



HILLS BANK

CRA Public File

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2026 Public Comment

No written public comments about meeting the credit needs of the community.

2025 Public Comment

No written public comments about meeting the credit needs of the community.

2024 Public Comment

No written public comments about meeting the credit needs of the community.

FDIC CRA PERFORMANCE EVALUATION

PUBLIC DISCLOSURE

April 1, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Hills Bank and Trust Company
Certificate Number: 14650

131 Main Street
Hills, Iowa 52235

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

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

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

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INSTITUTION RATING

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

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

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
<i>* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.</i>			

The Lending Test is rated Outstanding.

- Lending levels reflect excellent responsiveness to assessment area credit needs.
- A substantial majority of loans are made in the institution's assessment areas.
- The geographic distribution of loans reflects excellent penetration throughout the applicable assessment area.
- The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and businesses and farms of different sizes.
- The institution exhibits an excellent record of serving the credit needs of highly economically disadvantaged areas of its assessment areas, low-income individuals, or businesses and farms with gross annual revenues of \$1.0 million or less, consistent with safe and sound operations.
- The institution is a leader in making community development loans.
- The institution uses innovative and/or flexible lending practices in order to serve assessment area credit needs.

The Investment Test is rated Outstanding.

- The institution has an excellent level of qualified community development investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.
- The institution exhibits excellent responsiveness to credit and community development needs.
- The institution makes significant use of innovative and/or complex investments to support community development initiatives.

The Service Test is rated Outstanding.

- Delivery systems are readily accessible to all portions of the institution's assessment areas.
- To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals.
- Services, including business hours, are tailored to the convenience and needs of the assessment areas, particularly low- and moderate-income geographies and/or individuals.
- The institution provides a relatively high level of community development services.

DESCRIPTION OF INSTITUTION

Hills Bank and Trust Company (HBTC) is headquartered in Hills, Iowa, and is wholly owned by one-bank holding company Hills Bancorporation, also headquartered in Hills. Through common ownership, HBTC is affiliated with Hills Bancorporation Foundation, a corporate foundation established for the sole purpose of providing charitable contributions and educational scholarships. Further, the bank is affiliated with several housing partnerships. HBTC received an "Outstanding" rating at its March 16, 2023, FDIC Performance Evaluation based on Interagency Large Institution Examination Procedures.

HBTC currently operates 19 full-service and two limited-service banking offices in Iowa, as well as 32 automated teller machines (ATMs), of which 25 accept deposits and seven dispense cash. All but one cash-dispensing ATM are located inside the bank's assessment areas. Since the prior CRA evaluation, HBTC closed its Iowa Memorial Union branch in Iowa City on May 26, 2023. On November 12, 2024, the bank opened a full-service branch in Williamsburg, Iowa, and a limited-service branch at an Iowa City, Iowa retirement community. Refer to the Service Test section for a distribution of the bank's branches and ATMs by geography income level.

The bank's primary lending focus remains residential real estate, commercial, and agricultural lending, in that order. HBTC offers a large selection of standard and specialized credit products, including single- and multi-family housing, business and farm operating, equipment, and start-up loans, home equity, and consumer loans.

In conjunction with a wide array of credit offerings, the institution provides a variety of deposit products, including checking, savings, money market, and certificate of deposit accounts. HBTC also offers investment, trust, and wealth management services. Alternative banking services include internet, telephone, and mobile banking, online submission of loan applications, electronic bill payment and statements, and fraud mitigation tools.

As of December 31, 2025, assets totaled approximately \$4.6 billion, total deposits equaled approximately \$3.4 billion, and total loans were approximately \$3.6 billion. Compared with the December 31, 2022, Consolidated Reports of Condition and Income (Call Report), assets increased 16.8 percent, deposits increased 0.4 percent, and loans increased 14.9 percent. Portfolio concentrations remained generally consistent throughout the review period. Management attributed asset growth to organic growth and noted that deposits fluctuated because of aggressive rate competition in 2023 and 2024. The following table illustrates the loan portfolio composition.

Loan Portfolio Distribution as of 12/31/2025		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	338,099	9.5
Secured by Farmland	276,690	7.7
Secured by 1-4 Family Residential Properties	1,414,098	39.6
Secured by Multifamily (5 or more) Residential Properties	493,816	13.8
Secured by Nonfarm Nonresidential Properties	565,177	15.8
Total Real Estate Loans	3,087,880	86.4
Commercial and Industrial Loans	295,618	8.3
Agricultural Production and Other Loans to Farmers	118,924	3.3
Consumer Loans	27,875	0.8
Obligations of State and Political Subdivisions in the U.S.	41,885	1.1
Other Loans	888	0.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(0)	(0.0)
Total Loans	3,573,070	100.0
<i>Source: Call Report</i>		

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

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. HBTC has designated two assessment areas in Iowa, compared with one at the prior evaluation. Following the opening of its Williamsburg branch, HBTC established nonmetropolitan Iowa County as a separate assessment area, referred to as the Non-Metro Assessment Area. At the prior evaluation, a portion of Iowa County, including census tract 9604, where the Williamsburg branch is now located, was included in the bank's existing assessment area but was not separately designated.

The Cedar Rapids-Iowa City Combined Statistical Area (CSA) Assessment Area consists of Johnson and Washington counties in the Iowa City, Iowa metropolitan statistical area (MSA) and Linn County in the Cedar Rapids, Iowa MSA. HBTC has a significantly greater presence in the Iowa City, Iowa MSA based on its branching structure, deposit composition, and lending volume; therefore, the bank's performance in this MSA impacts conclusions more heavily in the evaluation. Because the two MSAs are contiguous and examiners identified no material performance differences between them, the analysis will be presented at the CSA level.

Since the prior evaluation, HBTC has revised its assessment area boundaries to include the entirety of each county in which it operates a branch. Refer to subsequent sections for detailed information on each assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated March 16, 2023, to the current evaluation date of April 1, 2026. Examiners used the Interagency Large Institution Examination Procedures to evaluate HBTC's CRA performance. These procedures include the Lending, Investment, and Service Tests, which are described in detail in the Appendices.

Performance reviews considered the institution's lending activities in relation to demographics and credit needs of the assessment areas. To evaluate performance, examiners conducted full-scope reviews in both assessment areas after considering factors such as branching structure, loan and deposit volumes, and market share. As shown in the following table, the substantial majority of HBTC's loans, deposits, and branches are concentrated in the Cedar Rapids-Iowa City CSA Assessment Area. Therefore, the bank's performance in the Cedar Rapids-Iowa City CSA Assessment Area received the most weight in the overall evaluation. The following table reflects the distribution of loans, deposits, and office locations by assessment area.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Cedar Rapids-Iowa City CSA	3,517,767	99.2	3,322,211	99.6	20	95.2
Non-Metro	27,689	0.8	14,033	0.4	1	4.8
Total	3,545,456	100.0	3,336,244	100.0	21	100.0
<i>Source: Bank Data outstanding balances as of 1/30/2026; FDIC Summary of Deposits as of 6/30/2025</i>						

Affiliate activity was limited to investments provided by the holding company and is included in the Investment Test review.

Activities Reviewed

Examiners identified residential real estate, commercial, and agricultural lending as the bank's major product lines based on Call Report data, the number and dollar volume of reported loans during the evaluation period, and the bank's business strategy. Consistent with Large Institution CRA Examination Procedures, examiners evaluated reported HMDA, small business, small farm, and community development loans originated since the previous evaluation. Examiners obtained supporting information from reported loan data, bank records, loan files, management interviews, and other examination materials. The following table shows the number and dollar volume of loans reviewed.

Loan Products Reviewed						
Loan Category	2023		2024		2025	
	#	\$(000s)	#	\$(000s)	#	\$(000s)
Home Mortgage	3,024	584,847	2,128	451,800	2,878	631,279
Small Business	1,964	267,218	1,659	237,938	1,533	249,283
Small Farm	971	108,659	937	109,589	961	120,379
<i>Source: 2023, 2024, and 2025 HMDA and CRA Reported Data</i>						

For the Lending Test, home mortgage lending performance was given the greatest weight since these loans represent a substantial majority of the bank's outstanding loan portfolio and are emphasized by the bank as the primary business strategy. For the same reasons, small business loan conclusions were provided secondary weight, and small farm loan conclusions received the least weight.

Examiners compared HBTC's 2023 and 2024 home mortgage lending with corresponding-year HMDA aggregate data. Because 2025 HMDA aggregate lending data was not yet available, examiners compared home mortgage lending with 2020 U.S. Census demographic data only. Examiners compared 2023 and 2024 small business and small farm lending with corresponding-year CRA aggregated data and used 2023, 2024, and 2025 D&B data as a demographic benchmark. Examiners placed greater weight on HMDA and CRA aggregate data, when available, because these data generally better reflect local market conditions and loan demand.

Examiners reviewed 2023 through 2025 HMDA and CRA lending data and identified no significant year-over-year trends that materially affected conclusions. Accordingly, the Geographic Distribution and Borrower Profile analyses present 2024 data, the most recent year for which aggregate data was available, unless additional years were necessary to support a conclusion.

Examiners reviewed the number and dollar volume of home mortgage, small business, and small farm loans. While both the number and dollar volume of loans are presented, examiners placed greater weight on the number of loans because it is generally a better indicator of the number of individuals, businesses, and farms served. Examiners also considered innovative and/or flexible lending practices, including product innovation.

Examiners reviewed community development loans, qualified investments, and community development services since the previous evaluation. Investments made before the prior evaluation that remained outstanding were considered at their current book values as prior-period investments. Under the Investment Test, greater weight is given to the bank's dollar amount of qualified investments made during the evaluation period and the responsiveness of the bank's investment activity to community development needs in the assessment areas.

Under the Service Test, examiners evaluated the accessibility of retail banking services through branches and alternative delivery systems. Examiners also reviewed retail banking products and services targeted toward low- and moderate-income individuals or small businesses or otherwise tailored to meet specific needs in the assessment areas. Retail banking services received the greatest weight, followed by reasonableness of business hours and services in meeting assessment area needs and the bank's provision of community development services, considering available community credit needs and opportunities.

CONCLUSIONS ON PERFORMANCE CRITERIA (OVERALL)

LENDING TEST

HBTC demonstrated overall outstanding performance under the Lending Test. The bank's performance under Lending Activity, Assessment Area Concentration, Geographic Distribution, Borrower Profile, and Community Development Lending provide support for this rating. As indicated under the Scope of Evaluation section, significantly greater weight was given to the bank's performance in the Cedar Rapids-Iowa City CSA Assessment Area.

Lending Activity

HBTC lending levels reflect excellent responsiveness to the credit needs of its assessment areas. The institution continues to be an active leader by originating a significant volume of loans in its assessment areas. The institution's net loan-to-deposit ratio, as of December 31, 2025, was 104.3 percent, based on Call Report data. The average net loan-to-deposit ratio was 100.9 percent over the 12 quarter-ends since the previous evaluation. The ratio ranged from a high of 105.2 percent as of June 30, 2024, to a low of 91.7 percent as of March 31, 2023.

Based on 2024 HMDA aggregate data, HBTC ranked 2nd out of 264 lenders with a 14.5 percent market share by number of loans originated or purchased in the assessment areas. CRA aggregate data from 2024 shows HBTC ranked 1st out of 89 lenders with a 20.3 percent market share by number of small business loans originated in the assessment areas. Further, according to 2024 CRA aggregate data, HBTC ranked 1st among 19 lenders holding a 65.6 percent market share by number of small farm loans originated within the assessment areas. Notably, HBTC originated four times the number of small farm loans compared to the next ranked institution.

The institution originates long-term, fixed-rate mortgage loans for sale on the secondary market. Since the prior CRA evaluation, HBTC has sold 2,277 loans totaling \$557.1 million into the secondary market, including those located inside and outside of the bank's assessment areas. While the sale of secondary market loans does not influence the average net loan-to-deposit ratio, this activity provides liquidity to originate additional home mortgage loans. Secondary market lending is responsive to assessment area credit needs by providing long-term home mortgage financing.

Assessment Area Concentration

A substantial majority of the bank's home mortgage, small business, and small farm loans, both by number and dollar volume, were made inside the institution's assessment areas. The following table reflects all HBTC's 2023, 2024, and 2025 home mortgage, small business, and small farm loans.

Lending Inside and Outside of the Assessment Areas											
Loan Category	Number of Loans				Total #	Dollars Amount of Loans \$(000s)				Total \$(000s)	
	Inside		Outside			Inside		Outside			
	#	%	#	%		\$	%	\$	%		
Home Mortgage											
2023	2,684	88.8	340	11.2	3,024	517,082	88.4	67,765	11.6	584,847	
2024	1,910	89.8	218	10.2	2,128	406,845	90.0	44,955	10.0	451,800	
2025	2,617	90.9	261	9.1	2,878	575,682	91.2	55,597	8.8	631,279	
Subtotal	7,211	89.8	819	10.2	8,030	1,499,609	89.9	168,317	10.1	1,667,926	
Small Business											
2023	1,738	88.5	226	11.5	1,964	235,176	88.0	32,042	12.0	267,218	
2024	1,471	88.7	188	11.3	1,659	210,368	88.4	27,570	11.6	237,938	
2025	1,368	89.2	165	10.8	1,533	224,040	89.9	25,243	10.1	249,283	
Subtotal	4,577	88.8	579	11.2	5,156	669,584	88.8	84,855	11.2	754,439	
Small Farm											
2023	755	77.8	216	22.2	971	81,948	75.4	26,711	24.6	108,659	
2024	706	75.3	231	24.7	937	79,787	72.8	29,802	27.2	109,589	
2025	727	75.7	234	24.3	961	87,631	72.8	32,748	27.2	120,379	
Subtotal	2,188	76.3	681	23.7	2,869	249,366	73.6	89,261	26.4	338,627	
Total	13,976	87.1	2,079	12.9	16,055	2,418,559	87.6	342,433	12.4	2,760,992	
Source: 2023, 2024, and 2025 HMDA and CRA Reported Data. Due to rounding, totals may not equal 100.0%											

Geographic Distribution

The geographic distribution of loans reflects an overall excellent penetration throughout the institution's applicable assessment area. Emphasis under geographic distribution is placed on the bank's record of lending in low- and moderate-income census tracts. As there are no low- or moderate-income census tracts in the Non-Metro Assessment Area, conclusions for this criterion were derived from the Cedar Rapids-Iowa City CSA Assessment Area. A complete discussion of the bank's performance can be found in the applicable sections of this evaluation.

Borrower Profile

HBTC's lending performance demonstrates excellent distribution of loans among individuals of different income levels and businesses and farms of different sizes. Excellent home mortgage, small business, and small farm lending in both assessment areas support this conclusion, with performance in the Cedar Rapids-Iowa City CSA Assessment Area receiving greater weight. Examiners focused on the percentage, by number, of loans to low- and moderate-income borrowers and to businesses and farms with gross annual revenues of \$1.0 million or less. A complete discussion of the bank's performance can be found in the applicable assessment area sections of this evaluation.

Innovative or Flexible Lending Practices

The institution uses flexible lending practices to address assessment area credit needs. Since the prior evaluation, HBTC reports originating 738 loans totaling approximately \$130.1 million through programs that benefit low- and moderate-income borrowers or geographies, and small businesses or small farms. These programs offer features such as lower interest rates, flexible lending terms, government guarantees, and down-payment or other affordable housing assistance through various agencies and organizations. Such loans require extra effort by bank personnel compared to conventional loans and help borrowers who might not otherwise qualify for financing. The programs are more flexible than innovative.

During the evaluation period, HBTC developed the Furlough Unsecured Loan Program for individuals impacted by the federal government shutdown. Although no loans were originated through the program during the review period, its development demonstrates the bank's responsiveness to an emerging credit need; however, the program did not materially affect the innovative or flexible lending conclusion. The following table contains details on the number and dollar volume of loans originated under each program during the evaluation period.

Innovative or Flexible Lending Programs		
Type of Program	Totals	
	#	\$(000s)
AgStar Financial Services	3	950
Fannie Mae Home Ready	412	72,046
Habitat for Humanity	2	335
HBTC COVID-19 program	17	77
Iowa Finance Authority Beginning Farmer	1	150
Iowa Finance Authority Home for Iowans	1	249
Iowa Finance Authority On-site Waster Water Assistance Program	15	295
Small Business Administration 7a	14	2,014
Small Business Administration Express	7	868
Small Business Administration 504	2	568
State of Iowa Linked Investments for tomorrow (LIFT)	34	2,977
State of Iowa Water Protection	4	282
U.S Department of Agriculture Farm Service Agency	7	4,141
U.S. Department of Agriculture Rural Development	1	210
U.S. Department of Veterans Affairs	2	648
U.S. Federal Housing Administration	5	1,097
100 Percent Financing for First Time Home Buyers	211	43,178
Totals	738	130,085
<i>Source: Bank Data</i>		

Community Development Loans

HBTC is a leader in making community development loans. During the review period, HBTC originated 118 qualifying loans totaling approximately \$267.0 million, including 10 loans totaling approximately \$36.9 million that benefited the broader statewide or regional area. Consideration of the broader-area loans was appropriate because the bank was responsive to community development needs in its assessment areas. Community development lending increased substantially from the prior evaluation, when the bank originated 114 qualifying loans totaling \$206.7 million. HBTC's total community development loans represent 7.6 percent of net loans and 5.8 percent of total assets as of December 31, 2025. HBTC's ratios have increased since the previous evaluation, when community development loans were 6.7 percent of net loans and 5.2 percent of total assets.

The following tables detail the institution's community development lending by location and year. The bank originated no community development loans in the Non-Metro Assessment Area; therefore, performance there is inconsistent with the more heavily weighted Cedar Rapids-Iowa City CSA Assessment Area.

Community Development Lending by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Cedar Rapids-Iowa City CSA	40	56,092	5	5,700	5	9,414	58	158,931	108	230,137
Non-Metro	0	0	0	0	0	0	0	0	0	0
Statewide Activities	1	404	0	0	4	30,553	1	1,900	6	32,857
Regional Activities	0	0	0	0	0	0	4	4,049	4	4,049
Total	41	56,496	5	5,700	9	39,967	63	164,880	118	267,043
<i>Source: Bank Data</i>										

Community Development Lending by Activity Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2023 (Partial)	14	13,726	1	750	1	4,558	15	48,034	31	67,068
2024	6	6,580	1	1,200	6	21,771	20	48,345	33	77,896
2025	15	15,359	3	3,750	1	11,704	21	56,172	40	86,985
2026 (Year-to-Date)	6	20,831	0	0	1	1,934	7	12,329	14	35,094
Total	41	56,496	5	5,700	9	39,967	63	164,880	118	267,043
<i>Source: Bank Data</i>										

As shown by the bank's lending, management is particularly cognizant of assessment area needs for affordable housing and revitalization/stabilization of certain areas. Specifically, the institution has been responsive to these needs by funding many loans to build or rehabilitate affordable housing units and through provision of funds for many projects designed to revitalize/stabilize low- or moderate-income geographies. An example of the institution's responsiveness during the review period includes providing loan funds for the construction and expansion of small business operations with final financing using the SBA's 504 loan program. This project will promote business growth and permanent job creation for low- and moderate-income individuals. While project funds directly benefit the broader statewide area, the entity is headquartered in the bank's assessment areas, providing advancement for a local small business. Details regarding qualified responsive loans are discussed in the applicable assessment area sections of the evaluation.

INVESTMENT TEST

HBTC demonstrated overall outstanding performance under the Investment Test, supported by performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs. Performance varied by assessment area and was outstanding in the more heavily weighted Cedar Rapids-Iowa City CSA Assessment Area and adequate in the Non-Metro Assessment Area. Details are discussed under each assessment area analysis.

Investment and Grant Activity

HBTC demonstrated an excellent level of qualified investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. The institution made 626 qualified investments and grants totaling nearly \$76.8 million, including more than \$1.3 million dollars in donations. This total includes new investments and donations made since the previous evaluation as well as the current book value of prior-period investments. The institution's investment and grant activity increased significantly from the prior evaluation, when 505 qualified investments and donations totaled \$53.3 million.

Because HBTC was responsive to the needs of its delineated assessment areas, examiners considered 135 qualifying investments totaling approximately \$44.9 million that benefited the broader statewide or regional area. As of December 31, 2025, HBTC's qualified investments and donations represented 8.0 percent of total securities and 1.7 percent of total assets, up from 6.4 percent and 1.3 percent, respectively, at the previous evaluation.

HBTC's qualified investments and donations supported affordable housing, community services to low- and moderate-income individuals, economic development, and efforts to revitalize or stabilize the local and broader statewide and regional areas. The following tables illustrate the bank's qualified investments by area, purpose, and year. Further details regarding responsive qualified investments are discussed in the applicable assessment area sections of the evaluation.

Qualified Investments by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Cedar Rapids-Iowa City CSA	29	10,456	232	1,617	62	278	141	19,509	464	31,860
Non-Metro	0	0	3	3	1	1	23	22	27	26
Statewide Activities	0	0	14	5,711	1	265	37	11,097	52	17,073
Regional Activities	1	275	11	4,477	5	1,050	66	22,025	83	27,827
Total	30	10,731	260	11,808	69	1,594	267	52,653	626	76,786
<i>Source: Bank Data</i>										

Qualified Investments by Activity Year										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	1	10,371	9	3,379	0	0	41	11,529	51	25,279
2023 (Partial)	0	0	1	305	0	0	1	455	2	760
2024	0	0	12	5,170	5	1,050	36	16,626	53	22,846
2025	1	275	5	2,290	1	265	34	23,732	41	26,562
2026 (Year-to-Date)	0	0	0	0	0	0	0	0	0	0
Subtotal	2	10,646	27	11,144	6	1,315	112	52,342	147	75,447
Qualified Grants & Donations	28	85	233	664	63	279	155	311	479	1,339
Total	30	10,731	260	11,808	69	1,594	267	52,653	626	76,786
<i>Source: Bank Data</i>										

Responsiveness to Credit and Community Development Needs

HBTC exhibits excellent responsiveness to credit and community development needs through significant investment activity. In particular, the volume of donations and grants extended to area organizations, which increased 35.1 percent from the prior evaluation, is considered highly responsive to community needs and lends further support for the bank's performance. HBTC's qualified investments addressed needs within the assessment areas, particularly revitalization and stabilization efforts in low- and moderate-income geographies; community service activities to provide essential needs for, and improve the lives of, low- and moderate-income individuals; economic development initiatives, and activities related to affordable housing by participating in housing projects for low- and moderate-income individuals and families. Details are provided in the assessment area sections.

Community Development Initiatives

HBTC continues to make significant use of innovative or complex investments to support community development initiatives, including affordable multi-family housing tax-credit projects and equity partnerships. Through its Classroom Cash initiative, HBTC contributed more than \$29,000 to five school districts in which the majority of students qualified for free or reduced-cost lunch. Details are provided in the assessment area sections.

SERVICE TEST

HBTC demonstrated outstanding Service Test performance, primarily supported by excellent performance under Accessibility of Delivery Systems and Reasonableness of Business Hours, which were more heavily weighted. Performance in both assessment areas supports the overall conclusion, with significant greater weight placed on the Cedar Rapids-Iowa City CSA Assessment Area

Accessibility of Delivery Systems

Delivery systems are readily accessible to all portions of the institution's assessment areas, including low- and moderate-income geographies. As shown in the following table, 38.1 percent of the institution's branches are in low- or moderate-income areas. All HBTC locations except the Oaknoll Retirement Residence branches have at least one ATM. Of the 31 ATMs operating within the assessment areas, 41.9 percent are in low- or moderate-income areas. Additionally, the bank participates in Shazam's Privileged Status Program, U.S. Bank's MoneyPass ATM network, and Visa's Plus Network, providing customers broader access to a nationwide network of surcharge-free ATM locations. The distribution of branches and ATMs and access to surcharge-free ATM networks demonstrate strong responsiveness to the banking needs of the low- and moderate-income population.

Branch and ATM Distribution by Geography Income Level								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	4	4.0	15,272	3.6	2	9.5	4	12.9
Moderate	29	29.0	101,368	24.0	6	28.6	9	29.0
Middle	44	44.0	191,489	45.3	10	47.6	12	38.7
Upper	22	22.0	111,590	26.4	3	14.3	6	19.4
Not Available	1	1.0	2,661	0.6	0	0.0	0	0
Total	100	100.0	422,380	100.0	21	100.0	31	100.0
<i>Source: 2020 U.S. Census Data; Bank Data.</i>								

HBTC supplements its branch and ATM network with alternative delivery systems, including mobile, telephone, and internet banking; remote deposit capture; person-to-person money transfers; online loan application and account opening; and electronic loan and bill payment. Loan and deposit customers may contact bank personnel through Live Chat, telephone, video, email, secure messaging, and text messaging. Other delivery channels include bank-by-mail, direct deposit, automated clearing house transactions, wire transfers, and third-party payroll cards. Many of these services are available at no additional charge, which may be especially beneficial to low- and moderate-income customers. Collectively, the bank's physical and alternative delivery systems enhance access throughout the assessment areas.

Changes in Branch Locations

During the evaluation period, the bank's record of opening and closing branches has not adversely affected accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. Since the prior evaluation, HBTC opened branches in one middle- and one upper-income census tract and closed a branch in an upper-income census tract. Changes in branching structure are further discussed under the Description of Institution section and in the subsequent assessment area sections.

Reasonableness of Business Hours and Services

Services, including business hours, are tailored to the convenience and needs of the assessment areas, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. Fourteen branches, or 66.7 percent, offer Saturday lobby hours, and 16 locations, or 76.2 percent, provide extended drive-up hours. Branch hours and services are considered convenient and responsive. The bank's Customer Contact Center is available from 7:00 a.m. to 6:00 p.m., Monday through Friday and from 8:00 a.m. to 12:00 p.m. on Saturdays to conduct banking transactions. It also provides translation services for non-English speaking individuals. These extended hours and translation services improve access for customers who may face time or language barriers.

All full-service locations offer a variety of loan products and loan-related services for retail and business customers. HBTC also provides a broad range of deposit and investment products, including free checking and savings accounts with no minimum balance restrictions or monthly fees, helping individuals build savings and establish banking relationships. The bank also offers various accounts for University of Iowa students and staff, including the UI Student Checking account with free Xpress Transfer services.

Community Development Services

The institution provided a relatively high level of community development services. During the evaluation period, many employees dedicated their time and resources to 25 different organizations, providing a total of 91 services over 1,340 hours. Although this is a decrease from the previous evaluation which reported 119 services to 34 organizations totaling over 3,435 hours, the institution's level of community development services remained strong and exceeded that of other institutions operating in the assessment areas, based on a review of reported activities.

HBTC personnel applied their financial and/or technical expertise to organizations in many ways; notably, personnel served as Board member, officer, or committee member in nearly all the organizations that received services. Additionally, multiple bank personnel showed their commitment to several organizations through these leadership roles over the course of several years.

HBTC personnel helped to further community development by supporting organizations that provide resources related to affordable housing; community services targeted to low- and moderate-income individuals and families; economic development activities that help to provide employment to low- and moderate-income individuals, develop small businesses, and generally support the economy of the assessment area; and support the revitalization and stabilization of designated areas. All community development services provided by HBTC personnel were to organizations within the defined assessment areas. Further, with the exception of two services, all activities benefited the Cedar Rapids-Iowa City CSA Assessment Area. The following table illustrates the number of services provided since the previous evaluation.

Community Development Services					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2023 (Partial)	6	9	1	1	17
2024	7	12	2	1	22
2025	7	12	2	7	28
2026 (Year-to-Date)	6	10	2	6	24
Total	26	43	7	15	91
<i>Source: Bank Data</i>					

Other responsive services not included in the preceding table:

- HBTC provides no-charge loan servicing to an organization that promotes low- and moderate-income home rehabilitation, construction, and ownership. Currently, the institution has 52 of these loans on the books with an outstanding balance totaling almost \$2.5 million.
- Sponsors business education seminars through its Hills Bank Business Academy program, meeting an observed need. Programs focus on local business topics several times a year. Most of the seminars are instructed by third parties, although some include HBTC personnel. The most notable seminars sponsored include non-profit organizational management, financial management of closely-held businesses, and the agricultural outlook of the area. HBTC reports that 51 seminars with over 2,450 attendees were held during the evaluation period.
- Continues to offer a program to help children learn about planning a small business called "Lemon Boss." Children aged 5-12 are eligible for the program that helps them own a lemonade stand. HBTC provides initial setup supplies, an income sheet to track income and expenses, tips on customer service, and \$2.00 in start-up change. This program is provided from June to July. Management reports over 1,200 supply kits were distributed during the evaluation period, a substantial increase from the previous evaluation when 701 kits were distributed.
- Sponsors an online financial literacy program for students in the bank's assessment areas. This program teaches students about cultivating smart financial habits including budgeting, significance of credit score, and discussing various types of loans, and re-payment strategies. Schools can register for BANZAI to bring this fun, interactive, and informative financial education program to their students at no charge. HBTC sponsored 141 different schools, 38 of which reported the majority of students are eligible for the free or reduced-cost lunch program.

CEDAR RAPIDS-IOWA CITY CSA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE CEDAR RAPIDS-IOWA CITY CSA ASSESSMENT AREA

The Cedar Rapids-Iowa City CSA Assessment Area consists of Linn County in the Cedar Rapids, Iowa MSA and Johnson and Washington counties in the Iowa City, Iowa MSA. Since the previous evaluation, the institution removed census tracts in Cedar, Jones, and Muscatine counties and expanded the assessment area to include the entirety of Linn County. During the review period, the bank opened a limited-service branch and closed a full-service branch in Iowa City.

Economic and Demographic Data

Based on 2020 U.S. Census data, the assessment area is comprised of 96 census tracts of which 4 are low-, 29 are moderate-, 41 are middle-, and 21 are upper-income as well as 1 census tract without an income classification. The following table illustrates demographic characteristics of this assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Geographies (Census Tracts)	96	4.2	30.2	42.7	21.9	1.0
Population by Geography	405,718	3.8	25.0	44.0	26.6	0.7
Housing Units by Geography	172,700	3.4	27.0	44.8	23.9	0.8
Owner-Occupied Units by Geography	109,355	0.6	20.9	47.8	30.5	0.2
Occupied Rental Units by Geography	51,255	8.4	39.2	38.8	11.4	2.1
Vacant Units by Geography	12,090	7.1	30.6	43.2	18.0	1.1
Businesses by Geography	47,880	6.8	26.7	39.8	26.1	0.6
Farms by Geography	1,873	5.6	13.7	52.0	28.6	0.1
Family Distribution by Income Level	96,070	19.4	18.8	22.6	39.2	0.0
Household Distribution by Income Level	160,610	23.4	16.6	17.9	42.1	0.0
Median Family Income - Cedar Rapids, Iowa MSA		\$85,854	Median Housing Value			\$195,468
Median Family Income - Iowa City, Iowa MSA		\$93,237	Median Gross Rent			\$879
			Families Below Poverty Level			6.4%
Source: 2020 Census and 2025 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100%.						

According to 2025 D&B data, non-classifiable establishment represent the largest portion of farm and business operations at 18.5 percent. In addition, 70.5 percent of assessment area businesses and farms have less than 5 employees, and 92.3 percent operate from a single location.

The following table presents 2023 through 2025 FFIEC-estimated median family income levels used to analyze home mortgage loans under the Borrower Profile criterion and certain community development activities.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥ 120%
Cedar Rapids, Iowa MSA Median Family Income				
2023 (\$96,300)	<\$48,150	\$48,150 To <\$77,040	\$77,040 To <\$115,560	≥\$115,560
2024 (\$101,700)	<\$50,850	\$50,850 To <\$81,360	\$81,360 To <\$122,040	≥\$122,040
2025 (\$103,000)	<\$51,500	\$51,500 To <\$82,400	\$82,400 To <\$123,600	≥\$123,600
Iowa City, Iowa MSA Median Family Income				
2023 (\$125,500)	<\$62,750	\$62,750 To <\$100,400	\$100,400 To <\$150,600	≥\$150,600
2024 (\$109,900)	<\$54,950	\$54,950 To <\$87,920	\$87,920 To <\$131,880	≥\$131,880
2025 (\$113,100)	<\$56,550	\$56,550 To <\$90,480	\$90,480 To <\$135,720	≥\$135,720
<i>Source: FFIEC</i>				

Competition

There is a strong level of competition for financial services in this assessment area. According to FDIC Deposit Market Share data as of June 30, 2025, 35 financial institutions operate 120 branches in the Cedar Rapids-Iowa City CSA Assessment Area. Of these institutions, HBTC ranked 1st in deposit market share with 26.5 percent of the area's deposits.

To further illustrate the level of competition and demand for loans, 2024 HMDA aggregate data show 259 lenders reporting 12,817 originated or purchased home mortgage loans, and 2024 CRA aggregate data shows 88 lenders reporting 6,989 small business loans and 18 lenders reporting 939 small farm loans.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in understanding economic conditions and identifying credit needs. This information helps to determine whether local financial institutions are responsive to community credit needs and provides context regarding available lending opportunities. Examiners referenced a recent community contact with an individual from an economic education and outreach organization that serves the assessment area.

The contact stated that current economic conditions are good; however, change is anticipated. Many area business and manufacturing entities are dependent on agriculture. Whether producing, processing, storing, or transporting, the operating costs in agricultural and commercial sectors are rising and squeezing profit margins. The contact indicated that large businesses would fare better as the economy contracts. Smaller businesses must compete with the larger operations, as well as online retailers given that many consumers now prefer to shop from home. The agricultural sector is noting a rise in input costs and diminishing commodity prices resulting in lower profits and

operational difficulties for small farms. There are many programs available for beginning farmers, but start-up costs are prohibitive. Area farms and businesses are struggling due to a lack of experienced, qualified workers, with the greatest impact noted in manufacturing. The contact noted that the COVID-19 Pandemic and the derecho occurred in 2020 as a number of entry-level workers were entering the labor market, which delayed hiring opportunities and training. Regarding housing, prices continue to rise, making starter homes unaffordable for families looking for their first home. The stock of available affordable housing is dwindling. The high cost of housing is forcing low- and moderate-income individuals to rent a dwelling and forgo purchasing a home. Contractors interested in building affordable housing units have found that input costs are similar to higher-end homes that result in greater margins. These factors place additional pressure on available housing units. Housing costs are slightly more affordable in rural areas where older homes are available. Finally, the community contact stated that the environment for involvement by financial institutions is very competitive.

Credit and Community Development Needs and Opportunities

Considering information from the community contact, bank management, and demographic and economic data, home mortgage, especially affordable housing, small business, and small farm loans are primary credit needs of the assessment area. Call Reports filed by area financial institutions also support this assertion. There are numerous opportunities for community development lending, investments, and services in the area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE CEDAR RAPIDS-IOWA CITY CSA ASSESSMENT AREA

LENDING TEST

HBTC demonstrates outstanding performance under the Lending Test in the Cedar Rapids-Iowa City CSA Assessment Area. Performance under Lending Activity, Geographic Distribution, Borrower Profile, and Community Development Loans supports this conclusion.

Lending Activity

HBTC's lending activity performance in the Cedar Rapids-Iowa City CSA Assessment Area reflects excellent responsiveness to area credit needs. From 2023 through 2025, HBTC reported 7,034 home mortgage loans totaling \$1.5 billion; 4,412 small business loans totaling \$651.2 million; and 2,019 small farm loans totaling \$224.6 million. An analysis of 2024 HMDA and CRA aggregate data for the assessment area shows that HBTC ranked 2nd out of 259 home mortgage lenders, with a 14.6 percent market share; 1st out of 88 small business lenders, with a 20.4 percent market share; and 1st out of 18 small farm lenders, with a 69.2 percent market share. These lending volumes and market share positions support excellent responsiveness to assessment area credit needs.

Geographic Distribution

Overall, the geographic distribution of loans reflects excellent penetration throughout the Cedar Rapids-Iowa City CSA Assessment Area. HBTC's lending performance under all three products supports this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the bank's assessment area. As illustrated in the following table, the bank's overall level of lending in both low- and moderate-income census tracts exceeded aggregate data in 2024, resulting in excellent penetration overall.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low	0.6	0.8	31	1.7	21,334	5.3
Moderate	20.9	20.3	468	25.0	97,792	24.3
Middle	47.8	47.3	858	45.8	163,341	40.6
Upper	30.5	31.3	510	27.2	119,397	29.7
NA	0.2	0.3	5	0.3	401	0.1
Total	100.0	100.0	1,872	100.0	402,265	100.0
<i>Source: 2020 Census Data; 2024 HMDA Data; 2024 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.</i>						

Small Business Loans

The geographic distribution of small business loans reflects overall excellent penetration throughout the bank's assessment area. As illustrated in the following table, the bank's lending percentage in low-income census tracts is slightly below aggregate lending data. However, lending in moderate-income census tracts is significantly higher than aggregate data. The bank's performance in 2023 and 2025 was consistent and supports the overall conclusion.

Geographic Distribution of Small Business Loans						
Tract Income Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
Low	7.0	4.8	31	2.2	4,728	2.3
Moderate	26.8	24.9	452	31.8	61,053	29.8
Middle	39.7	38.1	624	43.9	87,462	42.7
Upper	26.0	30.9	306	21.5	48,219	23.6
NA	0.6	1.3	9	0.6	3,213	1.6
Total	100.0	100.0	1,422	100.0	204,675	100.0
<i>Source: 2024 D&B Data; 2024 CRA Data; 2024 CRA Aggregate Data. Due to rounding, totals may not equal 100.0%.</i>						

Small Farm Loans

The geographic distribution of small farm loans reflects excellent overall penetration throughout the bank's assessment area, when considering available lending opportunities and the bank's business focus. As illustrated in the following table, HBTC originated no loans in the low-income census tracts; however, aggregate data of .4 percent indicates limited market opportunities in these tracts.

By contrast, the bank's lending in moderate-income census tracts is significantly higher than aggregate data. Consistent performance in 2023 and 2025 further supports the overall conclusion.

Geographic Distribution of Small Farm Loans						
Tract Income Level	% of Farms	Aggregate Performance % of #	#	%	\$(000s)	%
Low	5.0	0.4	0	0.0	0	0.0
Moderate	12.9	36.0	284	43.7	25,828	36.4
Middle	53.0	52.3	326	50.2	40,282	56.7
Upper	29.0	11.3	40	6.2	4,880	6.9
NA	0.1	--	0	0.0	0	0.0
Total	100.0	100.0	650	100.0	70,990	100.0
Source: 2024 D&B Data; 2024 CRA Data; 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Borrower Profile

Overall, the distribution of borrowers reflects excellent penetration among individuals of different incomes and to businesses and farms of different sizes. The bank's excellent performance in all three loan products provides support for the overall conclusion.

Home Mortgage Loans

The distribution of borrowers reflects excellent penetration among individuals of different income levels. As illustrated in the following table, the bank's overall level of lending to both low- and moderate-income borrowers exceeds aggregate data. The bank's performance was consistent in 2023. Further, the bank's performance in 2025 shows an increased number of loans to low- and moderate-income borrowers.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	19.4	10.2	261	13.9	27,993	7.0
Moderate	18.8	21.2	427	22.8	65,352	16.3
Middle	22.6	19.8	426	22.8	76,167	18.9
Upper	39.2	26.4	510	27.2	130,877	32.5
Not Available	0.0	22.4	248	13.3	101,876	25.3
Total	100.0	100.0	1,872	100.0	402,265	100.0
Source: 2020 Census Data; 2024 HMDA Data; 2024 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.						

Small Business Loans

The distribution of small business loans reflects excellent overall penetration among businesses of different sizes. As illustrated in the following table, the bank's lending to businesses with gross annual revenues of \$1.0 million or less slightly exceeds aggregate data. The percentage of loans to

businesses with gross annual revenues of \$1 million or less increased from 45.2 percent in 2023 to 55.4 percent in 2024 and 56.4 percent in 2025, supporting excellent overall conclusion.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
<= \$1,000,000	90.5	52.7	788	55.4	78,562	38.4
> \$1,000,000	2.1	--	498	35.0	110,416	54.0
Revenue Not Available	7.4	--	136	9.6	15,697	7.7
Total	100.0	100.0	1,422	100.0	204,675	100.0
Source: 2024 D&B Data; 2024 CRA Data; 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Small Farm Loans

The distribution of small farm loans among agricultural operations of different sizes reflects excellent penetration. As illustrated in the following table, the bank's lending to farms with gross annual revenues of \$1.0 million or less is significantly higher than aggregate data. Examiners also considered that revenue data was unavailable for 16.3 percent of loans when drawing conclusion.

Distribution of Small Farm Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Farms	Aggregate Performance % of #	#	%	\$(000s)	%
<= \$1,000,000	98.5	59.0	441	67.9	40,384	56.9
> \$1,000,000	0.5	--	103	15.9	21,916	30.9
Revenue Not Available	1.0	--	106	16.3	8,690	12.2
Total	100.0	100.0	650	100.0	70,990	100.0
Source: 2024 D&B Data; 2024 CRA Data; 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Community Development Loans

HBTC is a leader in making community development loans in the Cedar Rapids-Iowa City CSA Assessment Area. Specifically, the bank originated a substantial majority of its community development loans in this assessment area, totaling 108 loans at over \$230.1 million. Markedly, the bank provided financing for several multi-family affordable housing projects that offer units below fair market rent levels, which was a credit need identified by the community contact. In addition to the bank's notable affordable housing support, the following includes qualitative examples where the bank's community development lending was deemed particularly responsive to assessment area needs:

- Financing for improvements to a commercial property located in a moderate-income area. The improvement plan involves converting the building into a mixed-use property with commercial suites and upper floor apartments. The endeavor is being supported by a number of state and federal tax credit programs and will not only help preserve a historical

building but will also help to revitalize and stabilize this moderate-income area by attracting both business opportunities and new residents to the area.

- Loan proceeds extended for building expansion and improvements for a publicly-supported organization that provides vital activity services to low-income residents.

INVESTMENT TEST

HBTC demonstrated outstanding performance under the Investment Test in the Cedar Rapids-Iowa City CSA Assessment Area. The bank's performance under Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supports this conclusion.

Investment and Grant Activity

HBTC has an excellent level of qualified community development investments and donations, often in a leadership position, particularly those not routinely provided by private investors. The Cedar Rapids-Iowa City CSA Assessment Area received consideration for 464 qualified investments, grants, and donations totaling approximately \$31.9 million. The investments and donations supported community development through affordable housing, community services, economic development, and efforts to revitalize or stabilize low- and moderate-income geographies.

Responsiveness to Credit and Community Development Needs

HBTC has shown excellent responsiveness to credit and community economic development needs, especially as shown by qualified investments made in affordable housing, community service, and revitalization or stabilization initiatives. The institution has offered community development support in meaningful ways, including the following:

- Continuing an equity stake in several multi-family low-income housing tax credit housing projects valued at \$10.4 million. These projects, containing 286 units, continue to provide affordable housing options targeted to low-income individuals.
- Capital contributions and investments of \$14.1 million for an equity stake in a project supporting revitalization or stabilization efforts.
- Large donations have been granted for capital or programming campaigns to issue funds to entities with affordable housing or economic development missions or that provide vital community services to low- and moderate-income people.
- Numerous donations to qualifying entities were made annually or through multi-year pledge commitments to ensure that those organizations have a stable funding source.

Community Development Initiatives

HBTC makes significant use of innovative and/or complex investment strategies to further the provision of community development funding. The bank's continued equity investments in various low-income housing tax credit projects, as well as new equity contributions, both described above, are good examples of such strategies.

SERVICE TEST

HBTC demonstrates outstanding performance under the Service Test in the Cedar Rapids-Iowa City CSA Assessment Area. Performance under Accessibility of Delivery Systems and Reasonableness of Business Hours and Services primarily supports this conclusion.

Accessibility of Delivery Systems

The institution's delivery systems are readily accessible to all portions of this assessment area. HBTC operates 18 full-service and two limited-service offices in the assessment area. Eight of the 20 branches, or 40 percent, are in low- or moderate-income census tracts, compared to 28.8 percent of the low- or moderate-income population. Further, 13 of the 30 ATMs, or 43.3 percent, are located in the low- or moderate-income census tracts. Compared to the bank overall, this assessment area exceeds overall performance in branch distribution and is consistent with overall performance in alternate delivery methods.

Changes in Branch Locations

The institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income individuals. Since the prior evaluation, HBTC opened a limited-service branch and closed a full-service branch in upper-income census tracts in Iowa City.

Reasonableness of Business Hours and Services

Services, including business hours, are tailored to the convenience and needs of this assessment area, particularly low- and moderate-income geographies and/or individuals. Services and business hours in this assessment area are consistent with the bank's overall performance.

Community Development Services

The institution provides a relatively high level of community development services in the Cedar Rapids-Iowa City CSA Assessment Area, consisting of 89 qualifying services supporting affordable housing, community services, economic development, and revitalization or stabilization initiatives. Notably, three bank employees contributed 576 hours of dedicated service over multiple years as Board members of qualifying organizations. Entities that benefit from employees' expertise include non-profit groups targeting homelessness, domestic violence, and crises situations, and a housing organization that creates opportunities for quality, affordable housing for low- and moderate-income individuals.

NON-METRO ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE NON-METRO ASSESSMENT AREA

The Non-Metro Assessment Area consists of Iowa County in its entirety. HBTC opened a full-service branch with an ATM in this assessment area since the previous evaluation. Although two of Iowa County’s four census tracts were included in the bank’s assessment area at the prior evaluation, HBTC now delineates the entire county as a separate assessment area.

Economic and Demographic Data

Based on 2020 U.S. Census data, the assessment area contains three middle-income and one upper-income census tract. In 2025, census tracts 9602, 9603, and 9604 were designated as underserved middle-income geographies. The following table illustrates demographic characteristics of the Non-Metro Assessment Area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Geographies (Census Tracts)	4	0.0	0.0	75.0	25.0	0.0
Population by Geography	16,662	0.0	0.0	77.2	22.9	0.0
Housing Units by Geography	7,358	0.0	0.0	75.6	24.5	0.0
Owner-Occupied Units by Geography	5,342	0.0	0.0	71.7	28.3	0.0
Occupied Rental Units by Geography	1,304	0.0	0.0	92.0	8.0	0.0
Vacant Units by Geography	712	0.0	0.0	74.6	25.4	0.0
Businesses by Geography	1,711	0.0	0.0	71.6	28.4	0.0
Farms by Geography	304	0.0	0.0	80.6	19.4	0.0
Family Distribution by Income Level	4,500	13.9	17.6	25.0	43.6	0.0
Household Distribution by Income Level	6,646	17.5	13.5	22.2	46.9	0.0
Median Family Income – Nonmetropolitan Iowa		\$71,763	Median Housing Value			\$147,531
			Median Gross Rent			\$626
			Families Below Poverty Level			6.8%
Source: 2020 Census and 2025 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100%.						

According to 2025 D&B data, agriculture, forestry, fishing, and hunting establishment represent the largest portion of farm and business operations at 15.1 percent. In addition, 79.0 percent of

assessment area businesses and farms have less than 5 employees, and 91.1 percent operate from a single location.

The FFIEC-estimated median family income levels are used to analyze home mortgage loans under the Borrower Profile criterion and to analyze certain community development activities. The low-, moderate-, middle-, and upper-income categories for nonmetropolitan Iowa for 2023 through 2025 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%
2023 (\$86,300)	<\$43,150	\$43,150 To <\$69,040	\$69,040 To <\$103,560	≥\$103,560
2024 (\$86,700)	<\$43,350	\$43,350 To <\$69,360	\$69,360 To <\$104,040	≥\$104,040
2025 (\$92,000)	<\$46,000	\$46,000 To <\$73,600	\$73,600 To <\$110,400	≥\$110,400
Source: FFIEC				

Competition

There is a modest level of competition for financial services in this assessment area. According to FDIC Deposit Market Share data as of June 30, 2025, eight financial institutions operate ten branches in the Non-Metro Assessment Area. Of these institutions, HBTC ranked 8th in deposit market share with 3.2 percent of the area's deposits.

To further illustrate the level of competition and demand for loans, 2024 HMDA aggregate data show 66 lenders reporting 390 originated or purchased home mortgage loans, and 2024 CRA aggregate data shows 22 lenders reporting 244 small business loans and 11 lenders reporting 137 small farm loans.

Credit and Community Development Needs and Opportunities

Considering information from bank management, competition indicators, and demographic and economic data, examiners determined that home mortgage, small business, and small farm loans represent the assessment area's primary credit needs. The assessment area is predominantly rural and offers limited community development opportunities, primarily involving economic development, community services targeted to low- and moderate-income individuals, affordable housing, and the revitalization or stabilization of underserved geographies.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE NON-METRO ASSESSMENT AREA

LENDING TEST

HBTC demonstrates outstanding performance under the Lending Test in the Non-Metro Assessment Area. Performance under Lending Activity and Borrower Profile primarily supports this conclusion.

Lending Activity

HBTC's lending activity performance in the Non-Metro Assessment Area reflects excellent responsiveness to area credit needs. From 2023 through 2025, HBTC reported 177 home mortgage loans totaling \$23.9 million; 165 small business loans totaling \$18.4 million; and 169 small farm loans totaling \$24.8 million. An analysis of 2024 HMDA and CRA aggregate data show that HBTC ranked 2nd out of 66 home mortgage lenders, with a 9.7 percent market share; 1st out of 22 small business lenders, with a 20.1 percent market share; and 1st out of 11 small farm lenders, with a 40.9 percent market share. These lending volumes and market share positions support excellent responsiveness to assessment area credit needs.

Geographic Distribution

This assessment area has no low- or moderate-income census tracts; therefore, examiners did not evaluate the Geographic Distribution criterion, as a review would not have resulted in meaningful conclusions.

Borrower Profile

Overall, the distribution of borrowers reflects excellent penetration among individuals of different incomes and to businesses and farms of different sizes. The bank's excellent performance in all three loan products provides support for the overall conclusion.

Home Mortgage Loans

The distribution of borrowers reflects excellent penetration among individuals of different income levels. As illustrated in the following table, the bank's lending to low-income borrowers is slightly below aggregate performance. However, lending to moderate-income borrowers substantially exceeds aggregate data by 15.8 percentage points, supporting excellent overall penetration.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	13.9	8.2	2	5.3	226	4.9
Moderate	17.6	21.0	14	36.8	1,444	31.5
Middle	25.0	19.7	9	23.7	1,402	30.6
Upper	43.6	34.4	11	29.0	1,367	29.9
Not Available	0.0	16.7	2	5.3	141	3.1
Total	100.0	100.0	38	100.0	4,580	100.0
<i>Source: 2020 Census Data; 2024 HMDA Data; 2024 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%.</i>						

Small Business Loans

The distribution of small business loans reflects overall excellent penetration among businesses of different sizes. As illustrated in the following table, the bank's 2024 lending to businesses with gross annual revenues of \$1.0 million or less is below aggregate performance. In 2025, however, 43 loans, or 69.4 percent, of HBTC's small business loans were made to businesses with gross

annual revenues of \$1.0 million or less, reflecting a substantial improvement from the prior year. Considering performance in both years and giving greater weight to 2025 because of the increased lending volume and the bank's demonstrated presence and engagement in the assessment area since November 2024, examiners concluded that the bank's overall performance was excellent.

Distribution of Small Business Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Businesses	Aggregate Performance % of #	#	%	\$(000s)	%
<= \$1,000,000	89.0	57.7	22	44.9	1,247	21.9
> \$1,000,000	1.2	--	20	40.8	4,320	75.9
Revenue Not Available	9.9	--	7	14.3	126	2.2
Total	100.0	100.0	49	100.0	5,693	100.0
Source: 2024 D&B Data; 2024 CRA Data; 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Small Farm Loans

The distribution of small farm loans among farms of different sizes reflects excellent penetration. As illustrated in the following table, the bank's lending to farms with gross annual revenues of \$1.0 million or less exceeds aggregate data by 17.9 percentage points.

Distribution of Small Farm Loans by Gross Annual Revenue Category						
Gross Revenue Level	% of Farms	Aggregate Performance % of #	#	%	\$(000s)	%
<= \$1,000,000	99.0	48.2	37	66.1	4,668	53.1
> \$1,000,000	0.0	--	15	26.8	3,883	44.1
Revenue Not Available	1.0	--	4	7.1	246	2.8
Total	100.0	100.0	56	100.0	8,797	100.0
Source: 2024 D&B Data; 2024 CRA Data; 2024 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

Community Development Loans

HBTC originated no community development loans in the Non-Metro Assessment Area during the review period. However, examiners determined that community development lending opportunities were limited based on demographic and economic information and discussions with management. In addition, many potential community development loans in this rural area consisted of home mortgage or small business lending that were considered elsewhere under the Lending Test. Accordingly, the absence of community development loans had limited effect on the overall Lending Test conclusion.

INVESTMENT TEST

HBTC demonstrates low satisfactory performance under the Investment Test in the Non-Metro Assessment Area. Performance under Investment and Grant Activity, Responsiveness to Credit and Community Development Needs, and Community Development Initiatives support this conclusion.

Investment and Grant Activity

HBTC has an adequate level of qualified community development investments and grants in this assessment area, making 27 investments totaling approximately \$26,000 during the evaluation period. These activities supported community services, economic development, and the revitalization or stabilization of underserved areas. As previously mentioned, the three middle-income census tracts in Iowa County were designated as underserved, expanding opportunities for qualifying community development activities.

Responsiveness to Credit and Community Development Needs

HBTC exhibits adequate responsiveness to credit and community development needs in the Non-Metro Assessment Area. Its qualified investments support community services, economic development, and revitalization or stabilization efforts consistent with identified area needs and available opportunities.

Community Development Initiatives

Although not particularly complex, the bank continues to support the occasional use of innovative investments for community development initiatives.

SERVICE TEST

HBTC demonstrates excellent performance under the Service Test in the Non-Metro Assessment Area. Performance under Accessibility of Delivery Systems and Reasonableness of Business Hours and Services primarily supports this conclusion.

Accessibility of Delivery Systems

The institution's delivery systems are readily accessible to all portions of the Non-Metro Assessment Area, which contains no low- or moderate-income census tracts. The bank's Williamsburg branch and ATM are located in a middle-income census tract. Opened during the evaluation period, the branch established a physical banking presence in the assessment area and improved access to retail banking services for area residents, including approximately 31.5 percent of families and 31.0 percent of households with low or moderate incomes. Alternative delivery systems, including online, mobile, and telephone banking, provide additional access beyond the branch location.

Changes in Branch Locations

The institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income individuals. Since the prior evaluation,

HBTC opened its Williamsburg branch and closed no branches in the assessment area. This change expanded accessibility of the bank's delivery systems.

Reasonableness of Business Hours and Services

Services, including business hours, are tailored to the convenience and needs of the assessment area, particularly to low- and moderate-income individuals. Branch hours and services compare favorably to those of other financial institutions in the assessment area, which generally do not offer this level of services or extended or weekend hours. Services and business hours in this assessment area provide convenient access for area residents, consistent with the bank's overall performance.

Community Development Services

Considering the limited opportunities in the Non-Metro Assessment Area, the institution provides an adequate level of community development services, consisting of two qualifying services that supported revitalization or stabilization initiatives.

APPENDICES

LARGE 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) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

- 1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
- 2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
 - i. The proportion of the bank's lending in the bank's assessment area(s);
 - ii. The dispersion of lending in the bank's assessment areas(s); and
 - iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
- 3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
 - i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
 - ii. Small business and small farm loans to businesses and farms with gross annual revenues of \$1 million or less;
 - iii. Small business and small farm loans by loan amount at origination; and
 - iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
- 4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
- 5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

- 1) The dollar amount of qualified investments;
- 2) The innovativeness or complexity of qualified investments;
- 3) The responsiveness of qualified investments to available opportunities; and
- 4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

- 1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
- 2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
- 3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.*, RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
- 4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:

- 1) The extent to which the bank provides community development services; and
- 2) The innovativeness and responsiveness of community development services.

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.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited purpose bank:
 - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
 - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

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.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

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.

Qualified Investment: A lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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 Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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.

LIST OF BANK'S BRANCHES

HILLS BANK AND TRUST COMPANY

<u>OFFICES</u>	<u>CENSUS TRACT OR BLOCK NUMBER LOCATED IN</u>	<u>SERVICES</u>
<u>MAIN BANK</u>		
131 Main Street Hills IA 52235	104.01 (Moderate Income Area) IC Johnson County	Full
<u>BRANCH OFFICES</u>		
1401 S. Gilbert Street Iowa City IA 52240	18.02 (Moderate Income Area) IC Johnson County	Full
201 S. Clinton Street Iowa City IA 52240	21.00 (Low Income Area) IC Johnson County	Full
1009 Second Street Coralville IA 52241	3.07 (Moderate Income Area) IC Johnson County	Full
25 Highway 965 North Liberty IA 52317	103.05 (Middle Income Area) IC Johnson County	Full
2621 Muscatine Ave Iowa City IA 52240	14.00 (Middle Income Area) IC Johnson County	Full
240 3 rd Avenue SE Cedar Rapids IA 52401	19.00 (Low Income Area) CR Linn County	Full
103 West Main Street Lisbon IA 52253	108.02 (Middle Income Area) CR Linn County	Full
720 First Avenue South Mt. Vernon IA 52314	108.02 (Middle Income Area) CR Linn County	Full
120 5 th Street Kalona IA 52247	9601.01 (Middle Income Area) IC Washington County	Full
3610 Williams Blvd. SW Cedar Rapids IA 52404	10.05 (Moderate Income Area) CR Linn County	Full
800 11 th Street Marion IA 52302	4.00 (Middle Income Area) CR Linn County	Full
Oaknoll Retirement Residence 701 Oaknoll Dr Iowa City IA 52246	6.00 (Moderate Income Area) IC Johnson County	Residents & Employees
229 8 th Avenue Wellman IA 52356	9602.00 (Middle Income Area) IC Washington County	Full
3905 Blairs Ferry Rd NE Cedar Rapids IA 52402	9.01 (Middle Income Area) CR Linn County	Full
590 W. Forevergreen Rd North Liberty, IA 52317	103.04 (Upper Income Area) IC Johnson County	Full
University of Iowa Hospital & Clinics 200 Hawkins Drive Iowa City IA 52242	23.00 (Upper Income Area) IC Johnson County	Full
2481 Hwy 92 East Washington IA 52353	9603.00 (Moderate Income Area) IC Washington County	Full
3204 7 th Avenue Marion IA 52302	1.02 (Middle Income Area) CR Linn County	Full
200 W. State Street Williamsburg IA	9604 (Middle Income Area) IC Iowa County	Full

Oaknoll Retirement Residence - East
2640 N. Scott Blvd.
Iowa City IA 52245

1.00 (Upper Income Area) IC
Johnson County

Residents &
Employees

LIST OF BRANCHES OPENED OR CLOSED BY THE BANK

HILLS BANK AND TRUST COMPANY BRANCHES OPENED AND CLOSED

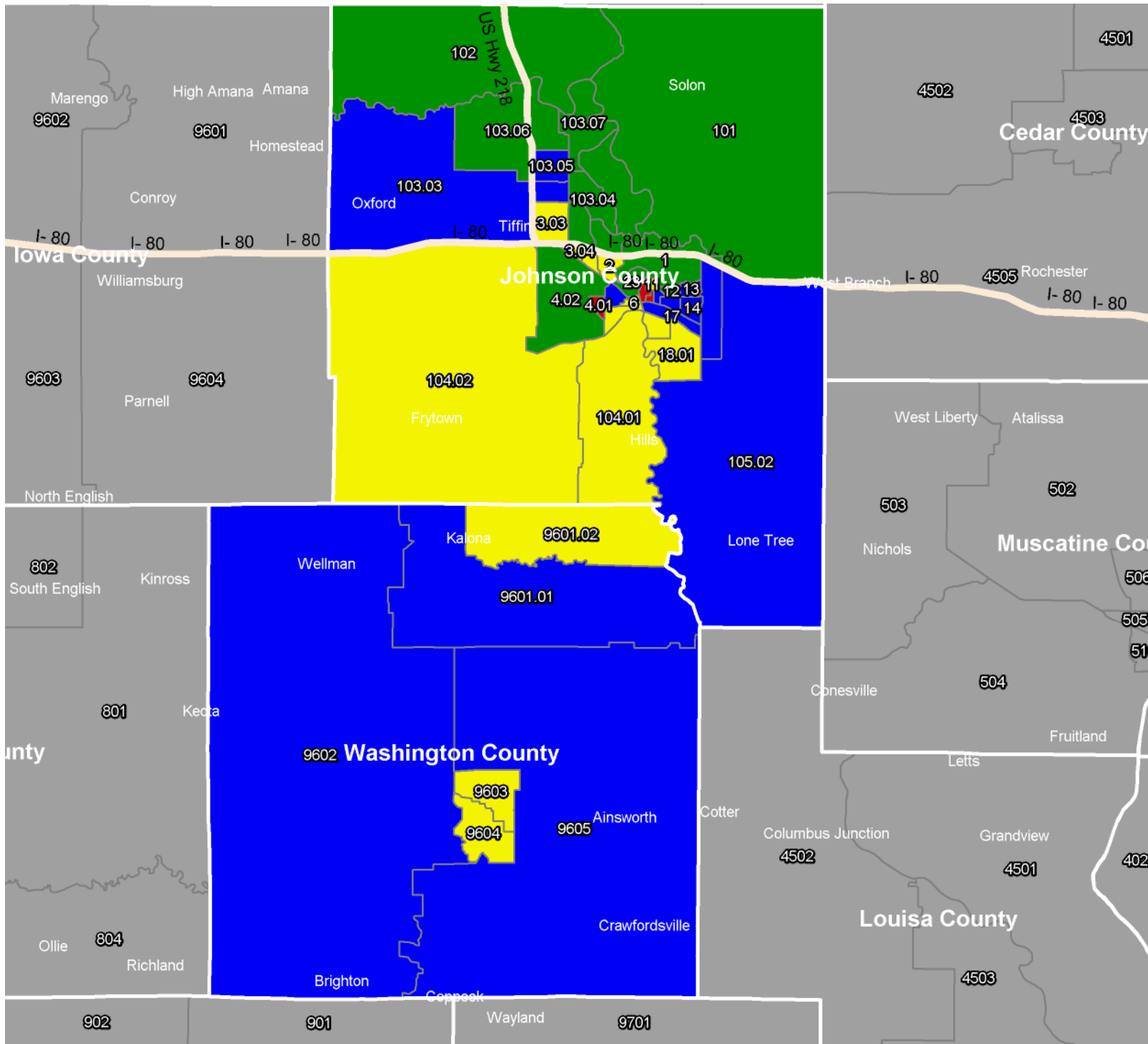
2024

- **On 11/12/24, a new full service branch at 200 W. State Street, Williamsburg, IA. (Tract 9604 – Iowa County, IA)**
- **On 11/12/24, limited services will be provided at Oaknoll Retirement Residents – East, at 2640 N Scott Blvd., Iowa City, IA. (Tract 1 – Johnson County, IA)**

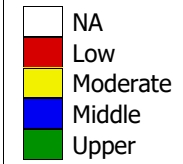
ASSESSMENT AREA MAPS

HILLS BANK AND TRUST COMPANY - 2024 CRA - ASSESSMENT AREA INCOME MAP

Iowa City MSA

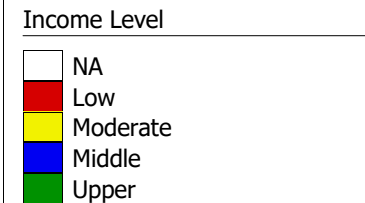


Income Level



State ID	State	County ID	County Name MSA/MD	MSA/MD Name Tract	Tract Income
19	IA	183	WASHINGTON 26980	IOWA CITY, IA 9605.00	3:Middle
19	IA	183	WASHINGTON 26980	IOWA CITY, IA 9604.00	2:Moderate
19	IA	183	WASHINGTON 26980	IOWA CITY, IA 9603.00	2:Moderate
19	IA	183	WASHINGTON 26980	IOWA CITY, IA 9602.00	3:Middle
19	IA	183	WASHINGTON 26980	IOWA CITY, IA 9601.02	2:Moderate
19	IA	183	WASHINGTON 26980	IOWA CITY, IA 9601.01	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0105.02	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0105.01	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0104.02	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0104.01	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0103.08	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0103.07	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0103.06	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0103.05	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0103.04	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0103.03	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0102.00	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0101.00	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0023.00	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0021.00	1:Low
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0018.02	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0018.01	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0017.00	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0016.02	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0016.01	1:Low
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0015.00	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0014.00	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0013.00	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0012.00	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0011.00	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0006.00	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0005.02	3:Middle
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0005.01	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0004.02	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0004.01	1:Low
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0003.07	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0003.06	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0003.05	4:Upper
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0003.04	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0003.03	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0002.00	2:Moderate
19	IA	103	JOHNSON 26980	IOWA CITY, IA 0001.00	4:Upper

*Linn County**

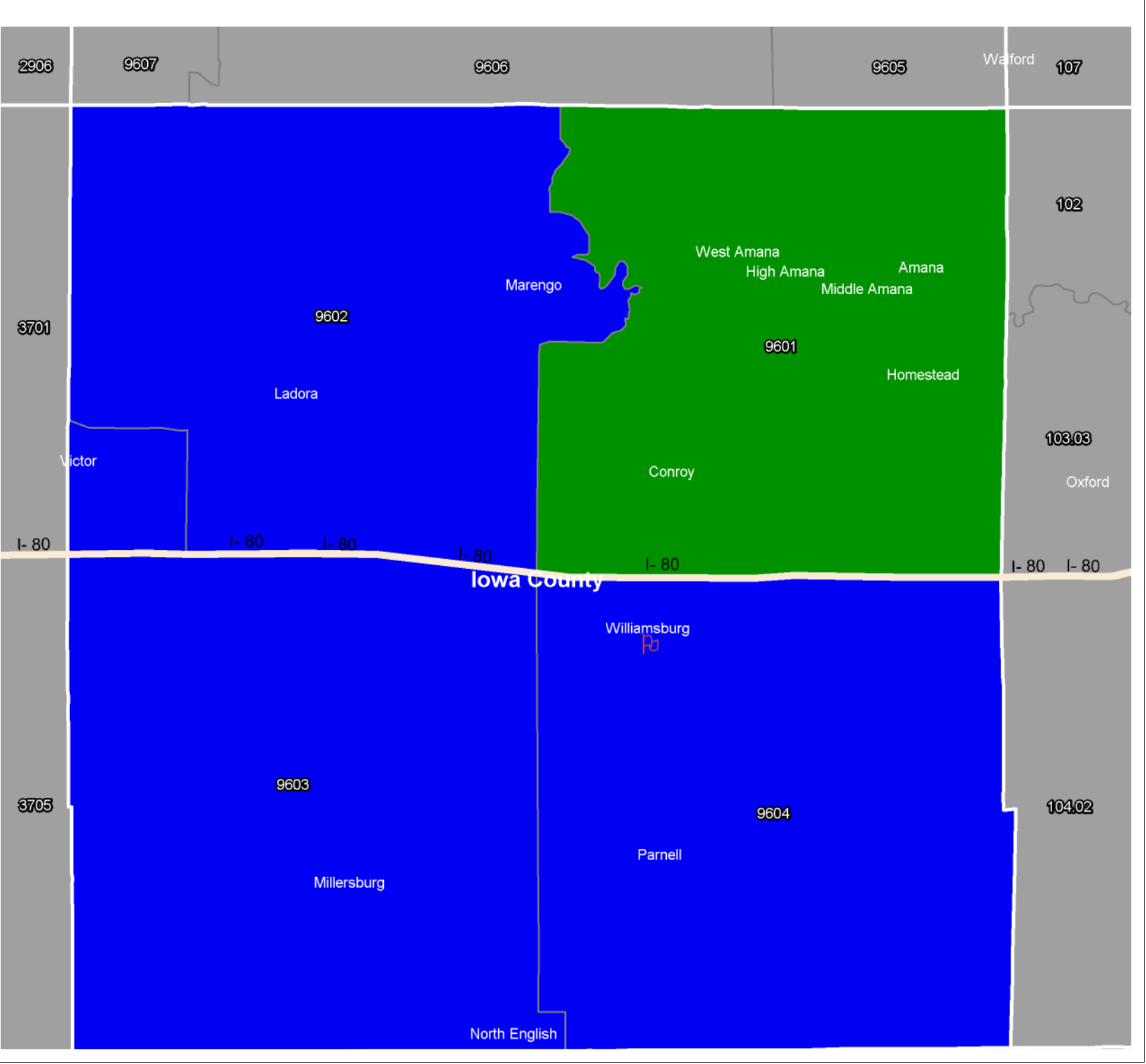


State ID	State	County ID	County Name	MSA/MD	MSA/MD Narr Tract	Tract Income Level
19	IA	113	LINN	16300	CEDAR RAPI 0108.02	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0108.01	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0107.00	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0106.00	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0105.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0104.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0103.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0102.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0101.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0030.06	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0030.05	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0030.04	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0030.03	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0029.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0028.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0027.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0026.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0025.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0024.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0023.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0022.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0019.00	1:Low
19	IA	113	LINN	16300	CEDAR RAPI 0018.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0017.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0016.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0015.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0014.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0013.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0012.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0011.02	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0011.01	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0010.05	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0010.04	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0010.02	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0010.01	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0009.02	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0009.01	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0008.00	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0007.00	2:Moderate

19	IA	113	LINN	16300	CEDAR RAPI 0006.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0005.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0004.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0003.00	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0002.13	0:NA
19	IA	113	LINN	16300	CEDAR RAPI 0002.12	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0002.11	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0002.10	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0002.09	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0002.08	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0002.05	4:Upper
19	IA	113	LINN	16300	CEDAR RAPI 0002.01	2:Moderate
19	IA	113	LINN	16300	CEDAR RAPI 0001.03	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0001.02	3:Middle
19	IA	113	LINN	16300	CEDAR RAPI 0001.01	4:Upper

HILLS BANK AND TRUST COMPANY - 2024 CRA - ASSESSMENT AREA INCOME MAP

Iowa County



Income Level

- NA
- Low
- Moderate
- Middle
- Upper

 Bank Branches

State ID	State	County ID	County Name MSA/MD	MSA/MD Nar Tract	Tract Income Level
19	IA	095	IOWA	9604.00	3:Middle
19	IA	095	IOWA	9603.00	3:Middle
19	IA	095	IOWA	9602.00	3:Middle
19	IA	095	IOWA	9601.00	4:Upper

PRODUCTS AND SERVICES

HILLS BANK

Office	Direct Dial Prefix	Address	Telephone	Lobby hours		Drive-up hours	
CRDT Cedar Rapids Downtown Destyn Weber	654	240 3rd Ave SE Cedar Rapids, IA 52401	319-247-5721 1-866-406-2253 (fax) 319-247-5726	Mon - Fri	9:00 am - 5:00 pm	---	---
CRNE Cedar Rapids Northeast Angela Ramirez		3905 Blairs Ferry Rd NE Cedar Rapids, IA 52402	319-294-2444 1-877-283-9749 (fax) 319-654-8144	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
CRSW Cedar Rapids Southwest Adrian Marsden	654	3610 Williams Blvd SW Cedar Rapids, IA 52404	319-654-9595 1-877-827-9385 (fax) 319-654-9528	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
CV Coralville Amber DeMan		1009 2nd St PO Box 5820 Coralville, IA 52241	319-351-8000 1-866-866-8872 (fax) 319-351-2529	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
H Hills Kelsey Redlinger	679	131 E. Main St PO Box 160 Hills, IA 52235	319-679-2291 1-800-445-4566 (fax) 319-679-2180	Mon - Thur Fri Sat	9:00 am - 4:00 pm 9:00 am - 5:00 pm Closed	Mon - Thur Fri Sat	8:30 am - 4:00 pm 8:30 am - 5:00 pm Closed
ICDT Iowa City Downtown Mallory Valdez		201 S Clinton St Iowa City, IA 52240	319-351-3337 1-888-221-0028 (fax) 319-351-8063	Mon - Fri Sat	9:00 am - 5:00 pm Closed	---	---
ICES Iowa City Eastside Dawn Reimers	688	2621 Muscatine Ave Iowa City, IA 52240	319-338-3381 1-888-221-0041 (fax) 319-338-0881	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
ICSG Iowa City South Gilbert Allison Bates		1401 S Gilbert St Iowa City, IA 52240	319-338-1277 1-866-866-8901 (fax) lobby 338-7954 (fax) Commercial Dept 358-2249	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
K Kalona Kris Burns	656	120 5th St PO Box 1210 Kalona, IA 52247	319-656-2281 1-888-852-5662 (fax) 319-656-5376	Mon - Thur Fri Sat	9:00 am - 4:00 pm 9:00 am - 5:00 pm 9:00 am - Noon	Mon - Thur Fri Sat	8:30 am - 4:00 pm 8:30 am - 5:00 pm 8:30 am - Noon
L Lisbon Michelle Zaruba		103 W Main St PO Box 959 Lisbon, IA 52253	319-455-2951 1-888-882-4858 (fax) 319-455-2067	Mon - Thur Fri Sat	9:00 am - 4:00 pm 9:00 am - 5:00 pm Closed	Mon - Thur Fri Sat	8:30 am - 4:00 pm 8:30 am - 5:00 pm Closed
Uptown Marion Marion Sabrina Beyer	866	800 11th St Marion, IA 52302	319-377-6066 1-888-221-0049 (fax) 319-377-0880	Mon - Fri Sat	9:00 am - 5:00 pm Closed	Mon - Fri Sat	8:30 am - 5:30 pm Closed
M7 Marion Tim Higginbotham		3204 7th Ave Marion, IA 52302	319-377-8100 1-844-205-6695 (fax 319-373-6928)	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
MV Mount Vernon Brenda Langenberg	866	720 1st Ave SE Mount Vernon, IA 52314	319-895-4018 1-888-882-4858 (fax) 319-895-4019	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
NL North Liberty Zellar Donna Hallett		25 Hwy 965 N PO Box 80 North Liberty, IA 52317	319-626-2381 1-888-221-0023 (fax) 319-626-2787	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
NLFG North Liberty Forevergreen Kaytlyn Christner	665	590 W Forevergreen Rd North Liberty, IA 52317	319-626-2199 1-877-761-5098 (fax) 319-665-5799	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
UIHC Univ of Iowa Hospitals and Clinics, Tyler Bartlett		200 Hawkins Dr Iowa City, IA 52242	319-358-8442 (UIHC) 1-855-391-8442 (UIHC) (fax) 319-688-4669	Mon - Fri Sat	9:00 am - 5:00 pm Closed	---	---
WA Washington Jo Edgington	863	2481 Hwy 92 E PO Box 886 Washington, IA 52353	319-653-9092 1-844-833-9092 (fax) 319-863-7830	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:30 pm 8:30 am - Noon
W Wellman Kris Burns		229 8th Ave PO Box 472 Wellman, IA 52356	319-646-4000 1-866-551-4034 (fax) 319-646-4401	Mon - Thur Fri Sat	9:00 am - 4:00 pm 9:00 am - 5:00 pm 9:00 am - Noon	Mon - Thur Fri Sat	8:30 am - 4:00 pm 8:30 am - 5:00 pm 8:30 am - Noon
WILL Williamsburg Todd Shaull		200 W State St, Williamsburg, IA 52361	319-661-9500	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	Mon - Fri Sat	8:30 am - 5:00 pm 9:00 am - Noon
Trust Department	358	590 W Forevergreen Rd North Liberty, IA 52317	319-338-1522 1-800-899-8858 (fax) 338-9601	Mon - Fri Sat	9:00 am - 5:00 pm 9:00 am - Noon	---	---
Customer Contact Center	IC 319-679-5500 CR 319-654-8100 1-800-445-5725 (HILLSBK)		Contact Center Hours: Mon - Fri 7 am-6 pm Sat 8 am-noon	Toll-free to any direct line		1-866-866-8875 + ext	
Push Button Banker	IC 319-679-5522 CR 319-654-8044 1-800-345-8118			Local to find direct lines		319-679-5566 + 9	
Commercial Support	319-679-5400 1-866-890-3109						

Effective 11/2024

ATM LOCATIONS

CEDAR RAPIDS

- ◆ Eastern Iowa Airport
2121 Arthur Collins Pkwy SW
- ◆ * Hills Bank
240 3rd Ave SE
- ◆ * Hills Bank
3905 Blairs Ferry Rd NE (24 hr drive-up)
- ◆ * Hills Bank
3610 Williams Blvd SW (24 hr drive-up)
- ◆ Mercy Hospital
701 10th St SE

CORALVILLE

- ◆ Coral Ridge Mall
1451 Coral Ridge Ave
- ◆ * Hills Bank
1009 2nd St (24 hr drive-up)
- ◆ Hills Bank
1009 2nd St (24 hr walk-up)

HILLS

- ◆ * Hills Bank
131 W Main St (24 hr walk-up)

IOWA CITY

- ◆ Hills Bank
201 S Clinton St (walk-up)
- ◆ * Hills Bank
201 S Clinton St (24 hr walk-up)
- ◆ * Hills Bank
1401 S Gilbert St (24 hr drive-up)
- ◆ * Hills Bank
1401 S Gilbert St (24 hr walk-up)
- ◆ * Hills Bank
2621 Muscatine Ave (24 hr drive-up)
- ◆ Johnson County Admin Bldg
913 S Dubuque St

UNIVERSITY OF IOWA

- ◆ Burge Residence Hall
- ◆ Hillcrest Residence Hall

UNIVERSITY OF IOWA HOSPITALS AND CLINICS

- ◆ Fountain Entrance Lobby
- ◆ * Elevator E, Level 1 - Bread Garden
- ◆ Elevator I, Level 2 - Pappajohn Pavilion

KALONA

- ◆ * Hills Bank
120 5th St (24 hr drive-up)
- ◆ * Hills Bank
120 5th St (24 hr walk-up)

LISBON

- ◆ * Hills Bank
103 W Main St (24 hr walk-up)

MARION

- ◆ * Hills Bank
800 11th St (24 hr drive-up)
- ◆ * Hills Bank
3204 7th Ave (24 hr drive-up)

MOUNT VERNON

- ◆ * Hills Bank
720 1st Ave SE (24 hr drive-up)

NORTH LIBERTY

- ◆ * Hills Bank
25 Hwy 965 N (24 hr drive-up)
- ◆ * Hills Bank
590 W Forevergreen Rd (24 hr drive-up)

WASHINGTON

- ◆ * Hills Bank
2481 Hwy 92 E (24 hr drive-up)

WELLMAN

- ◆ * Hills Bank - 229 8th Ave (24 hr walk-up)

WILLIAMSBURG

- ◆ * Hills Bank - 200 W State St (24 hr walk-up)



HILLS BANK

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Subject to change. Effective 11/5/2024

Deposits made to Hills Bank accounts are FDIC insured up to depository limit.
Deposits made to non-insured financial institutions are not FDIC insured.



Hills Bank is part of the MoneyPass® ATM Network. Now you can access thousands of ATMs nationwide with your Hills Bank debit or ATM card.



◆ Indicates ATM is part of the SHAZAM® Privileged Status™ Program. For more information visit www.shazam.net.



* Machine accepts deposits.



HILLS BANK CHECKING COMPARISON

Member
FDIC

Account Benefits	Free Checking	High Interest Checking	Friends Club Checking
Minimum Balance	\$0	\$0	\$10,000 minimum or more in household deposits.
Earns Interest		If qualifications met, earn up to 3.50% Annual Percentage Yield (APY) on balances up to \$25,000 and earn 0.05% APY on funds exceeding \$25,000. (Rates effective 1/8/26) If qualifications are not met, no interest is earned.	Tiered Interest Rates: \$0-999.99 \$1,000 - \$9,999.99 \$10,000 and above
No Service Fee			
Safe Deposit Box (Not FDIC insured)			50% off any box rental.
Easy Switching with Clickswitch			
Free Checks			Free Club checks.
No Minimum to Open		\$50 minimum deposit to open.	
Free Estatements or paper statements			
Hills Bank Online Banking			
Unlimited ATM Transactions (Access to over 40,000 Moneypass ATMs)			
Custom Image Debit Card			
Qualifications		To qualify each monthly cycle: You must have an ACH deposit(s) greater than or equal to \$500.00 and 15 Point of Sale (POS) or recurring debit card transactions greater than or equal to \$10.00 each that have cleared during your monthly statement cycle. In addition, you must be signed up for online banking and enrolled in e-statements.	Must be a Friends Club Member. To qualify you must be age 50 or better and meet the minimum balance listed above. Household deposits can be one account or a combination of accounts, including checking, savings, certificates of deposit, and Money Market accounts.

Rates effective as of 1-8-26



Fee Schedule

NOTE: Certain fees we have detailed below may be subject to Iowa Sales Tax.



FEES AND CHARGES.

The following fees and charges may be assessed against your account:

An overdraft fee of \$27.00 will be charged per item for covering overdrafts created by check, in-person withdrawal, ATM withdrawal or other electronic means. Maximum overdraft fee per day is \$135.00.

A nonsufficient fee (NSF) of \$27.00 will be charged per item for insufficient funds transactions created by check, in-person withdrawal, ATM withdrawal or other electronic means. Maximum NSF fee per day is \$135.00. An item or transaction that is returned and later represented to us may result in you incurring additional fees, such as multiple nonsufficient funds (NSF) fees each time that item or transaction is presented.

Automatic transfer for overdraft from deposit account (Sales tax included)	\$5.00
Bank to bank monthly transfer (ACH) (Sales tax included)	\$5.00
Check orders	Fee varies by style and are subject to Iowa State sales tax
Collection of Foreign (non-US) item	1% not to exceed \$50.00
Garnishment	\$50.00
Levies	\$50.00

Official Payments

Foreign draft	\$50.00
Money order	\$3.00
Official check	\$3.00
Stop payment (all items) sales tax included	\$27.00
VISA international debit transactions (non-pin)	1%

Wire transfers

Incoming (customer)	\$0.00
Outgoing domestic (customer)	\$20.00
Outgoing foreign (customer)	\$75.00
Wire transfer trace fee (minimum of)	\$25.00

FEES THAT APPLY TO BUSINESS ACCOUNTS ONLY

Chargeback of deposited item (sales tax included)	\$5.00
Commercial Sweep Fee (Monthly)	\$50.00

Coin/Currency

Coin Roll	\$0.05
Currency Strap	\$0.10

Collection Item

Domestic (per item)	\$15.00
Foreign	Fee varies
Duplicate image statement (Sales tax included)	\$25.00

Safe Deposit Box (Contents are not FDIC insured)

Rent varies by box size	
Drilling	\$200.00
Key Replacement	\$20.00

CHECKING ACCOUNTS



Hills Bank offers a variety of checking accounts designed to meet your banking needs. **Find the right account for you.**

High Interest Checking

- \$50 minimum to open
- Earn 3.50%* annual percentage yield (APY) on balances up to \$25,000 by completing these requirements each monthly statement cycle:
 - ACH deposit(s) of \$500 or more
 - 15 point-of-sale or recurring debit card transactions of \$10 or higher each
 - Enrolled in Hills Bank Online and online statement delivery
- No monthly fee

*In order for your account to earn an interest rate of 3.45% with an APY of 3.50% on balances up to \$25,000.00 and earn an interest rate of 0.05% with an APY of 0.05% on any balances greater than \$25,000.00, the following requirements must be met. You must have an ACH deposit(s) greater than or equal \$500.00 and 15 Point of Sale (POS) or recurring debit card transactions greater than or equal to \$10.00 each that have cleared during your monthly statement cycle. In addition, you must be signed up for online banking and enrolled in e-statements for your High Interest account. If you do not meet the requirements identified above, the entire balance will not earn any interest for that statement cycle.

Free Checking

- No minimum to open.
- Free debit card, mobile and online banking.
- Unlimited free ATM transactions (a fee may be charged by an out-of-network ATM owner)

Gold Checking

- \$1,000 minimum daily balance or combined relationship daily deposit balance of \$5,000. (Combined relationship balances are based on banking relationships of the first person listed on this account, who may be listed on other accounts as an owner, joint owner, or sole proprietor.) A \$9.00 monthly service charge (plus sales tax) is charged if balance requirements are not met.
- Free small safe deposit box for one year (or credit towards a larger box; safe deposit box contents are not FDIC insured).
- Earn tiered interest rates.
- Free introductory pack of checks.
- Unlimited free ATM transactions (a fee may be charged by an out-of-network ATM owner)

APPLY NOW



1-800-445-5725



Chat Here - hillsbank.com



Visit with a banker



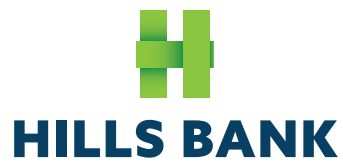
HillsBank.com/checking



HILLS BANK

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Rev. 6-21



Account Benefits

Free Checking



High Interest Checking



Friends Club Checking



Gold Checking



Minimum Balance

\$0

\$0

\$10,000 minimum or more in household deposits.

\$1,000 minimum daily balance or combined relationship deposit balance of \$5,000. (See No Service Fee section)

Earns Interest



If qualifications are met, **earn up to 3.50%** Annual Percentage Yield (APY) on balances up to \$25,000 and earn 0.05% APY on funds exceeding \$25,000. (Rates effective 10/04/24) If qualifications are not met, no interest is earned.

Tiered Interest Rates:
\$0-999.99
\$1,000 - \$9,999.99
\$10,000 and above

Tiered Interest Rates:
\$0 - 999.99
\$1,000 - \$9,999.99
\$10,000 and above

No Service Fee



If balance falls below minimum, a \$9 monthly basic fee (plus tax) will be assessed. (See Minimum Balance Section)

Safe Deposit Box Discount

Not FDIC Insured



50% off any box rental.

Free small box or credit toward a larger box for one year.

Free Checks



Free Club checks.

Introductory pack.

No Minimum to Open
Free Personalized Debit Card
Free Paper Statements
Unlimited ATM Transactions
Hills Bank Online Banking



\$50 minimum deposit to open.



Qualifications

To qualify each monthly cycle: You must have **an ACH deposit(s) greater than or equal to \$500.00** and **15 Point of Sale (POS)** or recurring debit card transactions greater than or equal to \$10.00 each that have cleared during your monthly statement cycle. In addition, you must be **signed up for online banking** and **enrolled in e-statements**.

Must be a Friends Club Member. To qualify you must be age 50 or better and meet the minimum balance listed above. Household deposits can be one account or a combination of accounts, including checking, savings, certificates of deposit, and Money Market accounts.

Combined relationship balances are based on banking relationships of the first person listed on the accounts as an owner, joint owner, or sole proprietor.

Member FDIC

UI STUDENT CHECKING



Account Features + Benefits

- No minimum to open and no monthly service fee
- No-annual-fee debit card with Apple Pay and Samsung Pay capabilities
- Free online banking app with remote check deposit, transfers, budgeting assistance, and other advanced capabilities
- Unlimited free ATM transactions. (The owner of a non-Hills Bank ATM may surcharge, but that's their fee, not ours!)
- When no longer a University of Iowa student, the account converts to Free Checking

Chat With a Banker

Visit hillsbank.com or log in to the Hills Bank Mobile app and click the “Chat Here” button to connect with a personal banker anywhere you have an internet connection. You can work with them right through your phone, tablet, or internet browser to do almost anything you can do in a physical branch:

- Place travel alerts
- Open an account
- Transfer funds
- Ask questions
- Apply for a credit card or loans

Chat with a banker today to check banking off your to-do list.

 Chat Here!

Mobile and Online Banking

Hills Bank’s mobile and online banking are easy to use and give you greater control of your finances, while providing convenience and security with access to your accounts 24/7.

Through the Hills Bank mobile app on your iOS or Android device or with Hills Bank Online on your internet browser, you can:

- Deposit checks via the mobile app
- Turn your debit card on/off
- Transfer funds to another person (including non-Hills Bank customers)



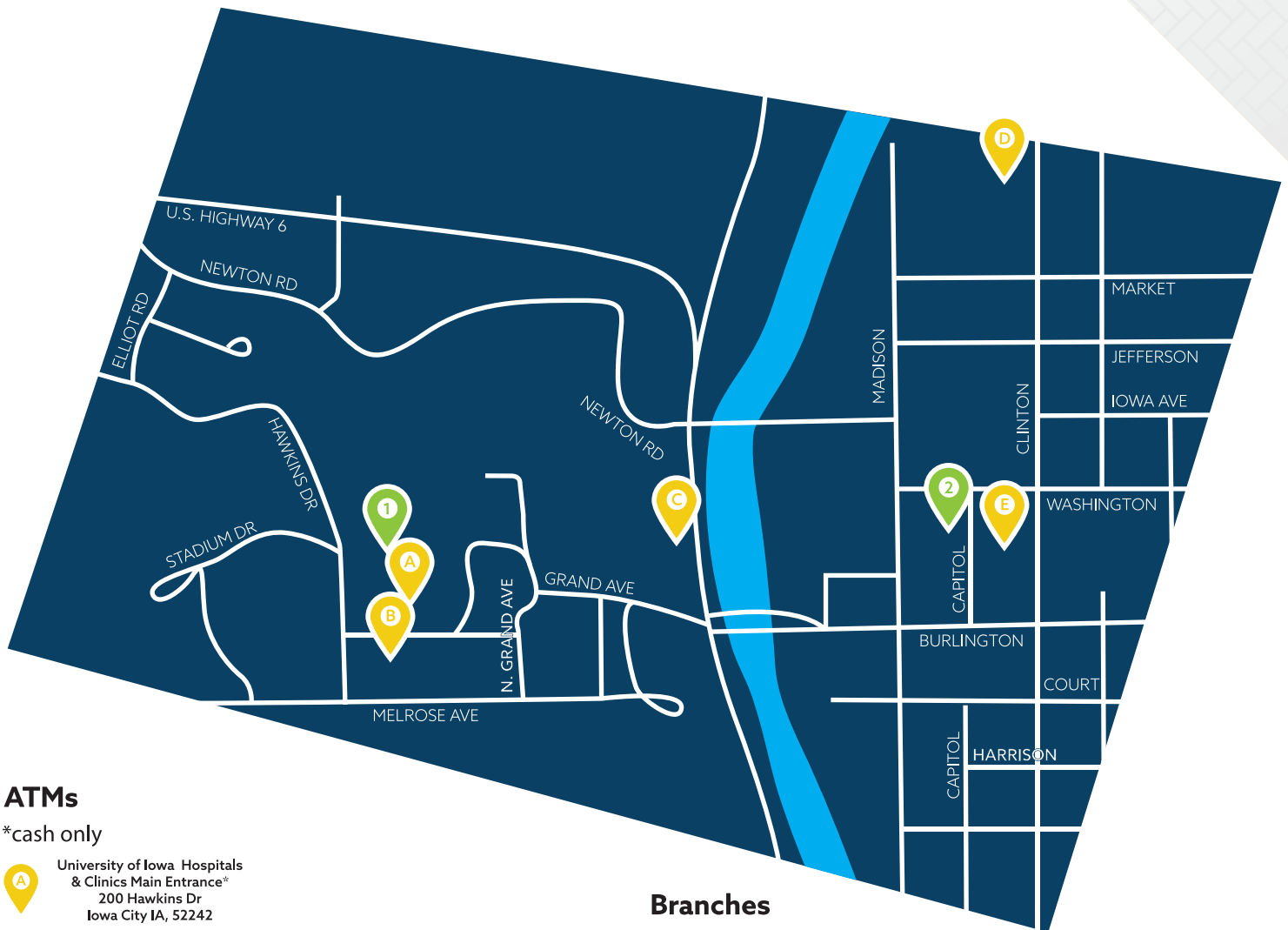
See reverse side to see locations and ATMs across campus.



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Rev. 8-2023

LOCATIONS + ATMS ACROSS CAMPUS



ATMs

*cash only



University of Iowa Hospitals
& Clinics Main Entrance*
200 Hawkins Dr
Iowa City IA, 52242



UIHC Pappajohn Pavilion
Elevator 1 Level 2*
200 Hawkins Dr
Iowa City IA, 52242



Hillcrest Residence Hall
100 Hillcrest Hall
Iowa City IA, 52242



Burge Residence Hall
100 Burge Hall
Iowa City IA, 52245



Hills Bank Iowa City ATM
201 S Clinton St
Iowa City IA, 52240

Branches



University of Iowa
Hospitals & Clinics
200 Hawkins Dr
Iowa City, IA 52242



Iowa City Downtown
201 S Clinton St
Iowa City IA, 52240



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FRIENDS CLUB

Checking Account

Exclusive for Hills Bank Friends Club members, Friends Club Checking* is an interest-bearing account that includes:

- Free checks, free money orders, and free official checks
- 50% discount on safe deposit box rentals
(contents are not FDIC insured, limit one discount per household)
- Free ATM transactions (a fee may be imposed by a non-Hills Bank ATM owner)
- Free paper statements
- Online/mobile banking with bill payment



* Hills Bank customers who are age 50 or better and maintain \$10,000 or more across all personal accounts within their household (at the same address) qualify to join Friends Club. As of 3/1/2026, balance over \$10,000 earns an annual percentage yield (APY) of 0.10%, \$9,999.99 to \$1,000 earns APY of 0.05%, and under \$1,000 earns APY of 0.05%. Fees may reduce earnings. Rate may change after account opening.

FriendsClubTM
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EMPLOYEE ADVANTAGE



Employee Advantage Accounts

 Employee Advantage	Min. Balance	Monthly Service Charge	Interest Rate	Free First Pack of Checks	Transactions	Personal Loan Discount**
Checking:	\$0 [^]	\$0	Variable	✓	Unlimited	.25%
Savings: ^{^^}	\$0 [^]	\$0	Variable	—	6 per month***	.25%

[^]Accounts with a zero balance for 120 consecutive days will be closed.

^{^^}Must have an Employee Advantage Checking to qualify for Employee Advantage Savings

*All Hills Bank and in-network (Shazam, MoneyPass®) ATM transactions are free of charge. A fee may be charged by an out-of-network ATM owner.

**One time use, not valid for real estate loans

*** Transaction Limitations: Transfers from a savings account to third parties by preauthorized, automatic, computer (online banking), or telephone transfer or by check, draft, debit card (if applicable), ACH, or similar order to third parties transfer are limited to six per month.

Employee Advantage Checking

- No minimum balance
- No monthly service charge
- Unlimited no fee ATM transactions (a fee may be charged by an out-of-network ATM owner)
- Earn variable interest rate on balances of \$1,000 or more
- Free introductory pack of checks
- 0.25% personal loan discount: one time use, not valid for real estate loans
- No fee for official checks and money orders

Employee Advantage Savings

- No minimum to open
- No minimum balance
- Free debit card, mobile and online banking
- Unlimited no fee ATM transactions (a fee may be charged by an out-of-network ATM owner)

Limit one Employee Advantage account type per person. If you are no longer employed by a business that offers Employee Advantage, the account will convert to Free Checking or Savings, respectively.

APPLY NOW



1-800-445-5725



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Rev. 7-22

UI EMPLOYEE ADVANTAGE



UI Employee Advantage Accounts

 UI Employee Advantage	Min. Balance	Monthly Service Charge	Interest Rate	Free First Pack of Checks	Transactions	Personal Loan Discount**
Checking:	\$0 [^]	\$0	Variable	✓	Unlimited	.25%
Savings: ^{^^}	\$0 [^]	\$0	Variable	—	6 per month***	.25%

[^]Accounts with a zero balance for 120 consecutive days will be closed.

^{^^}Must have an Employee Advantage Checking to qualify for Employee Advantage Savings

*All Hills Bank and in-network (Shazam, MoneyPass®) ATM transactions are free of charge. A fee may be charged by an out-of-network ATM owner.

**One time use, not valid for real estate loans

*** Transaction Limitations: Transfers from a savings account to third parties by preauthorized, automatic, computer (online banking), or telephone transfer or by check, draft, debit card (if applicable), ACH, or similar order to third parties transfer are limited to six per month.

Employee Advantage Checking

- No minimum balance
- No monthly service charge
- Unlimited no fee ATM transactions (a fee may be charged by an out-of-network ATM owner)
- Earn variable interest rate on balances of \$1,000 or more
- Free introductory pack of checks
- 0.25% personal loan discount: one time use, not valid for real estate loans
- No fee for official checks and money orders

Employee Advantage Savings

- No minimum to open
- No minimum balance
- Free debit card, mobile and online banking
- No fee ATM transactions (a fee may be charged by an out-of-network ATM owner)

Limit one Employee Advantage account type per person. If you are no longer employed by a business that offers Employee Advantage, the account will convert to Free Checking or Savings, respectively.

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Rev. 8-21

UI EMPLOYEE ADVANTAGE



UI Employee Advantage Accounts

 UI Employee Advantage	Min. Balance	Monthly Service Charge	Interest Rate	Free First Pack of Checks	Transactions	Personal Loan Discount**
Checking:	\$0 [^]	\$0	Variable	✓	Unlimited	.25%
Savings: ^{^^}	\$0 [^]	\$0	Variable	—	6 per month ^{***}	.25%

[^]Accounts with a zero balance for 120 consecutive days will be closed.

^{^^}Must have an Employee Advantage Checking to qualify for Employee Advantage Savings

*All Hills Bank and in-network (Shazam, MoneyPass®) ATM transactions are free of charge. A fee may be charged by an out-of-network ATM owner.

**One time use, not valid for real estate loans

*** Transaction Limitations: Transfers from a savings account to third parties by preauthorized, automatic, computer (online banking), or telephone transfer or by check, draft, debit card (if applicable), ACH, or similar order to third parties transfer are limited to six per month.

Employee Advantage Checking

- No minimum balance
- No monthly service charge
- Unlimited no fee ATM transactions (a fee may be charged by an out-of-network ATM owner)
- Earn variable interest rate on balances of \$1,000 or more
- Free introductory pack of checks
- 0.25% personal loan discount: one time use, not valid for real estate loans
- No fee for official checks and money orders

Employee Advantage Savings

- No minimum to open
- No minimum balance
- Free debit card, mobile and online banking
- No fee ATM transactions (a fee may be charged by an out-of-network ATM owner)

Limit one Employee Advantage account type per person. If you are no longer employed by a business that offers Employee Advantage, the account will convert to Free Checking or Savings, respectively.

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Rev. 8-21

SAVINGS ACCOUNTS

Hills Bank offers a variety of savings accounts designed to meet your banking needs. **Find the right account for you.**

Free Savings

- No minimum to open
- Earn variable interest rates
- Free ATM transactions (a fee may be charged by an out-of-network ATM owner)
- Six transfers or withdrawals per month by pre-authorized, automatic, Hills Bank Online™, telephone, check, draft, debit card, or similar order to third parties

Gold Savings

- \$10,000 minimum to open.
- No quarterly service charge.
- If daily balance falls below \$10,000 no interest is earned for that day.
- Earn variable interest rates.
- Six transfers or withdrawals per month by pre-authorized, automatic, Hills Bank Online™, telephone, check, draft, debit card, or similar order to third parties.

Savers Club

- No minimum to open.
- Select a plan option: \$5 - \$125 weekly deposits, in \$5 increments.
- Meet or exceed the balance equivalent of 50 weekly deposits based upon the plan you've chosen, and Hills Bank will make an additional bonus deposit matching your contribution into your account.
- Your account term ends on the last day of the eleventh month following the month in which your account was opened. (For example, term ends October 31 of the following year for an account opened any day in November.)
- Automatic Funds Transfer (AFT) from another Hills Bank account is required.

To calculate the minimum balance required to earn your bonus deposit, multiply your selected plan amount by 50. For example a \$5 weekly plan x 50 weeks = \$250 minimum balance at the end of the term. This is a non-interest bearing account. However, final bonus deposit may be reported as interest.

APPLY NOW



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Rev. 3-21

MONEY MARKET ACCOUNTS



Our Money Market accounts can earn higher interest rates than our savings accounts while offering some flexibility for withdrawals and transfers. The interest rates on these accounts are tiered, meaning you'll earn more in interest as your balance reaches a given amount. For more information and to see current rates, visit hillsbank.com/deposit-rates



	Minimum to open	Monthly service charge	Earn Interest	Transfers per month
Money Market:	\$0	None with \$1,000+ balance**	If balance is \$1,000+	6*
Gold Premier Money Market:	\$15,000	—	If balance is \$15,000+	6*

*Six transfers or withdrawals allowed per month by pre-authorized, automatic, Hills Bank Online™, telephone, check, debit card, or similar order to third parties

**If daily balance falls below \$1,000, an \$8 service charge with check safekeeping or eStatement (plus sales tax) and a \$10 service charge with returned check images (plus sales tax) will be applied as applicable.

APPLY NOW



1-800-445-5725 (1-800-HILLSBK)



HERE by Hills Bank



Visit with a banker



HillsBank.com/money-market



HILLS BANK

SIMPLE CHANGE



Saving money is a lot easier when you don't need to think about it. Luckily, saving is as simple as swiping your debit card with Simple Change. This program helps you build the balance of your specified "saving" account just by making everyday purchases.

HOW TO SIGN UP

1. Sign up on **HillsBank.com/simplechange** or at any Hills Bank office.
2. Every time you use your **Hills Bank debit card**, your total will be rounded up to the nearest dollar.
3. At the end of the day, all of your "spare change" will go to a specified **checking, savings, or money market account*** of your choosing.

*To enroll, you must have a Hills Bank checking account with a Hills Bank debit card, as well as an additional checking, savings, or money market account.



ACCOUNTS FOR KIDS



Help your kids save for college or the future while putting money in their pockets today

Penny Savers Club



Kids 11 years old and younger can learn about interest – by earning it! The Penny Savers Club is specially designed to help you teach your child the value of saving money in a way that is fun and rewarding. In addition to the awesome feeling of having their own bank account, they'll also enjoy perks like a newsletter with fun activities and regular opportunities to earn extra cash, as well as an opportunity to sign up for our free annual Lemon Boss program.

GO! Program



Our Go! Program is for teens 12-17 years old. They might not be old enough to sign up for an account on their own, but they're always on the GO! – and they still need to save and spend cash.

- Free Hills Bank Online™ access
- Free debit card

College Saver CD



The CollegeSaver CD offers the **deposit convenience** of a savings account and the earning power of a certificate of deposit. **It can be opened** for your child or grandchild with a **term of two or four years** for only \$100. **You can make additional deposits** into the CD as often as you like, with as little as \$25.

A CollegeSaver CD carries your scholar's name and social security number and is automatically renewable until age 21.

APPLY NOW



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Rev. 4-21

HILLS BANK Online Banking

Banking made simpler! With online banking, you can manage your finances anytime, anywhere—whether you're at home or on the go. You are in control with balance and activity tracking, customizable alerts, and budgeting tools. Plus, enjoy peace of mind knowing your information is protected with advanced security features. Visit **hillsbank.com/hillsbankonline** or **scan the QR code** below.

- Help keep your information safe from fraud—with **eStatements** - they're good for the planet too!
- Say goodbye to late fees—**schedule your bill payments** and stay on track with ease!
- Easily **turn your debit card on or off** anytime—and if you need a new one fast, we can issue it instantly at any branch!
- Got a check? Just **snap a photo in the app to deposit it**—fast, easy, and secure!
- With a **contactless debit card**, **mobile wallet**, and **easy transfers** to and from Venmo, PayPal, Cash App and more, you're ready for shopping or socializing!
- Saving for something special? **Track goals** and stay focused and on track.
- Need help? **Tap the chat button to connect with a Hills Banker** during business hours. After hours, leave us a secure message—and rest assured—we'll follow up!

**ENROLL
HERE**



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Rev. 6-25

PUSH BUTTON BANKER



Do you want access to your account right from your phone, but aren't able to install the Hills Bank Mobile app? Push Button Banker is for you. Enjoy immediate access to your accounts, using your phone's keypad to:

- Hear your account balance
- Search for specific transactions
- Make transfers between your accounts
- Be connected to a customer service representative

GETTING STARTED IS EASY

Just call **(319) 679-5522** or **(800) 345-8118** and select the type of account you will use to log in. Then enter your account number followed by the pound (#) key. You'll be prompted for an additional security measure and to set a security code. Once your Push Button Banker is set up and you've logged in, use the directions to the right.

To inquire on your checking or money market account	Press 1
On your savings account	Press 2
On your loan	Press 3
On your certificate of deposit	Press 4
To return to the previous menu	Press 8
To repeat this menu	Press 9
To speak with a customer service representative	Press 0

Additional directions on following pages.



HILLS BANK

PUSH BUTTON BANKER



Checking & Money Market Information

A list of accounts will be given

- For balance information **Press 1**
- For your most recent withdrawal transactions **Press 2**
- For your most recent deposit transactions **Press 3**
- For your most recent ATM transactions **Press 4**
- To inquire on a specific transaction **Press 5**

Transaction Menu

- To inquire by check number **Press 1**
Please enter check number followed by the # key
- To inquire by amount **Press 2**
Please enter the amount of the item to search for, followed by the # key
- To inquire by date **Press 3**
Please enter the six digit date to search for in month, day, and year followed by the # key
- To return to the previous menu **Press 8**
- To repeat this menu **Press 9**
- To speak with a customer service representative **Press 0**

Savings Account Information Menu

A list of accounts will be given

- For balance information **Press 1**
- For your most recent withdrawal transactions **Press 2**
- For your most recent deposit transactions **Press 3**
- For your most recent ATM transactions **Press 4**
- To inquire on a specific transaction **Press 5**

Transaction Menu

- To inquire by amount **Press 1**
Please enter the amount of the item to search for, followed by the # key
- To inquire by date **Press 2**
Please enter the six digit date to search for in month, day, and year followed by the # key
- For interest information **Press 6**
- To transfer funds **Press 7**
- To return to the previous menu **Press 8**
- To repeat this menu **Press 9**
- To speak with a customer service representative **Press 0**



HILLS BANK

PUSH BUTTON BANKER



Loan Account Information Menu

A list of accounts will be given

For balance information For your last payment date	Press 1
payment information For your next payment date	Press 2
payment information	Press 3
For your payment amount	Press 4
For interest information	Press 5
To return to the previous menu	Press 8
To repeat this menu	Press 9
To speak with a customer service representative	Press 0

Certificate of Deposit/IRA Information Menu

A list of accounts will be given

For balance information	Press 1
For the last interest paid	Press 2
For the maturity date	Press 3
For interest information	Press 4
To return to the previous menu	Press 8
To repeat this menu	Press 9
To speak with a customer service representative	Press 0

Funds Transfer Menu

From Account

A list of accounts with withdraw rights will be given

To return to the previous menu	Press 8
To repeat this menu	Press 9
To speak with a customer service representative	Press 0

To Account

A list of accounts with deposit rights will be given

To return to the previous menu	Press 8
To repeat this menu	Press 9
To speak with a customer service representative	Press 0

To transfer funds, please enter the amount to transfer in dollars and cents followed by the {#} key.

Note: System assumes there is a decimal place

You will then hear the following message:

You have requested a funds transfer from

{account type} account {account number} to {account type} account {account number} in the amount of {amount}.

If this is correct, press 1 to receive a tracking number. Otherwise, press 2 to be returned to the beginning of the transfer menu.



CLASSROOM CASH



Classroom Cash makes it easy to support an area private school or public school district of your choice every time you use your debit card. It's simple: you make debit card purchases – and we make donations! It's just a great way for us to make a difference in our community schools together.

You can sign up by visiting with a banker at one of our locations, or by chatting with us online at hillsbank.com

Classroom Cash Totals Earned Since 2004

Iowa City Community School District	\$519,428
--	------------------

Mid Prairie Community School District	\$127,384
--	------------------

Cedar Rapids Community School District	\$109,914
---	------------------

Mount Vernon Community School District	\$68,411
---	-----------------

Clear Creek -Amana Community School District	\$64,521
---	-----------------

Regina Educational Center	\$50,082
--------------------------------------	-----------------

\$1,415,559
earned by
schools since
2004



To view totals earned by more schools visit: www.hillsbank.com/classroom-cash



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CONSUMER LOANS



In addition to the standard banking services you know and love, Hills Bank also offers a variety of personal loan options designed to help strivers like you reach their goals. Whether you're looking to purchase or refinance a car, boat, or RV, take a vacation, or finish a personal project, our loans will meet your needs – without hassle or hidden fees.

We offer:

- Auto loans
- Home equity loans
- Personal loans
- Unsecured loans
- Personal Line of Credit



Credit Cards

We proudly offer Visa® Platinum Cards with all the benefits you deserve, including:

- Personalized service
- Easy online payment

You can apply for a credit card by connecting with a banker at any of our locations or through Chat HERE on hillsbank.com.

The Hills Bank Advantage:

- **Easy application process**
- **Fast, local decision making**
- **Flexible options**, including Certificate of Deposit-secured loans
- **Competitive rates**
- **No prepayment penalties**
- **Automatic payments** available

APPLY NOW

Personal Line of Credit

- Credit Limit of \$1,000-\$5,000
- Fixed term of 24 months
- No annual fee



1-800-445-5725



Chat HERE - HillsBank.com



Visit with a banker



HillsBank.com/personal-loans



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CONSUMER LOAN PRODUCTS (TRANSACTION FEES)

Secured loan (\$13.50-\$25 lien notation fee, etc.) – loan for purchase, refinance, debt consolidation, or other miscellaneous purposes using automobiles, boats, motorcycles, RV's, etc. These loans are usually fixed rate products for no longer than six years and amortized for no more than six years.

Unsecured loan (\$0 fee) – small loan for miscellaneous purposes that are not secured by collateral and based on the credit worthiness of the borrower. These loans are generally no longer than 36 months in term and are fixed-rate products.

CD loan (\$0 fee) – loan for miscellaneous purposes that are secured by a Hills Bank certificate of deposit. Loans are made for 3.25% above the rate of the CD and for a term less than CD term. Balloon loans are acceptable with final repayment of principal made by cashing in the CD or writing a new loan with the renewed CD.

Home Equity loan & HELOC (\$500-\$1150) - depending on if appraisal is needed) – loans to make home improvements, pay for tuition, debt consolidation, etc., which are secured by a borrower's primary residence. Home equity loans are set up for fixed rates only with terms up to 66 months and amortizations not to exceed 15 years. HELOCs are revolving lines of credit with a fixed rate and 60-month term. Payments may be set up as interest only or amortizing payments with full principal and outstanding interest due at the maturity date.

Unsecured Line of Credit (\$0 fee) – Lines of credit that are not secured by collateral with a fixed rate and a 24-month term. Payments may be set up as interest only or amortizing payments with full principal and outstanding interest due at the maturity date. Lines may be set up for \$1,000 up to \$5,000.

Credit Cards (\$0-\$15 annual fee) – revolving line of credit, which may be secured or unsecured depending on creditworthiness of the borrower.



Home Mortgage Loan Products and Fees

This document provides an overview of typical fees associated with home mortgage loan products. Fee ranges may vary based on loan type and individual circumstances.

Fixed-Rate Mortgage Loan

Fee Range: \$2,190 – \$2,970

A fixed-rate mortgage offers a stable interest rate for the full term, generally 10–30 years. Fees include standard closing costs associated with purchasing or refinancing a home.

Adjustable-Rate Mortgage (ARM)

Fee Range: \$2,160 – \$2,760

An adjustable-rate mortgage has an interest rate that is fixed for an initial period and then adjusts periodically. Fees include standard closing costs for home purchase or refinance.

Piggyback Closed-End Second Mortgage

Fee: \$340

A second mortgage used with a first mortgage to reduce down payment or avoid mortgage insurance. Includes processing and recording fees.

Piggyback Home Equity Line of Credit (HELOC)

Fee: \$340

A revolving credit line used with a first mortgage. Includes processing and recording fees.

Construction Loans

Fee Range: \$1,920 - \$2,975

Construction loans finance the construction of a home. Fees vary depending on whether the borrower owns a lot or is purchasing one. The ranges above reflect typical construction-related closing costs across counties.



Account Benefits

	Business Checking	Business Interest Checking	Non-Profit Investment Checking	Commercial Checking
				
Minimum Balance	\$0	\$0	\$0	\$0
Earns Interest	Earnings credit is earned on average daily collected balance and offsets monthly account fees.	Tiered Interest Rates: \$2,500 - 14,999.99 \$15,000 - \$49,999.99 \$50,000 - \$99,999.99 \$100,000 - \$499,999.99 \$500,000 and above	Tiered Interest Rates: \$0 - 999.99 \$1,000 - \$9,999.99 \$10,000 - \$49,999.99 \$50,000 - \$99,999.99 \$100,000 and above	Earnings credit calculated on average collected balance less 10% reserve is used to offset account and service monthly fees.
Monthly Basic Fee	No basic fee with eStatement. If balance is less than the \$250 average daily collected balance: - \$5 basic fee with check safekeeping (plus tax). - \$10 basic fee with returned check images (plus tax).	No basic fee with eStatement. If balance is less than the \$2,500 average daily collected balance: - \$5 basic fee with check safekeeping (plus tax). - \$10 basic fee with returned check images (plus tax).	X	\$10 (Included in account analysis plus tax)
Monthly Transaction Fee	Electronic items are free. Transactions include deposit tickets, checks deposited, and checks written; ACH and business debit items are free. - First 250 transactions are free. - 250+ transactions \$0.25 each (plus tax).	Electronic items are free. Transactions include deposit tickets, checks deposited, and checks written; ACH and business debit items are free. - First 250 transactions are free. - 250+ transactions \$0.25 each (plus tax).	Unlimited check writing	Electronic items are free. Debit items counted include paper funds transfers, check, wire transfer and chargeback. - Debit \$0.15 each (plus tax) - Credit \$0.15 each (plus tax) Deposited item fees: - Hills Bank item no fee. - Non-Hills Bank \$0.15 per item (plus tax).
No Minimum to Open Free Business Debit Card Free Paper Statements Unlimited ATM Transactions Hills Bank Online Banking				
Other				Monthly account and analysis statement.

BUSINESS TREASURY MANAGEMENT SERVICES



As a community bank, Hills Bank is proud to offer the following services:

- **Account Reconciliation** - Managed by your business through Hills Bank Online, this service enables users to reconcile their accounts and verify their records based on transaction history.
- **ACH Origination** - Send and receive payments electronically through the Automated Clearing House (ACH). Files are used to create payroll, direct debits, and payments.
- **ACH Positive Pay** - Designed to help businesses mitigate electronic fraud, ACH Positive Pay is managed by your business through Hills Bank Online and enables users to pay or return ACH transactions that debit your account(s).
- **Business Credit Cards** - VISA credit cards designed especially for business and commercial customers in need of purchasing, fleet, or commercial credit cards.
- **Business Debit Cards** - Allows you to make purchases directly from your business checking account anywhere VISA is accepted.
- **Check Positive Pay** - Designed to help businesses mitigate check fraud, Check Positive Pay is managed by your business through Hills Bank Online and enables users to authorize and verify checks that are presented for payment.
- **Sweep Services** - Help manage and maximize your cash by setting up sweeps between primary parent account and secondary/child account(s).
- **Direct Merchant** - Deposit funds from a business location using an image scanner. The check images are sent electronically to Hills Bank for processing.
- **Gift and Payroll Cards** - Hills Bank provides several card options including gift and payroll cards.
- **Lockbox** - Streamline your accounts receivable process by sending payment and remittance information directly to the bank for processing.
- **Merchant Processing** - Accept credit and debit card payments with a customized merchant processing system.
- **Online/Mobile Banking** - Hills Bank's online banking, bill payment, and mobile banking are easy to use and give you control of finances, while providing convenience and security with 24/7 access.
- **Wiring Money** - Send wires via online banking for quick and convenient transfer of funds or send wires with assistance of one of our bankers.



Fraud Mitigation Tools



Check Positive Pay

Designed to help businesses mitigate check fraud, Check Positive Pay is managed by your business through Hills Bank Online and enables users to authorize and verify checks that are presented for payment.

How it works:

1. Hills Bank Online users input check information into online banking manually or by generating and uploading a check file from your accounting software.
2. As checks are presented for payment, they are verified against the check information that was uploaded through online banking.
3. If discrepancies are found, the check is flagged as an exception item and an electronic notification is generated early the following business day.
4. Users are prompted to log into online banking and decide to “pay” or “return” the transaction before the 11:00 a.m. deadline.

ACH Positive Pay

Designed to help businesses mitigate electronic fraud, ACH Positive Pay is managed by your business through Hills Bank Online and enables users to pay or return ACH transactions that debit your account(s).

How it works:

1. Hills Bank Online users create a list of authorized vendors with the option to set a dollar thresholds for certain vendors.
2. When a company initiates an ACH Debit from your account, the company ID is matched to the list of authorized vendors.
3. If an unauthorized ACH transaction attempts to debit your account, or the amount of the transaction exceeds the set limit, the transaction is flagged as an exception item and an electronic notification is generated early the following business day.
4. Users are prompted to log in to online banking and decide to “pay” or “return” the transaction before the 11:00 am deadline.

Note: As users make decisions on exception items, they can also add that company to the list of authorized vendors so that future transactions will not trigger an exception alert.

Scan Code to
Learn More.



BUSINESS CREDIT CARD



VISAone Commercial Credit Card

Select the right business credit card for your needs. No matter which card you choose, you'll be able to track employee spending, earn rewards and have access to an online management tool.

Commercial Credit Card

- Offer payment capabilities for almost any business-related transaction
- Variety of billing and payment options available
- Monitor employee compliance with company policies on spending
- Audit trail and enhanced data for monitoring card use
- Add company logo using Picture Perfect



Purchasing Credit Card

- Significantly reduces the time and cost associated with paying for goods and services by eliminating paper-based purchase orders and invoice processing
- Select from a variety of options, including card enhancements and tailored reporting solutions
- Establish spending and transaction limits by employee
- Restrict cards to specific types of purchasing

Fleet Credit Card

- Pay, monitor and manage your vehicle related expenses – used for fuel and maintenance only
- Enhanced data capabilities for specialized reporting
- Centralized and individual billing and payment options
- Advanced security, with options to require ID numbers, VIN numbers or odometer reading when used at the pump



CREDIT CARD ONLINE ACCESS



eZ Business Card Management

Designed for businesses with more than one business credit card, eZ Business Card Management is an online tool to help manage all of a business's credit cards.

Features/Benefits:

- View transaction history and statements for all cards
- Make payments online
- Make inquiries, disputes, request replacement cards, and close cards
- Request new card(s)/cardholder(s)
- Adjust card limits within the master limit
- Enhanced reporting
- Provides day-to-day accountability to charges occurring
- Activity alerts available



MyCardStatement

MyCardStatement is an online portal that businesses can use to manage a single credit card. It does not allow multiple credit cards to be accessed under one login, but you can have a login for each card.

Features/Benefits:

- View transaction history and statements for one card
- Make payments online
- Make inquiries, disputes, request replacement cards
- Provides day-to-day accountability to charges occurring
- Activity alerts available



DIRECT MERCHANT



Make deposits without leaving the office with our Direct Merchant program. Using a check scanner, your business checks are sent electronically to Hills Bank for processing. Funds will be credited to your account on the same-day if processed by 6 p.m. CST.

Types of Customers

- Property Management Companies
- Service organizations
- Non-Profit organizations
- Businesses with multiple locations

Benefits of Hills Bank Direct Merchant:

Consolidate multiple banking relationships to Hills Bank

- Concentration of funds
- Using all available funds to offset account fees
- Only one set of bank statements to reconcile
- No need to transfer funds from remote offices via checks or ACH (Automated Clearing House)



Reduce the number of trips to the bank

- Employees are more productive because they are spending less time away from the office.

Improved cash flow

- Receive same-day credit for deposits made prior to cut-off time

Security

- No need to worry about the security of transporting deposits to the bank

Confidence in your deposit

- We'll send an email confirmation when the deposit has been presented to our Operations Center

Successful balancing before submitting to the bank

- No need to have to worry about adjustments or corrections to the deposit



Merchant Processing Solutions

Studies show that businesses who accept credit and debit cards provide an improved customer experience and benefit from increased sales volume. Merchant Processing is a financial tool that allows businesses to accept payments via credit cards, debit cards, mobile payments, and online portals. Worldpay, a partner of Hills Bank, provides businesses a variety of merchant processing solutions that best address their needs.

Solutions for all types of payment processing needs

- In-Store Point of Sale Systems
- Mobile Services
- Contactless Payments
- Online Commerce
- Card Fee Assist Program

For a **FREE** cost/benefit analysis or to learn more, please contact your Treasury Management representative.

Improved Cash Flow

- Merchant Deposits are available the following business day, which means faster access to your money.

Management Tools

- Online dashboard provides access to transaction data and a variety of financial management reports, allowing your business to manage your finances more effectively.

Support

- Businesses have access to a dedicated Merchant Assist Team 24/7, whenever support is needed.

Reliable Security

- Worldpay provides enhanced security which utilizes fully protected PCI-compliant payment data to safeguard customer information.

Competitive Pricing options

- Worldpay offers tailored rate programs to fit your business.
- Transaction fees are billed monthly as opposed to being assessed to each sale, providing simplified account reconciliation.

BUSINESS & AG LOANS



Running a business is not easy, but banking at Hills Bank is. Our goal is to provide hassle-free banking while taking a sincere interest in helping you, your family, and your business succeed. Our team of lending experts has the knowledge and experience to find the right loan options for your needs.

As a local community bank, Hills Bank will provide:

- Local decision making
- Competitive rates
- Convenient hours
- No application fees
- Quick approval time



Quickly Access Capital

From startups and business acquisitions to equipment and operating loans, we have the loan solutions for your business.

If you have an ongoing need for capital, consider a Hills Bank business line of credit. With it, you can:

- Purchase additional inventory
- Finance company growth
- Cover unexpected expenses
- Meet seasonal, fluctuating cash needs



BUSINESS & AG LOANS



Professional Solutions

- Customized banking products designed to make a difference to the professional community
- Deposit solutions provided through cash management products
- Money management needs
- Competitive financing solutions
- Asset protection solutions for retirement, wealth management, and insurance

Commercial Construction and Real Estate Development

- Specialized Construction Loan Department
- Experienced in all areas of construction lending: 1-4 Family (built-to-spec and presold), Multi-Family, Commercial, Real Estate Development



Agriculture Financing

We also offer a variety of customized agriculture banking products and services to meet the specific needs of your farming operation. Whether you are looking to purchase the farm from your grandparents or you need to replace your old tractor, together we can find a hassle-free solution for your farm to succeed.

Business Credit Cards

Hills Bank proudly offers VISAone® credit cards designed especially for business and commercial customers in need of purchasing, fleet, or commercial credit cards. You can even customize your card with a company logo or employee head shot, or pick a background from our Picture Perfect Catalog.



COMMERCIAL CONSTRUCTION LOANS

Hills Bank has been supporting local home builders and real estate developers since 1904. We offer loans to meet the needs of your various construction and real estate development projects with one-on-one service you can depend on.

Why choose Hills Bank?

- Competitive terms and pricing with no origination fee.
- Wavied interest payments during the construction period.
- Free construction loan draws. Draws are processed and deposited directly to your Hills Bank checking account within 24 hours of receipt with immediate availability.
- Local loan approval by experienced lenders.
- Speedy approval for presold projects under \$300,000.
- Our specialized Construction Loan Department will be your contact to promptly process loan draws, payoffs, and partial releases.

Connect with a Commercial Banker to learn more about how construction loans can help you reach your goals today.



HILLS BANK

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Rev. 9-20

Wealth Management Investment Services

- ✓ Employer Sponsored Retirement Plan Services
- ✓ Not-For-Profit Investment Advisory Services
- ✓ Financial and Retirement Planning
- ✓ IRAs, Roth IRAs and 401(k) Rollovers
- ✓ University Retirement Plan Counseling
- ✓ Trust + Estate Administration
- ✓ Non-Endowed Donor Advised Gift Fund

No commissions or transaction fees,
just honest advice from a trusted
fiduciary—serving the Corridor for
over 120 years.



- ✓ Personalized service provided by high quality staff.
- ✓ Investment counseling that is grounded on:
 - Realistic market forecasting
 - Sound security selection
 - Solid returns
- ✓ Clear and concise statements and performance reporting.
- ✓ Reasonable, competitive and fully disclosed 'all-in' cost structure.

Call or email to meet with one of
our Wealth Management Officers.

1-800-899-8858
wealthmanagement@hillsbank.com



Non-deposit investment products are not
FDIC insured, carry no bank guarantee, and
may go down in value.

Wealth Builder

A personalized investing platform to reach your life goals

We're making it easier to chart your course to life's big moments with Hills Bank Wealth Builder, an investment platform that's personalized to you, and managed by Hills Bank's Wealth Management Team.

Your Portfolio. Built by Us.

Let Hills Bank:

- ✓ Build your diversified portfolio
- ✓ Continually monitor your investments
- ✓ Rebalance your assets
- ✓ Reinvest your dividends

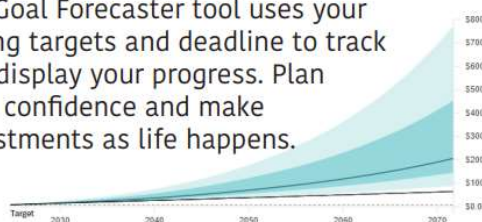
Save For Your Goals

It's not just for retirement. Use Wealth Builder to start saving for a wedding, down payment, college, and more.



Track Your Progress

The Goal Forecaster tool uses your saving targets and deadline to track and display your progress. Plan with confidence and make adjustments as life happens.



Monte Carlo simulation (above) shown for illustrative purposes only. Real earnings may differ.

Set up your Wealth Builder portfolio:

1. Visit hillsbank.com/wealthbuilder and click "open an account"
2. Tell us about yourself and fund the account with as little as \$10
3. Hills Bank starts investing for you



OPEN ACCOUNT



Non-deposit investment products are not FDIC insured, carry no bank guarantee, and may go down in value.

OTHER

Home Mortgage Disclosure Act (HMDA)

HMDA Disclosure Statements may be obtained on the Consumer Financial Protection Bureau's website at www.consumerfinance.gov/hmda

Community Reinvestment Act (CRA)

The CRA Disclosure Statements pertaining to Hills Bank & Trust may be obtained from the Federal Financial Institution Examination Council's website at www.ffiec.gov