

Submitted by John Stobie & Katie Brown

COMMUNITY REINVESTMENT ACT STATEMENT OF THREE RIVERS BANK OF MONTANA

I. ASSESSMENT AREA DELINEATION

This Bank has identified Flathead County as our community since it is our basic lending area of operation. A map of Flathead County showing its general boundaries and the location of Kalispell (the county seat) is shown below. The Census Tracts are as follows: 0001.01, 0001.02, 0002.01, 0002.02, 0002.03, 0003.01, 0003.02, 0004.02, 0004.03, 0004.04, 0006.01, 0006.02, 0007.00, 0008.01, 0008.02, 0009.01, 0009.02, 0009.03, 0010.00, 0011.01, 0011.02, 0012.01, 0012.02, 0013.03, 0013.04, 0013.05, 0013.06, 0014.01, 0014.02, 0017.01, 0017.02, and 0017.03. This Bank lends in these following communities: Bigfork, Columbia Falls, Kalispell, Whitefish, and the surrounding area around these communities. The Bank also lends in the Libby, Eureka, and Rexford areas of Lincoln County, the East and West shores of Flathead Lake in Lake County, and the northern portion of Swan Highway 83 in Lake County.

Flathead County encompasses over 5,256 square miles of area. Kalispell is the county seat and is the largest city. Kalispell is the retail trade center for the county. Retail trade, lumber, tourism, manufacturing, health, education, and construction are the main basic employers of the county.

Three Rivers Bank of Montana was chartered by the State of Montana in 1974 to serve the Banking needs of Kalispell and its surrounding area. Kalispell is considered our principal city of operation. Loans have been made outside of Flathead County on occasion, and these loans normally do not exceed ten percent (10%) of our loan activity. Accordingly, the boundaries of Flathead County are the most appropriate delineation of our community.

THE BANK HAS THREE BANKING LOCATIONS:

Three Rivers Bank of Montana – Idaho Location (Census Tract 0009.03)

233 East Idaho, Kalispell, MT

Hours:	<u>Drive-In:</u>	8:00AM – 6:00PM	Monday through Friday
	<u>Lobby:</u>	9:00AM – 4:00PM	Monday through Thursday
		9:00AM – 5:00PM	Friday
	<u>Services:</u>	Full Service plus 24-hour Internet and Mobile Banking	

Three Rivers Bank of Montana – Meridian Location (Census Tract 0009.01)

552 North Meridian Road, Kalispell, MT

Hours:	<u>Drive-In:</u>	8:00AM – 6:00PM	Monday through Friday
	<u>Lobby:</u>	9:00AM – 4:00PM	Monday through Thursday
		9:00AM – 5:00PM	Friday
	<u>Services:</u>	Full Service plus 24-hour Internet and Mobile Banking	

Submitted by John Stobie & Katie Brown

Three Rivers Bank of Montana – Whitefish Location (Census Tract 0004.04)

6329 US Highway 93 S, Whitefish, MT

Hours: Drive-In: 8:00AM – 6:00PM Monday through Friday
 Lobby: 9:00AM – 4:00PM Monday through Thursday
 9:00AM – 5:00PM Friday
 Services: Full Service plus 24-hour Internet and Mobile Banking

THE BANK HAS THREE ATM/ITM LOCATIONS:

Three Rivers Bank of Montana

233 East Idaho, Kalispell, MT – *ATM Only*Hours: 24 hours/7 days a weekServices: Cash Out/Balance Inquiry/Transfer between TRB accounts

Three Rivers Bank of Montana

552 North Meridian Road, Kalispell, MT – *ATM Only*Hours: 24 hours/7 days a weekServices: Cash Out/Balance Inquiry/Transfer between TRB accounts

Three Rivers Bank of Montana

6329 US Highway 93 S, Whitefish, MT – *ITM Only*Hours: 24 hours/7 days a weekServices: Cash Out/Balance Inquiry/Transfer between TRB accounts/Deposits/Teller Transactions

AllPoint ATM Network – Surcharge free ATMs for Three Rivers Bank of Montana Customers. See web site and mobile app. for ATM locator.

II. LOAN AND DEPOSIT PRODUCTS AVAILABLE**A. COMMERCIAL LOANS**

1. Small Business Administration Guaranteed Business Loans
2. Montana Board of Investments Commercial Loans
3. Short Term, Unsecured Loans to Businesses and Individuals where adequate evidence of earnings history and net worth are produced for short term operating needs.
4. Secured Short and Longer Term Loans and Lines of Credit with appropriate collateral for the purposes of financing:
 - a. Real Estate and Building
 - b. Inventory
 - c. Accounts Receivable
 - d. Machinery and Equipment
 - e. Operating Capital
 - f. Assignment of Proceeds of Contract Rights and Payments
5. Letters of Credit

Submitted by John Stobie & Katie Brown

B. AGRIBUSINESS

1. Short Term Unsecured Annual Operating Loans
2. Short Term Secured Annual Operating Loans
3. Term Loans For:
 - a. Livestock
 - b. Real Estate Acquisition
 - c. Real Estate Improvements
 - d. Machinery and Equipment and Irrigation Equipment
 - e. Farm Service Agency Guaranteed Loans

C. CONSUMER LOANS

1. SECURED LOANS. Appropriate Collateral Security can include:
 - a. Automobiles
 - b. Recreational Vehicles
 - c. Boats
 - d. Savings Accounts & Certificates of Deposit
 - e. Second Mortgages on Residential Real Estate
 - f. Mobile Homes
 - g. Motor Homes
 - h. Bare Land
 - i. Mobile Homes and Land
2. UNSECURED LOANS
 - a. Unsecured Personal Loans to individuals for a short term based upon determination of credit worthiness, capability, and source of repayment.
 - b. Credit Card lines based on credit worthiness.
 - c. Rapid Reserve Overdraft Protection lines based on credit worthiness.

D. LOT LOANS/CONSTRUCTION LOANS/REAL ESTATE LOANS

1. Construction loans for residential and multi-family housing.
2. In house adjustable rate mortgages secured by a first mortgage on owner occupied one-to-four-family residences.
3. Conventional home mortgages secured by a first mortgage on owner occupied one-to-four-family residences.
4. FHA insured home mortgages secured by a first mortgage on owner occupied family residences.
5. Montana Board of Investments.
6. Rental property, lake property, and second homes secured by a first mortgage on real property.
7. Bi-weekly home loans.

Submitted by John Stobie & Katie Brown

8. Rural Development Guaranteed loans.
9. Montana Board of Housing loans.
10. Home Improvement Loans secured by either a first or second mortgage on owner occupied residential real estate.
11. Home Equity Credit Lines secured by either a first or second mortgage on owner occupied residential real estate.
12. Veteran's Administration Loans.
13. Reverse Mortgages.

Submitted by John Stobie & Katie Brown

E. OTHER ASSETS/INVESTMENTS

1. General Obligation Municipal Bonds issued by Kalispell, Flathead County, Columbia Falls, Whitefish, and Flathead County Fire Departments.

F. DEPOSIT PRODUCTS

1. See the Current Product Brochure for Product Offerings

G. OTHER SERVICES

1. Safety Deposit Boxes
2. Payroll Origination Via ACH
3. Business Online Banking
4. Wire Transfers
5. Visa Check/ATM Cards
6. Telebanking by Phone
7. Mobile Banking
8. Internet Banking
9. E-Statements
10. Bill Pay
11. External Transfer
12. Foreign Currency
13. Term Life Insurance/Credit Life & Disability Insurance
14. Escrow Services for Residential Real Estate Loans
15. Gift Cards

OTHER:

Automated Electronic Defibrillator on site

LOAN TO DEPOSIT RATIOS 2020

1 st Quarter Ending 03-31-2020	83.59%
2 nd Quarter Ending 06-30-2020	86.52%
3 rd Quarter Ending 09-30-2020	87.07%
4 th Quarter Ending 12-31-2020	75.34%

LOAN TO DEPOSIT RATIOS 2021

1 st Quarter Ending 03-31-2021	71.80%
2 nd Quarter Ending 06-30-2021	78.81%
3 rd Quarter Ending 09-30-2021	72.94%
4 th Quarter Ending 12-31-2021	70.10%

Submitted by John Stobie & Katie Brown

LOAN TO DEPOSIT RATIOS 2022

1 st Quarter Ending 03-31-2022	68.89%
2 nd Quarter Ending 06-30-2022	75.82%
3 rd Quarter Ending 09-30-2022	73.82%
4 th Quarter Ending 12-31-2022	74.49%

LOAN TO DEPOSIT RATIOS 2023

1 st Quarter Ending 03-31-2023	72.15%
2 nd Quarter Ending 06-30-2023	76.94%
3 rd Quarter Ending 09-30-2023	78.66%
4 th Quarter Ending 12-31-2023	83.57%

LOAN TO DEPOSIT RATIOS 2024

1 st Quarter Ending 03-31-2024	
2 nd Quarter Ending 06-30-2024	
3 rd Quarter Ending 09-30-2024	
4 th Quarter Ending 12-31-2024	

COMMUNITY REINVESTMENT ACT NOTICE

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

Your involvement is encouraged.

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

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Regional Director, FDIC, 25 Jessie Street at Ecker Square, Suite 2300, San Francisco, CA 94105. You may send written comments about our performance in helping meet community credit needs to A.J. King, CEO, Three Rivers Bank of Montana, 233 East Idaho, P.O. Box 7250, Kalispell, MT 59904-0250 and FDIC Regional Director. You may also submit comments electronically through the FDIC's website at www.fdic.gov/regulations/cra. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

Submitted by John Stobie & Katie Brown

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Great Northern Bancshares, Inc., a bank holding company. You may request from the President, Federal Reserve Bank of Minneapolis, P.O. Box 291, Minneapolis, MN 55480-0291, an announcement of applications covered by the CRA filed by bank holding companies.

ACTIVITIES TO MEET CREDIT NEEDS

Three Rivers Bank of Montana is committed to meeting the credit needs of the community in a prudent banking manner. We have allocated a portion of our budgeted expense for advertising to reinforce our identity, as a locally owned institution, and to solicit loans and deposits. We encourage new core deposit customers and then in turn make every reasonable effort to meet their credit needs as well as those of our existing customers.

Members of the bank staff have been involved in numerous charitable, church and community service organizations. Their involvement with these organizations has resulted in both the betterment of our community and has helped to create an understanding of the bank's many services to its customers. Among these organizations would be the following:

1. Kalispell Chamber of Commerce
2. United Way of Flathead, Lake, Lincoln, Glacier and Sanders Counties
3. Glacier Gun Dog Club
4. Highlanders Track Club
5. Highlander Cross Country Club
6. Various Church Organizations, Hoo Hoo #187, Lumberman Fraternal Society
7. Glacier High School Track
8. Kalispell Rotary Club and Family Forestry Expo
9. Flathead Builders Association
10. Montana Loggers Association
11. Future Farmers of America (FFA)
12. Montana West Economic Development
13. Flathead Land Trust
14. Ducks Unlimited
15. Rocky Mountain Elk Foundation
16. University of Montana Foundation
17. Kalispell Regional Healthcare Foundation
18. Northwest Montana Historical Society
19. University of Montana Presidents Advisory Committee
20. Flathead Valley Trap Club
21. Montana Independent Bankers Association
22. Independent Community Bankers of America
23. Flathead High Touch Down Club
24. Flathead Wildlife Club
25. American Red Cross
26. American Cancer Society/Relay for Life

Submitted by John Stobie & Katie Brown

27. Flathead and Glacier High Schools Booster Clubs
28. State of Montana Fish, Wildlife & Parks Citizens Advisory Board
29. Boy Scouts of America
30. Glacier Symphony
31. Kalispell Convention and Visitors Bureau
32. Flathead Food Bank
33. Veterans Food Pantry
34. Evergreen Chamber of Commerce
35. Big Brothers and Big Sisters of Flathead County
36. Project Homeless Connect
37. The Heart Program

COMMUNITY BANKING NEEDS ASSESSMENT REPORT

Date: _____

Name of Officer/Director/Staff: _____

Borrower/Potential Borrower: _____

Meeting/Activity/Event/Mailing or other
Event in which you participated: _____

What questions or needs were discussed? _____

Does Three Rivers Bank of Montana
Presently provide this need/service? ☐ Yes ☐ No

Referral or action taken or recommended with
Regards to the need or question: _____

Is a follow up action necessary? ☐ Yes ☐ No

If so, what? _____

Comments: _____

Submitted by John Stobie & Katie Brown

ADOPTION

The Community Reinvestment Act Statement was reviewed and approved by the Executive Team of Three Rivers Bank of Montana on April 10, 2024.

A.J. King, CEO and Chairman

Scott Hoerth, CLO

Patti Leichliter, CFO

Ashley King-Jones, SVP

Joel Rosenberg, SVP

John Stobie, SVP

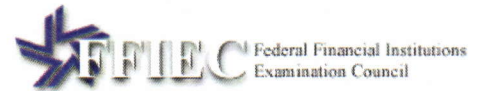
Jolene Olson, VP

2022 FFIEC Census Report - Summary Census Income Information

State: 30 - MONTANA (MT)

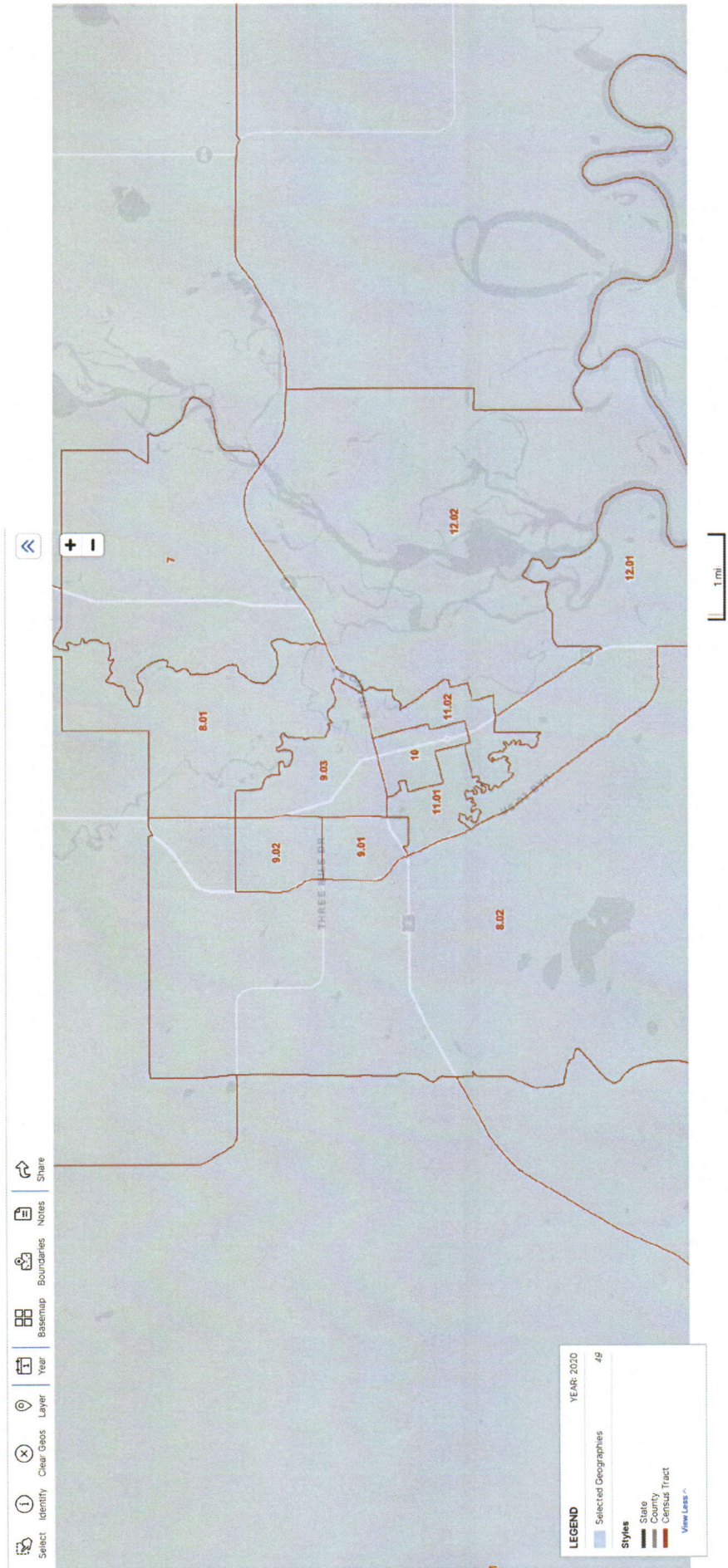
County: 029 - FLATHEAD COUNTY

Tract: All Tracts

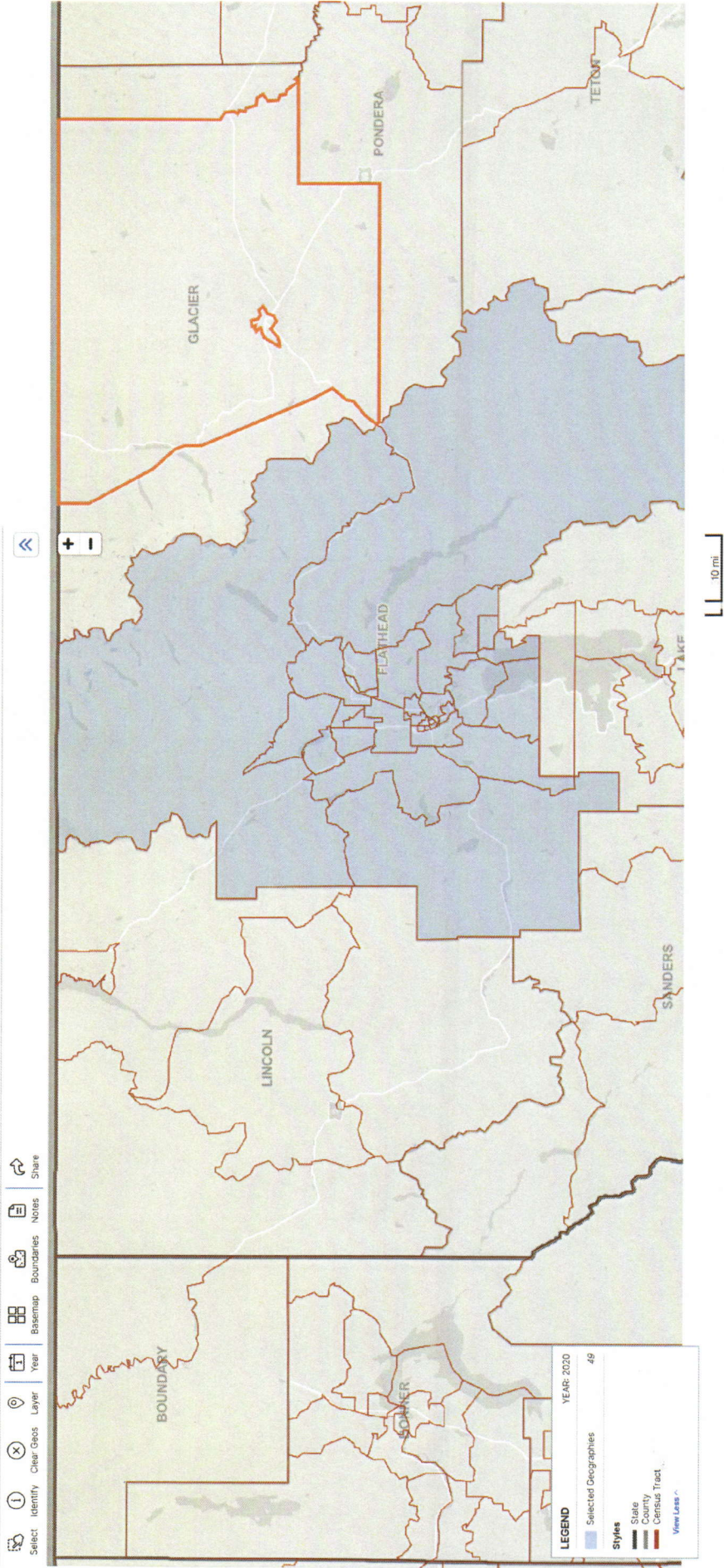


State Code	County Code	Tract Code	Tract Income Level	2020 MSA/MD Statewide non-MSA/MD Median Family Income	2022 FFIEC Est. MSA/MD non-MSA/MD Median Family Income	% Below Poverty Line	Tract Median Family Income %	2020 Tract Median Family Income	2022 Est. Tract Median Family Income	2020 Tract Median Household Income
30	029	0001.01	Middle	\$70,967	\$81,600	23.99	88.94	\$63,125	\$72,575	\$40,809
30	029	0001.02	Moderate	\$70,967	\$81,600	18.78	55.04	\$39,063	\$44,913	\$27,332
30	029	0002.01	Middle	\$70,967	\$81,600	12.99	93.72	\$66,516	\$76,476	\$53,948
30	029	0002.02	Middle	\$70,967	\$81,600	4.33	104.49	\$74,156	\$85,264	\$72,766
30	029	0002.03	Middle	\$70,967	\$81,600	9.71	85.42	\$60,625	\$69,703	\$47,342
30	029	0003.01	Upper	\$70,967	\$81,600	9.43	150.23	\$106,620	\$122,588	\$47,184
30	029	0003.02	Upper	\$70,967	\$81,600	5.80	128.58	\$91,250	\$104,921	\$81,658
30	029	0004.02	Middle	\$70,967	\$81,600	10.62	114.48	\$81,250	\$93,416	\$64,526
30	029	0004.03	Upper	\$70,967	\$81,600	2.26	153.68	\$109,063	\$125,403	\$83,879
30	029	0004.04	Middle	\$70,967	\$81,600	3.30	111.92	\$79,432	\$91,327	\$64,344
30	029	0006.01	Upper	\$70,967	\$81,600	5.05	123.49	\$87,643	\$100,768	\$70,205
30	029	0006.02	Middle	\$70,967	\$81,600	6.00	103.18	\$73,229	\$84,195	\$64,932
30	029	0007.00	Middle	\$70,967	\$81,600	6.11	96.27	\$68,322	\$78,556	\$57,794
30	029	0008.01	Upper	\$70,967	\$81,600	5.20	120.62	\$85,605	\$98,426	\$75,000
30	029	0008.02	Upper	\$70,967	\$81,600	16.10	120.21	\$85,313	\$98,091	\$75,567
30	029	0009.01	Middle	\$70,967	\$81,600	33.88	82.00	\$58,194	\$66,912	\$26,477
30	029	0009.02	Middle	\$70,967	\$81,600	0.98	115.54	\$82,000	\$94,281	\$71,086
30	029	0009.03	Middle	\$70,967	\$81,600	17.10	81.73	\$58,008	\$66,692	\$40,833
30	029	0010.00	Middle	\$70,967	\$81,600	15.72	83.53	\$59,280	\$68,160	\$33,914
30	029	0011.01	Moderate	\$70,967	\$81,600	8.78	72.90	\$51,735	\$59,486	\$33,826
30	029	0011.02	Middle	\$70,967	\$81,600	21.49	81.22	\$57,644	\$66,276	\$51,875
30	029	0012.01	Middle	\$70,967	\$81,600	4.12	110.44	\$78,381	\$90,119	\$64,543
30	029	0012.02	Middle	\$70,967	\$81,600	3.63	98.24	\$69,722	\$80,164	\$62,351
30	029	0013.03	Middle	\$70,967	\$81,600	10.47	105.89	\$75,147	\$86,406	\$63,317
30	029	0013.04	Upper	\$70,967	\$81,600	1.76	120.41	\$85,458	\$98,255	\$79,734
30	029	0013.05	Middle	\$70,967	\$81,600	11.47	103.92	\$73,750	\$84,799	\$61,944
30	029	0013.06	Middle	\$70,967	\$81,600	5.54	104.62	\$74,250	\$85,370	\$66,500
30	029	0014.01	Middle	\$70,967	\$81,600	10.50	89.55	\$63,558	\$73,073	\$52,011
30	029	0014.02	Middle	\$70,967	\$81,600	25.81	95.27	\$67,617	\$77,740	\$64,000
30	029	0017.01	Middle	\$70,967	\$81,600	11.23	98.63	\$70,000	\$80,482	\$57,741
30	029	0017.02	Middle	\$70,967	\$81,600	13.87	89.65	\$63,625	\$73,154	\$57,353
30	029	0017.03	Middle	\$70,967	\$81,600	20.76	84.98	\$60,313	\$69,344	\$50,000

Selection Map



Selection Map



PUBLIC DISCLOSURE

July 17, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Three Rivers Bank of Montana
Certificate Number: 21557

233 E Idaho St
Kalispell, Montana 59901

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

25 Jessie Street at Ecker Square, Suite 2300
San Francisco, California 94105

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

TABLE OF CONTENTS

INSTITUTION RATING	1
DESCRIPTION OF INSTITUTION	1
DESCRIPTION OF ASSESSMENT AREA	2
SCOPE OF EVALUATION	4
CONCLUSIONS ON PERFORMANCE CRITERIA	5
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	9
APPENDICES	10
SMALL BANK PERFORMANCE CRITERIA	10
GLOSSARY	11

INSTITUTION RATING

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

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

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

DESCRIPTION OF INSTITUTION

Three Rivers Bank of Montana (TRB) is a state-chartered community bank headquartered in Kalispell, Montana. TRB is a wholly-owned subsidiary of Great Northern Bancshares, Inc., a one-bank holding company. Since the previous evaluation, the bank has not had any merger or acquisition activity.

The FDIC assigned a rating of "Satisfactory" at the prior Community Reinvestment Act (CRA) Performance Evaluation dated June 24, 2020, based on Interagency Small Institution CRA Examination Procedures.

TRB operates two full service branches in Kalispell, Montana. Since the previous evaluation, the bank has not opened or closed any branches. TRB offers traditional lending and deposit products. The bank offers consumer and business checking, savings, money market accounts, and certificates of deposit. TRB offers consumer and commercial loan products. Loan products include home equity and working capital lines of credit; residential real estate, commercial real estate, and construction loans; loans to purchase automobiles and recreational vehicles; consumer installment loans; credit cards; farm and ranch loans; and Small Business Administration (SBA) loans. In addition, TRB has administered small business loans through the SBA's Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. Other products and services offered by TRB include debit cards, credit cards, and escrow services. Alternative banking services include two automated teller machines and internet, telephone, and mobile banking.

As of the March 31, 2023 Consolidated Reports of Condition and Income (Call Report), assets totaled \$308.1 million and deposits totaled \$281.7 million. Loans represent the bank's primary

asset with total loans equaling \$206.5 million. Real estate loans account for 78.4 percent of the portfolio, with residential and nonfarm nonresidential secured loans accounting for a majority of all loans. The following table illustrates the loan portfolio distribution.

Loan Portfolio Distribution as of 03/31/2023		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	41,352	20.0
Secured by Farmland	1,683	0.8
Secured by 1-4 Family Residential Properties	50,135	24.3
Secured by Multifamily (5 or more) Residential Properties	2,114	1.0
Secured by Nonfarm Nonresidential Properties	66,590	32.3
Total Real Estate Loans	161,874	78.4
Commercial and Industrial Loans	34,738	16.8
Agricultural Production and Other Loans to Farmers	5,552	2.7
Consumer Loans	3,995	1.9
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	309	0.2
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	206,468	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 AA credit needs.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more AAs within which its CRA performance will be evaluated. TRB has designated one AA in Montana, which includes the entirety of Flathead County. The bank's AA has not changed since the previous evaluation. However, as a result of the 2020 U.S. Census, additional census tract (CT) delineations were added to the AA. Of note, the AA does not contain any low-income CTs. The AA meets regulatory requirements and does not arbitrarily exclude low- or moderate-income (LMI) geographies. Examiners relied on bank records, public financial information, demographic data from the 2020 U.S. Census, 2022 Dun & Bradstreet (D&B) Data, and information obtained from one community contact.

Economic and Demographic Data

The AA contains 2 moderate-, 23 middle-, and 7 upper-income CTs. The table below provides select demographic characteristics of the AA using 2020 U.S. Census and 2022 D&B data.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	32	0.0	6.3	71.9	21.9	0.0
Population by Geography	104,357	0.0	5.0	71.8	23.2	0.0
Housing Units by Geography	49,145	0.0	7.2	69.2	23.5	0.0
Owner-Occupied Units by Geography	29,460	0.0	4.9	71.8	23.3	0.0
Occupied Rental Units by Geography	10,465	0.0	9.0	72.3	18.7	0.0
Vacant Units by Geography	9,220	0.0	12.7	57.5	29.9	0.0
Businesses by Geography	29,887	0.0	1.9	82.4	15.7	0.0
Farms by Geography	945	0.0	1.9	77.0	21.1	0.0
Family Distribution by Income Level	25,634	18.3	18.5	23.5	39.7	0.0
Household Distribution by Income Level	39,925	20.4	17.7	18.8	43.0	0.0
Median Family Income Non-MSAs - MT		\$70,967	Median Housing Value			\$317,443
			Median Gross Rent			\$838
			Families Below Poverty Level			6.2%
Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0%. (*) The NA category consists of geographies that have not been assigned an income classification.						

As shown in the table above, housing values are substantially higher than the median family income in the AA. In addition, there is a significant number of families living below the poverty level. These factors indicate challenges for families to qualify for and obtain home mortgage loans, especially low-income families.

The analysis of small business loans under the Borrower Profile criterion analyzes the distribution of small business loans by gross annual revenue (GAR) of the business. According to 2022 D&B data, there were 29,887 businesses operating in the AA. Listed below are the GARs for these businesses:

- 95.2 percent have GARs of \$1 million or less
- 1.4 percent have GARs of more than \$1 million
- 3.3 percent have unknown revenues

Non-classifiable establishments account for the largest portion of businesses at 44.8 percent; followed by the Services industry, which accounts for 24.3 percent of businesses; and Finance, Insurance, & Real Estate, which accounts for 8.0 percent of businesses. In addition, 48.4 percent of businesses have four or fewer employees, and 97.0 percent of businesses operate out of a single location.

According to data obtained from the Bureau of Labor Statistics, unemployment in Flathead County in 2022 was 3.1 percent, which was slightly above Montana's statewide rate of 2.6 percent, but below the national rate of 3.6 percent.

Competition

The AA has a moderate level of competition for financial services. According to the June 30, 2022 FDIC Deposit Market Share Report, 13 financial institutions operate 34 branch offices in the AA. Of these institutions, TRB ranked 4th with a deposit market share of 7.0 percent. Of the institutions operating in the AA, one national and two state-wide banks hold a significant majority of the deposits in the AA. These three institutions hold 73.6 percent of all deposits in the AA.

Community Contacts

Examiners reviewed a recent community contact interview conducted with a representative from a community development organization that serves Flathead County. The organization serves LMI individuals and families by identifying and using available community resources and services to promote long-term self-sufficiency. The contact indicated that while the area's economic condition has strengthened since the COVID-19 pandemic, livable wages continue to be low, and housing costs continue to be high. Additionally, the contact indicated a need for affordable housing financing, services, and inventory. The contact further stated that there is a housing stock crisis seen throughout the area. The contact reiterated that there was a need for additional financial institution responsiveness to the housing credit needs of the area and that there are opportunities for increased bank involvement that would directly support individuals and families throughout the area.

Credit Needs

Considering the information obtained from the community contact, bank management, and demographic and economic data, examiners determined that affordable housing and small business loans represented the greatest credit needs in the AA.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated June 24, 2020 to the current evaluation date of July 17, 2023. Examiners used the Interagency Small Institution CRA Examination Procedures to evaluate TRB's CRA performance.

Activities Reviewed

Examiners determined that TRB's major product lines are home mortgage and small business loans based on the bank's strategy, loan portfolio composition, and lending activity during the evaluation period. Based on activity by number and dollar volume, home mortgage lending contributes the most weight to overall conclusions. As TRB does not collect or report data under the Home Mortgage Disclosure Act or CRA, examiners selected a sample of home mortgage and small business loans originated in 2022. The selected samples are representative of the bank's performance during the evaluation period. The following table details the universe and samples for

the products reviewed.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Home Mortgage	115	41,643	47	16,349
Small Business	101	19,196	47	11,115
Source: Bank Data				

Examiners compared the bank’s home mortgage and small business performance under the Geographic Distribution criteria to the percent of owner-occupied housing units and businesses within the bank’s AA. Examiners compared the bank’s home mortgage and small business performance under the Borrower Profile criterion to the percent of families and business that are LMI or have GARs of \$1 million or less within the AA. The 2020 U.S. Census and 2022 D&B data were used for comparisons. While both the number and dollar volume of loans are presented, greater weight is given to lending performance by number, because it is a better indicator of the number of individuals and businesses served in the community.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

TRB’s “Satisfactory” rating in the Lending Test is supported by a reasonable LTD ratio, a majority of loans originated in the AA, a reasonable dispersion of loans throughout the AA, and a reasonable penetration of loans among individuals of different income levels and business of different sizes.

Loan-to-Deposit Ratio

TRB’s LTD ratio is reasonable given the bank’s size, financial condition, and AA credit needs. The bank’s net LTD ratio, calculated from Call Report data, averaged 75.7 percent over the previous 12 calendar quarters, from June 30, 2020 to March 31, 2023. The ratio ranged from a low of 68.9 percent as of March 31, 2022 to a high of 87.1 percent as of September 30, 2020. The ratio remained relatively stable during the evaluation period, although it has declined slightly since the prior evaluation, when the net LTD ratio averaged 81.6 percent for a period of 24 calendar quarters.

Examiners identified similarly-situated institutions considering asset size, lending focus, and operations in the bank’s AA. The bank’s LTD ratio falls between the two similarly-situated institutions. The following table details the LTD ratios.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 03/31/2023 (\$000s)	Average Net LTD Ratio (%)
Three Rivers Bank of Montana	308,069	75.7
Similarly-Situated Institution #1	184,460	68.9
Similarly-Situated Institution #2	140,278	81.7
Source: Reports of Condition and Income 06/30/2020 - 03/31/2023		

Assessment Area Concentration

A majority of loans are in the bank's AA. The following table shows the distribution of home mortgage and small business loans by both number and dollar volume during the evaluation period.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2022	41	87.2	6	12.8	47	14,228	87.0	2,121	13.0	16,349
Subtotal	41	87.2	6	12.8	47	14,228	87.0	2,121	13.0	16,349
Small Business										
2022	34	72.3	13	27.7	47	8,379	75.4	2,736	24.6	11,115
Subtotal	34	72.3	13	27.7	47	8,379	75.4	2,736	24.6	11,115
Total	75	79.8	19	20.2	94	22,607	82.3	4,857	17.7	27,464
Source: Bank Data. Due to rounding, totals may not equal 100.0%										

Geographic Distribution

The distribution of TRB's loans reflects reasonable dispersion throughout the AA. Examiners based performance on the distribution of loans in moderate-income CTs only, as the AA does not contain any low-income CTs.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the AA. As shown in the table below, the bank's home mortgage lending in moderate-income CTs exceeded the demographic comparison, which represents reasonable performance.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low					
2022	0.0	0	0.0	0	0.0
Moderate					
2022	4.9	3	7.3	510	3.6
Middle					
2022	71.8	24	58.5	8,087	56.8
Upper					
2022	23.3	14	34.1	5,631	39.6
Totals					
2022	100.0	41	100.0	14,228	100.0
Source: 2020 U.S. Census; Bank Data. Due to rounding, totals may not equal 100.0%					

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. As shown in the table below, the bank's small business lending in moderate-income CTs exceeded the demographic comparison, which represents reasonable performance.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2022	0.0	0	0.0	0	0.0
Moderate					
2022	1.8	1	2.9	252	3.0
Middle					
2022	82.4	20	58.8	4,975	59.4
Upper					
2022	15.7	13	38.2	3,152	37.6
Totals					
2022	100.0	34	100.0	8,379	100.0
Source: 2022 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%					

Borrower Profile

The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

The distribution of borrowers reflects reasonable penetration among individuals of different income levels. Although the bank's lending to low-income individuals was below the demographic comparison, considering the performance context, this distribution is reasonable. The AA consists of 6.2 percent of families that are below the AA poverty level, which indicates a reduced capacity to borrow. Further, the median housing value in the AA is more than four times the median family income, which further constrains opportunities for LMI individuals, and particularly low-income individuals, to purchase homes. Further, the bank's lending in moderate-income CTs exceeded the demographic comparison, which also represents reasonable performance. Examiners focused on the percentage of home mortgage loans made to LMI individuals by the number of loans, as detailed in the following table.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low					
2022	18.3	4	9.8	400	2.8
Moderate					
2022	18.5	9	22.0	1,364	9.6
Middle					
2022	23.5	7	17.1	2,707	19.0
Upper					
2022	39.7	20	48.8	9,231	64.9
Not Available					
2022	0.0	1	2.4	526	3.7
Totals					
2022	100.0	41	100.0	14,228	100.0
<i>Source: 2020 U.S. Census; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Small Business Loans

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. Although the bank's distribution of small business loans is less than the demographic comparison, considering the performance context, this performance is reasonable. In 2021, the aggregate percentage of small business loans that went to businesses with GARs of \$1 million or less in the AA was significantly less than the percentage of businesses in the AA with GARs of \$1 million or less. Although not used as a direct comparison, the aggregate lending level indicates that demand is significantly below the demographic level. The percentage of businesses is only used as an indicator of business demographics in the AA; it is not considered an absolute indicator of loan

demand. Examiners focused on the percentage of small business loans made to businesses with GARs of \$1 million or less by the number of loans, as detailed in the following table.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2022	95.2	21	61.8	5,017	59.9
>\$1,000,000					
2022	1.4	13	38.2	3,362	40.1
Revenue Not Available					
2022	3.3	0	0.0	0	0.0
Totals					
2022	100.0	34	100.0	8,379	100.0
<i>Source: 2022 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Response to Complaints

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

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COMMUNITY REINVESTMENT ACT NOTICE

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

Your involvement is encouraged.

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

At least 30 days before the beginning of each quarter, the FDIC publishes a nationwide list of the banks that are scheduled for CRA examination in that quarter. This list is available from the Regional Director, FDIC, 25 Jessie Street at Ecker Square, Suite 2300, San Francisco, CA 94105. You may send written comments about our performance in helping meet community credit needs to A.J. King, CEO, Three Rivers Bank of Montana, 233 East Idaho Street, P.O. Box 7250, Kalispell, MT 59901-0250 and FDIC Regional Director. You may also submit comments electronically through the FDIC's website at www.fdic.gov/regulations/cra. Your letter, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of Great Northern Bancshares, Inc., a bank holding company. You may request from the President, Federal Reserve Bank of Minneapolis, P.O. Box 291, Minneapolis, MN 55480-0291, an announcement of applications covered by the CRA filed by bank holding companies.

01/2023

OFFICERS

AJ King
Chief Executive Officer

Patricia Leichter
Chief Financial Officer

Scott Hoerth
Chief Lending Officer

Ashley King-Jones
Senior Vice President
Operations/Marketing Officer

Joel Rosenberg
Senior Vice President
Commercial Lending Officer

Jamie Olson
AVP Real Estate Loan Manager

Ty Hodge
Information Technology Officer
Security Officer

Cynthia Koch
Assistant Controller

Greg Foley
Executive Vice President

Jolene Olson
Vice President
Human Resource Officer

Anthony Trunel
Commercial Loan Officer

John Stobie
Senior Vice President
Compliance Officer

Jared Johns
Consumer &
Commercial Lender

Heather Lusignan
Real Estate Officer

Michele Boschee
Assistant Vice President
Loan Operation Officer

Day Breeze
BSA Officer



DIRECTORS

AJ King
CEO/Chairman
Three Rivers Bank of Montana

Ron Rosenberg
Director
Three Rivers Bank of Montana

Dan Gorton
Director
Three Rivers Bank

William Schottelkorb
Director
Three Rivers Bank
Secretary Western Building Center

John King
Director
Three Rivers Bank of Montana

Greg Foley
EVP/Chief Credit Officer
Three Rivers Bank of Montana

Floyd Quiram
Director
Three Rivers Bank of Montana
President of Quiram Logging

HELPING OUR COMMUNITY FINANCIALLY
AROUND EVERY BEND OF LIFE

STATEMENT OF CONDITION
December 31, 2023

ASSETS

Gross Loans	\$ 228,021,000
Less – Reserve for Loan Losses	\$ (3,089,000)
Net Loans	\$ 224,932,000
U.S. Government Obligations.....	\$ 4,969,000
Other Bonds, Securities and Investments.....	\$ 55,061,000
Bank Premises, Furniture and Fixtures.....	\$ 10,944,000
Other Assets.....	\$ 9,470,000
Cash and Due From Banks.....	\$ 5,753,000

Total Assets \$311,129,000

LIABILITIES AND CAPITAL

Demand Deposits.....	\$ 238,638,000
Time Deposits.....	\$ 30,515,000
Other Liabilities.....	\$ (1,062,000)
Correspondent Bank Borrowings	\$ 15,000,000
Capital Stock.....	\$ 1,000,000
Surplus\$.....	\$ 24,000,000
Undivided Profits.....	\$ 5,114,000
Unrealized Gain (Loss) on Bonds.....	\$ (2,076,000)

Total Liabilities and Capital \$311,129,000

**THREE RIVERS BANK OF MONTANA
HELPING **OUR COMMUNITY** FINANCIALLY
AROUND EVERY BEND OF LIFE**

MEMBER F.D.I.C.



Three Rivers Bank of Montana

Bank Branches Opened or Closed

Past 24 Months

Updated 03/31/2024

Bank Branches Opened:

- Whitefish Bank Branch
6329 US Highway 93 S
Whitefish, MT 59937

Bank Branches Closed:

- None



Strategic Plan 2024

Core Purpose

To help our Community Financially around every bend of life!

Core Values

Build healthy trust within our Team!
Making others feel respected, heard, seen, and listened to

Business Definition

We provide Financial Products and Services to our Customers and our Community

Strategic Anchors

Customer centric culture

Thematic Goal

Building a healthy work culture and trust among our Team

Defining Objectives

Over Communicate Clarity
Adopting the Advantage Way
Hire for: Humble, Hungry and Smart

Standard Operating Objectives

Exceptional Customer Service
Leading Example
Healthy Employee Morale and Engagement
Safety and Soundness
Profitability

THREE RIVERS BANK OF MONTANA'S
BANK'S CORE VALUES

- BE IMPECCABLE WITH YOUR WORDS
Speak with integrity using clarity; say only what you mean. We will not use negative language to speak against and gossip about others. Use the power of your words to seek to understand. *
- DON'T TAKE ANYTHING PERSONALLY
Nothing others do is because of you, what others say and do is a projection of their own reality, their own perspective. When you are immune to the opinions and actions of others, you won't be a victim.
- DON'T MAKE ASSUMPTIONS
Find the courage to ask questions and to express what you really want. Communicate with others clearly to avoid misunderstandings, sadness and drama.
- ALWAYS DO YOUR BEST
Your best is going to change from moment to moment; it will be different when you are healthy as opposed to sick. Under any circumstance, simply do your best and you will avoid self-judgment, self-abuse, and regret.
- HANDLE ALL ISSUES WITH CLASS AND PRIDE

We will achieve this playbook and core values by:

1. Treat every person with RESPECT, dignity, and courtesy.
2. Handle all customer, Team Member, and other important bank information with the utmost CONFIDENTIALITY.
3. Know what needs to be done, have the tools to do it right, and do it right the first time, every time. QUALITY is not a department or just a standard to be met; it is a sense of pride of ownership in one's work.
4. Be the very best at what we do, accept the duty of giving your company and Team Members your best efforts, and meet all PERFORMANCE expectations each day. We will make and achieve goals and make performance both possible and necessary. Team Members can and will perform in extraordinary ways.
5. Be good communicators. Team Members may disagree with one another on issues and how to solve problems, but do so constructively and without criticizing or using abusive language. Good COMMUNICATION is to say what we mean and mean what we say, and listen more than you talk.
6. Approach our coworkers and our jobs with a positive ATTITUDE by practicing a positive, helpful, and winning way of thinking. Disparaging remarks about our Team Members or company are not acceptable.
7. Exercise TEAMWORK as our success depends on contributions and involvement by all Team Members. You and I are all on this team together. The phrase, "That is not my job." will not be used. Once a decision is made, Team Members draw together and support the decision to complete the job.
8. Find a better way of doing everything every day. Tomorrow we will use INNOVATION to reinvent still better ways of doing everything.
9. Keep our Bank and work areas CLEAN AND ORDERLY.
10. Be mindful of SAFETY AND HEALTH at all times, as it is everyone's responsibility.

SHAREHOLDER EXPECTATIONS

January 19, 2024

Dear Member of the Board of Directors for Three Rivers Bank of Montana,

An integral part of the Strategic Plan for Three Rivers Bank is articulating Shareholder Expectations.

The following is our list of expectations. We welcome your comments.

- Safety & Soundness as measured by our CAMELS Rating-2024 Overall CAMELS “1”
- Responsible Asset Growth-2024 Growth of \$14.3mm or 4.67%
- Continued strength in Deposits-2024 Growth of \$17.5mm 6.48%
- Continued growth in Loans-2024 \$20mm or 8.57%

- Our Financial Goals for 2024: ***Pending Board Approval***
 - Leverage Capital Ratio- Greater than 9.00%
 - Return on Average Assets-ROA-.88% or more
 - Return on Equity-ROE- 9.00% or More
 - Loan to Deposit-85%
- Building a healthy work culture and trust among our Team

Thank you for your support and encouragement, as we remain **the Best Bank in the Valley.**

Sincerely,

AJ King
CEO

Strategic Initiatives

Initiative #1-Financial Goals-Team Leader: AJ King

Goals 2024

- | | |
|-----------------------------|---------------------|
| 1. Total Assets-4.67% | \$321,000,000 |
| 2. Total Gross Loans-8.57% | \$248,000,000 |
| 3. Total Deposits-6.48% | \$288,000,000 |
| 4. Net Income | \$2,800,000 or More |
| • Leverage Capital Ratio | 9.00% or More |
| • Return on Avg. Assets-ROA | .88% or More |
| • Return on Equity-ROE | 9.00% or More |
| • Loan to Deposit | 85.00% |
| • ALL to Gross Loans | 1.45% or More |

Initiative #2-Safety & Soundness-Team Leader: John Stobie

- Maintain our CAMELS “1” Rating per FDIC Exam January 2024
- Growth & Development of our Enterprise Risk Management Program
- Continue to improve our Vendor Management Program
- Efficiencies in compliance management system
- Sub-audits
- Daily Risk process

Initiative #3-Personnel “Building a healthy work culture and trust among our Team”- Team Leader: Jolene Olson

- Career Development
- Succession Planning
- Controlling Turnover
- Clean up all paper files and the org system-create more efficiencies

Initiative #4-Loan Growth –Team Leaders: Scott Hoerth

- Train all commercial lenders, loan assistants, loan analyst and fully implement the loan spreading software Abrigo to increase efficiency in the loan process.
- All Lenders and assistants will focus on reducing the loan exceptions outstanding weekly.
- All lenders focus on past dues weekly.

- Develop a construction loan program that is consistent throughout the bank for all lenders. (Diamond Point)
- Use Abrigo loan pricing for commercial lenders to assist with pricing loans to maintain strong ROE on all commercial loans.
- Continue weekly loan committee meetings with emphasis on training and loan quality.
- Implement commercial lender (10% of fees) and residential lender (.05% of \$ volume) monthly bonus program.
- Expand Encompass for efficiency by exploring purchasing an upgraded version of the software (Encompass Banker)

Initiative #5-Deposit Growth-Team Leader: Ashley King-Jones

- Continue to grow our Kasasa Rewards Checking Program
 - Increase our Qualification Rate >47%
 - Increase Kasasa accounts to 2500 (310 accounts opened in 2023)
 - More communication to the Staff regarding products & services
- Growth in our Business Checking Products
- Improve Cross-selling
 - Product Training
 - IntraFi-ICS/CDARS
 - Merchant/VMarie payment solutions
 - Cash Management
 - ACH
 - Wires
 - Remote Deposit Capture
 - Positive pay

Initiative #6-Operations-Team Leaders: Patti Leichliter & Ashley King-Jones

- Streamline our Operational Processes
 - Implementation of Diamond Point style Efficiencies
 - Eliminate error to improve efficiency
- Improve processes & procedures
 - Utilize what we learn from Diamond Point in other areas of the bank
- Continue to improve CECL model
 - Continue to add and clean-up coding in loans for better reporting and analysis
 - Utilize the Abrigo Sageworks platform to create efficiencies in monitoring loans
 - Continue to reduce Classified Assets

Initiative #7-Marketing-Team Leader: Ashley King-Jones

- Continuously monitor SEO (search engine optimization) to stay relevant and top of search

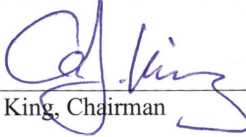
- Develop a Social Media Presence – Continued to grow presence through engagement.
- Increase Deposits and Loans through targeted prospects
- Market our products and Brand
 - Update brochures and handouts
- Upgrade Idaho and Meridian Reader Boards
- Utilize Billboard advertising

Initiative #8-Technology-Team Leader: Patti Lechlitter & Ty Hodge

- Improve efficiencies in our current technology
 - Fully utilize our current technology partners
 - Remove access restraints
- Effective Rollout of new products & Services
 - Better communication to Staff
 - Work with team members and departments to make sure product works as intended

ADOPTION


The 2024 Strategic Plan was reviewed and approved by the Board of Directors of Three Rivers Bank of Montana on December 15, 2023.


A.J. King, Chairman



John King, Director


Ron Rosenberg, Director


Greg Foley, Director


Dan Gorton, Director


Floyd Quiram, Director


William Schottelkorb, Director