase or refinancing of equipment loans
- Business start-up loans
- Automobile financing
- Loans for recreational vehicles

- Financing for the purchase of consumer goods
- Agricultural financing
- Local government loans
- Unsecured consumer credit
- Home equity lines of credit
- Loans to churches and non-profit organizations

In addition to the above types of credit, the Bank involves itself in the financing of public projects which improves the livability of the community for all residents. Capital for water, gas, schools, sanitation, and other public works are provided on affordable terms to the governmental bodies within the county.

The Bank also believes that it is obligated to provide affordable, available credit to religious organizations for expansion and an increased livability for the county. The Bank has consistently been a community leader in this lending area.

The Bank of Dickson is adequately serving the needs of its credit worthy applicants. As population patterns and credit needs change, the Bank will endeavor to meet these needs by expanding its services when deemed advisable. It is the goal and purpose of the Bank to provide for the banking needs of our community and residents. It is the Bank's belief that our market is a local one which provides many opportunities to extend credit worthy loans.

IV. DEPOSIT SERVICES OFFERED

The Bank has a wide array of competitively priced deposit services available to the banking public. The Bank offers the basic life-line banking products necessary to meet the banking public's primary needs including regular checking accounts and savings accounts. In addition to these products, the Bank offers church checking accounts, commercial checking accounts, checking accounts for non-profit organizations, and local, state, and federal governmental entities. In an effort to foster pride in our local school system, the Bank offers checking accounts to full-time students at no charge. Additionally, the Bank offers NOW and money market investment accounts. The Bank also offers checking accounts to seniors, age 62 and over, at no charge, as well as Christmas savings accounts. Certificates of deposit are also available with as little as an initial deposit of \$500.00. Individual retirement accounts are available for those individuals who are actively planning their retirements.

As a commitment to aide our community further, the Bank offers all county employees, who receive direct deposit, checking accounts at no charge. Additionally, all clients of Developmental Services also receive deposit accounts at no cost. Developmental Services assists individuals in Dickson County who have mental and/or physical disabilities.

Twenty-four (24) hour banking is available through our automated teller machines located at each of our four offices, as a free service to any checking or savings account customer. As a result of our being a member of the CIRRUS networks, there are locations all over the United States that

are available for the convenience of our customers.

In order to meet the needs of the Bank's customers and stay up to date with ever changing technology, the Bank also offers; telephone, mobile, and text banking; paper and electronic statements; online banking and free bill pay; and remote deposit capture for a minimal fee.

The Bank monitors the reasonableness of service charges for deposit services in an effort to assure consistency in application to all socioeconomic classes as well as fairness of price.

V. TRUST DEPARTMENT SERVICES

In 1989, the Bank was granted the authority by regulatory agencies to engage in trust activities. This service was instituted by the Bank in response to the need in the community for economic assistance in the administration of estates.

This need was discovered through discussions with local attorneys, C.P.A.'s, and the general citizenry within the community. After a larger holding company transferred the trust operations of its Dickson branch to Nashville, the Bank of Dickson felt that the local community should have access to affordable trust services offered at a community bank.

Local attorneys are encouraged to communicate the services of the trust department to clients when writing wills. The Bank strives to price its trust services in a manner that makes them affordable to local citizens who otherwise might not be able to use or afford the services of a large multibank holding company.

VI. OTHER CREDIT AND NONCREDIT SERVICES OFFERED

In addition to the above noted credit and deposit related services, the Bank provides numerous other services. The Bank offers safe deposit boxes to the banking public for a nominal annual fee. This service is confidential in nature, and the box can only be accessed by the customer or their appointed deputy. The customer may store anything they desire in the box, and they have the assurance that the contents are protected from loss by theft, fire or unauthorized disclosure to anyone.

The Bank also participates in investments in local and state bond issues from time to time. These investments are typically long term in nature and the proceeds are generally used for the direct and immediate benefit of the public. The Bank has historically been a leader in the local bond market.

Although it is sometimes overlooked, cashing government checks at no charge is a life-line service that the Bank offers to the public. This service provides cash to a wide range of the public from the social security recipient to the tax refund recipient. Additionally, the Bank cashes local industry payroll checks for their employees at no charge - even for those people who are not otherwise customers of the bank.

The Bank offers these services to the public in an effort to maintain our community status as a good corporate citizen and because we realize that the Bank will ultimately be only as good as the community which it serves.

VII. OUTREACH AND COMMUNITY SERVICE

The Bank is involved in civic and community service programs. Our involvement and leadership in these programs is representative of the Board of Director's and management's intentions and positive action toward the improvement and service to our community.

The Bank and its employees support multiple community service organizations in Dickson County each year, which aide the citizens of our community. Many of these organizations offer services and/or financial support to children, elderly individuals, individuals who are terminally ill, and individuals who are less fortunate and/or underprivileged. These organizations include:

- The Dickson County Help Center - Provides food and clothing to residents of Dickson County who are in need. Bank of Dickson supports multiple events such as food drives and fundraisers
- Dickson County Department of Human Services Angel Tree Program – Provides Christmas presents to children in low income households
- United Way of Dickson County
- Dickson County UT Extension 4-H Program – Sponsor of the Youth Market Hog Show and the Tri-County Steer and Heifer Show
- Affiliate Member of the Dickson County Soil Conservation District – Annual Farm Tour supporter
- Fellowship of Christian Athletes – Fundraising Banquet sponsor
- Financial Literacy Program with Dickson County Schools – Employees of Bank of Dickson go to local elementary schools to teach children about savings and financial responsibility
- Habitat for Humanity

The Bank also has an intern program, which offers employment to high school and college students during summer and winter breaks. Often times this leads to full time employment opportunities after completion of school.

Several employees of Bank of Dickson participate in and/or hold positions of volunteer roles for community outreach programs in Dickson County such as: Rotary Club, Lions Club, Dickson County Help Center, Care Net Pregnancy Center, and several local church board members.

The Bank not only supports the community through the types of active involvement noted above, but the Bank also supports other community endeavors through numerous financial gifts in the forms of charitable contributions and financial sponsorships of various community activities.

VIII. CREDIT RELATED PROGRAMS

The Bank extends credit directly and indirectly through a variety of government and nongovernment programs. In addition to the methods the Bank currently utilizes to extend credit, the Bank is constantly exploring new methods with which to better serve the community. As noted above under Credit Services Offered, the Bank offers several different types of credit for the various credit needs of the community.

CHURCH LOANS

The Bank has a long history of providing credit to local churches to assist in the construction and growth of their facilities. These loans are provided at lower rates and longer payouts in order to provide affordability to these important institutions of community life. Loans are extended to any religion or race of people.

LOCAL GOVERNMENT LOANS

The Bank has long been known for its willingness to extend credit to local governments and utility districts in order to expand services or replace and/or update equipment. This need has become significantly important in light of the decline of federal projects and grants, including Federal Revenue Sharing. The Bank has and continues to be a leader in this lending area.

DOWNTOWN DEVELOPMENT LOANS

The Bank has provided the credit needs for the rehabilitation of much of the downtown district. Loans have been made to rebuild and refurbish several of these businesses. The Bank has also provided operating capital to insure that these local businesses will continue to prosper and provide jobs. The Bank has also provided credit to the Downtown Merchants Association to assist in the renovation of this area.

AGRICULTURAL LOANS

Dickson County and Northern Hickman County consist of primarily rural communities in which the production of cattle, hogs, and tobacco occurs. Through contact with the ASCS, the Agricultural Extension Service offered via the University of Tennessee and the Soil and Water District, the Bank monitors various credit needs in the agricultural segment of the community.

In 1982, the Bank began a program of loaning money to students for the production of livestock at a rate of four percent (4%). Financial consultation is given on the loan payouts and the budgeting process. In conjunction with the Extension Service and the Dickson County Livestock Association, the Bank began a "Fat Steer Show" for the students which has grown into one of the largest cattle shows in the Mid-State area.

INDUSTRY

The Bank is involved in the extensions of credit to local existing industry. Loans are provided for inventory, equipment purchases, and operating capital. Industry customers of the Bank are small, local companies who would not have access to the larger capital markets but provide excellent employment opportunities within the county.

The Bank strives to provide credit services to all of its community members. The Board of Directors and officers of the Bank seek out interaction with a wide assortment of community leaders in order to communicate the credit programs available at the Bank. Programs which identify community needs are utilized through interaction with those groups who are best positioned in government, schools, industry, and development, so the Bank's services in the credit area are improved and positioned to meet the growing credit needs of Dickson County.

CONCLUSION

The Board of Directors of the Bank, both individually and as a group, are committed to complying with the spirit and intent of the CRA within the Bank's financial capacity and size, legal impediments, and local and regional economic condition and demographics. The Board and management will ensure that a CRA notice is available at each business office of the Bank and that a file of public comments and the Bank's responses thereto regarding the Bank's performance in helping meet the needs of the community will be maintained.