

Annual Disclosure Statement

DECEMBER 2022

for FFIEC 041 Bank Fidelity Bank & Trust

This statement has not been reviewed or confirmed for accuracy or relevance by the Federal Deposit Insurance Corporation.
Federal Deposit Insurance Corporation Format (FFIEC 041)

Balance Sheet

(Dollar Amounts in Thousands)

ASSETS	December 31,	
	2022	2021
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin	32,519	22,122
Interest-bearing balances	17,922	158,338
Securities:		
Held-to-maturity securities	24,868	15,818
Available-for-sale debt securities	399,789	364,630
Equity securities with readily determinable fair values not held for trading	0	0
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold	0	10,923
Securities purchased under agreements to resell	0	0
Loans and lease financing receivables:		
Loans and leases held for sale	0	0
Loans and leases held for investment	1,185,401	978,227
LESS: Allowance for loan and lease losses	15,302	12,251
Loans and leases held for investment, net of allowance	1,170,099	965,976
Trading assets	0	0
Premises and fixed assets (including capitalized leases)	17,003	17,228
Other real estate owned	56	0
Investments in unconsolidated subsidiaries and associated companies	0	0
Direct and indirect investments in real estate ventures	0	0
Intangible assets from schedule RC-M	51,858	49,351
Other assets	70,538	54,270
Total assets	1,784,652	1,658,656

continued.....

Balance Sheet

(Dollar Amounts in Thousands)

LIABILITIES

December 31,

2022

2021

Deposits:

In domestic offices	1,564,557	1,445,285
Noninterest-bearing	290,549	266,003
Interest-bearing	1,274,008	1,179,282

Federal funds purchased and securities sold under agreements to repurchase:

Federal funds purchased	15,246	0
Securities sold under agreements to repurchase	14,313	17,920

Trading liabilities	0	0
---------------------	---	---

Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases)

	15,212	1,722
--	--------	-------

Subordinated notes and debentures	0	0
-----------------------------------	---	---

Other liabilities	6,248	8,259
-------------------	-------	-------

Total liabilities	1,615,576	1,473,186
-------------------	------------------	------------------

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0	0
---	---	---

Common stock	200	200
--------------	-----	-----

Surplus (exclude all surplus related to preferred stock)	120,458	112,257
--	---------	---------

Retained earnings	84,291	72,704
-------------------	--------	--------

Accumulated other comprehensive income	-35,873	309
--	---------	-----

Other equity capital components	0	0
---------------------------------	---	---

Total Bank equity capital	169,076	185,470
---------------------------	----------------	----------------

Noncontrolling (minority) interests in consolidated subsidiaries	0	0
--	---	---

Total equity capital	169,076	185,470
----------------------	----------------	----------------

Total liabilities and equity capital	1,784,652	1,658,656
--------------------------------------	------------------	------------------

continued.....

Income Statement

(Dollar Amounts in Thousands)

December 31,

Interest Income:

2022

2021

Interest and fee income on loans:

Loans secured by real estate:

Loans secured by 1-4 family residential properties 5,480 5,750

All other loans secured by real estate 20,818 15,958

Commercial and industrial loans 6,567 13,340

Loans to individuals for household, family,
and other personal expenditures:

Credit cards 4 0

Other (includes revolving credit plans other than credit cards, automobile loans, and
other consumer loans) 821 834

All other loans 9,513 7,290

Total interest and fee income on loans 43,203 43,172

Income from lease financing receivables 0 0

Interest income on balances due from depository institutions 641 250

Interest and dividend income on securities:

U.S. Treasury securities and U.S. Government agency obligations
(excluding mortgage-backed securities) 2,655 1,358

Mortgage-backed securities 1,814 1,087

All other securities (includes securities issued by states and
political subdivisions in the U.S.) 3,507 3,064Interest income on federal funds sold and securities
purchased under agreements to resell 88 2

Other interest income 924 694

Total interest income 52,832 49,627

Interest expense:

Interest on deposits:

Transaction accounts (interest-bearing demand deposits, NOW accounts, ATS accounts,
and telephone and preauthorized transfer accounts) 1,439 1,002

Nontransaction accounts:

Savings deposits (includes MMDAs) 924 621

Time deposits of \$250,000 or less 2,295 2,524

Time deposits of more than \$250,000 598 464

Expense of federal funds purchased and securities sold
under agreements to repurchase 72 30

Interest on trading liabilities and other borrowed money 188 58

Interest on subordinated notes and debentures 0 0

Total interest expense 5,516 4,699

Net interest income 47,316 44,928

Provision for loan and lease losses 3,000 500

continued.....

Income Statement

(Dollar Amounts in Thousands)

December 31,

	2022	2021
Noninterest income:		
Income from fiduciary activities	302	169
Service charges on deposit accounts	812	731
Trading revenue	0	0
Fees and commissions from securities brokerage	0	0
Investment banking, advisory, and underwriting fees and commissions	171	73
Fees and commissions from annuity sales	0	0
Underwriting income from insurance and reinsurance activities	0	0
Income from other insurance activities	12	11
Venture capital revenue	0	0
Net servicing fees	1,794	2,376
Net securitization income	0	0
Net gains (losses) on sales of loans and leases	397	1,552
Net gains (losses) on sales of other real estate owned	196	-113
Net gains (losses) on sales of other assets	41	-61
Other noninterest income	2,531	2,156
Total noninterest income	6,256	6,894
Realized gains (losses) on held-to-maturity securities	0	0
Realized gains (losses) on available-for-sale debt securities	-20	247
Noninterest expense:		
Salaries and employee benefits	19,568	18,509
Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest)	3,303	3,674
Goodwill impairment losses	0	0
Amortization expense and impairment losses for other intangible assets	562	546
Other noninterest expense	7,778	7,225
Total noninterest expense	31,211	29,954
Income (loss) before change in net unrealized holding gains (losses) on equity securities not held for trading, applicable income taxes, and discontinued operations	19,341	21,615
Change in net unrealized holding gains (losses) on equity securities not held for trading	0	0
Income (loss) before applicable income taxes and discontinued operations	19,341	21,615
Applicable income taxes	3,755	4,518
Income (loss) before discontinued operations	15,586	17,097
Discontinued operations, net of applicable income taxes	0	0
Net income (loss) attributable to bank and noncontrolling (minority) interests	15,586	17,097
LESS: Net income (loss) attributable to noncontrolling (minority) interests	0	0
Net income (loss) attributable to bank	15,586	17,097

continued.....

Income Statement

(Dollar Amounts in Thousands)

MEMORANDA:

December 31,

2022

2021

Interest expense incurred to carry tax-exempt securities, loans,
and leases acquired after August 7, 1986, that is not
deductible for federal income tax purposes

0

0

The following item to be completed by banks with \$1 billion or more in total assets:

Income from the sale and servicing of mutual funds and annuities

0

0

Income on tax-exempt loans and leases to states

and political subdivisions in the U.S.

881

252

Income on tax-exempt securities issued by states

and political subdivisions in the U.S.

1,998

1,954

Number of full-time equivalent employees at end of current period

284

265

The following item is to be completed by:

- banks with \$300 million or more in total assets, and
- banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers exceeding 5 percent of total loans.

Interest and fee income on loans to finance agricultural production

and other loans to farmers

8,439

6,838

The following items are to be completed by banks with \$10 billion or more in total assets.

Net gains (losses) recognized in earnings on credit derivatives that economically hedge
credit exposures held outside the trading account:

Net gains (losses) on credit derivatives held for trading

N/A

N/A

Net gains (losses) on credit derivatives held for purposes other than trading

N/A

N/A

The following item is to be completed by banks with \$300 million or more in total assets:

Credit losses on derivatives

0

0

Does the reporting bank have a Subchapter S election in effect for
federal income tax purposes for the current tax year?

YES / NO

NO

YES / NO

NO

*The following item is to be completed by banks that are required to complete Schedule
RC-C, Part I, Memorandum items 8.b and 8.c.*

Noncash income from negative amortization on closed-end loans secured by 1-4 family
residential properties (included in Schedule RI, item 1.a.(1)(a))

N/A

N/A

continued.....

Income Statement

(Dollar Amounts in Thousands)

December 31,

MEMORANDA:

The following items are to be completed by banks that have elected to account for assets and liabilities under a fair value option.

2022

2021

Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:

Net gains (losses) on assets	N/A	N/A
Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk	N/A	N/A
Net gains (losses) on liabilities	N/A	N/A
Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk	N/A	N/A

Other-than-temporary impairment losses on held-to-maturity and available-for-sale debt securities recognized in earnings

0	0
---	---

The following items is to be completed by institutions with \$1 billion or more in total assets that answered "Yes" to Schedule RC-E, Memorandum item 5

Components of service charges on deposit accounts:

Consumer overdraft-related service charges levied on those

transaction account and nontransaction savings account deposit products

intended primarily for individuals for personal, household, or family use	659	581
---	-----	-----

Consumer account periodic maintenance charges levied on those

transaction account and nontransaction savings account deposit

products intended primarily for individuals for personal, household, or family use	121	119
--	-----	-----

Consumer customer automated teller machine (ATM) fees levied on

those transaction account and nontransaction savings account

deposit products intended primarily for individuals for personal,household, or family use	9	9
---	---	---

All other service charges on deposit accounts

23	22
----	----

continued.....

Changes in Equity Capital

(Dollar Amounts in Thousands)

December 31,

	2022	2021
Total bank equity capital most recently reported at the end of the prior year		
Reports of Condition and Income	185,470	179,233
Cumulative effect of changes in accounting principles and corrections of material accounting errors	0	1,240
Balance end of previous calendar year as restated	185,470	180,473
Net income (loss) attributable to bank	15,586	17,097
Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions)	0	0
Treasury stock transactions, net	0	0
Changes incident to business combinations, net	8,202	0
LESS: Cash dividends declared on preferred stock	0	0
LESS: Cash dividends declared on common stock	4,000	6,500
Other comprehensive income	-36,182	-5,600
Other transactions with stockholders (including a parent holding company)	0	0
Total bank equity capital end of current period	169,076	185,470

Changes in Allowances for Credit Losses

Loans and Leases Held for Investment:

Balance most recently reported at the end of the prior year		
Reports of Condition and Income	12,251	11,607
Recoveries	64	190
LESS: Charge-offs	13	46
LESS: Write-downs arising from transfers of loans to a held-for-sale account	0	0
Provision for loan and lease losses	3,000	500
Adjustments	0	0
Balance end of current period	15,302	12,251

Held-to-Maturity Debt Securities:

Balance most recently reported at the end of the prior year,		
Reports of Condition and Income	N/A	N/A
Recoveries	N/A	N/A
LESS: Charge-offs	N/A	N/A
LESS: Write-downs arising from transfers of financial assets	N/A	N/A
Provisions for credit losses	N/A	N/A
Adjustments	N/A	N/A
Balance end of current period	N/A	N/A

Available-for-Sale Debt Securities:

Balance most recently reported at the end of the prior year,		
Reports of Condition and Income	N/A	N/A
Recoveries	N/A	N/A
LESS: Charge-offs	N/A	N/A
LESS: Write-downs arising from transfers of financial assets	N/A	N/A
Provisions for credit losses	N/A	N/A
Adjustments	N/A	N/A
Balance end of current period	N/A	N/A

continued.....

Past Due and Nonaccrual Loans, Leases, and Other Assets

(Dollar Amounts in Thousands)

Past Due 90 days or more and still accruing:

December 31,

2022**2021**

Loans secured by real estate:

Construction, land development, and other land loans:

1-4 family residential construction loans

0

0

Other construction loans and all land development and other land loans

0

0

Secured by farmland

30

418

Secured by 1-4 family residential properties:

Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit

0

0

Closed-end loans secured by 1-4 family residential properties:

Secured by first liens

107

44

Secured by junior liens

0

0

Secured by multifamily (5 or more) residential properties

0

0

Secured by nonfarm nonresidential properties:

Loans secured by owner-occupied nonfarm nonresidential properties

0

0

Loans secured by other nonfarm nonresidential properties

0

0

Loans to depository institutions and acceptances of other banks

0

0

Commercial and industrial loans

98

0

Loans to individuals for household, family, and other personal expenditures:

Credit cards

0

0

Automobile loans

0

0

Other (includes revolving credit plans other than credit cards and other consumer loans)

0

0

All other loans

5

151

Lease financing receivables

0

0

Total loans and leases

240**613**

Debt securities and other assets (exclude other real estate owned and other repossessed assets)

0

0

Loans and leases reported above which are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC

0

0

Guaranteed portion of loans and leases included above, excluding rebokked "GNMA loans"

0

0

Rebokked "GNMA loans" that have been repurchased or are eligible for repurchase included above

0

0

continued.....

Past Due 90 days or more and still accruing:

December 31,

2022**2021**

Loans and leases reported in items above that are covered by loss-sharing agreements with the FDIC:

Loans secured by real estate:

Construction, land development, and other land loans:

1-4 family residential construction loans	0	0
---	---	---

Other construction loans and all land development and other land loans	0	0
--	---	---

Secured by farmland	0	0
---------------------	---	---

Secured by 1-4 family residential properties:

Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	0	0
---	---	---

Closed-end loans secured by 1-4 family residential properties:

Secured by first liens	0	0
------------------------	---	---

Secured by junior liens	0	0
-------------------------	---	---

Secured by multifamily (5 or more) residential properties	0	0
---	---	---

Secured by nonfarm nonresidential properties:

Loans secured by owner-occupied nonfarm nonresidential properties	0	0
---	---	---

Loans secured by other nonfarm nonresidential properties	0	0
--	---	---

All other loans and all leases	0	0
--------------------------------	---	---

Portion of covered loans and leases included in items above that is protected by FDIC loss-sharing agreements	0	0
---	---	---

continued.....

Past Due 90 days or more and still accruing:

December 31,

2022**2021**

MEMORANDA:

Loans restructured in troubled debt restructurings included in Schedule RC-N, items above:

Construction, land development, and other land loans:

1-4 family residential construction loans 0 0

Other construction loans and all land development and other land loans 0 0

Loans secured by 1-4 family residential properties 0 0

Secured by multifamily (5 or more) residential properties 0 0

Secured by nonfarm nonresidential properties:

Loans secured by owner-occupied nonfarm nonresidential properties 0 0

Loans secured by other nonfarm nonresidential properties 0 0

Commercial and industrial loans 0 0

The following two items are to be completed by banks with \$300 million or more in total assets:

To U.S. addressees (domicile) 0 0

To non-U.S. addressees (domicile) 0 0

All other loans (include loans to individuals for household, family, and other personal expenditures) 0 0

Loans secured by farmland 0 0

Loans to individuals for household, family, and other personal expenditures:

Credit cards 0 0

Automobile loans 0 0

Other (includes revolving credit plans other than credit cards and other consumer loans) 0 0

*The following item is to be completed by:**- Banks with \$300 million or more in total assets**- Banks with less than \$300 million in total assets that have loans to finance**agricultural production and other loans to farmers exceeding 5 percent of total loans*

Loans to finance agricultural production and other loans to farmers included in Schedule

RC-N, Memorandum item above 0 0

Total loans restructured in troubled debt restructurings included above 0 0

continued.....

Fidelity Bank & Trust

(Dollar Amounts in Thousands)

Past Due 90 days or more and still accruing:

December 31,

2022
2021

Loans to finance commercial real estate, construction, and land development activities (not secured by real estate)	0	0
<i>The following four items are to be completed by banks with \$300 million or more in total assets:</i>		
Loans secured by real estate to non-U.S. addressees (domicile)	0	0
Loans to and acceptances of foreign banks	0	0
Commercial and industrial loans to non-U.S.addressees (domicile)	0	0
Leases to individuals for household, family, and other personal expenditures	0	0
<i>The following item is to be completed by:</i>		
• <i>banks with \$300 million or more in total assets</i>		
• <i>banks with less than \$300 million or more in total assets that have loans to finance agricultural production and other loans to farmers exceeding 5 percent of total loans:</i>		
Loans to finance agricultural production and other loans to farmers	5	151
Loans and leases held for sale	0	0
Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3):		
Outstanding balance	0	0
Amount included in Schedule RC-N, items 1 through 7, above	0	0

continued.....

Past Due and Nonaccrual Loans, Leases, and Other Assets

(Dollar Amounts in Thousands)

December 31,

Nonaccrual:**2022****2021**

Loans secured by real estate:

Construction, land development, and other land loans:

1-4 family residential construction loans

0

0

Other construction loans and all land development and other land loans

0

0

Secured by farmland

2,088

2,101

Secured by 1-4 family residential properties:

Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit

15

5

Closed-end loans secured by 1-4 family residential properties:

Secured by first liens

219

71

Secured by junior liens

0

0

Secured by multifamily (5 or more) residential properties

0

0

Secured by nonfarm nonresidential properties:

Loans secured by owner-occupied nonfarm nonresidential properties

621

300

Loans secured by other nonfarm nonresidential properties

0

0

Loans to depository institutions and acceptances of other banks

0

0

Commercial and industrial loans

196

414

Loans to individuals for household, family, and other personal expenditures:

Credit cards

0

0

Automobile loans

10

3

Other (includes revolving credit plans other than credit cards and other consumer loans)

1

14

All other loans

0

174

Lease financing receivables

0

0

Total loans and leases

3,150**3,082**

Debt securities and other assets (exclude other real estate owned and other repossessed assets)

0

0

Loans and leases reported above which are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC

0

0

Guaranteed portion of loans and leases included above, excluding rebooked "GNMA loans"

0

0

Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included above

0

0

continued.....

Nonaccrual:

December 31,

2022**2021**

Loans and leases reported in items above that are covered by loss-sharing agreements with the FDIC:

Loans secured by real estate:

Construction, land development, and other land loans:

1-4 family residential construction loans	0	0
---	---	---

Other construction loans and all land development and other land loans	0	0
--	---	---

Secured by farmland	0	0
---------------------	---	---

Secured by 1-4 family residential properties

Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit	0	0
---	---	---

Closed-end loans secured by 1-4 family residential properties:

Secured by first liens	0	0
------------------------	---	---

Secured by junior liens	0	0
-------------------------	---	---

Secured by multifamily (5 or more) residential properties	0	0
---	---	---

Secured by nonfarm nonresidential properties:

Loans secured by owner-occupied nonfarm nonresidential properties	0	0
---	---	---

Loans secured by other nonfarm nonresidential properties	0	0
--	---	---

All other loans and all leases	0	0
--------------------------------	---	---

Portion of covered loans and leases included in items above that is protected by FDIC loss-sharing agreements	0	0
---	---	---

continued.....

Nonaccrual:

December 31,

2022

2021

MEMORANDA:

Loans restructured in troubled debt restructurings included in Schedule RC-N, items above:

Construction, land development, and other land loans:

1-4 family residential construction loans 0 0

Other construction loans and all land development and other land loans 0 0

Loans secured by 1-4 family residential properties 0 0

Secured by multifamily (5 or more) residential properties 0 0

Secured by nonfarm nonresidential properties:

Loans secured by owner-occupied nonfarm nonresidential properties 0 0

Loans secured by other nonfarm nonresidential properties 0 0

Commercial and industrial loans 196 354

The following two items are to be completed by banks with \$300 million or more in total assets:

To U.S. addressees (domicile) 196 354

To non-U.S. addressees (domicile) 0 0

All other loans (include loans to individuals for household, family, and

other personal expenditures) 2,125 1,077

Loans secured by farmland 2,125 1,077

Loans to individuals for household, family, and other personal expenditures:

Credit cards 0 0

Automobile loans 0 0

Other (includes revolving credit plans other than credit cards and other

consumer loans) 0 0

*The following item is to be completed by:**- Banks with \$300 million or more in total assets**- Banks with less than \$300 million in total assets that have loans to finance**agricultural production and other loans to farmers exceeding 5 percent of total loans*

Loans to finance agricultural production and other loans to farmers included in Schedule

RC-N, Memorandum item above 0 0

Total loans restructured in troubled debt restructurings included above 2,321 1,431

continued.....

Nonaccrual:

December 31,
2022 2021

Loans to finance commercial real estate, construction, and land development activities (not secured by real estate)	0	0
<i>The following four items are to be completed by banks with \$300 million or more in total assets:</i>		
Loans secured by real estate to non-U.S. addressees (domicile)	0	0
Loans to and acceptances of foreign banks	0	0
Commercial and industrial loans to non-U.S.addressees (domicile)	0	0
Leases to individuals for household, family, and other personal expenditures	0	0
<i>The following item is to be completed by:</i>		
• banks with \$300 million or more in total assets		
• banks with less than \$300 million or more in total assets that have loans to finance agricultural production and other loans to farmers exceeding 5 percent of total loans:		
Loans to finance agricultural production and other loans to farmers	0	174
Loans and leases held for sale	0	0
Additions to nonaccrual assets during the quarter	657	13
Nonaccrual assets sold during the quarter	0	0
Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3):		
Outstanding balance	0	374
Amount included in Schedule RC-N, items 1 through 7, above	0	365

I do hereby attest that this Disclosure Statement has been prepared in conformance with the instructions issued by the appropriate Federal regulatory authority and is true and correct in the best of my knowledge and belief.

Myrae J. Boyle
Officer's Signature

CAO & Cashier
Officer's Title

1/31/2023
Date