



CRA

PUBLIC

FILE

Loan
To
Deposit
Ratios



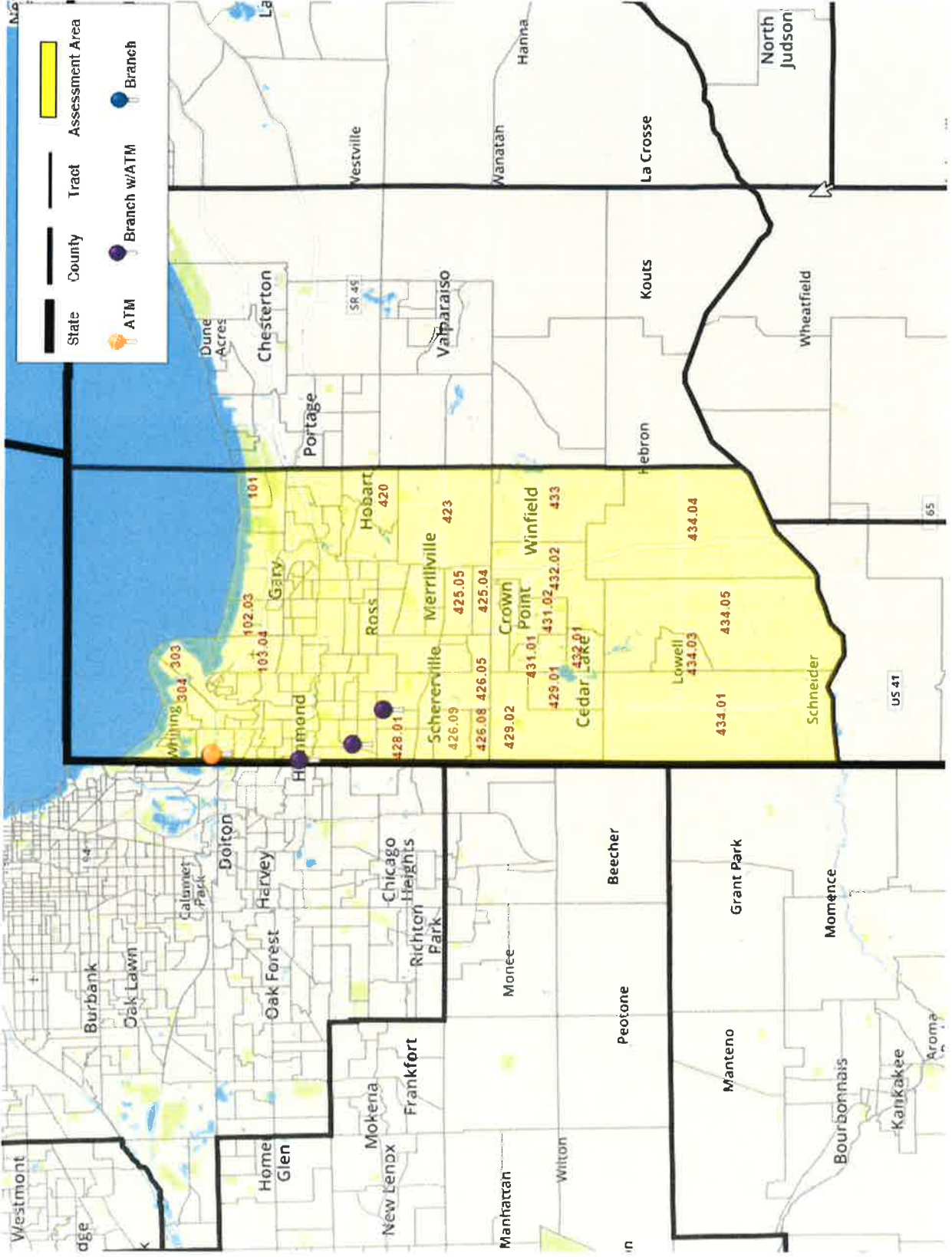
Loan to Deposit Ratio

| | |
|---------------------------|---------------|
| March 31, 2023 | 94.16% |
| June 30, 2023 | 93.25% |
| September 30, 2023 | 94.06% |
| December 31, 2023 | 97.31% |

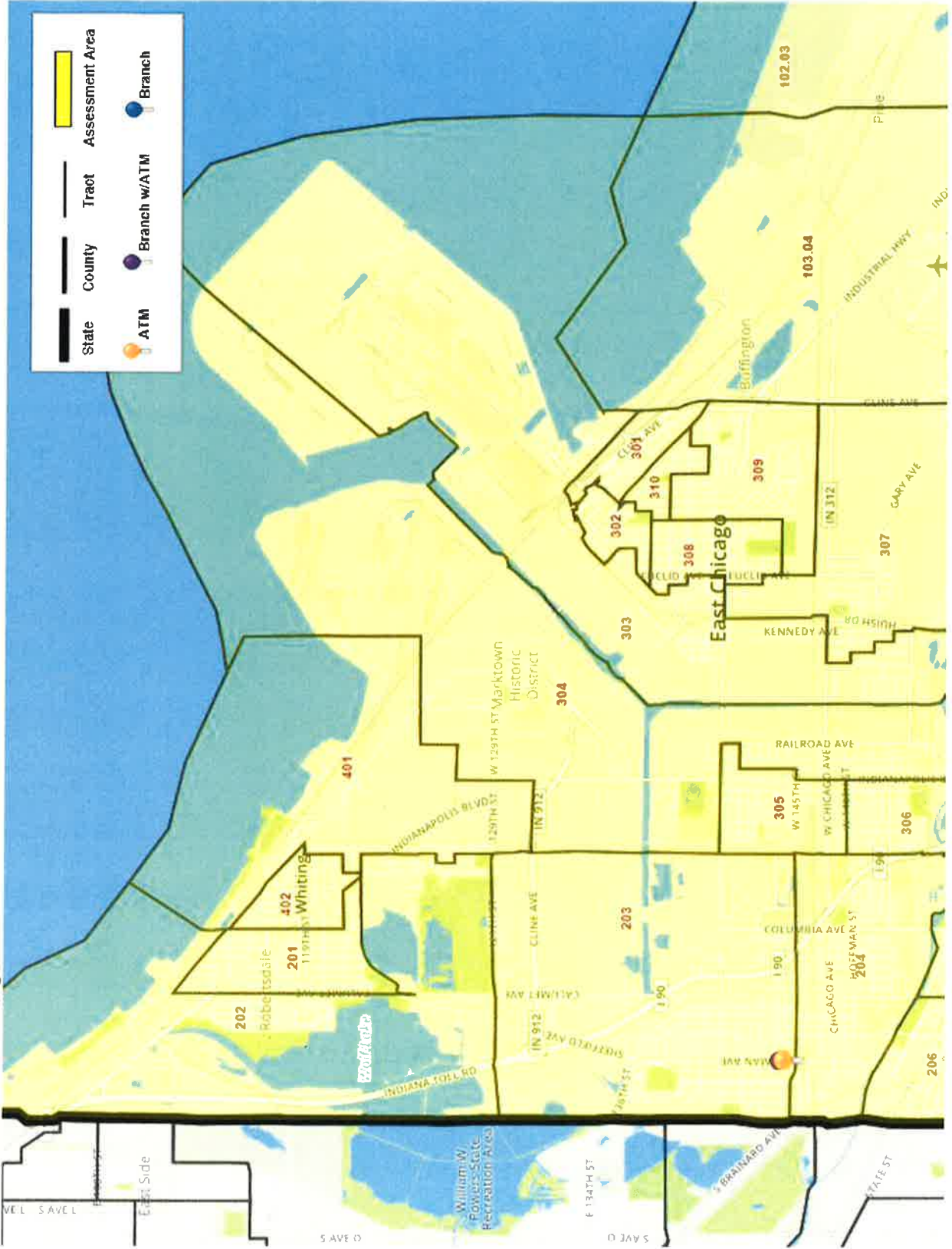


Assessment Area Maps

American Community Bank of Indiana
 Assessment Area Overview
 Assessment Area



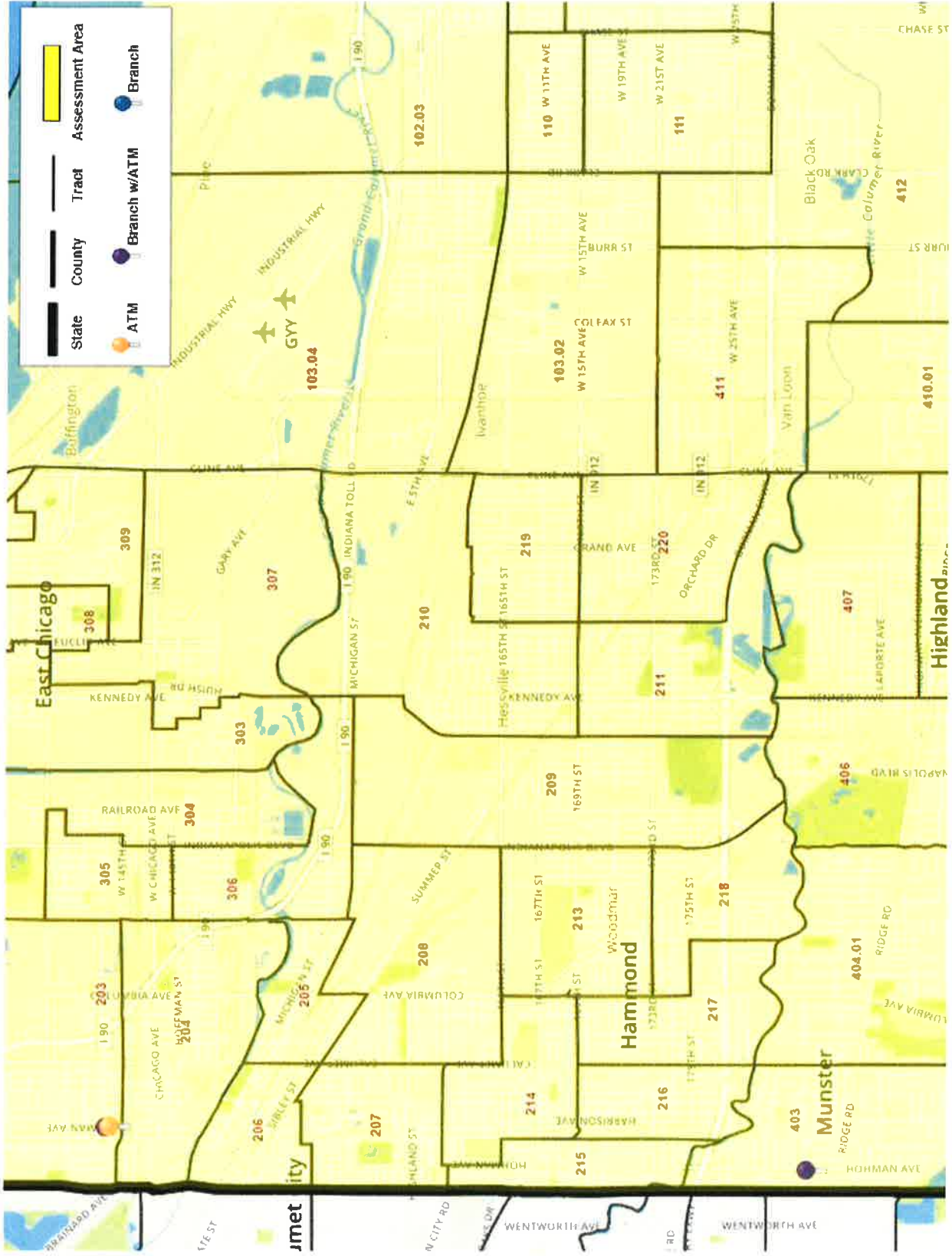
American Community Bank of Indiana
 Assessment Area Overview
Assessment Area - East Chicago Detail



American Community Bank of Indiana

Assessment Area Overview

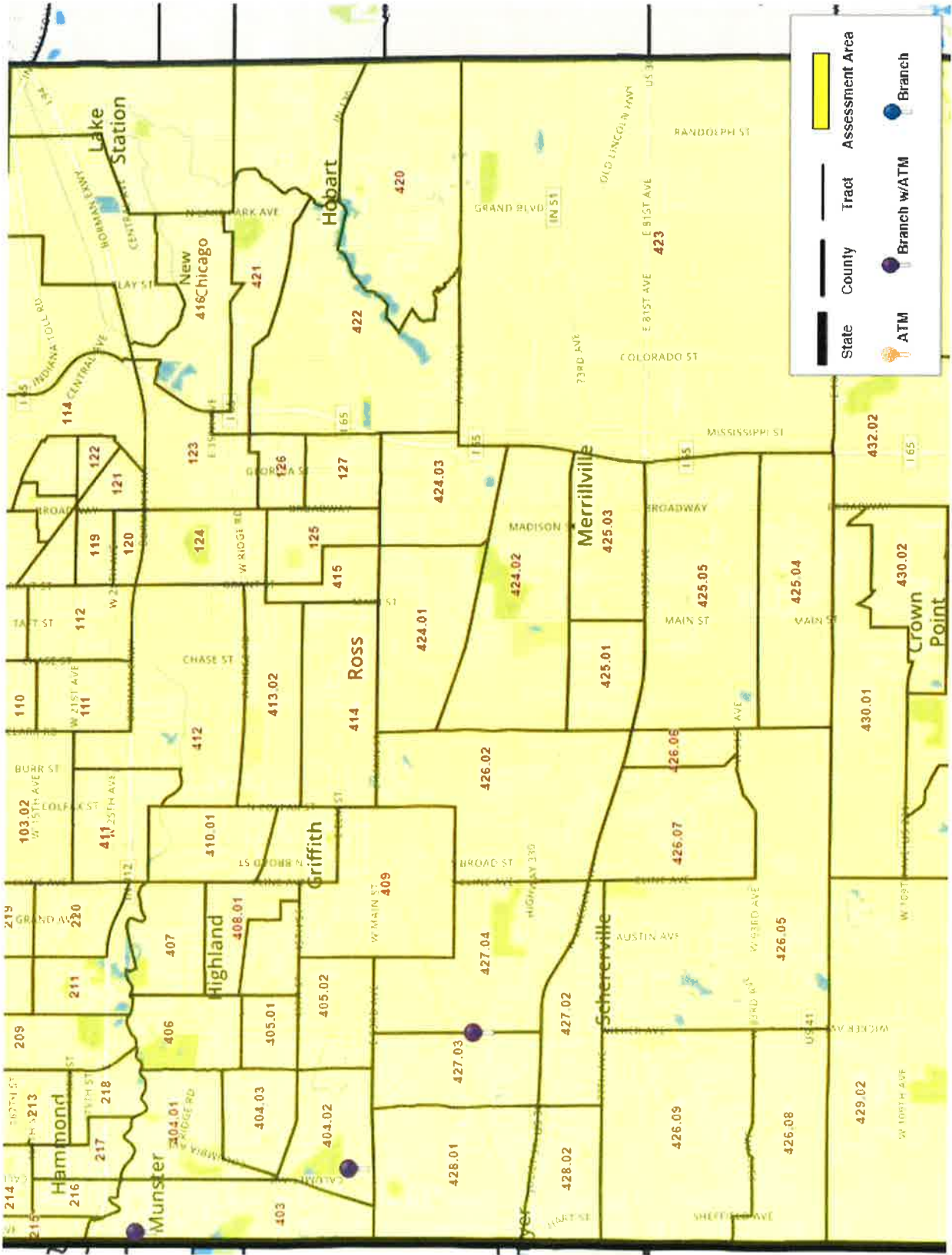
Assessment Area - Hammond-Munster Detail



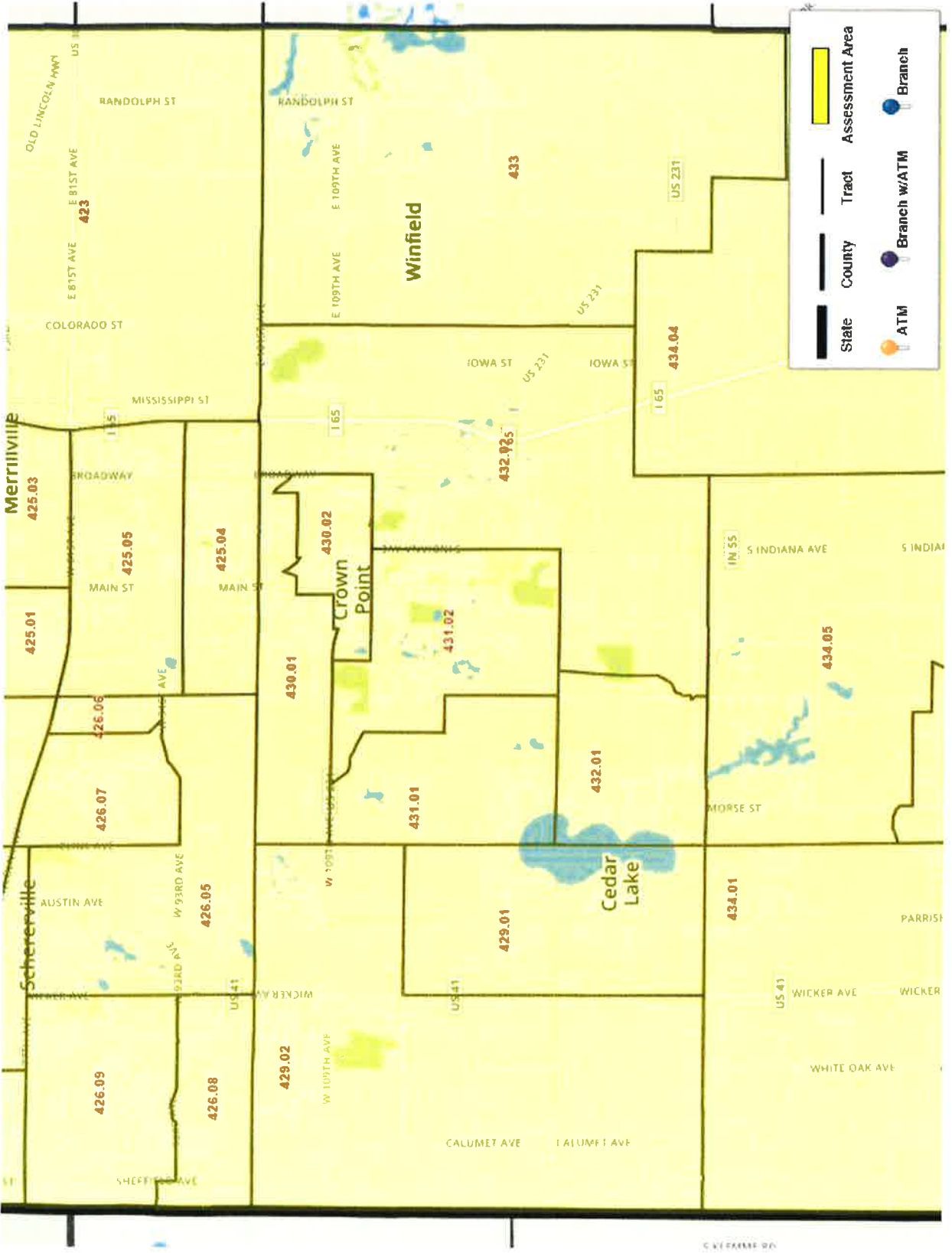
American Community Bank of Indiana

Assessment Area Overview

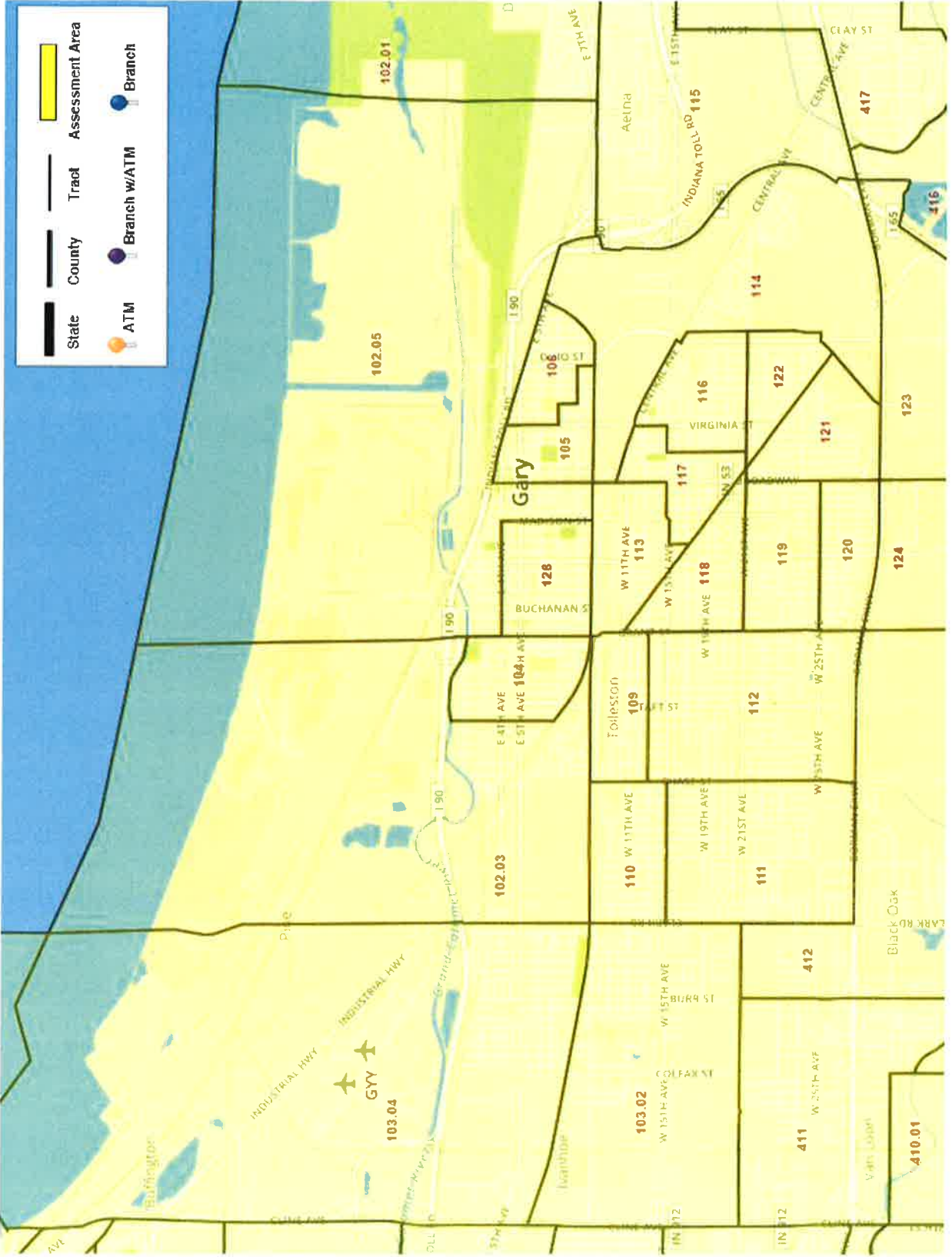
Assessment Area - Schererville-Hobart-Merrillville Detail



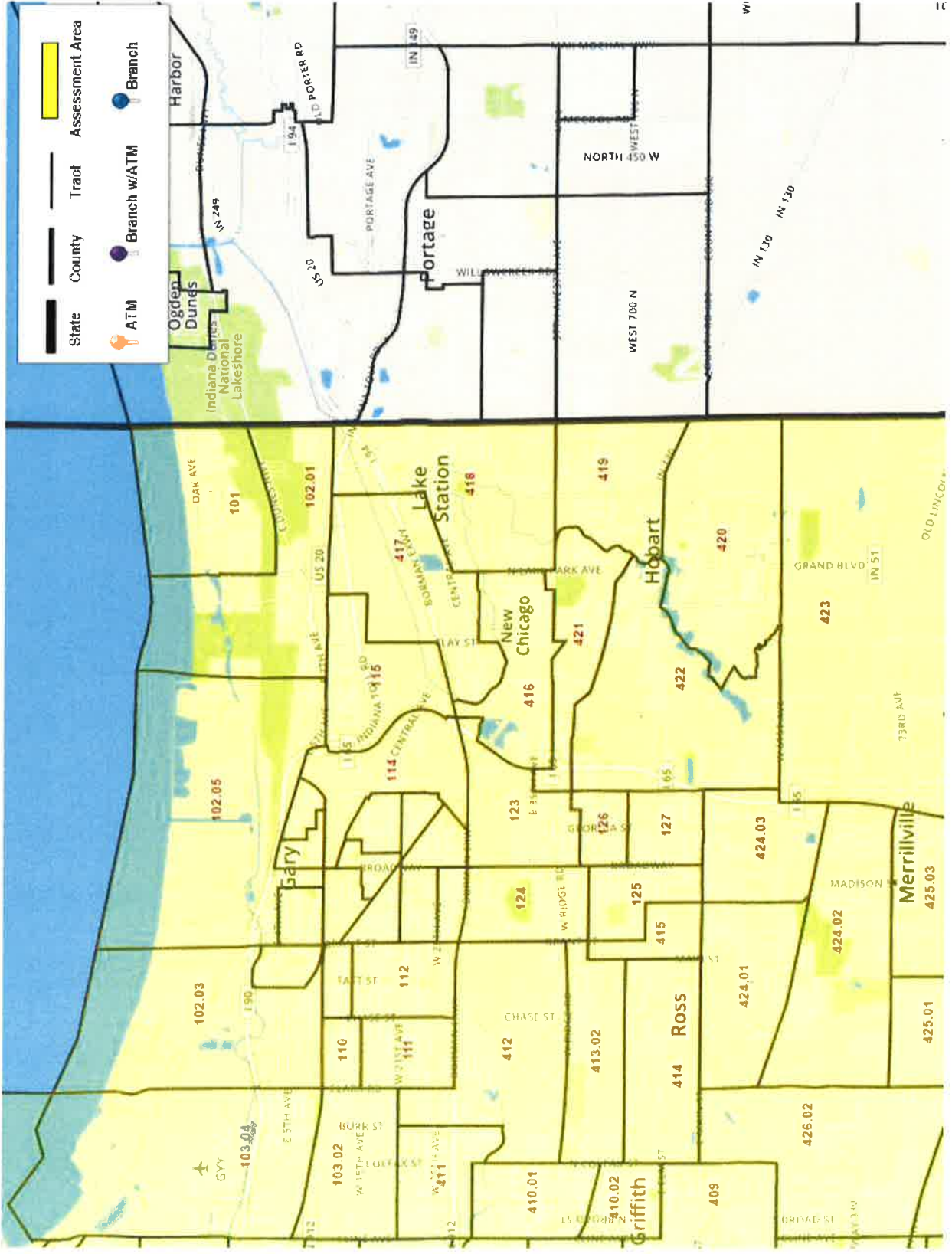
American Community Bank of Indiana Assessment Area Overview Assessment Area - Crown Point Detail



American Community Bank of Indiana
 Assessment Area Overview
 Assessment Area – Gary Detail



American Community Bank of Indiana
 Assessment Area Overview
 Assessment Area - - Lake Station-Hobart Detail



American Community Bank of Indiana
Facility Locations



| Address | City | State | Location Type | Metro Area | State Code | County Code | Tract Code | % of Income | Income Level |
|--------------------|--------------|-------|---------------|------------|------------|-------------|------------|-------------|--------------|
| 1001 Main Street | Dyer | IN | Branch w/ATM | 23844 | 18 | 089 | 0404.02 | 201.96% | Upper |
| 4531 Hohman Avenue | Hammond | IN | ATM | 23844 | 18 | 089 | 0204.00 | 62.31% | Moderate |
| 4521 Hohman Avenue | Hammond | IN | Branch w/ATM | 23844 | 18 | 089 | 0204.00 | 62.31% | Moderate |
| 8230 Hohman Avenue | Munster | IN | Branch w/ATM | 23844 | 18 | 089 | 0403.00 | 120.23% | Upper |
| 7880 Wicker Avenue | Schererville | IN | Branch w/ATM | 23844 | 18 | 089 | 0427.03 | 140.72% | Upper |

CRA Statement

American Community Bank
Community Reinvestment Act Policy

RESOLUTION

RESOLVED, That the following statement on the Community Reinvestment Act be adopted by American Community Bank as its governing policy.

FURTHER RESOLVED, that this statement of policy be reviewed and amended annually or as deemed necessary by the Board of Directors.

SOURCE (s)

The Community Reinvestment Act

STATEMENT OF POLICY

American Community Bank is committed to serving the residential credit needs of all segments of the communities in which it does business. It is the policy of the Board of Directors to respond to all creditworthy segments of the Bank's Assessment Area. We believe that doing so is basic to good business practice and to our own long-term success.

In pursuing this commitment, the Board of Directors will assure that American Community Bank complies with both the letter and the spirit of the Community Reinvestment Act (CRA). We will continue to take a proactive, rather than a reactive or passive approach in determining and meeting community needs, including those of low and moderate income areas and individuals.

We also pursue our long-standing commitment to comply fully with all other nondiscrimination and consumer protection laws and regulations. Specifically, American Community Bank extends credit to all qualified applicants regardless of race, color, national origin, religion, sex, marital status, age (provided that the applicant has the capacity to contract), the fact that all or part of the applicants income derives from a public assistance program, or the fact that the applicant has in good faith exercised any right under the Consumer Protection Act.

Management continues to administer a set of nondiscriminatory loan underwriting standards that are be applied to all applicants. Any flexibility that is permitted in applying underwriting standards is consistent and nondiscriminatory.

At the same time, American Community Bank continues to offer the highest quality deposit products and other services to all customers and potential customers within and beyond our Assessment Area.

A. Board of Directors

The Board of Directors recognizes that it has the ultimate responsibility for the performance of the Bank in compliance with the provisions of CRA, and that this responsibility is demonstrated both individually and collectively. Individually, directors are encouraged to maintain an awareness of and sensitivity to the credit and other financial service needs of the communities in which the Bank operates, and, as appropriate, participate in local community and other organizations dedicated to serving these needs.

Collectively, the Board reviews the credit and financial service needs of its communities at least annually. This review includes an assessment of the extent to which American Community Bank participated in meeting these local needs. Consistent with its resources, prudent business practice, the safety and soundness of its operation, and the best interest of its stockholders, the Board is committed to promoting product and service offerings to all segments of its assessment area.

The Board assures that the Bank fulfills its obligations under the CRA by delegating appropriate authority, responsibility and accountability to management and by directing management to develop appropriate products, programs and procedures.

While the Board has the ultimate responsibility for the performance of the Bank, and is informed of performance through periodic evaluation of internal reports, it shall hold management accountable for the responsibilities delegated to it for assuring the satisfactory performance of American Community Bank under the requirements of the CRA.

B. The CRA Committee

The CRA committee is responsible for monitoring both overall adherence to this policy statement as well as the implementation of any projects initiated by any committee members.

C. The CRA Officer

The CRA Officer reports to the President.

The CRA Officer assures the Board that the Bank meets the present technical and procedural requirements of the CRA. With the assistance of the CRA Committee, the CRA Officer reviews the Bank's product and service offerings and delivery mechanisms and its marketing, community outreach, and CRA training functions. In consultation with the CRA Committee, the CRA Officer recommends any necessary improvements to the President and the Board.

The CRA Officer is responsible for maintaining all CRA related comments or complaints in the CRA file, accompanied by the Bank's response to them where appropriate.

The CRA Officer is also responsible for bringing to the attention to the Board and management any change in laws and regulations affecting the Bank's responsibilities under the CRA.

D. Staff

All personnel shall cooperate with and support the Bank's CRA Policy and related programs.

BOARD DIRECTIVE TO MANAGEMENT

The Board directs management to develop procedures to implement this policy and demonstrate its effectiveness in ensuring compliance.

COMMUNITY REINVESTMENT ACT NOTICE

Under the Federal Community Reinvestment Act (CRA), the FDIC evaluates our record of helping to meet the credit needs of the community consistent with safe and sound operations. The FDIC also takes this into account when deciding on certain applications submitted by us. Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the Federal Deposit Insurance Corporation; and comments received from the public referring to our performance in helping to meet the community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each quarter, the Federal Deposit Insurance Corporation (FDIC) publishes a list of the institutions that are scheduled for CRA Examinations by the FDIC in that quarter. The list is available from:

Deputy Regional Director
Federal Deposit Insurance Corporation
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606-3447

You may send written comments about our performance in helping to meet community credit needs to:

President
American Community Bank
7880 Wicker Ave.
St. John, IN 46373

and

FDIC
Customer Assistance Group
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606-3447

Your letter, together with any response by us, will be considered in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the Federal Deposit Insurance Corporation. You may also request from the Board of Directors an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of:

AMB Financial Corp.
7880 Wicker Ave.
St. John, IN 46373

A Federal Savings Bank Holding Company. You may request from the Regional Director an announcement of applications covered by CRA filed by Federal Savings Bank holding companies.

COMMUNITY REINVESTMENT ACT NOTICE

Branch Office

Under the Federal Community Reinvestment Act (CRA), the FDIC evaluates our record of helping to meet the credit needs of the community consistent with safe and sound operations. The FDIC also takes this into account when deciding on certain applications submitted by us. Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA. You may review today the public section of our most recent CRA evaluation, prepared by the Federal Deposit Insurance Corporation, and a list of services provided at this branch. You may also have access to the following additional information, which we will make available to you at this branch within five calendar days after you make the request to us: (1) a map showing the Assessment Area containing this branch, which is the area in which the Board evaluates our CRA performance in this community, (2) information about our branches in this Assessment Area; (3) a list of services we provide at those locations; (4) data on our lending performance in this Assessment Area, and (5) copies of all written comments received by us that specifically relate to our CRA performance in this Assessment Area, and any responses we have made to those comments. If we are operating under an approved strategic plan, you may also have access to a copy of the plan.

At least 30 days before the beginning of each quarter, the Federal Deposit Insurance Corporation (FDIC) publishes a nationwide list of the institutions that are scheduled for CRA examinations by the FDIC in that quarter. The list is available from: Deputy Regional Director

Federal Deposit Insurance Corporation
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606-3447

You may send written comments about our performance in helping to meet community credit needs to:

President
American Community Bank
7880 Wicker Ave.
St. John, IN 46373

and

FDIC
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606-3447

Your letter, together with any response by us, will be considered in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the Board of Directors. You may also request from the Board of Directors an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of:

AMB Financial Corp.
7880 Wicker Ave.
St. John, IN 46373

A Federal Savings Bank Holding Company. You may request from the Regional Director an announcement of applications covered by CRA filed by Federal Savings Bank holding companies.

Performance Evaluation

PUBLIC DISCLOSURE

June 10, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

American Community Bank of Indiana
Certificate Number: 29878

7880 Wicker Avenue
Saint John, Indiana 46373

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.

TABLE OF CONTENTS

| | |
|--|----|
| INSTITUTION RATING | 1 |
| DESCRIPTION OF INSTITUTION | 1 |
| DESCRIPTION OF ASSESSMENT AREA | 2 |
| SCOPE OF EVALUATION..... | 5 |
| CONCLUSIONS ON PERFORMANCE CRITERIA..... | 6 |
| DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW..... | 12 |
| APPENDICES | 13 |
| SMALL BANK PERFORMANCE CRITERIA | 13 |
| GLOSSARY..... | 14 |

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Needs to Improve.**

An institution in this group needs to improve its overall 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.

American Community Bank of Indiana's (ACB) CRA performance is based upon the following:

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area (AA) credit needs.
- A majority of loans and other lending-related activities are in the institution's AA.
- The geographic distribution of loans reflects poor dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA, poor penetration among individuals of different income levels (including low- and moderate-income) and businesses of different sizes.
- The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DESCRIPTION OF INSTITUTION

Background

ACB is a full-service bank headquartered in Saint John, Indiana, and operates in the northwestern portion of Indiana. The bank is wholly-owned by AMB Financial Corporation, a one-bank holding company located in Saint John, Indiana. The institution has no affiliates that offer credit products. The bank received a Satisfactory rating at its previous FDIC CRA Performance Evaluation, dated June 17, 2019, based on Interagency Small Institution CRA Examination Procedures.

Operations

ACB operates five full-service offices in its AA. All of the offices are located in Lake County, Indiana, which borders Illinois to the west and Lake Michigan to the north. Lake County is part of the Gary, Indiana Metropolitan Division (#23844). The Gary Metropolitan Division is part of the Chicago-Naperville-Elgin, Illinois-Indiana-Wisconsin Primary Metropolitan Statistical Area (#16980). The bank's main office is in Saint John, and one office is in each of the following cities: Crown Point, Dyer, Hammond, and Munster. No offices have been opened or closed since the prior evaluation. The bank did not complete any mergers or acquisitions during the evaluation period.

The bank's loan products include commercial loans, home mortgage loans, agricultural loans, and consumer loans, primarily focusing on commercial and home mortgage lending. Mortgages are sold on the secondary market. The institution provides a variety of deposit services including checking, savings, money market deposit accounts, and certificates of deposit. Alternative banking services include online banking, mobile banking, electronic bill pay, and automated teller machines at each office.

Ability and Capacity

According to the Consolidated Report of Condition (Call Report) dated March 31, 2022, the bank had total assets of \$310,462,000; net loans totaling \$212,563,000; total deposits of \$277,217,000; and total equity capital of \$26,736,000. On the same date, the net loans-to-total deposits ratio was 76.7 percent, and the net loans-to-total assets ratio was 68.5 percent. The composition of ACB's loan portfolio as of March 31, 2022, is shown in the following table. The two major categories of loans by dollar volume are home mortgage (includes 1-4 family and multi-family) and commercial at 32.2 percent and 54.4 percent, respectively. The bank's loan portfolio mix is representative of its business strategy and focus. Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet AA credit needs.

| Loan Portfolio Distribution as of 03/31/2022 | | |
|---|-----------------|--------------|
| Loan Category | \$(000s) | % |
| Construction and Land Development | 26,902 | 12.5 |
| Secured by Farmland | 1,108 | 0.5 |
| 1-4 Family Residential | 64,752 | 30.1 |
| Multi-family (5 or more) Residential | 4,400 | 2.1 |
| Commercial Real Estate | 82,883 | 38.5 |
| Total Real Estate Loans | 180,045 | 83.7 |
| Commercial and Industrial | 34,303 | 15.9 |
| Agricultural | 0 | 0.0 |
| Consumer | 790 | 0.4 |
| Other | 12 | <0.1 |
| Less: Unearned Income | 0 | 0.0 |
| Total Loans | 215,150 | 100.0 |

Source: Reports of Income and Condition

DESCRIPTION OF ASSESSMENT AREA

Economic and Demographic Data

The AA contains all 118 census tracts in Lake County. The AA has not changed since the previous evaluation. According to 2015 American Community Survey (ACS) data, census tracts within the AA reflect the following income designations:

- 25 low-income tracts,
- 29 moderate-income tracts,
- 37 middle-income tracts,
- 26 upper-income tracts, and
- 1 census tract with no income designation.

The following table illustrates select demographic characteristics of the AA.

| Demographic Information of the Assessment Area | | | | | | |
|--|----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| Assessment Area: Lake County IN | | | | | | |
| Demographic Characteristics | # | Low % of # | Moderate % of # | Middle % of # | Upper % of # | NA* % of # |
| Geographies (Census Tracts) | 118 | 21.2 | 24.6 | 31.4 | 22.0 | 0.8 |
| Population by Geography | 491,596 | 10.4 | 22.7 | 35.6 | 31.3 | 0.0 |
| Housing Units by Geography | 209,868 | 13.1 | 23.3 | 35.1 | 28.5 | 0.0 |
| Owner-Occupied Units by Geography | 126,228 | 6.0 | 18.3 | 36.8 | 38.9 | 0.0 |
| Occupied Rental Units by Geography | 57,086 | 20.7 | 29.6 | 36.1 | 13.6 | 0.0 |
| Vacant Units by Geography | 26,554 | 30.0 | 33.9 | 24.6 | 11.5 | 0.0 |
| Businesses by Geography | 46,164 | 8.5 | 17.5 | 37.9 | 36.1 | 0.0 |
| Farms by Geography | 815 | 4.5 | 15.3 | 34.4 | 45.8 | 0.0 |
| Family Distribution by Income Level | 123,259 | 24.7 | 17.0 | 20.6 | 37.7 | 0.0 |
| Household Distribution by Income Level | 183,314 | 27.0 | 16.1 | 17.5 | 39.4 | 0.0 |
| Median Family Income MSA - 23844 Gary, IN | | \$64,075 | Median Housing Value | | | \$128,910 |
| | | | Median Gross Rent | | | \$792 |
| | | | Families Below Poverty Level | | | 14.2% |
| <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 2019, 2020, and 2021 FFIEC-updated median family income levels were used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

| Median Family Income Ranges | | | | |
|--|------------------------|------------------------------------|-----------------------------------|------------------------|
| Median Family Incomes | Low <50% | Moderate 50% to <80% | Middle 80% to <120% | Upper ≥120% |
| Gary, IN Median Family Income (23844) | | | | |
| 2019 (\$72,700) | <\$36,350 | \$36,350 to <\$58,160 | \$58,160 to <\$87,240 | ≥\$87,240 |
| 2020 (\$74,600) | <\$37,300 | \$37,300 to <\$59,680 | \$59,680 to <\$89,520 | ≥\$89,520 |
| 2021 (\$75,600) | <\$37,800 | \$37,800 to <\$60,480 | \$60,480 to <\$90,720 | ≥\$90,720 |
| <i>Source: FFIEC</i> | | | | |

Per the 2015 ACS data, the AA contains 209,868 housing units. Of these, 60.1 percent are owner-occupied, 27.2 percent are occupied rental units, and 12.7 percent are vacant. The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units by tract income level.

The economy relies heavily upon small businesses. In the AA, 60.6 percent of businesses have four or

fewer employees and 91.9 percent operate from a single location. The analysis of small business loans under the Borrower Profile criterion compares the distribution of borrowers to the distribution of businesses by revenue category. According to 2021 D&B data, approximately 46,164 businesses are located in the AA. Gross annual revenues (GARs) for these businesses are as follows:

- 88.7 percent have revenues of \$1 million and less.
- 3.3 percent have revenues over \$1 million.
- 8.0 percent have unknown revenues.

The primary employment sectors in the AA are education and health services, retail trade, manufacturing, and government. The largest employers in the AA include Arcelor Mittal, Franciscan Health Systems, Horseshoe Casino & Hotel, and Porter Valparaiso Hospital.

The economy in the AA remained stable for the majority of this evaluation period. As of April 2022, the unemployment rate for Lake County (3.9 percent) is slightly greater than the rates occurring at the state (2.2 percent) and national (3.3 percent) levels. While the lower unemployment rates overall indicate some stability in the economy, inflation is increasing and creating some unease. All unemployment rates are from the Bureau of Labor Statistics.

Competition

The AA is very competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2021, 16 financial institutions operated 136 full-service offices within the AA. ACB ranked 10th in market share in the AA, holding 1.8 percent of all deposits.

There is a high level of competition for home mortgage loans within the AA. In 2020, 442 lenders subject to Home Mortgage Disclosure Act (HMDA) data collection reported 25,519 home mortgage loans originated or purchased. ACB ranked 21st in this group of lenders with a market share of 1.4 percent.

The bank is not required to collect or report its small business loan data, and it has not elected to do so. Therefore, the analysis of small business loans under the Lending Test does not include comparisons against aggregate data. The aggregate data, however, assists in determining the level of competition as well as demand for small business loans. Aggregate data for 2020 reveals that 117 institutions reported 9,288 small business loans in the AA, indicating a high degree of competition for this product.

Community Contact

As part of the evaluation process, examiners contact third parties active in the AA to assist in identifying the credit needs. This information helps determine whether local financial institutions are responsive to these needs. It also indicates what credit opportunities are available.

Examiners used three community contacts for this AA. Two of the contacts were community development entities and the third was an affordable housing organization. The contacts said affordable housing, affordable small dollar loans, and small business lending were community needs.

Credit Needs

Considering information from the community contacts, bank management, and demographic and economic data, examiners determined that home mortgage and small business lending represent the primary credit needs in the AA.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated June 17, 2019, to the current evaluation dated June 10, 2022. Examiners used the Interagency Small Institution CRA Evaluation Procedures to evaluate ACB's CRA performance. These procedures include the CRA Small Institution Lending Test.

Activities Reviewed

Examiners determined that the bank's major product lines are home mortgage loans and small business loans. This conclusion considered the bank's business strategy and the number and dollar volume of loan originations during the evaluation period. Home mortgage loan originations exceed small business loans by both total number and dollar amount. Thus, home mortgage lending received the greatest weight when arriving at overall conclusions. Small farm and consumer lending were not reviewed as these are not major product lines for the bank.

ACB is subject to HMDA data collection requirements. Therefore, all home mortgage loans reported on the bank's 2019, 2020, and 2021 HMDA Loan Application Registers were reviewed for this evaluation. The bank's lending performance is compared to demographic data throughout the review period, while HMDA aggregate data for 2019 and 2020 is also included as a comparison for the bank's lending; aggregate data serves as a better comparator as it represents performance of all reporters subject to the HMDA data collection requirements in the AA. The 2021 HMDA aggregate data was not available as of the evaluation date.

All of the bank's small business loan originations for 2020 and 2021 were reviewed. The required information was readily available in the bank's records. The 2015 ACS and 2021 D&B data are the demographic comparators used for home mortgage and small business lending, respectively, in this evaluation. If different demographic data was used, the data source was noted.

The total loan universes reviewed for each loan product are shown in the following table.

| Lending Reviewed for CRA Evaluation | | |
|---|---------------------|-------------------------------|
| Loan Category | Total Number | Total Dollar (\$000's) |
| Home Mortgage | | |
| 2019 | 177 | 45,223 |
| 2020 | 455 | 119,360 |
| 2021 | 439 | 116,805 |
| Total | 1,071 | 281,388 |
| Small Business | | |
| 2020 | 323 | 35,566 |
| 2021 | 129 | 31,182 |
| Total | 452 | 66,748 |
| <i>Source: Bank Data Due to rounding, totals may not equal 100.0%</i> | | |

While number and dollar volume of loans are presented, examiners emphasized performance by number of loans, because the number of loans is a better indicator of the number of businesses and individuals served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

ACB demonstrated poor performance under the Small Bank Lending Test. Poor performance in the Geographic Distribution and Borrower Profile criteria primarily supported this conclusion.

Loan-to-Deposit Ratio

The LTD ratio is reasonable given the institution's size, financial condition, and AA credit needs. The LTD ratio, calculated from Call Report data, averaged 88.6 percent over the past 12 calendar quarters from June 30, 2019, to March 31, 2022. The ratio ranged from a low of 76.7 percent as of March 31, 2022, to a high of 95.7 percent as of June 30, 2019. The ratio slowly declined throughout the evaluation period but remained at a reasonable level.

Examiners evaluated ACB's LTD ratio by comparing it to the ratios of similarly-situated banks (SSBs) based on their location, asset size, and lending focus. All of the SSBs operate entirely within the State of Indiana. SSBs 1 and 2 have offices within the AA, while SSBs 3 and 4 are outside of the AA but operate in Indiana. As shown in the following table, ACB's ratio exceeded the ratios of all the SSBs. However, ACB's ratio is very comparable to SSBs 3 and 4, which are also nearest in asset size.

ACB's secondary market mortgage sales in 2019, 2020, and 2021 combined were approximately 812 loans totaling \$234 million. Since these loans are sold, they are not reflected in the bank's LTD ratio as the loans are not retained on the bank's books.

| Loan-to-Deposit Ratio Comparison | | |
|--|---------------------------------------|---------------------------|
| Bank | Total Assets as of 3/31/2022 \$(000s) | Average Net LTD Ratio (%) |
| American Community Bank of Indiana | 310,462 | 88.6 |
| Similarly-Situated Institution #1 | 2,094,884 | 74.1 |
| Similarly-Situated Institution #2 | 547,907 | 60.5 |
| Similarly-Situated Institution #3 | 284,718 | 85.3 |
| Similarly-Situated Institution #4 | 363,100 | 87.7 |
| <i>Source: Reports of Income and Condition 6/30/2019 through 3/31/2022</i> | | |

Assessment Area Concentration

A majority of loans and other lending-related activities are in the institution's AA, as shown in the following table.

| 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 | | | | | | | | | | |
| 2019 | 129 | 72.9 | 48 | 27.1 | 177 | 30,613 | 67.7 | 14,610 | 32.3 | 45,223 |
| 2020 | 368 | 80.9 | 87 | 19.1 | 455 | 94,658 | 79.3 | 24,702 | 20.7 | 119,360 |
| 2021 | 330 | 75.2 | 109 | 24.8 | 439 | 82,470 | 70.6 | 34,335 | 29.4 | 116,805 |
| Subtotal | 827 | 77.2 | 244 | 22.8 | 1,071 | 207,741 | 73.8 | 73,647 | 26.2 | 281,388 |
| Small Business | | | | | | | | | | |
| 2020 | 220 | 68.1 | 103 | 31.9 | 323 | 26,533 | 74.6 | 9,033 | 25.4 | 35,566 |
| 2021 | 78 | 60.5 | 51 | 39.5 | 129 | 18,455 | 59.2 | 12,727 | 40.8 | 31,182 |
| Subtotal | 298 | 65.9 | 154 | 34.1 | 452 | 44,988 | 67.4 | 21,760 | 32.6 | 66,748 |
| Total | 1,125 | 73.9 | 398 | 26.1 | 1,523 | 252,729 | 72.6 | 95,407 | 27.4 | 348,136 |
| <i>Source: Bank Data</i> | | | | | | | | | | |
| <i>Due to rounding, totals may not equal 100.0%</i> | | | | | | | | | | |

Geographic Distribution

The geographic distribution of loans reflects poor dispersion throughout the AA. Poor performance in home mortgage and small business lending supports this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans is poor. As shown in the following table, the bank did not originate any loans in the low-income census tracts during the evaluation period.

In the moderate-income census tracts, the bank's lending was significantly below the aggregate data in 2019 and 2020 and the owner-occupied housing level for each year reviewed. Although lending in the moderate-income tracts increased in 2021, it remained well below the owner-occupied housing level. The low level of home mortgage lending in the low- and moderate-income census tracts throughout the review period results in poor geographic distribution.

| Geographic Distribution of Home Mortgage Loans | | | | | | |
|--|--|-------------------------------------|------------|--------------|-----------------|--------------|
| Assessment Area: Lake County IN | | | | | | |
| Tract Income Level | % of Owner-Occupied Housing Units | Aggregate Performance % of # | # | % | \$(000s) | % |
| Low | | | | | | |
| 2019 | 6.0 | 1.3 | 0 | 0.0 | 0 | 0.0 |
| 2020 | 6.0 | 0.9 | 0 | 0.0 | 0 | 0.0 |
| 2021 | 6.0 | -- | 0 | 0.0 | 0 | 0.0 |
| Moderate | | | | | | |
| 2019 | 18.3 | 10.2 | 6 | 4.7 | 235 | 0.8 |
| 2020 | 18.3 | 7.9 | 6 | 1.6 | 531 | 0.6 |
| 2021 | 18.3 | -- | 17 | 5.2 | 1,669 | 2.0 |
| Middle | | | | | | |
| 2019 | 36.8 | 40.1 | 31 | 24.0 | 4,182 | 13.7 |
| 2020 | 36.8 | 37.0 | 82 | 22.3 | 14,629 | 15.5 |
| 2021 | 36.8 | -- | 65 | 19.7 | 12,071 | 14.6 |
| Upper | | | | | | |
| 2019 | 38.9 | 48.5 | 92 | 71.3 | 26,196 | 85.6 |
| 2020 | 38.9 | 54.1 | 280 | 76.1 | 79,498 | 84.0 |
| 2021 | 38.9 | -- | 248 | 75.2 | 68,730 | 83.3 |
| Totals | | | | | | |
| 2019 | 100.0 | 100.0 | 129 | 100.0 | 30,613 | 100.0 |
| 2020 | 100.0 | 100.0 | 368 | 100.0 | 94,658 | 100.0 |
| 2021 | 100.0 | -- | 330 | 100.0 | 82,470 | 100.0 |
| <i>Source: 2015 ACS; Bank Data; 2019 & 2020 HMDA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i> | | | | | | |

Small Business Loans

The geographic distribution of small business loans is poor. As shown in the following table, lending in the low-income census tracts was considerably below the business population throughout the review period. In the moderate-income census tracts, lending performance only slightly trailed the business population. However, given the bank's limited performance in lending to borrowers in low-income census tracts, performance in the small business lending is poor overall.

| Geographic Distribution of Small Business Loans | | | | | |
|---|------------------------|------------|--------------|-----------------|--------------|
| Assessment Area: Lake County IN | | | | | |
| Tract Income Level | % of Businesses | # | % | \$(000s) | % |
| Low | | | | | |
| 2020 | 7.9 | 6 | 2.7 | 257 | 1.0 |
| 2021 | 8.5 | 1 | 1.3 | 282 | 1.5 |
| Moderate | | | | | |
| 2020 | 16.2 | 32 | 14.5 | 4,455 | 16.8 |
| 2021 | 17.5 | 12 | 15.4 | 3,991 | 21.6 |
| Middle | | | | | |
| 2020 | 38.1 | 80 | 36.4 | 10,066 | 37.9 |
| 2021 | 37.9 | 26 | 33.3 | 3,702 | 20.1 |
| Upper | | | | | |
| 2020 | 37.7 | 102 | 46.4 | 11,755 | 44.3 |
| 2021 | 36.1 | 39 | 50.0 | 10,480 | 56.8 |
| Totals | | | | | |
| 2020 | 100.0 | 220 | 100.0 | 26,533 | 100.0 |
| 2021 | 100.0 | 78 | 100.0 | 18,455 | 100.0 |
| <i>Source: 2020 & 2021 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%.</i> | | | | | |

Borrower Profile

The distribution of borrowers reflects, given the demographics of the AA, poor penetration among individuals of different income levels and businesses of different sizes. While the bank's lending to small businesses was reasonable, home mortgage lending received the greatest weight and exhibited poor performance, resulting in poor performance overall.

Home Mortgage Loans

The borrower distribution of home mortgage loans is poor. As shown in the following table, the bank's performance in lending to low-income borrowers in 2019 and 2020 significantly trailed aggregate performance. Further, the bank's performance throughout the review period significantly trailed the percentage of low-income families that reside within the AA. It is worth highlighting that some of this disparity can be attributed to the percent of families that live below the poverty level (14.2 percent). Specifically, families with incomes below the poverty level generally do not have the capacity to support a home mortgage due to their limited financial resources, limiting the demand and opportunity for lending to low-income borrowers. However, the bank's lending performance for all three years is still significantly lower than the remaining percentage of low income families with incomes above the poverty level.

In 2019 and 2020, the bank's lending to moderate-income borrowers also considerably trailed the aggregate data. In addition, despite improvement in 2021, the bank's lending was much lower than

the demographic for all three years reviewed. The low level of lending to low- and moderate-income borrowers throughout the review period resulted in poor performance overall.

| Distribution of Home Mortgage Loans by Borrower Income Level | | | | | | |
|--|----------------------|-------------------------------------|------------|--------------|-----------------|--------------|
| Assessment Area: Lake County IN | | | | | | |
| Borrower Income Level | % of Families | Aggregate Performance % of # | # | % | \$(000s) | % |
| Low | | | | | | |
| 2019 | 24.7 | 8.6 | 2 | 1.6 | 52 | 0.2 |
| 2020 | 24.7 | 6.7 | 6 | 1.6 | 489 | 0.5 |
| 2021 | 24.7 | -- | 14 | 4.2 | 1,156 | 1.4 |
| Moderate | | | | | | |
| 2019 | 17.0 | 18.6 | 10 | 7.8 | 1,371 | 4.5 |
| 2020 | 17.0 | 17.2 | 31 | 8.4 | 4,251 | 4.5 |
| 2021 | 17.0 | -- | 37 | 11.2 | 5,223 | 6.3 |
| Middle | | | | | | |
| 2019 | 20.6 | 23.1 | 20 | 15.5 | 2,764 | 9.0 |
| 2020 | 20.6 | 22.5 | 50 | 13.6 | 8,144 | 8.6 |
| 2021 | 20.6 | -- | 59 | 17.9 | 9,769 | 11.8 |
| Upper | | | | | | |
| 2019 | 37.7 | 31.6 | 95 | 73.6 | 26,298 | 85.9 |
| 2020 | 37.7 | 33.6 | 278 | 75.5 | 80,391 | 84.9 |
| 2021 | 37.7 | -- | 208 | 63.0 | 64,209 | 77.9 |
| Not Available | | | | | | |
| 2019 | 0.0 | 18.2 | 2 | 1.6 | 128 | 0.4 |
| 2020 | 0.0 | 20.0 | 3 | 0.8 | 1,383 | 1.5 |
| 2021 | 0.0 | -- | 12 | 3.6 | 2,113 | 2.6 |
| Totals | | | | | | |
| 2019 | 100.0 | 100.0 | 129 | 100.0 | 30,613 | 100.0 |
| 2020 | 100.0 | 100.0 | 368 | 100.0 | 94,658 | 100.0 |
| 2021 | 100.0 | -- | 330 | 100.0 | 82,470 | 100.0 |
| <i>Source: 2015 ACS; Bank Data; 2019 & 2020 HMDA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i> | | | | | | |

Small Business Loans

The small business loan distribution by GARs is reasonable. As shown in the following table, the bank's lending trailed the business population with GARs of \$1 million and less in both 2020 and 2021. However, many of the loans originated in 2020 were Paycheck Protection Program (PPP) loans, which were extended in an effort to help businesses keep their workforce employed during the pandemic. Excluding PPP loans, 48.1 percent of small business loans extended in 2020 were to

businesses with revenues of \$1 million and less. This percentage is in-line with the bank's 2021 performance and reflects a reasonable level of lending; although it remains below the business population, this demographic represents all of the businesses in that revenue range and not solely the population seeking a loan. As smaller businesses tend to seek alternative forms of financing such as home equity lines of credit or credit cards, it is reasonable that the bank's performance would trail the percent of businesses reporting revenues of \$1 million and less.

ACB's performance was also comparable to three SSBs with recent performance evaluations that included 2020 lending performance. All of the SSBs were in Indiana, with one operating in the same AA. The distribution of borrowers reflected reasonable penetration among businesses of different sizes for all three SSBs reviewed. For the \$1 million and less revenue category, the results for the SSBs were as follows:

- SSB 1 – 49.4 percent of 2020 lending compared to 83.5 percent business population; PPP loans removed.
- SSB 2 – 45.9 percent of 2020 lending compared to 85.0 percent business population; no revisions for PPP loans.
- SSB 3 – 48.6 percent of 2020 lending compared to 85.7 percent business population; PPP loans removed.

Although the bank is not a CRA reporter, aggregate data provides a level of comparison for small business lending opportunities. When adjusted for PPP loans, the bank's performance exceeded aggregate data in 2020, which was the most recent year of aggregate data available. Given these factors, the bank's lending performance for small business loans is reasonable.

| Distribution of Small Business Loans by Gross Annual Revenue Category | | | | | |
|--|------------------------|------------|--------------|-----------------|--------------|
| Assessment Area: Lake County IN | | | | | |
| Gross Revenue Level | % of Businesses | # | % | \$(000s) | % |
| ≤\$1,000,000 | | | | | |
| 2020 | 86.6 | 57 | 25.9 | 16,112 | 60.7 |
| 2021 | 88.7 | 42 | 53.8 | 11,513 | 62.4 |
| >\$1,000,000 | | | | | |
| 2020 | 4.1 | 163 | 74.1 | 10,421 | 39.3 |
| 2021 | 3.3 | 36 | 46.2 | 6,942 | 37.6 |
| Revenue Not Available | | | | | |
| 2020 | 9.3 | 0 | 0.0 | 0 | 0.0 |
| 2021 | 8.0 | 0 | 0.0 | 0 | 0.0 |
| Totals | | | | | |
| 2020 | 100.0 | 220 | 100.0 | 26,533 | 100.0 |
| 2021 | 100.0 | 78 | 100.0 | 18,455 | 100.0 |
| <i>Source: 2020 & 2021 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i> | | | | | |

Response to Complaints

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

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

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.



October 21, 2022

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Chicago Regional Office
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606

To whom it may concern:

In response to the decline in the banks overall CRA rating to "Needs to Improve" the bank has undertaken the following efforts to improve its overall performance.

1. The bank has created a program with discounted rates and fees to provide owner occupants with financing for both refinances and purchases in the designed census tracts. This program will be marketed through several mediums in all the appropriate communities beginning in the fourth quarter. (See Attachment A).
2. The bank has created a home improvement loan program with no fees and a discounted interest rate to provide owner occupants with financing for projects where the cost of a refinancing might be unwarranted. (See Attachment B).
3. The bank is in the progress of finalizing an internal strategic plan to address how to better penetrate the low- and moderate-income census tracts for both HMDA reportable loans and small business loans in the long run
4. The bank will increase its internal reporting to the Board of Directors to keep them up to date on the progress the bank is making toward increased penetration with a quarterly report card.
5. The bank will submit a progress report to the FDIC each quarter outlining its progress toward better penetration of the low- and moderate-income census tracts of Lake County. The bank has already made more loans in low-income census tracts within the assessment area than in the past three years. The bank is confident these are positive trends moving forward.

Regards,

A handwritten signature in black ink, appearing to read "Todd C. Williams", with a large, stylized flourish at the end.

Todd C. Williams
SVP/CRA Officer



Our Community LOAN PROGRAM

A new home might be closer than you think!



If you're looking for a new home within an eligible area, we may have options to turn your dreams into a reality.

Visit the FFIEC website at <https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx> and enter the property address to determine the property's Tract Code to match it with the available offer below.

| 30 Years | 20 Year | 15 Years |
|---|-------------|---|
| 3.990% Rate | 3.490% Rate | 2.990% Rate |
| 4.033%* APR | 3.549%* APR | 3.065%* APR |
| NO Private Mortgage Insurance (PMI) NO Bank Origination Fee | | |
| Primary Tier[#] | | Secondary Tier[#] |
| As little as \$0 down! Maximum Loan - \$180,000 | | As little as 5% down! Maximum Loan - \$250,000 |
| Tract Codes: 102.03 102.05 105.00 106.00 109.00 112.00 113.00 114.00 115.00 116.00 119.00 120.00 121.00 122.00 124.00 126.00 128.00 206.00 301.00 302.00 303.00 305.00 310.00 412.00 415.00 | | Tract Codes: 102.01 103.02 103.04 104.00 110.00 111.00 117.00 118.00 123.00 127.00 203.00 204.00 205.00 207.00 208.00 210.00 211.00 214.00 217.00 218.00 304.00 306.00 307.00 308.00 411.00 413.00 416.00 417.00 418.00 |

Offer available exclusively for properties within designated census tracts. Contact an American Community Bank Loan Officer to verify whether a home is in an eligible census tract. Subject to credit approval. Offer subject to change without notice. Property insurance required. Borrowers may also qualify for this program if not located in a low/moderate income census tract if the borrower's income qualifies at 80% or 50% of the median income for the area subject property. If the home is in a low or moderate income census tract, the tract income level will determine product/pricing regardless of the borrower's actual income level.
* APR equals Annual Percentage Rate. Rates shown are for owner-occupied single-family residences. Example APRs are based on a typical loan of \$100,000, assuming standard loan fees. With a 30-year rate at 3.99%, this loan would have 360 monthly principal/interest payments of \$477.73. Loan application must meet American Community Bank underwriting standards and is subject to formal loan approval. Rates are subject to change at any time without notice.

| | | |
|--|---|---|
|  Erin Hott Loan Officer <small>NMLS #1119970</small> 219.365.6700 Office 219.629.2776 Cell erin@acbanker.com |  Michael Pastrick Loan Officer <small>NMLS #1539355</small> 219.365.6700 Office 219.730.7029 Cell michael.pastrick@acbanker.com |  Brian Wieser Loan Officer <small>NMLS #1570191</small> 219.365.6700 Office 219.798.4768 Cell brian.wieser@acbanker.com |
|--|---|---|



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| \$20,000 Loan | \$20,000 Loan | \$20,000 Loan |
| 1.99% Rate | 1.99% Rate | 1.99% Rate |
| 2.195% APR* | 2.139% APR* | 2.096% APR* |
| \$350.47 Per Month | \$255.26 Per Month | \$183.94 Per Month |

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Visit the FFIEC website at <https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx> and enter your property address to determine the property's Tract Code to determine eligibility# for this program.

Eligible Tract Codes: 102.01 | 102.03 | 102.05 | 103.02 | 103.04 | 104.00 | 105.00 | 106.00 | 109.00 | 110.00 | 111.00 | 112.00 | 113.00 | 114.00 | 115.00 | 116.00 | 117.00 | 118.00 | 119.00 | 120.00 | 121.00 | 122.00 | 123.00 | 124.00 | 126.00 | 127.00 | 128.00 | 203.00 | 204.00 | 205.00 | 206.00 | 207.00 | 208.00 | 210.00 | 211.00 | 214.00 | 217.00 | 218.00 | 301.00 | 302.00 | 303.00 | 304.00 | 305.00 | 306.00 | 307.00 | 308.00 | 310.00 | 411.00 | 412.00 | 413.02 | 415.00 | 416.00 | 417.00 | 418.00

Offer available exclusively for properties within designated census tracts. Contact an American Community Bank Loan Officer to verify whether a home is in an eligible census tract. Subject to credit approval. Offer subject to change without notice. Property insurance required. Borrowers may also qualify for this program if not located in a low/moderate income census tract if the borrower's income qualifies at 80% or 50% of the median income for the area subject property. If the home is in a low or moderate income census tract, the tract income level will determine product/pricing regardless of the borrower's actual income level.

* APR equals Annual Percentage Rate. Offer available exclusively for properties within designated census tracts. Rates shown are for owner-occupied single-family residences with Loan to Value (LTV) ratios of 80% or less. Maximum loan amount is \$40,000. Example APRs are based on a typical loan of \$20,000, assuming standard loan fees. With a 10-year rate at 1.99%, this loan would have 120 monthly principal/interest payments of \$183.94. Property insurance required. Loan application must meet American Community Bank underwriting standards and is subject to formal loan approval. Rates are subject to change at any time without notice. Offer subject to change without notice.



Erin Hott
 Loan Officer
 NMLS #137970
 219.365.6700 Office
 219.629.2776 Cell
 erin@acbanker.com



Michael Pastrick
 Loan Officer
 NMLS #1519355
 219.365.6700 Office
 219.730.7029 Cell
 michael.pastrick@acbanker.com



Brian Wieser
 Loan Officer
 NMLS #1570971
 219.365.6700 Office
 219.798.4768 Cell
 brian.wieser@acbanker.com



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MEMBER **FDIC**
 NMLS Institution ID #440104



January 22, 2023

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Chicago Regional Office
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606

Re: 4th Quarter 2022

To whom it may concern:

In response to the decline in the banks overall CRA rating to "Needs to Improve" the bank has undertaken the following efforts to improve its overall performance in Q4 2022.

1. The bank has created an additional section on its website called "Community Support". This section is dedicated to the programs the bank is currently offering for the low/moderate income areas, as well as, the low income borrowers. (See Attachment A).
2. The bank committed the second half of 2022 communicating these programs to the realtors and influencers in Lake County. The banks overall penetration into designated areas has improved dramatically. As awareness of the bank programs grows the amount of interested individuals is growing.
3. The CRA Officers presented the performance report to the BOD at the December meeting. This report (Attachment B) shows the banks performance through three quarters of 2022. Benchmarks were added to gauge and track performance against peers.

Regards

Todd C. Williams
SVP/CRA Officer





April 25, 2023

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Chicago Regional Office
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606

Re: 2022 Summary and Q1 2023 Activities

To whom it may concern:

In response to the decline in the bank's overall CRA rating to "Needs to Improve" the bank has undertaken the following efforts to improve its overall performance in 2022 and 2023.

2022 Highlights:

1. The bank has completed its 2022 analysis of the HMDA data regarding its CRA performance. The results show that the bank still has some work to do. The two loans the bank made in the middle part of the year in low-income tracts were upgraded to moderate tracts. Thus, the bank finished the year with no low-income census tract originations. Performance for the moderate tracts was about 20% of the benchmark so with a full year of the "Our Community" program implemented the expectations for 2023 are much higher. 2022 HMDA performance review. (*Attachment A*).
2. The bank has managed to provide financing for some local builders and developers in two low-income census tracts in Lake County. The benefits of these construction and development projects should benefit the bank in 2023 by providing the HMDA reportable transaction for the purchase of new homes in these tracts.
3. The bank's performance with low income and moderate-income borrowers improved greatly. The low-income percentage was 5.69% versus a benchmark 10.07% and moderate income was 15.45% versus 23.50%.

2023 Highlights:

1. The bank continues to build awareness of its "Our Community" programs for home purchase, refinance or home improvement as well as continue our outreach to our builder/developer customers regarding the program.



2. The first quarter of the year ended with improvement in the moderate-income census tracts up to 7.41% v. the benchmark of 13.83. A real bright spot was the loans to low-income borrowers in the first quarter. 13.33% versus the benchmark of 10.07%. (Attachment B).
3. The bank is hopeful that its Spring marketing campaign surrounding its Hammond office will provide the much-needed boost to the LMI lending. During this campaign the bank will staff its Hammond office three days a week with a full-time lending professional.

Regards

Todd Williams

Todd C. Williams
Senior Vice President & CRA Officer



July 31, 2023

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Chicago Regional Office
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606

Re: 2023 Q2 Update

To whom it may concern:

In response to the decline in the bank's overall CRA rating to "Needs to Improve" the bank has undertaken the following efforts to improve its overall performance

2023 Q2 Update:

1. The bank is currently in the process of scrubbing its Q2 HMDA data. Post scrub the bank will update its YTD performance against its goals and make any necessary changes to its strategy.
2. The bank continues to improve its data analytics used for tracking CRA performance. In a smaller institution like ACB an improved set of data relative to CRA will allow the bank to recognize its successes or its weaknesses much quicker. This is all part of the banks ongoing strategic process and plan. (Full Q1 Analytics)
3. The bank continues to inform the community of its Home Improvement and First Mortgage initiatives through various mediums. The bank believes that its performance will be greatly improved but awaits the most recent data.
4. The bank continues to update the BOD through a variety of ways. Scheduled for August is a review of lending through a map presentation. (Attachment B)

Regards

A handwritten signature in black ink, appearing to read "Todd C. Williams".

Todd C. Williams
Senior Vice President & CRA Officer





October 26, 2023

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Chicago Regional Office
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606

Re: 2023 Q3 Update

To whom it may concern:

In response to the decline in the bank's overall CRA rating to "Needs to Improve" the bank has undertaken the following efforts to improve its overall performance

2023 Q3 Update:

1. The bank has completed its analysis of Q2 lending activities. The process took a bit longer than usual due to the LOS conversion adding another level of software to implement. That process is complete and should move faster going forward.
2. The bank committed resources in both Q2 and Q3 to getting involved in the FHLBI. GIVES program. The bank in its first year participating in the program secured \$155,000 to 17 individuals in grants to low/moderate income borrowers in the area for needed home improvements. The bank intends to continue participation in this program into the future and hopes to reach a greater amount individuals in 2024.
3. The bank continues to create awareness in the community of its "Our Community" programs. As interest rates have risen the benefits of both programs have increased. The potential for both borrowers to enter areas within the bank's footprint or make home improvements at discounted rates really helps with affordability.
4. The bank continues to track its performance utilizing TruPoint. Through 6/30/2023 the banks low income # v. benchmark was 4.55% v. 2.88% and 13.64% v. 14.32% in moderate census tracts. Low-income borrowers' 11.36% v. 12.34% and 11.36% v. 24.59% for moderate income borrowers.
5. The bank continues to update the BOD through a variety of ways. Scheduled for November a review of Q2 and Q3 lending.

Regards

Todd C. Williams
Senior Vice President & CRA Officer



January 24, 2024

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Chicago Regional Office
300 South Riverside Plaza, Suite 1700
Chicago, IL 60606

Re: 2024 Q4 Update

To whom it may concern:

In response to the decline in the bank's overall CRA rating to "Needs to Improve" the bank has undertaken the following efforts to improve its overall performance

2024 Q4 Update:

1. The bank has completed its HMDA analysis of Q4 lending activities. The complete deposit and commercial analysis will be completed during Q1.
2. The bank continues to track its performance utilizing Tru Point. Through 12/31/2023 the banks in out ratio by number was 70% (HMDA). Low income # v. benchmark was 5.75% v. 2.88% and 10.34% v. 14.32% in moderate census tracts. Low-income borrowers' 11.49% v. 12.34% and 11.49% v. 24.59% for moderate income borrowers.
3. The banks CRA Team has viewed the recent FDIC webinar on upcoming changes to the regulation. Based on its content the bank is working on implementing the CRA Public file to our website by 4/1/2024 as required.
4. The bank continues to update the BOD through a variety of ways. Scheduled for January is the HMDA 2023 performance review. (Attached)
5. The bank will continue to work to maintain and improve upon its performance in 2023 in 2024. Ways to increase penetration into the moderate-income census tract and borrowers is a current topic of discussions.

Regards

Todd C. Williams
Senior Vice President & CRA Officer



Public Comments

**Lists of Services
Provided/
Hours of
Operation**



Locations and Hours

Munster Branch

Location

8230 Hohman Avenue
Munster, IN 46321
Office: (219) 836-5870
Fax: (219) 836-5883

Lobby Hours:

Mon – Fri 9a – 6p
Saturday 9a – 1p

Hammond Branch

Location

4521 Hohman Avenue
Hammond, IN 46327
Office: (219) 931-1015
Fax: (219) 931-1016

Lobby Hours:

Mon – Fri 9a – 5p
Saturday 9a – 1p

Drive-up Hours:

Mon – Fri 8a – 6p
Saturday 8a – 1p

Dyer Branch

Location

1001 Main Street
Dyer, IN 46311
Office: (219) 322-5005
Fax: (219) 322-5166

Lobby Hours:

Mon – Fri 9a – 5p
Saturday 9a – 1p

Drive-up Hours:

Mon – Fri 8a – 6p
Saturday 8a – 1p

Schererville Branch

Location

7880 Wicker Ave. (US41)
St. John, IN 46373
Office: (219) 365-6700
Fax: (219) 365-6711

Lobby Hours:

Mon – Fri 9a – 5p
Saturday 9a – 1p

Drive-up Hours:

Mon – Fri 8a – 6p
Saturday 8a – 1p

Crown Point Branch

Location

11275 Broadway
Crown Point, IN 46307
Office: (219) 661-4200
Fax: (219) 662-0400

Lobby Hours:

Mon – Fri 9a – 5p
Saturday 9a – 1p

Drive-up Hours:

Mon – Fri 8a – 6p
Saturday 8a – 1p

Personal Finances

Checking Accounts

Freedom
Independence
Liberty
Scholar
Money Market

Our free checking account
Our everyday, interest-bearing checking
An interest-bearing checking for our customers 55+
Featuring special features for college students
Featuring special tiered interest rates

Savings Accounts

Certificates of Deposit (CDs)
Stars
Stripes
Skipper's Treasure Chest
The Apprentice
Holiday Club

Varied rates and terms. Jumbo CDs over \$100,000.
A statement savings account, reported quarterly
A passbook savings account
Passbook savings for our youngest savers
The perfect account for cash conscious minors
Special savings for your holiday shopping

Convenience Banking

Debit MasterCard[®]

Online Banking

Mobile Banking / App
Voice Banking

Our Debit/ATM card is accepted at ATMs and merchants worldwide. Provides quick and easy access to your account.
Our Online Banking service allows 24-7 access to your accounts. Features free and unlimited bill payment service.
Convenient Online Banking access for mobile devices
Access your accounts anywhere by phone at 800-436-5113

Investment Counseling

Financial Planning

Estate/Retirement Planning
Business Planning

Objective advice on various products and topics such as:
401(k) plans, 403(b) plans, SEP plans, profit sharing, IRA accounts, mutual funds, annuities, asset allocation, portfolio review, educational planning, tax strategies, life insurance
Specific strategies to ease the transition into retirement
Financial advice on strategies specific to business needs

Lending Services

Home Lending

Conventional Mortgages
First Time Homebuyers
Equity Line of Credit

A variety of fixed and adjustable rate products
A special program for the first time homebuyer
Borrow against your home's available equity with an open-ended, revolving line of credit

Equity Loan (2nd Mortgage)

An equity loan gives you a single lump sum against your home's available equity with the benefit of fixed payments and a set term

Construction Loans

A **No-Fee Lock** ensures that the rate you secure for your construction loan transfers to your permanent loan!

Lot Loans

Regardless of whether you're ready to build, a lot loan allows you to secure your build site now

Specialty Loans

Bridge loans and interest-only mortgages are available to qualified applicants

Consumer Loans

Automotive
Other Motorized Vehicles

Rates on both new and pre-driven vehicles

Rates are available for motorcycles, wave runners, snowmobiles, motor homes, campers, travel trailers, and boats and their motors and trailers

Commercial Banking

Commercial Checking

Enterprise Free checking

Landmark checking

Online Banking

A free business checking account

A analyzed account for higher volume banking

Available on all business checking accounts with specialized business banking tools and features

Business Services

Xpress Deposit

Frontier Merchant Services

ACH Banking

Business Manager

Allows a business to make check deposits directly from the office, 24 hours a day

Credit card processing and other services that offer a complete payment processing solution

Allows a business to streamline its payroll and collections processes (available through the Online Banking system)

Accounts Receivable Financing that allows a business to convert its receivables quickly into cash

Commercial Lending

Real Estate Development

Other

- Mortgage loans on improved property
- Commercial construction loans
- Residential construction loans
- Undeveloped land loans
- Land development loans
- Developed lot loans
- Term loans
- Revolving lines of credit
- Letters of credit
- Small Business Administration (SBA) loans



Schedule of Fees

Effective as of February 1, 2024

| Research/Recovery | |
|--|--------------------------------|
| Statement Copy | \$ 5.00 per statement |
| Statement – Undeliverable (Insufficient Address) | \$ 5.00 per occurrence |
| Check Copy | \$ 3.00 per page |
| Printout of Account Activity | \$ 3.00 per page |
| Account Research & Court Orders (Levy/Collections/Citations) | \$ 25.00 per hour (1 hr. min.) |
| Deposit Verification | \$ 25.00 per occurrence |
| Loan Verification | \$ 25.00 per occurrence |
| “Paid in Full” Verification for Charged Off Account | \$ 25.00 per occurrence |

| Returns/Overdrafts* | |
|--|---|
| Redeposited Item | \$ 5.00 per item presented or re-presented |
| Returned Deposit | \$ 20.00 per item presented or re-presented |
| Return Item: Non-Sufficient Funds Check Returned | \$ 35.00 per item presented or re-presented |
| Overdraft: Check Paid | \$ 35.00 per item presented or re-presented |
| Overdraft: ATM/POS Withdrawal | \$ 35.00 per item presented or re-presented |
| Overdraft: In Person | \$ 35.00 per item presented or re-presented |
| Overdraft: Overdrawn Account – After 5 Days | \$ 5.00 per day |
| Overdraft Protection Processing (Sweep) Fee | \$ 5.00 per day |
| Uncollected Funds | \$ 35.00 per item presented or re-presented |

* A fee may be assessed more than once for the same item if the item is re-presented.

| Dormancy/Closure | |
|--|-------------------------|
| Dormant Account Fee – Checking (90 days inactive) | \$ 5.00 per month |
| Dormant Account Fee – Savings (24 months inactive) | \$ 15.00 per quarter |
| Closed Account – First Six (6) Months | \$ 25.00 per occurrence |
| Online Banking Inactivity Fee (90 days) | \$ 3.00 per month |
| Forced Closure / Charge Off Fee | \$ 25.00 per occurrence |





Schedule of Fees

Effective as of February 1, 2024

| Negotiable Instruments | |
|----------------------------------|------------------|
| Cashier's Check (customers only) | \$ 6.00 per item |
| Money Orders | \$ 6.00 per item |

| Special Processing | |
|--|-------------------------|
| Canadian Item Accepted for Deposit | \$ 25.00 per item |
| Stop Payment | \$ 35.00 per item |
| Transfer by Telephone | \$ 3.00 per transfer |
| Wire Transfer – Outgoing (Domestic) | \$ 30.00 per item |
| Wire Transfer – Outgoing (International) | \$ 50.00 per item |
| Wire Transfer – Incoming (Domestic) | \$ 15.00 per item |
| Wire Transfer – Incoming (International) | \$ 25.00 per item |
| IRA Custodian Transfer Processing (Outgoing) | \$ 50.00 per occurrence |

| Debit/ATM | |
|------------------------------------|-------------------|
| Debit/ATM Card Reissue | \$ 10.00 per item |
| Debit/ATM Card Reissue – Expedited | \$ 50.00 per item |

| Safe Deposit Boxes (customers only) | |
|---|-------------------------|
| Safe Deposit Box – Lost Key/Lock Drilled | \$175.00 per occurrence |
| Safe Deposit Box – Rental (CP=Crown Point / D=Dyer / S=Scherverville) | |
| 5" X 5" (S only) | \$ 35.00 annual |
| 3" X 10" (D + S) | \$ 50.00 annual |
| 5" X 10" (CP + D + S) | \$ 75.00 annual |
| 10" X 10" (CP + D + S) | \$100.00 annual |

| Miscellaneous | |
|---------------------------|-------------------|
| Non-Customer Check Cashed | \$ 10.00 per item |
| Lost Passbook | \$ 10.00 per item |

7880 WICKER AVENUE (US41) | ST. JOHN, IN 46373 | TEL: 219.365.6700 | FAX: 219.365.6711



www.acbanker.com

MEMBER
FDIC

FEE SCHEDULE

NEW PURCHASE/REFINANCE/SINGLE FAMILY RESIDENCE

BANK CHARGES:

| | |
|----------------------|-------|
| Processing Fee | \$850 |
| Appraisal | \$400 |
| Appraisal Review Fee | \$125 |
| Flood Determination | \$24 |
| Credit Report | \$50 |
| Tax Service Fee | \$78 |

THIRD PARTY CHARGES:

| | |
|---------------------------|---|
| Title Company Closing Fee | \$300 |
| Recording Fee | \$55 |
| Title Work | Cost varies based on loan amount/purchase price |

*Mortgage rates are available with points paid.

CONSTRUCTION/SINGLE FAMILY RESIDENCE/OWNER OCCUPIED

BANK CHARGES:

| | |
|---------------------|-----------|
| Loan Fee | .50 point |
| Processing Fee | \$500 |
| Appraisal Fee | \$400 |
| Flood Determination | \$24 |
| Credit Report | \$50 |

Interest rate is fixed at time of application. First 6 months of loan are at interest only with interest based on the outstanding balance during the draw period, with principal and interest payments taking affect once the permanent phase of the loan begins.

THIRD PARTY CHARGE:

| | |
|---------------------------|--|
| Title Company Closing Fee | \$300 |
| Recording Fee | \$55 |
| Title Work | Cost varies based on loan amount/purchase price. Additional disbursement fees may apply. |

2ND MORTGAGE/FIXED RATE HOME EQUITY LOANS

| | |
|--------------|------------------------------|
| Term: | 5, 7 or 10 year amortization |
| Service Fee: | None |

HMDA

Data



The HMDA data about our residential mortgage lending are available online for review. The data show geographic distribution of loans and applications; ethnicity, race, sex, age and income of applicants and borrowers; and information about loan approvals and denials. These data are available online at the Consumer Financial Protection Bureau's Web site (www.consumerfinance.gov/hmda). HMDA data for many other financial institutions are also available at this Web site.