

Citizens Community Bank Winchester, Tennessee

COMMUNITY REINVESTMENT ACT POLICY

The following Community Reinvestment Policy was reviewed and approved by the Board of Directors on February 20, 2024 and so noted in the minutes of the meeting.

I. DELINEATION OF ASSESSMENT AREA

The bank has delineated its assessment area as all of Franklin County Tennessee consisting of Census Tract Numbers 9601.00, 9602.01, 9602.02, 9603.00, 9604.01, 9604.02, 9605.00, 9606.00, 9607.00 and 9608.00 as designated on a map produced by the U.S. Census Bureau. These areas are highlighted on a map enclosed in the CRA Public File.

II. COMMUNITY REINVESTMENT POLICY

A. The bank will serve the credit needs of our customers within the assessment area described above. It is the intention of the bank to serve the credit needs of all qualified applicants.

B. The principal types of credit offered by the bank are as follow:

- First and second mortgage home loans;
- Home Equity loans;
- Home improvement loans;
- Home Equity Lines of Credit;
- Farm loans;
- Small Business Administration loans;
- Commercial loans;
- Auto loans;
- Construction loans;
- Personal loans;
- Conventional home mortgages;
- VA/FHA secondary market loans.

C. Efforts to Meet Credit Needs Within Our Assessment Area

1. Within the lending policy of the bank, we will energetically seek loans that benefit our assessment area. The bank will attempt to be in strict compliance with all Federal and State laws and regulations as proposed and enforced by any governing body of the bank. The bank will assist the people and businesses within the local assessment area in obtaining loans that are sound and prudent and within regulatory guidelines according to safe and sound banking practices.
2. Bank management will review the bank's record of lending within the assessment area at least annually and report the findings and recommendations to the Board of Directors for review and approval.
3. The Board will review the volume of loans made and denied at least annually to determine whether the loan products offered are reasonable, terms and rates are reasonable and whether they are meeting the needs of low, moderate, middle- and upper-income people and segments of the assessment area.
4. In an effort to ascertain credit needs within the assessment area the bank will periodically schedule meetings with city and community officials, Realtors, housing and community development agencies, builders and representatives of community organizations.
5. The bank will meet with or seek information from the Small Business Administration, Agriculture Department (replaced Farmers Home Administration), Franklin County Housing Authority, and other governmental agencies and local non-profit entities with regard to their loan programs. It will be the bank's policy to utilize the assistance of these organizations to help meet credit needs of businesses and rural people of the assessment area.

6. Bank management will review at least annually the CRA Policy/Program with the Board of Directors and take action on any proposed changes at the next regularly scheduled meeting.

III. COMMUNITY REINVESTMENT ACT NOTICE

The following is the Notice(s) adopted by the Board:

Main Office:

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record 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 FDIC; and comments received from the public relating to our performance in helping to meet 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 FDIC publishes a nationwide list of the banks that are scheduled for CRA examination for the next two quarters. This list is available from the Regional Director, FDIC at 600 North Pearl Street, Suite 700, Dallas TX 75201. You may send written comments about our performance in helping to meet community credit needs to Mr. Mitch Coby, President and CEO of Citizens Community Bank, 1418 Dinah Shore Blvd, Winchester, TN 37398 and FDIC Regional Director. You may also submit comments electronically through the FDIC's web site at www.fdic.gov/regulations/cra. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director, an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Citizens Community Bancshares, a bank holding company. You may request from the Federal Reserve Bank of Atlanta at 1000 Peachtree Street NE, Atlanta, GA 30309, an announcement of applications covered by CRA filed by bank holding companies.

Branch offices:

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record 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 FDIC, 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 a request to us: (1) a map showing the assessment area containing this branch, which is the area in which the FDIC 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.

If you would like to review information about our CRA performance in other communities served by us, the public file for our entire bank is available at our main office located at 1418 Dinah Shore Blvd, Winchester, TN 37398.

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination for the next two quarters. This list is available from the Regional Director, FDIC at 600 North Pearl Street, Suite 700, Dallas TX 75201. You may send written comments about our performance in helping to meet community credit needs to Mr. Mitch Coby, President and CEO of Citizens Community Bank at 1418 Dinah Shore Blvd, Winchester, TN 37398 and the FDIC Regional Director. You may also submit comments electronically through the FDIC's web site at www.fdic.gov/regulations/cra. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Citizens Community Bancshares, a bank holding company. You may request from the Federal Reserve Bank of Atlanta at 1000 Peachtree Street NE, Atlanta, GA 30309, an announcement of applications covered by CRA filed by bank holding companies.

IV. FILES OF PUBLIC COMMENTS AND RECENT CRA PERFORMANCE REPORTS

The bank will maintain files that are readily available for public inspection in a Public CRA File at Citizens Community Bank at 1418 Dinah Shore Boulevard, Winchester TN 37398 consisting of the following:

1. A copy of the last two CRA Performance Evaluation Reports by the FDIC.
2. A copy of the Delineation of the Assessment Area and associated maps reflecting block numbered areas.
3. A copy of the CRA Notices.
4. A copy of the Fair Lending Non-discriminatory guidelines.
5. A list of the bank's branches and a list of branches opened and closed during the current year and each of the prior two calendar years with the street addresses and geographies.
6. A list of the types of loans offered.
7. A list of the types of deposits offered.
8. A list of the hours of operation to the public.
9. A copy of any signed written comments received from the public during the last two years that relates to CRA or to the bank's performance in meeting credit needs of the local assessment area.
10. A copy of any responses or comments that the bank made to public comments about CRA.
11. At each branch there is to be a public file that has the latest FDIC CRA Public Evaluation and a list of services generally available at the branches and a description of any material differences in availability or cost of services at the branches.

These files will not contain any comments or responses that reflect adversely upon the good name or reputation of any person other than the bank. There will be no publication of the responses or comments which would violate any provision of law.

Copies of the CRA Performance Reports by the FDIC will be made available for inspection and copying at the main office of Citizens Community Bank at 1418 Dinah Shore Boulevard, Winchester, TN 37398.

V. ASSESSMENT OF PERFORMANCE

The bank's President will at least annually provide for an in-house assessment of the bank's record of performance in helping to meet the credit needs of the assessment area. In review, the following factors will be considered:

- Activities conducted by the bank and Board of Directors to ascertain the credit needs of the assessment area.
- Review the marketing and advertising conducted by the bank since the last evaluation.
- Check for any practices intended to discourage applications for any type of credit product offered. Review a sample of denied loan applications for possible illegal credit practices.
- Have a geo-analysis report prepared that will reflect a summary of the distribution of loans made by Census Tract in the assessment area and a total number and dollar report of loans outside the assessment area. Have the report further coded to reflect the number of loans within each tract or block area to low, moderate, middle- and upper-income people.
- Check for evidence of any prohibited discriminatory or illegal credit practices.
- Review the bank's policy with regard to banking hours and services provided.
- Review the number of residential mortgages, housing rehabilitation, home improvement, small business, and small farm loans.
- Review the bank's participation in any governmentally- insured, guaranteed or subsidized loan programs for housing, small business or small farms.
- Review for the banks ability to meet local community credit needs based on the financial condition, loans to assets ratio, loans to deposits ratio, legal impediments, local economic conditions and other factors.

VI. FAIR LENDING NON-DISCRIMINATORY GUIDELINES

All loan applicants will be treated in a non-discriminatory manner consistent with safe and sound banking practices. Applicants will not be denied credit because of their ethnicity, marital status, age, race, sex, religion, national origin, location of residence or loan security, or receipt of public assistance.