

BRANCH CLOSING POLICY

In keeping with the spirit of the Community Reinvestment Act, the Apple River State Bank is committed to the responsibilities placed upon it to service the financial needs of the communities in which the Bank and its branches are located. It will be the policy of the bank to close a facility or branch only after completing a detailed analysis from which it can be satisfactorily determined that the closing of the facility will not contribute to the economic decline of the community and will not cause undue hardship on the customers it services, especially low and moderate income households.

In the event of the closing of the branch facility, a detailed analysis will be performed which will take into consideration the following factors:

1. Identification of the reasons for considering closure of the branch. If the branch is found to be unprofitable, the identification will include a financial analysis.
2. Community impact study to determine whether the closure would leave the area without convenient banking services. Included in this study will be concerns such as:
 - a. Accessibility of other offices to all segments of the community
 - b. Business hours of other facilities
 - c. Branch utilization and traffic
 - d. Possible effect on low and moderate income areas, and
 - e. Consultation with members of the community to determine the potential adverse impact of the branch closing.
3. Consideration of alternatives to closing the branch
4. Address the use of physical facility after the closing, to the extent it will not lead to further deterioration of the neighborhood.

If the decision is made to close the branch, the Bank will take all necessary steps to retain the customers and minimize the adverse impact of the closing on customers and the community. Employees of the branch will be trained on customer relations to assure customers the Bank wants to keep their business and that the alternative facility will serve them well. If feasible, the bank will attempt to document the number of customers retained following a branch closing.

When a decision has been made to close the branch, the bank will send a statement to the appropriate federal regulator at least 90 days before the scheduled action. The statement will include, at a minimum the specific reasons for the closure and any statistical data or other information used to justify the decision to close the office.

Notification of the closing will be sent to all customers of the branch at least 90 days before closing. This will either be included in a regular statement or sent as a special mailing. In addition, a closing notice will be posted in the lobby of the branch at least 30 days before that office is closed.

Branches currently owned and/or operated by the Apple River State Bank:

Apple River State Bank
Apple River Office
103 N. Main Street
P.O. Box 3807
Apple River, IL 61001

Apple River State Bank
Warren Office
135 E. Main Street
P.O. Box 576
Warren, IL 61087

Apple River State Bank
Scales Mound Office
510 N. Main Street
P.O. Box 189
Scales Mound, IL 61075

Apple River State Bank
Elizabeth Office
112 N. Main Street
P.O. Box 515
Elizabeth, IL 61028

First Community Bank of Galena
Branch of Apple River State Bank
101 Exchange St.
P.O. Box 6006
Galena, IL 61036

Apple River State Bank
Hanover Office
215 Jefferson Street
P.O. Box 606
Hanover, IL 61041

Apple River State Bank
Hazel Green Office
3525 N Percival St.
P.O. Box 206
Hazel Green, WI 53811

Apple River State Bank
Hazel Green Office
Loan Production Office
1925 S Main St.
Hazel Green, WI 53811

Apple River State Bank
Darlington Office
207 Wells St.
Darlington, WI 53530