CENTRAL BANCOMPANY

2020
ANNUAL REPORT

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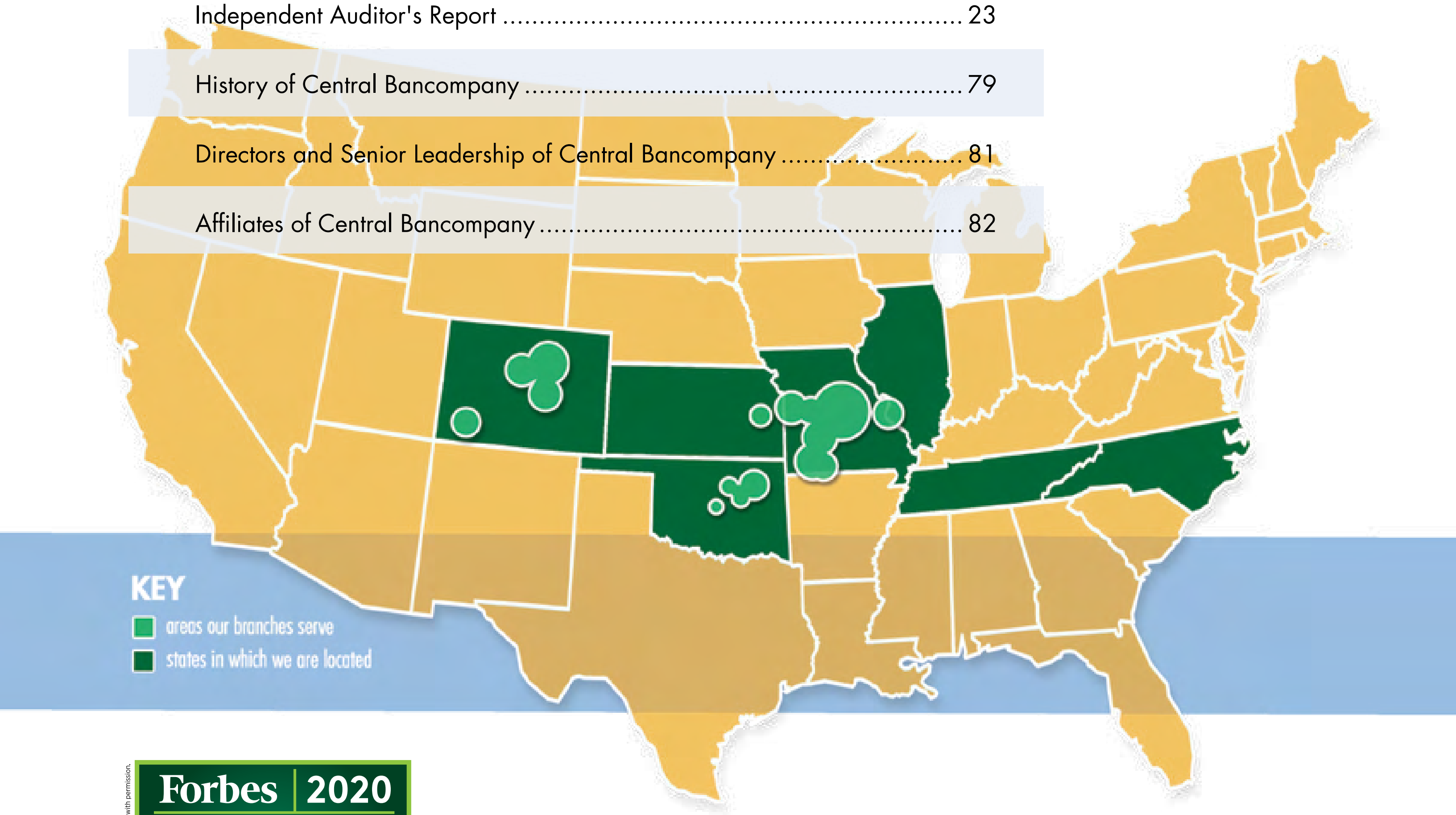


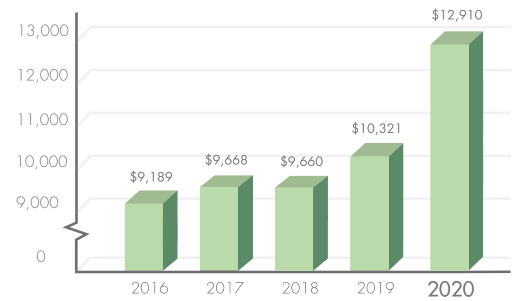
Forbes 2020 BEST BANKS IN AMERICA

Financial Highlights

GROWTH

TOTAL AVERAGE ASSETS (in billions)

TOTAL AVERAGE DEPOSITS (in billions)



PERFORMANCE

EARNINGS PER SHARE

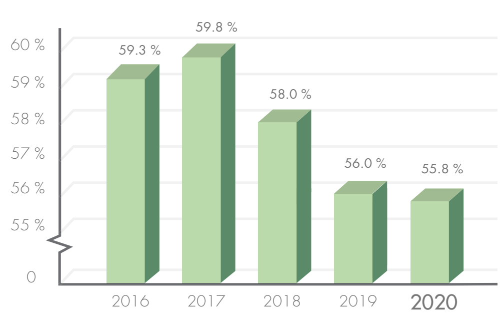
BOOK VALUE PER SHARE

NET INCOME (in millions)

ANNUAL DIVIDENDS PER SHARE

EFFICIENCY

EFFICIENCY RATIO (%)



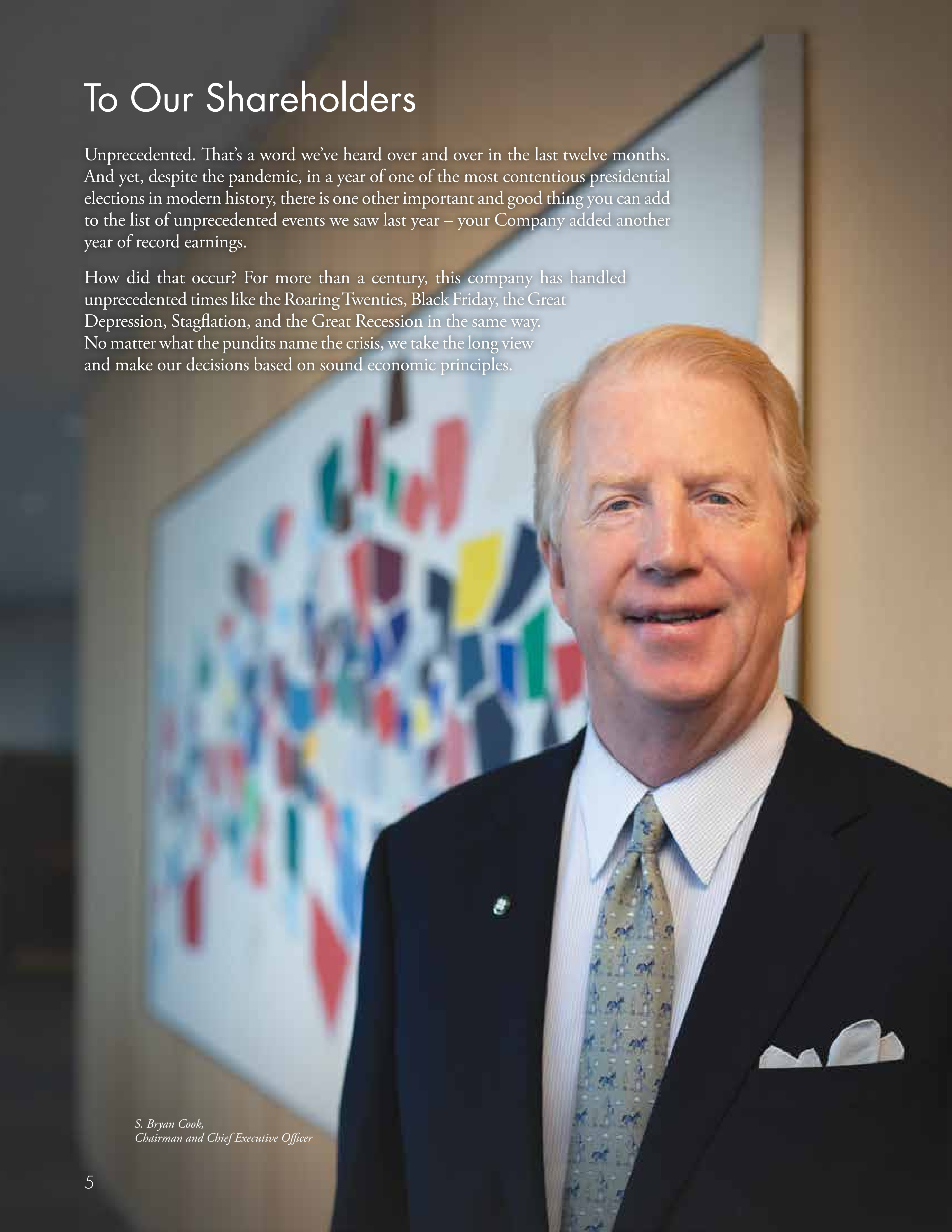
Year in Review

For the Year	2020	2019
Interest Income	$534,087,000	538,614,000
Interest Expense	40,732,000	73,595,000
Net Interest Income	493,355,000	465,019,000
Provision for Loan Losses	27,153,000	14,025,000
Non-Interest Income	274,214,000	190,262,000
Non-Interest Expense	429,625,000	368,928,000
Income Taxes	70,015,000	62,685,000
Net Income	240,776,000	209,643,000
Average Daily Assets	16,721,466,000	13,635,347,000
Average Daily Deposits	12,910,023,000	10,321,184,000
Average Daily Loans	10,067,989,000	8,670,796,000
At Year End		
Total Assets	$18,299,657,000	14,960,940,000
Investment Securities	5,413,954,000	3,633,572,000
Loans	10,374,452,000	9,475,093,000
Deposits	14,391,324,000	11,566,917,000
Stockholders’ Equity	2,330,655,000	2,126,063,000
Number of Outstanding Shares	4,425,085	4,425,085
Per Share		
Net Income	$54.41	47.38
Dividends	10.10	8.50
Stockholders’ Equity	526.69	480.46

To Our Shareholders

Unprecedented. That's a word we've heard over and over in the last twelve months. And yet, despite the pandemic, in a year of one of the most contentious presidential elections in modern history, there is one other important and good thing you can add to the list of unprecedented events we saw last year – your Company added another year of record earnings.

How did that occur? For more than a century, this company has handled unprecedented times like the Roaring Twenties, Black Friday, the Great Depression, Stagflation, and the Great Recession in the same way. No matter what the pundits name the crisis, we take the long view and make our decisions based on sound economic principles.



S. Bryan Cook,
Chairman and Chief Executive Officer

That is not to say that it was an easy year. It was not. Applying precedents in a threatening environment requires creativity and discipline. Just as occurred in each of our personal lives, the coronavirus disrupted almost every facet of our operations. As did many of your families, our co-workers lost loved ones and dear friends. We took steps to protect our employees and our customers from the virus while innovating to keep our services and our performance at the highest level. Once again, *Forbes Magazine* recognized our company by naming us the 4th "Best Bank in America" among the 100 largest banking companies and the top-rated bank in four states; Missouri, Kansas, Illinois, and Oklahoma.

When we reported to you at this time last year, we knew a new virus was quickly spreading across America. No one really knew how bad it would get. The markets reacted with the fear that uncertainty often brings. A decline in publicly traded equities and interest rates showed that fear. We knew from our history that the low-rate environment would squeeze our net interest margin and thus earnings. But we have said that within our DNA is to prepare for the worst and hope for the best. So as the economic turbulence increased, we tightened our seatbelts and flew on. We saw our employees work harder, think more creatively, and plan together.

> "...*Forbes Magazine* recognized our company by naming us the 4th "Best Bank in America" among the 100 largest banking companies..."

Difficult times don't create character, they reveal it. Your Company benefitted from the value added by the people with whom we are honored to work with. These employees redesigned work processes on the fly yet found creative ways to work safely and continue to provide excellent service to our customers. In March, we had just welcomed John Ross (JR), our new President and Chief Operating Officer to our company. With JR's experience added to the mix, we turned our attention to two important priorities: staying open for business to help our customers and keeping our employees safe.

We kept our drive-up branches open throughout the pandemic and found new ways to provide banking services electronically and in person. More and more customers learned about our excellent internet and mobile banking products that were developed before the pandemic and used them frequently. As customer's behavior changed, we evolved. Your Company's historic commitment to technology prepared us well for these times.

Here are some of the highlights that reveal our character.

The government introduced a program designed to help our small businesses customers meet payroll and to keep them operating through the pandemic. The Paycheck Protection Program (PPP) was launched in March by the Small Business Administration (SBA). The start-up was difficult and key provisions changed frequently but it was very successful in helping our businesses meet payroll. Our dedicated lending staff was in communication daily with the SBA as the program was rolled out at record speed. Because it was believed there was not enough federal funding to meet the demand, our lenders came to work the first day at 11:00 p.m. just to be ready for the midnight opening of the government's application portal. They worked throughout the night and the weekend to help as many customers as possible. Within a few days, they had completed 9,400 applications for more than $941 million. Our hard work and effort made us the top PPP lender in the state of Missouri and in just about every market we serve. This is truly an amazing accomplishment.

We also had a record year in mortgage banking. Because the Federal Reserve slashed key interest rates to near zero, our customers began to refinance their mortgages into lower rates. Once again, our employees stepped up to the task. Our mortgage leaders redesigned the lending process and enhanced our Mortgage Fulfillment Center so we could accommodate more customers. Our loan originators and processors got busy and worked tirelessly to make sure customers got the benefits of lower mortgage payments. As a result, we had a record year in mortgage originations which contributed significantly to a record year of earnings. In total, we originated $3 billion in loans and continued the expansion of our footprint in Nashville, TN and Colorado. We are now well positioned to improve on our strategic goal of being the best in class in residential mortgage lending.

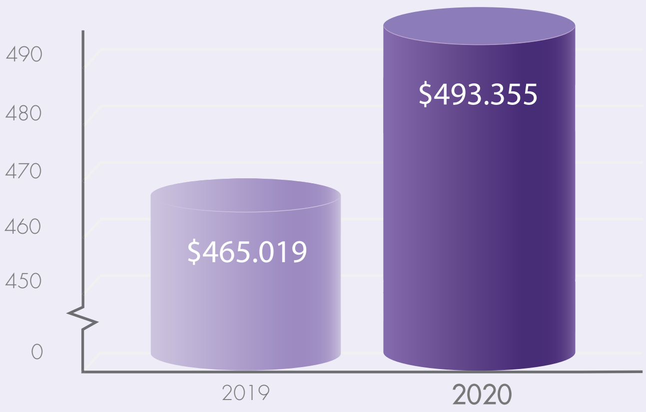
These efforts are highlighted because they tell the story of who we are, and were large contributors to this year's unprecedented results. Big things result from countless small acts done exceedingly well, time and time again, by people who know that excellence is a way of life. We are so very fortunate that our Central Bank family, who were with us well before the crisis, are committed to excellence. Their character was revealed as 2020 unfolded.

Now, some of the financial highlights.

Your Company achieved excellent financial results in 2020 summarized as follows;

- Net Income of $240.7 million in 2020, an increase of $31.1 million or 14.9% compared to net income of $209.6 million in 2019.
- The return on average assets was 1.44% in 2020 and the return on equity was 11.32%.

NET INTEREST INCOME (in millions)



- Total revenue increased by $112.3 million or 17.1% in 2020 to $767.6 million as net interest income increased by $28.3 million or 6.1% and non-interest income increased from $190.3 million to $274.2 million in 2020 driven by a $78.7 million increase in mortgage banking income.
- The Company's efficiency ratio was 55.8% in 2020 and 56.0% in 2019.
- The reserve for loan losses, net of PPP loans, increased from 1.40% in 2019 to 1.57% in 2020. Net loan charge-offs were $9.6 million in 2020 – 0.10% of loans and $9.1 million in 2019 – 0.11% of loans.
- Total assets on December 31, 2020, were $18.3 billion compared to $15.0 billion the prior year-end. Total deposits increased from $11.6 billion at the end of 2019 to $14.4 billion on December 31, 2020, while total loans increased from $9.5 billion to $10.4 billion on December 31, 2020.
- Total stockholders' equity was $2.331 billion at the end of 2020 or $526.69 a share compared to $480.46 a share on December 31, 2019.
- Earnings per share amounted to $54.41 in 2020 and $47.38 a share in 2019. Dividends per share were $10.10 in 2020 and $8.50 in 2019.

A detailed discussion of the financial results for your Company can be found in the Financial Review and the Audited Financial Section of the report

Innovation to Serve and Grow

The year 2020 may have brought several things to a halt, but our ability to innovate and improve our customer experience was not one of them. Like most industries, banking had to quickly learn to work differently to avoid disruption. Central's culture of embracing technology allowed us to seamlessly move customer interactions to video, allowing us to still have face-to-face conversations and remain connected to our customers. We rapidly improved our ability to electronically share documents and capture a customer's signature, permitting us to close loans, including our large PPP portfolio, remotely. We were fortunate that in 2019, the Company invested in a new online account opening platform. This system played a vital role in our continued growth in 2020 as we instituted limited access to our lobbies due to the pandemic. These new forms of communication, along with strengthening our abilities to work remotely and enhancements to our mobile banking, became the foundation of our success in 2020.

Mortgage lending has been a strength of our company for decades. Over the years, we have invested in technology to make the experience easy for the customers and have built a solid infrastructure to bring efficiencies to the back office. This allowed for increased loan production throughout our network. More importantly, it allowed us to look beyond our traditional footprint and in the fourth quarter of 2020 we launched Online Central, a consumer-direct mortgage team. This operation is entirely online and over the phone, and originates mortgages nationwide. Online Central's six loan officers, along with our strong back office, quickly proved that we could compete nationwide against the best in the industry.

We have a long history of providing our business and retail customers a competitive credit card that also has local customer service. This combination was the cornerstone of our success. However, while our customer service remained strong, we recognized that new technology and innovation with other card providers was making it harder to compete. We issued a request for proposal for a new partner and chose TSYS, a Global Payments company headquartered in Georgia, to help us improve our card products. In November, we successfully completed a full conversion of our card portfolio to TSYS and are now positioned to enhance our offers, strengthen our rewards, and improve the payment experience for our base.

Robotics is a term you often hear with innovation. We tend to think of large machinery performing a task along an assembly line. But robotics can also bring incredible efficiencies to an operation such as ours. In 2020, we began to identify repetitive tasks that could be handled by Robotics Process Automation (RPA). We use this technology to rapidly create software 'bots' that replace common manual tasks executed by our staff such as data entry, form validation, and customer onboarding requests. During the second half of 2020, the RPA team created 11 'bots' that process more than 50,000 transactions each month and save over 400 man-hours of effort each month. We expect these solutions to reduce the need to add staff as our volumes continue to grow and to free up resources to spend more time on 'value-added' activities. We will continue to expand the use of this technology and expect to exponentially increase this output in 2021.

"Mortgage lending has been a strength of our company for decades...Online Central quickly proved that we could compete nationwide against the best in the industry."

Looking Ahead

While we are proud of the recognition by Forbes, we have never rested on past accomplishments. Your management team has built a well-diversified model that has prospered throughout economic cycles so we are planning on another strong year in 2021. But, to continue to improve, we must invest in top-line talent and technology.

On the talent front, we have hired Piyush Agarwal to be our new Chief Financial Officer. Piyush is our second senior executive hire in two years to join us from one of the largest and most respected banks in the U.S. Additionally, we are fortunate enough to promote the next generation of bank management from our own talent pool. Four of our markets are transitioning in 2021 with new Presidents: Joselyn Baldner, Springfield; Dan Stephen, St. Louis; Ed Scavone, Columbia; and Marshall Abney, Warrensburg. In addition to these promotions, we have recruited Greg Eby to join our company as President of our bank in Sedalia. We are pleased to have a breadth of diverse talent across the Company to lead us into the future, but we will need to develop more talent in critical positions which requires us to keep compensation and benefits competitive with banking and other industries.

On the technology front, we have invested in the development of a new online commercial banking platform and will spend 2021 building a more robust and mobile-first application for our business customers. For our retail customers, we are developing stronger financial tools inside our mobile banking application that include easier ways to save, set goals, and give the ability to do online investing. We believe these enhancements will keep our offerings strong and competitive against the many FinTecs threatening disintermediation. We are also beginning the work to upgrade our core processor and general ledger. We will continue to balance the cost benefits of technology investments, but we cannot fall behind in these strategic decisions.

Looking at our financial performance, we project a further decline in our net interest margin with historic low interest rates for potentially two more years resulting in compressed yields on earning assets. In addition, our balance sheet has grown dramatically with an influx of deposits, which result from federal deficit spending and the Federal Reserve's quantitative easing. As the Federal Reserve accommodates unprecedented deficits, their balance sheet has grown to over $7 trillion. This has resulted in monetary expansion and growth in bank deposits. It is difficult to invest this inflow of funds in quality earning assets. However, with continued low interest rates, mortgage volume will again boost earnings in 2021. Many consumers have already refinanced, so mortgage fees will not be as robust as in 2020 and competition will squeeze margins. It will be a challenge to overcome these headwinds.

On the positive side, we are somewhat optimistic the worst of the pandemic is behind us. We believe there is pent up demand as consumers and businesses want to return to their pre-pandemic lives and get together with friends and family. With these developments, there is a good chance that the economy will outperform expectations and we will see higher growth in business investment and consumer spending. Better economic growth should translate into better loan growth which we think will improve in the third or fourth quarter of 2021.

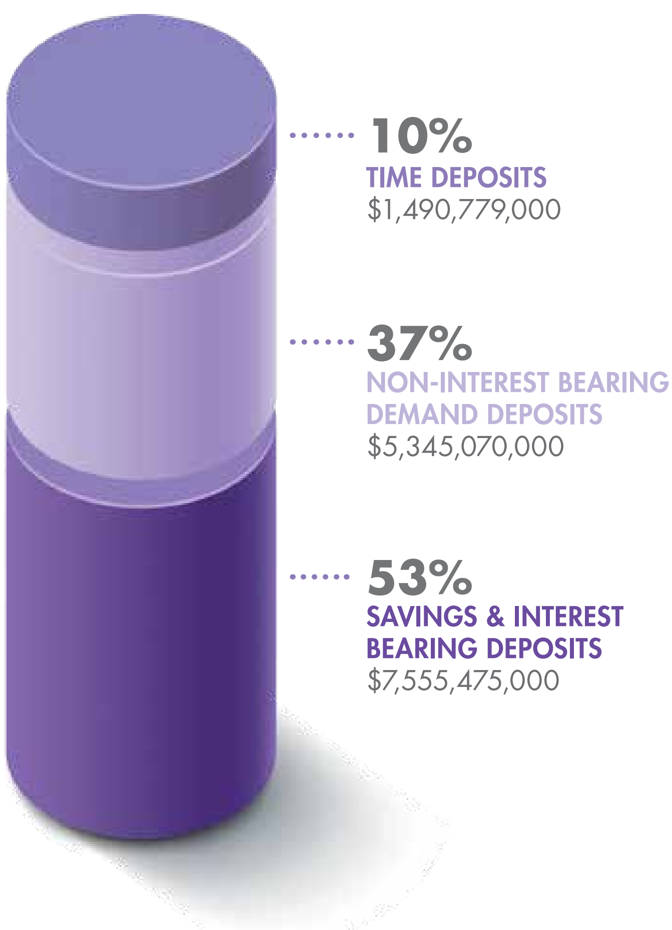
We also anticipate our core banking, payments, and wealth management businesses will see renewed strength on the back of a recovering economy. We have invested in these businesses and are optimistic we will see good returns in future years.

While we believe we are well positioned for 2021, we will continue to monitor the horizon for a number of emerging competitive threats, including potential payments disruption from new market entrants, technologies, or digital currencies, as well as macroeconomic threats, including the prospects of a return to higher inflation.

CORE MIX

TOTAL CORE FUNDING

$14,391,324,000



One bright spot is in our new markets. Colorado has proven to be a strong market for mortgage production and now, as a full-service branch, we have had success in commercial loan production and we will expand into other markets where we see the potential for loan growth and fee income.

Organizational Change

I want to share a significant change in our company structure that we have been studying for quite some time. Over the years, we have watched virtually all multi-bank holding companies change from operating multiple charters to one charter. Five years ago, we decided to change most of our bank names to Central Bank to provide better customer awareness and service to our customers. We also enabled them to bank across affiliate lines more efficiently and allowed access to more locations. These changes improved our ability to serve customers, but we still have limitations.

There are advantages to operating under a single charter, many of them around technology and accounting/regulatory operations. However, the key advantage is the improvement to our customer experience. We will be able to fully serve every customer, no matter where they are or how they began their relationship with our company. This is something we have been trying to accomplish for many years.

Therefore, we have decided to eliminate the separate bank charters and operate as one bank. This change is more of a legal change than it is fundamental. We will continue to operate as Central Bank and serve our customers in the same legendary way.

In closing, while it was another record year for your company, we are eager to close the books on 2020. The challenges it brought were heavy for our employees and their families. I believe 2021 will bring dramatic improvements to our post-pandemic way of life, but it will also bring a new set of challenges for our company. I can assure you that our employees will be working as hard as they have in the past to bring in another excellent year of core growth and profitability. Finally, I want to thank our shareholders, directors, customers, and employees for their continued support.

S. Bryan Cook, *Chairman & Chief Executive Officer*

2020
Managing Through Crisis

The world was forever changed in 2020. The words "coronavirus" and "Covid" were not even in our nomenclature. And then, suddenly, it evolved into a global pandemic and rapidly entered our communities. When people say "the virus" you know exactly what they mean. Soon after news reports of the spread, it began to afflict our employees and our customers at an increased pace. We activated our Crisis Management Team who met daily, making swift decisions to protect our employees and customers while still rising to the challenges and the large amount of work that would be required.

The Pandemic Team *(From left to right)* Pete Beard, Cheryl Kendrick, Bryan Cook, David Minton, Carey Schoeneberg, Christine Ellinger, Bob Robuck, Dan Stephens, Ken Littlefield, Joe Henderson, John Ross, Russ Goldammer, Karen Taylor, Greg Omer, Twilla Duvall, Josh Redel, Daniel Westhues, Steve Erdel, Melody Marcks, Paul Kleffner.

Our Employees Are Essential

Early in the year, the State of Missouri, along with other states, issued a stay-at-home order for non-essential workers. The banking industry, as with every crisis, was deemed essential to ensure financial stability during this pandemic. Our employees' health and safety became the top priority as we simultaneously asked them to step up and continue to serve our communities.

Thanks to the hard work and creative problem solving of our Central Technology team, we were able to offer more than one-third of our employee base the ability to work from home. With additional infrastructure and improvements to our Virtual Private Network (VPN), at home employees were able to continue their work uninterrupted. Most importantly, this immediately reduced the risk of COVID-19 infection to all employees.

We recognized early on that we would be asking our front-line/customer-facing employees to continue serving the public. In an effort to minimize the risk, we increased sanitation efforts and several branches went to drive-thru only services or by appointment only. Still, our Pandemic team felt we should do more and approved extra compensation for this group.

As we navigated this pandemic, it became clear that each and every life would be impacted. We found some employees needed to stay home to care for children, and were unable to work remotely. We allowed these employees to do so without exhausting their paid time off and kept them at 60% to 100% of their pay. Employees who were directly affected by the virus or had to care for someone infected with the virus, received 100% of their regular pay. Central Bancompany did not lay off any employees as a result of the pandemic.

Our employees are critical to our success and the success of our communities. While this pandemic has been challenging, we have focused on accommodating the needs of our employees. They, in turn, have risen to the occasion and found innovative ways to serve our customers, both in person and remotely.

Our Customers Need Us

The aforementioned investment in information technology (IT) has increased every year since 2014, so when the company needed to be mobilized and work remotely, it was ready. This investment and infrastructure support played a large role in the company's involvement in the CARES Act and the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The company largely offered new credit via this program to support the payroll and operations of small businesses through the issuance of government-guaranteed loans that include a "forgiveness" feature for borrowers that satisfy the requirements of the PPP. From April 3rd to August 8th, the time in which the program was open, the company booked more than 9,400 loans with a total balance of approximately $941 million. All of the lenders from across the company came together to help each other figure out and navigate the uncharted waters of this program – most of which worked late nights, weekends, and holidays. Due to these efforts, Central Bancompany was ranked #1 in number of loans made for the state of Missouri and #66 nationally.

This accomplishment should not go understated – this was significant for our communities. Without the hard work and dedication of so many employees, the company would not have been in such a great position to help businesses keep employees on the payroll, and play a role in saving thousands of jobs and businesses in our footprint.

The company made the decision to limit access to the majority of its public lobbies through the scariest and unknown part of early 2020. This would not have been possible without the strength of our online and

2020

Jan. 3, reports of mysterious virus spreading in Wuhan, China

Jan. 15, Bancompany Business Continuity & CTS begin plans to bolster network and bandwidth

Jan. 21, First confirmed COVID-19 case reported in U.S.

Jan. 31, CTS began ordering extra laptops in anticipation of employees working remote

Feb. 20, Some staff begin working from home. CTS starts to support employees working from home

Feb. 23, 14 confirmed cases in the U.S.

March 1, CDC officially declares COVID-19 "a global pandemic" and BCP Protocols are enacted

March 6, First confirmed case in Missouri, in St. Louis

March 13, First Call Center Representatives begin working from home. Missouri issues a state of emergency

March 16, All non-essential Bancompany employees start working remote, Executive Leaders meet daily

March 26, Bancompany surpasses 1,000 remote workers

March 26, Congress approves the CARES Act, releasing $2 trillion for public aide and PPP funds

April 1, 2,500 confirmed daily cases in the U.S.

April 3, SBA PPP portal opens, many commercial lenders work overnight pushing through applications

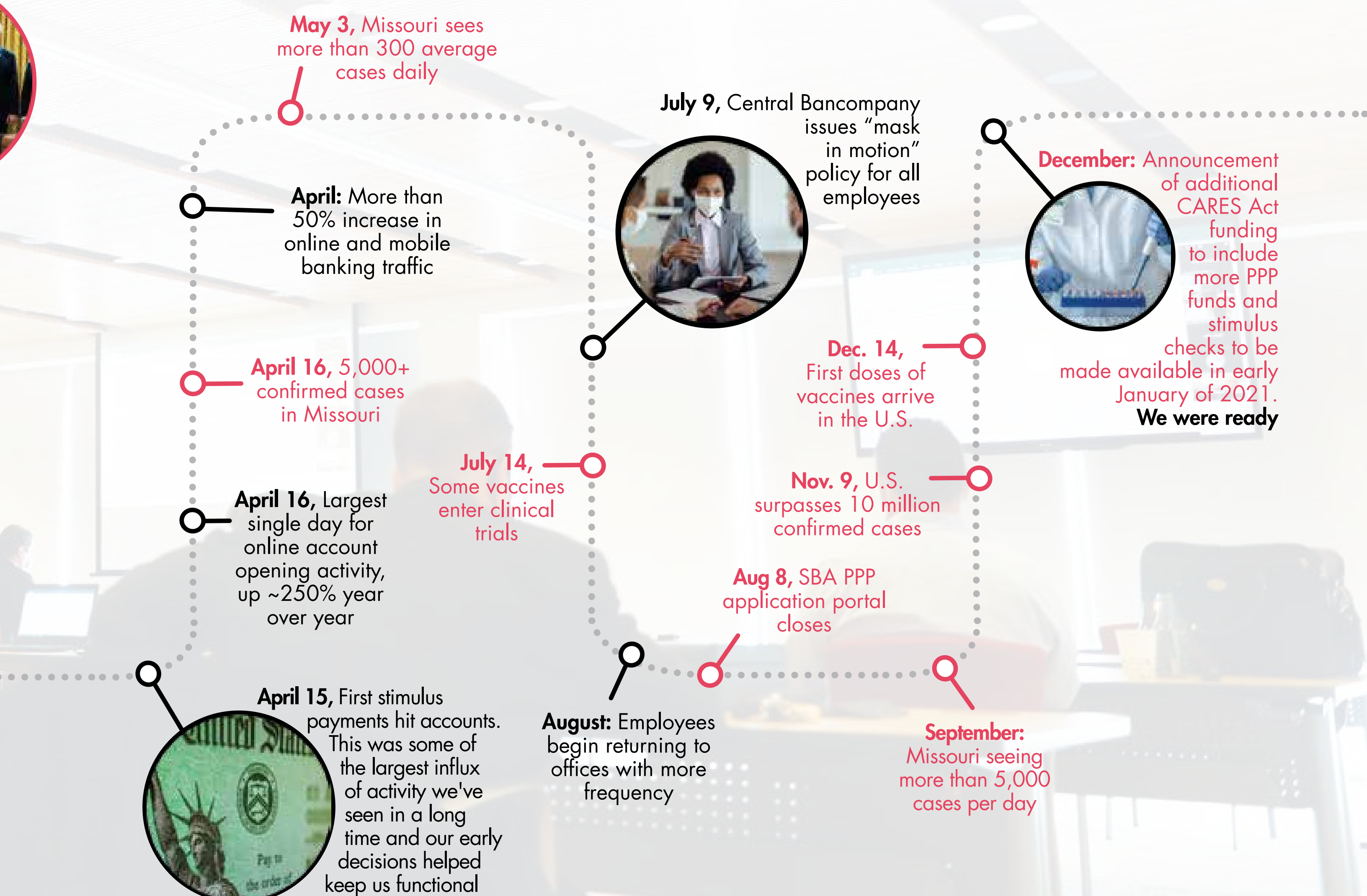
April 9, Missouri Governor Parson issues state-wide school/education shut down, sending thousands of students home

mobile channels. While account openings in the branch ground to a halt, our online account opening more than doubled, allowing us to continue to grow the company without our traditional infrastructure. The use of our mobile banking app increased significantly as customers who had avoided technology learned to embrace it. But the largest shift in customer behavior happened on April 15th, the day we electronically received the majority of consumer stimulus payments. On this day, logins to online and mobile banking more than doubled, setting a one-day record high. Several banks around the country experienced difficulty handling the volume, but thanks to Central Technology and proper planning, our customers experienced no disruption. The next day, we opened the largest number of accounts via our new online account opening platform, roughly 2 ½ times higher than the previous year.

We Are Dedicated Service Professionals

It all started with the late Sam B. Cook's vision of Legendary Service Standards and this continues as a beacon today. As Legendary Service Standard number one states, "it is our duty to provide legendary service to our customers." While COVID-19 continues to be an uphill battle, the Central Bancompany family has proven it can rise in the face of adversity and come together for the greater good of our communities. Under the current conditions of our economy, and challenges we face, we look to Legendary Service Standard 13: "Know No Boundaries – always be sure to search for alternative solutions to help customers, think outside the box, and be creative."

Strong Roots. Endless Possibilities.



Central Bancompany Welcomes John “JR” Ross as President

On March 30, 2020, Central Bancompany welcomed John “JR” Ross as the Company’s new President and Chief Operating Officer. A Mustang, Oklahoma native, JR attended the University of Oklahoma while completing the University’s accounting program. After graduating from Oklahoma, he obtained a Masters of Public Administration from the Kennedy School of Government at Harvard University.

John "JR" Ross,
President and Chief Operating Officer

JR brings a wealth of knowledge and expertise in the banking industry to Central Bancompany, with nearly 20 years of experience working in and leading the Banking division of J.P. Morgan's Investment Bank. With focus and persistence guiding his leadership style, JR opined on his goals for Central Bancompany, "the first principal is to do no harm, this is a wonderful company," he said. "All banks are facing pressure to be innovative and agile in the face of increasing competition from large banks and Silicon Valley. I like the hand we have, we will just need to continue to press our advantages and invest thoughtfully."

JR spent the majority of 2020 learning about the company and helping to navigate the COVID-19 pandemic, while himself and the leadership team guided Central Bancompany to another record year. "It has been inspiring to watch the team rally together to support customers during the pandemic, as best demonstrated in our efforts to support businesses with the implementation of the Paycheck Protection Program," he said.

Central Bancompany and its family of banks are notorious for its community focus and involvement. JR plans to continue fostering this relationship with the local communities and encourage employees to continue to find community involvement opportunities. JR noted, "Whether it's redoubling efforts to increase internal dialogue and collaboration across your Company or to support the entirety of our local communities, I think the pandemic has reminded us that we are better together." In conjunction with a community-service mindset, JR will continue to push for our markets to expand and grow with the proliferation of technology. He will continue to support the success of Central Bancompany employees to deliver the best in banking to consumers and businesses.

On a personal note, JR is married to his high school sweetheart and has two daughters Mayumi and Jun, 13 and 11, respectively. His family spent the last year adjusting to life in St. Louis and their daughters to new schools. The transition from New York has been successful for the Ross family.

"Outside of the office, I enjoy spending quality time with my family, playing tennis, and reading – in that order, "JR said." Now that I am here, I am also excited about the opportunity to be imbedded in a community, which has been harder to do in the places I've lived the past 25 years."

JR, Machiko, Mayumi, & Jun

Financial Review

Results of Operations

Central Bancompany, Inc., recorded net income of $240,776,000 in 2020, a $31,133,000 increase compared to 2019 net income of $209,643,000. Two key bank performance measures we focus on are the return on assets and the return on equity. The company's return on average assets was 1.44% in 2020 compared to 1.54% in 2019. The return on equity was 11.32% in 2020 and 10.77% in 2019.

Average daily assets for the Company were $16.721 billion in 2020 compared to $13.635 billion in 2019. Consolidated assets of the Company on December 31, 2020 were $18.299 billion. Deposits increased by 24.4% to $14.391 billion on December 31, 2020 and loans increased by 9.5% to $10.374 billion. Included in the year end 2020 loans were $780 million loans made under the Paycheck Protection Program (PPP) of the 2020 Cares Act.

On August 1, 2019 the Company acquired Bank Liberty in Liberty, Missouri with total assets of $533 million and on December 2, 2019 the Company acquired Platte Valley Bank of Missouri in Platte City, Missouri with total assets of $599 million. Bank Liberty was merged into Central Bank of the Midwest on December 6, 2019 and Platte Valley Bank was merged into Central Bank of the Midwest on April 3, 2020.

Total stockholders' equity increased by 9.6% to $2,330,655,000 on December 31, 2020. Book value per share was $526.69 on December 31, 2020 compared to $480.46 on December 31, 2019. The Company's 2020 year-end tangible equity to asset ratio was 11.73% compared to 13.13% in 2019. Net income per share was $54.41 in 2020 compared to $47.38 per share in 2019, a 14.8% increase; total dividends paid by the Company in 2020 were $44,693,000 or $10.10 per share compared to $37,613,000 in 2019 or $8.50 per share, an 18.8% increase.

Total revenue in 2020 amounted to $767.6 million, a $112.3 million, or 17.1% increase from 2019. Non-interest expense in 2020 was $429.6 million, a $60.7 million or 16.5% increase compared to 2019. And the provision for credit losses in 2020 amounted to $27.2 million an increase of $13.1 million. Following is a breakdown of the different components of each category and a discussion of the changes.

Net Interest Income

Net interest income comprises the major source of earnings for the Company. Net interest income is the difference between interest and fees earned by the Company from loans, securities, and other interest-bearing investments less interest paid on deposits and other interest-bearing liabilities.

In measuring net interest income, we evaluate all elements on a fully taxable equivalent basis (FTE). FTE adjusts for the tax-exempt status of interest earned on state and municipal investments and loans of the Company and the nondeductible interest expense associated with funding certain tax-free investments.

Net interest income is affected by two factors: The volume of earning assets utilized by the Company and the net interest rate spread, which is the difference in the rate earned on loans and investments and the overall rate paid on deposits and other funding liabilities.

In 2020, net interest income was $493.4 million, up $28.3 million or 6.1% from 2019. The volume of average earning assets was $15.882 billion in 2020, a 23.1% increase compared to 2019. Average loans increased by 16.1% to $10.068 billion while average deposits increased by 25.1% to $12.910 billion. The Company's level of investment securities and short-term investments averaged $5.814 billion in 2020, a 37.4% increase.

The Company's net interest margin decreased from 3.64% in 2019 to 3.16% in 2020.

The loan portfolio yielded 4.66% in 2020 and 5.04% in 2019 while the yield on the investment portfolio was 1.38% in 2020 and 2.53% in 2019. The Company's cost to fund the earning assets was 0.26% in 2020 and 0.57% in 2019.

Allowance for Loan Loss

The Company accounts for losses experienced in its loan portfolio on a reserve basis. The reserve is funded with provisions that are charged to expense, thereby lowering operating earnings. Loan losses represent charges to the reserve at such time that a loan is determined to be uncollectible. The reserve is maintained at a level to cover possible losses in the loan portfolio.

The Company's provision for loan losses was $27.2 million in 2020 compared to $14.0 million in 2019. Net loan charge-offs were $9.6 million in 2020 and $9.1 million in 2019. Net loan charge-offs as a percentage of average loans were 0.10% in 2020 and 0.11% in 2019. The reserve for possible loan losses was $150.5 million on December 31, 2020 or 1.45% of outstanding loans; this compares to a reserve of $132.9 million on December 31, 2019 or 1.40% of loans. Excluding the PPP loans at year end 2020, the reserve for possible loan losses amounted to 1.57% of outstanding loans.

Non-interest Income

Non-interest income is comprised of fees and commissions that are received from the products and services we provide to our customers. For 2020, total non-interest income was $274.2 million compared to $190.3 million in 2019, an $83.9 million or 44.1% increase driven by a $78.7 million or 232.2% increase in mortgage banking revenue which was enhanced by the expansion of the Company's mortgage banking effort with new physical locations in Colorado, North Carolina, and Tennessee as well as offering online mortgage loans throughout the United States. Also with historic low interest rates refinancing activity increased. Following is a comparison by major categories of 2020 non-interest income with 2019:

(In millions)	2020	2019	$ Change	% Change
Service charges and commissions	$ 50.0	50.6	(0.6)	(1.2)%
Bankcard and merchant fees	56.2	47.9	8.3	17.3%
Fees for fiduciary services	32.8	30.7	2.1	6.8%
Mortgage banking revenues	112.6	33.9	78.7	232.2%
Brokerage fees	16.3	14.5	1.8	12.4%
Investment securities gains (losses)	(0.7)	7.9	(8.6)	——
Other	7.0	4.8	2.2	45.8%
Total non-interest income	$274.2	190.3	83.9	44.1%

Non-interest Expense

Non-interest expense for 2020 was $429.6 million compared to $368.9 million in 2019, an increase of $60.7 million or 16.5%. Changes from 2019 to 2020: 1) approximately $18.0 million of the increase was due to the two banks acquired during 2019 and included for the full year of 2020, 2) Incentive based compensation was up $20.8 million or 62.1% mainly due to commissions with the additional revenue in the mortgage banking area, 3) Bank card costs increased $6.5 million or 23.2% in 2020 due to higher volume and conversion costs to the

TSYS platform, and 4) an increase in the write off of mortgage servicing rights of $5.9 million or 83.1% in 2020 with refinancing of existing mortgages. Changes in non-interest expense by major category between 2020 and 2019 follows:

(In millions)	2020	2019	$ Change	% Change
Salaries and wages	$211.0	174.0	37.0	21.2%
Employee benefits and payroll taxes	49.9	44.7	5.2	11.6%
Occupancy expenses	26.7	24.8	1.9	7.7%
Equipment costs	14.6	12.9	1.7	13.2%
Marketing and business development	9.6	10.0	-0.4	-4.0%
Computer software and maintenance	15.6	13.2	2.4	18.2%
BankCard processing and other costs	34.4	27.9	6.5	23.3%
Management and consulting	9.0	8.2	0.8	9.8%
FDIC insurance	0.9	0.5	0.4	80.0%
OMSR amortization	13.0	7.1	5.9	83.1%
Information services	5.6	5.2	0.4	7.7%
Correspondent bank charges	3.8	3.5	0.3	8.6%
FDIC indemnification amortization	0.0	1.6	-1.6	——
Loan collection and other real estate costs	2.9	3.1	-0.2	-6.5%
Travel, meetings, and entertainment	2.6	4.2	-1.6	-38.1%
Printing, telecommunications, postage	8.5	8.4	0.1	1.2%
Legal fees	1.1	1.3	-0.2	-15.4%
Intangible asset amortization	4.1	1.9	2.2	115.7%
Other	16.3	16.4	-0.1	-0.6%
Total non-interest expense	$429.6	368.9	60.7	16.5%

The Company's consolidated efficiency ratio for 2020 was 55.8% compared to 56.0% for 2019.

Income Taxes

For 2020, the Company recorded an expense for income taxes of $70.0 million compared to $62.7 million in 2019. The 2020 expense is comprised of $57.2 million in Federal income tax, $9.1 million in State income tax, and $3.7 million in amortization of tax credit costs.

The Company's effective tax rate (Federal and State) amounted to 22.5% in 2020 and 23.0% in 2019.

5 YEAR Consolidated Average Balance Sheet

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Assets	2020	2019	2018	2017	2016
Cash & Due From Banks	$ 190,398,000	168,642,000	167,414,000	178,101,000	189,278,000
Investment Securities	4,567,481,000	3,363,369,000	2,949,581,000	3,386,506,000	3,197,151,000
Money Market Obligations	1,246,672,000	868,795,000	813,716,000	649,626,000	721,983,000
Loans Less Unearned Income	10,067,989,000	8,670,796,000	8,263,526,000	7,977,585,000	7,593,567,000
Allowance for Loan Loss	(140,457,000)	(132,228,000)	(129,565,000)	(126,816,000)	(126,391,000)
Net Loans	9,927,532,000	8,538,568,000	8,133,961,000	7,850,769,000	7,467,176,000
Other Assets	789,383,000	695,973,000	629,118,000	647,671,000	669,523,000
Total Assets	$16,721,466,000	13,635,347,000	12,693,790,000	12,712,673,000	12,245,111,000

Liabilities and Stockholders' Equity

Non-Interest Bearing Demand Deposits	$ 4,607,624,000	3,368,629,000	3,132,724,000	3,175,488,000	3,041,476,000
Savings, NOW, and Money Market Deposits	6,732,864,000	5,438,204,000	5,109,279,000	4,946,129,000	4,574,425,000
Time Deposits	1,569,535,000	1,514,351,000	1,418,183,000	1,546,619,000	1,573,276,000
Total Deposits	12,910,023,000	10,321,184,000	9,660,186,000	9,668,236,000	9,189,177,000
Federal Funds Purchased & Repurchase Agreements	1,301,060,000	1,016,169,000	976,546,000	1,129,666,000	1,240,600,000
Borrowed Funds	5,000,000	2,296,000	14,000	0	1,175,000
Other Liabilities	251,335,000	217,341,000	196,097,000	193,746,000	183,422,000
Total Liabilities	14,467,418,000	11,556,990,000	10,832,843,000	10,991,648,000	10,614,374,000
Stockholders' Equity	2,254,048,000	2,078,357,000	1,860,947,000	1,721,025,000	1,630,737,000
Total Liabilities and Stockholders' Equity	$16,721,466,000	13,635,347,000	12,693,790,000	12,712,673,000	12,245,111,000

5 YEAR Consolidated Summary of Operations

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

	2020	2019	2018	2017	2016
Interest Income	$534,087,000	538,614,000	470,009,000	425,328,000	400,910,000
Interest Expense	40,732,000	73,595,000	51,479,000	33,378,000	22,862,000
Net Interest Income	493,355,000	465,019,000	418,530,000	391,950,000	378,048,000
Provision for Loan Losses	27,153,000	14,025,000	15,880,000	18,142,000	14,982,000
Non-Interest Income	274,214,000	190,262,000	162,487,000	161,012,000	167,972,000
Non-Interest Expense	429,625,000	368,928,000	339,013,000	335,288,000	329,572,000
Income Before Taxes	310,791,000	272,328,000	226,124,000	199,532,000	201,466,000
Income Taxes	70,015,000	62,685,000	48,548,000	62,505,000	59,438,000
Net Income	$240,776,000	209,643,000	177,576,000	137,027,000	142,028,000

Financial Data of Affiliate Banks

As of December 31, 2020

Bank	Total Assets	Loans	Investment Securities	Deposits	Stockholders' Equity
Central Bank of the Midwest, Lee's Summit	$3,677,114,000	$2,151,646,000	$895,788,000	$3,031,912,000	$503,823,000
Central Trust Bank, Jefferson City	3,470,233,000	1,310,635,000	1,782,938,000	2,401,316,000	242,622,000
Central Bank of Boone County, Columbia	2,746,579,000	1,372,672,000	900,140,000	2,240,365,000	190,561,000
Central Bank of St. Louis, Clayton	2,289,164,000	1,744,291,000	319,273,000	1,673,229,000	235,335,000
Central Bank of the Ozarks, Springfield	1,718,716,000	1,174,381,000	342,319,000	1,489,497,000	154,820,000
Central Bank of Lake of the Ozarks, Osage Beach	1,027,497,000	484,840,000	390,042,000	900,103,000	85,368,000
Jefferson Bank of Missouri, Jefferson City	761,476,000	597,381,000	90,031,000	641,985,000	70,782,000
Central Bank of Oklahoma, Tulsa	755,994,000	618,605,000	41,484,000	588,067,000	136,455,000
Central Bank of Sedalia, Sedalia	551,957,000	286,099,000	170,197,000	481,939,000	44,493,000
Central Bank of Branson, Branson	459,336,000	252,447,000	128,097,000	392,307,000	40,500,000
Central Bank of Warrensburg, Warrensburg	295,974,000	172,892,000	85,060,000	248,179,000	38,117,000
Central Bank of Audrain County, Mexico	236,398,000	92,290,000	84,686,000	211,872,000	16,516,000
Central Bank of Moberly, Moberly	227,526,000	106,261,000	86,961,000	198,636,000	17,654,000

KPMG LLP
Suite 1100
1000 Walnut Street
Kansas City, MO 64106-2162

Independent Auditors' Report

The Board of Directors
Central Bancompany, Inc.:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Central Bancompany Inc. and subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Central Bancompany, Inc. and subsidiaries as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

We also have audited, in accordance with auditing standards generally accepted in the United States of America, the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated March 26, 2021 expressed an unmodified opinion on the effectiveness of the Company's internal control over financial reporting.

KPMG LLP

Kansas City, Missouri
March 26, 2021

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2020 and 2019

		2020	2019
Assets			
Cash and due from banks	$	277,207,000	234,609,000
Short-term interest-bearing deposits		1,536,646,000	692,406,000
Interest-bearing deposits		28,679,000	60,220,000
Federal funds sold and securities purchased under agreements to resell		10,238,000	200,831,000
Investment securities (note 2):			
Available for sale (AFS)		5,325,801,000	3,520,920,000
Held to maturity (fair value of $29,927,000 and $58,019,000, in 2020 and 2019, respectively)		29,569,000	57,222,000
Equity		58,368,000	55,322,000
Trading		216,000	108,000
Total investment securities		5,413,954,000	3,633,572,000
Loans (note 3)		10,240,018,000	9,404,755,000
Less allowance for loan losses (note 4)		(150,457,000)	(132,949,000)
Net loans		10,089,561,000	9,271,806,000
Loans held for sale		137,695,000	70,338,000
Land, buildings, and equipment, net (notes 6 and 14)		219,930,000	227,931,000
Deferred tax assets (note 8)		-	839,000
Foreclosed assets held for sale		10,580,000	9,756,000
Goodwill (note 7)		348,237,000	348,907,000
Core deposit and other intangibles (note 7)		21,088,000	25,122,000
Mortgage servicing rights (note 5)		27,153,000	20,474,000
Bank owned life insurance		23,401,000	22,848,000
Other assets		155,288,000	141,281,000
Total assets	$	18,299,657,000	14,960,940,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2020 and 2019

		2020	2019
Liabilities and Stockholders' Equity			
Deposits:			
Noninterest-bearing demand	$	5,345,070,000	3,739,782,000
Savings and interest-bearing demand		7,555,475,000	6,197,083,000
Time (note 9)		1,490,779,000	1,630,052,000
Total deposits		14,391,324,000	11,566,917,000
Federal funds purchased and securities sold under agreements to repurchase (note 10)		1,315,747,000	1,022,348,000
Trust preferred securities and other borrowed funds (note 11)		5,000,000	6,702,000
Deferred tax liabilities, net (note 8)		1,966,000	-
Other liabilities (note 14)		254,965,000	238,910,000
Total liabilities		15,969,002,000	12,834,877,000
Stockholders' equity:			
Class A voting common stock, $1 par value. Authorized, 3,993,779 shares; issued, 1,993,779 shares		1,994,000	1,994,000
Class B nonvoting common stock, $1 par value. Authorized, 7,962,278 shares; issued, 3,962,278 shares		3,962,000	3,962,000
Capital surplus		5,250,000	5,250,000
Retained earnings		2,449,521,000	2,253,438,000
Accumulated other comprehensive loss (note 17)		(50,653,000)	(59,162,000)
		2,410,074,000	2,205,482,000
Less treasury stock of 447,682 shares of Class A voting common stock in 2020 and 2019,respectively; 1,083,290 shares of Class B nonvoting common stock in 2020 and 2019, respectively		(79,419,000)	(79,419,000)
Total stockholders' equity		2,330,655,000	2,126,063,000
Total liabilities and stockholders' equity	$	18,299,657,000	14,960,940,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Income

December 31, 2020 and 2019

		2020	2019
Interest income:			
Loans	$	467,580,000	435,465,000
Investment securities		61,498,000	83,203,000
Federal funds sold and securities purchased under agreements to resell		5,009,000	19,946,000
Total interest income		534,087,000	538,614,000
Interest expense:			
Deposits		36,157,000	58,880,000
Federal funds purchased, securities sold under agreements to repurchase, and borrowed funds		4,575,000	14,715,000
Total interest expense		40,732,000	73,595,000
Net interest income		493,355,000	465,019,000
Provision for loan losses (note 4)		27,153,000	14,025,000
Net interest income after provision for loan losses		466,202,000	450,994,000
Other income:			
Service charges and commissions		50,000,000	50,615,000
Bankcard and merchant services		56,246,000	47,913,000
Brokerage services		16,253,000	14,548,000
Fees for fiduciary services		32,841,000	30,739,000
Mortgage banking revenues (note 5)		112,587,000	33,917,000
Other income		7,020,000	4,656,000
Investment securities (losses) gains, net		(733,000)	7,874,000
Total other income		274,214,000	190,262,000
Other expenses:			
Salaries and employee benefits (note 12)		259,924,000	217,792,000
Net occupancy (notes 6 and 14)		26,676,000	24,837,000
Equipment (notes 6 and 14)		14,627,000	12,827,000
Computer software and maintenance		15,558,000	13,158,000
Marketing and business development		9,558,000	10,041,000
FDIC insurance		895,000	482,000
Management and consulting fees		9,048,000	8,261,000
Bankcard		34,374,000	27,938,000
Other expenses		58,965,000	53,592,000
Total other expenses		429,625,000	368,928,000
Income before income taxes		310,791,000	272,328,000
Income taxes (note 8)		70,015,000	62,685,000
Net income	$	240,776,000	209,643,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

December 31, 2020 and 2019

		2020	2019
Net income	$	240,776,000	209,643,000
Change in unrealized gain on AFS securities, net of income taxes		18,655,000	16,385,000
Change in pension (loss), net of income taxes		(10,146,000)	(9,055,000)
Other comprehensive income		8,509,000	7,330,000
Total comprehensive income	$	249,285,000	216,973,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statement of Stockholders' Equity

December 31, 2020 and 2019

		2020	2019
Common Stock:			
Balance at beginning and end of year, Class A, voting	$	1,994,000	1,994,000
Balance at beginning and end of year, Class B, nonvoting		3,962,000	3,962,000
Capital Surplus:			
Balance at beginning and end of year		5,250,000	5,250,000
Retained Earnings:			
Balance at beginning of year		2,253,438,000	2,081,588,000
Adoption of ASU 2016-02		-	(180,000)
Net income		240,776,000	209,643,000
Cash dividends ($10.10 per common share in 2020 and $8.50 per common share in 2019)		(44,693,000)	(37,613,000)
Balance at end of year		2,449,521,000	2,253,438,000
Accumulated other comprehensive loss:			
Balance at the beginning of the year		(59,162,000)	(66,492,000)
Other comprehensive income		8,509,000	7,330,000
Balance at end of year		(50,653,000)	(59,162,000)
Treasury Stock:			
Balance at beginning and end of year		(79,419,000)	(79,419,000)
Total Stockholders' Equity	$	2,330,655,000	2,126,063,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statement of Cash Flows

December 31, 2020 and 2019

		2020	2019
Cash flows from operating activities:			
Net income	$	240,776,000	209,643,000
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization		33,520,000	24,319,000
Accretion of discounts and amortization of premiums, net		17,624,000	2,020,000
Deferred income taxes		131,000	4,429,000
Provision for loan losses		27,153,000	14,025,000
Gain on sale of loans, net		(95,816,000)	(25,498,000)
Purchases of trading securities		(5,438,000)	(1,899,000)
Sales of trading securities		5,325,000	1,918,000
Investment securities losses (gains), net		733,000	(7,874,000)
Originations of mortgage loans held for sale		(2,644,312,000)	(1,084,430,000)
Proceeds from sales of mortgage loans held for sale		2,722,280,000	1,104,733,000
Increase in other assets		(34,224,000)	(1,367,000)
Increase in other liabilities		3,931,000	1,221,000
Net cash provided by operating activities		271,683,000	241,240,000
Cash flows from investing activities:			
Purchase of available-for-sale securities		(7,201,436,000)	(5,081,402,000)
Purchase of equity securities		(9,114,000)	(7,946,000)
Purchase of held-to-maturity securities		(200,000)	(1,402,000)
Proceeds from sales of available-for-sale securities		230,233,000	360,384,000
Proceeds from sales of equity securities		5,514,000	29,966,000
Proceeds from maturities of available-for-sale securities		5,173,111,000	4,072,663,000
Proceeds from maturities of held-to-maturity securities		27,800,000	22,290,000
Net change in interest bearing deposits		31,541,000	(20,863,000)
Purchase of bank, net of cash acquired		—	(100,712,000)
Net increase in loans		(894,997,000)	(299,967,000)
Purchase of land, buildings, and equipment		(13,610,000)	(23,668,000)
Proceeds from sale of land, buildings, and equipment		4,309,000	6,886,000
Net cash used in investing activities		(2,646,849,000)	(1,043,771,000)
Cash flows from financing activities:			
Increase in deposits		2,824,407,000	465,240,000
Increase in federal funds purchased and securities sold under agreements to repurchase		293,399,000	64,438,000
Proceeds from borrowed funds		5,000,000	—
Repayment of borrowed funds		(6,702,000)	—
Dividends paid		(44,693,000)	(37,613,000)
Net cash provided by financing activities		3,071,411,000	492,065,000
Net increase (decrease) in cash and cash equivalents		696,245,000	(310,466,000)
Cash and cash equivalents at beginning of year		1,127,846,000	1,438,312,000
Cash and cash equivalents at end of year	$	1,824,091,000	1,127,846,000
Cash and due from banks	$	277,207,000	234,609,000
Short-term interest bearing deposits		1,536,646,000	692,406,000
Federal funds sold and securities purchased under agreements to resell		10,238,000	200,831,000
Total cash and cash equivalents	$	1,824,091,000	1,127,846,000
Supplemental disclosure of cash flow information:			
Interest paid	$	43,355,000	75,218,000
Income taxes paid		65,775,000	48,588,000
Loans transferred to foreclosed assets held for sale		10,076,000	6,029,000

See accompanying notes to consolidated financial statements.

(1) Summary of Significant Accounting Policies

(a) Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Central Bancompany, Inc. and its subsidiary banks and companies (the Company). All intercompany accounts and transactions have been eliminated. The Company evaluated subsequent events for recognition or disclosure through March 26, 2021, the date on which the consolidated financial statements were issued. The ongoing COVID-19 pandemic and measures intended to prevent its spread have adversely affected, and may continue to adversely affect our business activities, financial condition, and results of operations and such effects will depend on future developments, which are highly uncertain and difficult to predict. Global health concerns relating to the COVID-19 pandemic and related government actions taken to reduce the spread of the virus have negatively impacted the macroeconomic environment, and the pandemic has significantly increased economic uncertainty and abruptly reduced economic activity. The extent to which the COVID-19 pandemic impacts our business, results of operations and financial condition will depend on future developments, which are highly uncertain and are difficult to predict, including, but not limited to, the duration and spread of the pandemic, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume.

(b) Use of Estimates

Management has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these consolidated financial statements in conformity with U.S. generally accepted accounting principles (GAAP). Actual results could differ from those estimates.

(c) Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Company considers cash and due from banks, short-term interest-bearing deposits maturing within 90 days, and federal funds sold and securities purchased under agreements to resell maturing within 90 days to be cash equivalents. Interest-bearing deposits are interest-bearing securities held at other financial institutions but are not considered cash and cash equivalents.

(d) Investment Securities

The Company classifies investment securities in one of four categories: equity, trading, available-for-sale, or held-to-maturity. Trading securities are bought and held principally for the purpose of selling them in the near term. Held-to-maturity securities are those that the Company has the positive intent and ability to hold to maturity. All other debt securities are classified as available-for-sale.

Held-to-maturity securities are recorded at amortized cost. Trading, equity, and available-for-sale securities are recorded at fair value. Unrealized holding gains and losses on equity and trading securities are included in earnings. Unrealized holding gains and losses, net of related tax effect, on available-for-sale securities are excluded from earnings and are reported as a separate component of accumulated other comprehensive income (loss) until realized. Realized gains and losses upon disposition of available-for-sale securities are included in income using the specific-identification method for determining the cost of the securities sold.

Securities are evaluated for other-than-temporary impairments in accordance with guidance provided in Accounting Standards Codification (ASC) 320-10-35, *Investments–Debt Securities–Overall–Subsequent Measurement*. For securities with other-than-temporary impairments, the entire loss in fair value is required to be recognized in current earnings if the Company intends to sell the securities or believes it likely that it will be required to sell the security before the anticipated recovery. If neither condition is met, but the Company does not expect to recover the amortized cost basis, the Company determines whether a credit loss has occurred, which is then recognized in current earnings. The noncredit-related portion of the overall loss is reported in other comprehensive income (loss).

Purchased premiums and discounts on investment securities are amortized/accreted into interest income using the constant yield method based upon the remaining contractual maturity of the asset, adjusted for any expected prepayments.

(e) Loans held for sale-mortgage banking

Loans held for sale-mortgage banking are accounted for at fair value pursuant to the fair value option permitted by ASC 825, *Financial Instruments.* The Company elected to take the fair value option for loans held for sale permitted by ASC 825, Financial Instruments beginning January 1, 2020. Previously the Company recorded loans held for sale at the lower of cost or fair value. Gains and losses from the changes in fair value are included in mortgage banking revenues, net.

(f) Loans

Interest on loans is accrued and credited to income based upon the principal amount outstanding using primarily a simple interest calculation. Fees associated with the origination of loans are deferred and amortized over the life of the loans and are shown as an adjustment to interest income using the straight-line method, which materially approximates the level-yield method. The accrual of interest on loans is discontinued when, in management's judgment, the interest is uncollectible in the normal course of business. When a loan is placed on non-accrual status, any interest previously accrued but not collected is reversed against current income. Interest received on nonaccrual loans is recognized on a cash basis. The loan is returned to accrual status only when the borrower has brought all past-due principal and interest payments current and, in the opinion of management, has demonstrated the ability to make future payments of principal and interest as scheduled.

(g) Provision for Loan Losses

The Company performs ongoing reviews of its loan portfolio to assess collectability, with a detailed review as of the close of each calendar quarter. The balance in the allowance for loan losses account reflects the Company's estimate of the losses inherent in the portfolio based on these reviews. While these estimates are based on generally accepted accounting principles (GAAP) and industry norms for assessing collectability, actual outcomes may differ from estimated results.

In compliance with ASC 310-10, individual loans determined to be impaired are reviewed quarterly for impairment. Impaired loans consist of all troubled debt restructurings and most non-accrual loans. To determine the individual impairment on these loans, the Company applies regulatory requirements to either charge the loan down or establish a reserve for any incurred loss. Impaired loans that are collateral dependent are charged down to the fair value of collateral less selling costs.

Loans which are not impaired are segregated into pools of loans with common risk characteristics as required by ASC 450-20. The historical annualized loss rate for each pool is determined and then adjusted by an appropriate loss emergence period. In accordance with regulatory guidance, these historical loss rates are then adjusted for factors which, in the opinion of management, are expected to cause future loss rates to be higher or lower than past loss rates. Some of these factors are external, such as current economic conditions and trends, and others are internal, such as changes in the composition and performance of the current loan portfolio. The Company's ending allowance balance is the sum of the estimated required reserve on the various pools of loans plus the estimated required reserve on impaired loans.

(h) Land, Buildings, and Equipment

Land, buildings, and equipment are stated at cost less accumulated depreciation. Depreciation is computed on the straight-line or declining balance method depending upon the type of asset. The Company generally assigns depreciable lives of 25-30 years for buildings; 15 years for building improvements; 15 years for land improvements; and 3-7 years for furniture, equipment, and software. Maintenance and repair costs are charged to expense as incurred. Major improvements are individually considered and are capitalized or expensed as the facts dictate.

(i) Goodwill and Other Intangible Assets

Goodwill represents the excess of cost over equity in net assets of entities acquired. The Company accounts for goodwill in accordance with ASC 350, *Intangibles – Goodwill and Other*. Under ASC 350, goodwill and intangible assets that have indefinite useful lives are not amortized, but rather tested at least annually for impairment. Intangible assets that have finite useful lives continue to be amortized over 7 to 20 years.

(j) Foreclosed Assets

Foreclosed assets consist of property that has been formally repossessed. Collateral obtained through foreclosure is comprised of commercial and residential real estate and other non-real estate property, including automobiles. The assets are initially recorded at the lesser of the loan balance or fair value less estimated selling costs at the time of foreclosure, with any valuation adjustments charged to the allowance for loan losses. Subsequently, the asset is carried at fair value. Future operating results, including unrealized losses and realized gains and losses on sale, are recorded in other expense.

(k) Income Taxes

The Company and its subsidiaries file a consolidated federal income tax return. Certain income and expense items are accounted for differently for financial reporting purposes than for income tax purposes. Deferred income taxes are provided in recognition of these temporary differences at rates expected to be in effect when such differences reverse.

(l) Comprehensive Income

Comprehensive income is defined as the change in equity (net assets) of a business enterprise during a period from transactions and other events and circumstances from nonowner sources. For the Company, this includes net income, changes in unrealized gains and losses on available-for-sale investment securities, and the net periodic benefit cost related to the Company's defined benefit pension plan, net of applicable tax effects. The amounts recognized in accumulated other comprehensive loss related to the defined benefit pension plan are adjusted out of accumulated other comprehensive loss when they are subsequently recognized as components of net periodic benefit cost.

(m) Mortgage Banking

The fair value of retained mortgage servicing rights related to loans originated and sold is capitalized as an asset in accordance with ASC 860, *Accounting for Servicing of Financial Assets*, thereby increasing the gain on sale of the loan by the amount of the asset. Such mortgage servicing rights are amortized in proportion to and over the period of estimated net servicing income, considering appropriate prepayment assumptions. Any remaining unamortized amount is charged to expense if the related loan is repaid prior to maturity.

Management monitors the capitalized mortgage servicing rights on a disaggregated basis by stratum for impairment based on the fair value of those rights. Any impairment is recognized through a valuation allowance.

(n) Derivative Financial Instruments

ASC 815, *Derivatives and Hedging*, establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. Accordingly, the Company records all derivatives at fair value. The Company enters into interest rate lock commitments on certain mortgage loans related to mortgage banking operations on a best efforts basis, which are commitments to originate loans whereby the interest rate on the loan is determined prior to funding. The Company also has corresponding forward sales contracts related to these interest rate lock commitments. In August of 2020, the Company began to originate and sell certain loans related to mortgage banking operations on a mandatory delivery basis. To hedge interest rate risk the Company sells short positions in mortgage backed securities related to the loans sold on a mandatory delivery basis. The commitments to originate and short positions are accounted for as derivatives and carried at fair value in other assets and other liabilities with changes in fair value recorded in mortgage banking revenues, net.

(o) Securities Sold under Agreements to Repurchase

The Company enters into sales of securities under agreements to repurchase as of a specified future date. Such repurchase agreements are considered financing agreements, and accordingly, the obligation to repurchase assets sold is reflected as a liability in the consolidated balance sheet of the Company. Repurchase agreements are collateralized by securities that are under the control of the Company.

(p) Recent Accounting Pronouncements

Credit Losses – In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*. The update replaces the current incurred loss methodology for recognizing credit losses with a current expected loss model, which requires the measurement of all expected credit losses for financial assets held at the report date based on historical experience, current conditions, and reasonable and supportable forecasts. The amendment broadens the information that the entity must consider in developing its expected credit loss estimates. Additionally, the update amends the accounting for credit losses on AFS debt securities. The update requires enhanced disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimated credit losses, as well as the credit quality and underwriting standards of a company's loan portfolio. The ASU is effective for annual periods beginning January 1, 2023. The Company is currently evaluating the effects of this pronouncement on its consolidated financial statements.

Goodwill – In January 2017, the FASB issued ASU 2017-04, *Simplifying the Test for Goodwill Impairment.* The ASU simplifies the accounting for goodwill impairments and are effective for financial statements issued for annual periods beginning after December 15, 2020. The change did not have a significant effect on the Company's consolidated financial statements.

Intangible Assets - The FASB issued ASU 2018-15, "Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract", in August 2018. Under current guidance, the accounting for implementation costs of a hosting arrangement that is a service contract is not specifically addressed. Under the new amendments, the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract are aligned with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software or hosting arrangements that include an internal-use software license. The guidance was effective January 1, 2020. The change did not have a significant effect on the Company's consolidated financial statements.

Income Taxes - The FASB issued ASU 2019-12, "Simplifying the Accounting for Income Taxes", in December 2019. The amendments in the ASU eliminate certain exceptions under current guidance for investments, intraperiod allocations, and the methodology for calculating interim income tax. In addition, the amendments also add new guidance to simplify accounting for income taxes. The amendments were effective January 1, 2021. The change did not have a significant effect on the Company's consolidated financial statements.

Reference Rate Reform- The FASB issued ASU 2020-04, "*Reference Rate Reform,*", in March 2020. The amendments in the ASU provides optional expedients and exceptions for applying GAAP to loan and lease agreements, derivative contracts, and other transactions affected by the anticipated transition away from LIBOR toward new interest rate benchmarks. For loan and lease agreements that are modified because of reference rate reform and that meet certain scope guidance (i) modifications of loan agreements should be accounted for by prospectively adjusting the effective interest rate, and the modifications would be considered "minor" with the result that any existing unamortized origination fees/costs would carry forward and continue to be amortized and (ii) modifications of lease agreements should be accounted for as a continuation of the existing agreement, with no reassessments of the lease classification and the discount rate or remeasurements of lease payments that otherwise would be required for modifications not accounted for as separate contracts. ASU 2020-04 also provides numerous optional expedients for derivative accounting. ASU 2020-04 is effective March 12, 2020 through December 31, 2022. An entity may elect to apply ASU 2020-04 for contract modifications as of January 1, 2020, or prospectively from a date within an interim period that includes or is subsequent to March 12, 2020, up to the date that the financial statements are available to be issued. Once elected for a Topic or an Industry Subtopic within the ASC, ASU 2020-04 must be applied prospectively for all eligible contract modifications for that Topic or Industry Subtopic. The Company anticipates that ASU 2020-04 will simplify any modifications executed between the selected start date and December 31, 2022 that are directly related to LIBOR transition by allowing prospective recognition of the continuation of the contract, rather than extinguishment of the old contract that would result in writing off unamortized fees/costs. Management will continue to actively assess the impacts of ASU 2020-04 and the related opportunities and risks involved in the LIBOR transition and does not believe it will have a material impact on the Company's consolidated financial statements.

(2) Investment Securities

The table below includes the fair value of equity securities as of December 31, 2020 and 2019 including, Federal Home Loan Bank Stock, Federal Reserve Bank Stock, and equity securities with no readily determinable value:

Equity Securities	12/31/2020	12/31/2019
Common and preferred stocks with readily determinable fair value	$ 4,500,000	4,957,000
Federal Home Loan Bank stock	19,643,000	19,357,000
Federal Reserve Bank stock	25,097,000	21,288,000
No readily determinable fair value	9,128,000	9,720,000
Total equity securities	$ 58,368,000	55,322,000

During 2020, $552,000 in losses were recorded on the net decline in market value of the common and preferred stock, consisting of $15,000 in gains realized on sales during 2020 and $567,000 in net unrealized losses on the portfolio. $2,000 of the $5,000,000 in common and preferred stocks were sold in 2020. In 2019, $7,841,000 in gains were recorded on the net increase in market value of the common and preferred stock, consisting of $6,337,000 in gains realized on sales during 2019 and $1,504,000 in net unrealized gains on the portfolio. $23,500,000 of the $27,000,000 in common and preferred stocks were sold in 2019.

The following tables show the carrying amount, gross unrealized holding gains, gross unrealized holding losses, and fair value of AFS and HTM securities by security type at December 31, 2020 and 2019.

	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair values
2020				
Available for sale:				
United States government obligations and government-sponsored enterprises	$ 5,057,365,000	33,643,000	(3,729,000)	5,087,279,000
Obligations of states and political subdivisions	102,646,000	2,121,000	(37,000)	104,730,000
Other securities	134,973,000	416,000	(1,597,000)	133,792,000
	$ 5,294,984,000	36,180,000	(5,363,000)	5,325,801,000
Held to maturity:				
United States government obligations and government-sponsored enterprises	$ 73,000	—	—	73,000
Obligations of states and political subdivisions	29,496,000	358,000	—	29,854,000
	$ 29,569,000	358,000	—	29,927,000

	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair values
2019				
Available for sale:				
United States government obligations and government-sponsored enterprises	$ 2,908,712,000	11,209,000	(4,447,000)	2,915,474,000
Obligations of states and political subdivisions	178,292,000	2,384,000	(68,000)	180,608,000
Other securities	427,633,000	316,000	(3,111,000)	424,838,000
	$ 3,514,637,000	13,909,000	(7,626,000)	3,520,920,000
Held to maturity:				
United States government obligations and government-sponsored enterprises	$ 90,000	4,000	—	94,000
Obligations of states and political subdivisions	57,132,000	895,000	(102,000)	57,925,000
	$ 57,222,000	899,000	(102,000)	58,019,000

The amortized cost and fair value of available-for-sale and held-to-maturity securities at December 31, 2020, by contractual maturity, are shown below:

	United States government obligations and government-sponsored enterprises		Obligations of states and political subdivisions		Other securities	
	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost	Fair value
Available for sale:						
Within 1 year	$ 857,388,000	857,572,000	26,799,000	26,873,000	72,762,000	72,908,000
After 1 but within 5 years	1,570,040,000	1,570,285,000	60,467,000	61,401,000	40,035,000	38,638,000
After 5 but within 10 years	78,259,000	78,262,000	13,826,000	14,861,000	—	—
After 10 years	—	—	1,554,000	1,595,000	—	—
Mortgage – and asset-backed securities	2,551,678,000	2,581,160,000	—	—	22,176,000	22,246,000
	$ 5,057,365,000	5,087,279,000	102,646,000	104,730,000	134,973,000	133,792,000
Held to maturity:						
Within 1 year	$ —	—	3,918,000	3,939,000	—	—
After 1 but within 5 years	—	—	19,208,000	19,430,000	—	—
After 5 but within 10 years	—	—	6,323,000	6,438,000	—	—
After 10 years	—	—	47,000	47,000	—	—
Mortgage – and asset-backed securities	73,000	73,000	—	—	—	—
	$ 73,000	73,000	29,496,000	29,854,000	—	—

Proceeds from sales of available-for-sale securities in 2020 and 2019 were $230,233,000 and $360,384,000, respectively. Net losses of $181,000 and net gains of $33,000 were recognized on the sale of available-for-sale securities in 2020 and 2019, respectively.

Other securities consist primarily of corporate bonds.

Investment securities and money market obligations with a carrying value of approximately $3,657,000,000 and $2,712,000,000 were pledged to secure public deposits, repurchase agreements, and borrowed funds at December 31, 2020 and 2019, respectively.

Gross unrealized losses on available-for-sale investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2020 and 2019 were as follows:

	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
2020						
Available for sale:						
United States government obligations and government-sponsored enterprises	$ 1,322,720,000	(2,903,000)	96,564,000	(827,000)	1,419,284,000	(3,729,000)
Obligations of states and political subdivisions and other securities	5,334,000	(2,000)	35,983,000	(1,631,000)	41,317,000	(1,634,000)
	$ 1,328,054,000	(2,905,000)	132,547,000	(2,458,000)	1,460,601,000	(5,363,000)

	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
2019						
Available for sale:						
United States government obligations and government-sponsored enterprises	$ 981,508,000	(1,971,000)	172,782,000	(2,476,000)	1,154,290,000	(4,447,000)
Obligations of states and political subdivisions and other securities	265,179,000	(212,000)	93,481,000	(2,967,000)	358,660,000	(3,179,000)
	$ 1,246,687,000	(2,183,000)	266,263,000	(5,443,000)	1,512,950,000	(7,626,000)

Gross unrealized losses on held-to-maturity investment securities and the fair value of the related securities were $0 and $8,000 at December 31, 2020. The Gross unrealized losses on held to maturity investment securities and fair value of the related securities aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2019 were as follows:

	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
2019						
Held to maturity:						
Obligations of states and political subdivisions	$ —	—	576,000	(102,000)	576,000	(102,000)
	$ —	—	576,000	(102,000)	576,000	(102,000)

For the investments in the tables above, management has determined that the unrealized losses are temporary in nature. A primary factor considered in making that determination is management's intent and ability to hold each investment for a period of time sufficient to allow for an anticipated recovery in fair value. Management has the positive intent and ability to hold each investment until the earlier of its anticipated recovery or maturity. Additional factors considered in determining whether a loss is temporary include:

- The length of time and the extent to which fair value has been below cost
- The severity of the impairment
- The cause of the impairment and the financial condition and near-term prospects of the issuer
- Activity in the market of the issuer, which may indicate adverse credit conditions

Other-than-temporary impairment may arise in future periods, due to further deterioration in the general economy and national housing markets, and changing cash flows, loss severities, and delinquency levels of the securities' underlying collateral, which would negatively affect the Company's financial results.

The Company's impairment policy requires a review of all securities for which fair value is less than amortized cost for a period of 12 months. Special emphasis and analysis is placed on securities whose credit rating has experienced a negative credit rating event. These securities are placed on a watch list, and for all such securities, further credit analysis, research, and rating agency outlook is evaluated for further action considerations. Securities below investment grade with risk of bankruptcy filing or uncertain financial outlook are considered for OTTI impairment. There were no securities on the watch list as of December 31, 2020 and 2019 that were considered other than temporarily impaired.

As of December 31, 2020 and 2019, the Company had no recorded other than temporary impairment. Securities that were temporarily impaired at December 31, 2020 and 2019 are shown above, along with the length of the impairment period. Out of the total available-for-sale securities portfolio, consisting of 3,149 individual securities at December 31, 2020, 585 securities were temporarily impaired. Of these securities, 133 securities, amounting to 2.5% of the available-for-sale portfolio, were temporarily impaired for 12 months or longer.

With respect to United States government obligations and government-sponsored enterprises, the unrealized losses on investments in securities of U.S. government obligations and government-sponsored enterprises were caused by interest rates moving sharply lower by mid-year and then starting to trend upwards towards the end of the year. While interest rates were lower year over year, the timing of purchases did cause some current mark to market loss positions. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than par. Because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. These securities represent 73% of all securities at a loss for greater than 12 months.

The unrealized losses on investments in obligations of states and political subdivisions were caused by interest rate changes and other market conditions. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than par.

With rates moving lower year over year and corporate bond spreads tightening throughout the year, the legacy corporate bond portfolio held, with any mark to market exposure being driven by size and structure more than the overall economic environment. All individual corporate bond investments remain investment grade and within policy limits. Because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

(3) Loans

Loans consisted of the following at December 31, 2020 and 2019:

	2020	2019
Commercial	$ 7,973,991,000	7,135,456,000
Real estate	1,051,298,000	1,046,003,000
Individual	1,272,763,000	1,266,345,000
	10,298,052,000	9,447,804,000
Less unearned income	45,225,000	26,714,000
Less fair value adjustment	12,809,000	16,335,000
Total loans	$ 10,240,018,000	9,404,755,000

The Company funded $941,223,000 of PPP loans during 2020, all of which were fixed rate loans carrying a 1% interest rate. For these loans, the Company collected fees paid by the SBA totaling $35.5 million, of which $15.4 million were recognized in net interest income during 2020.

With the purchase of BankLiberty and Platte Valley Bank of Missouri in 2019 as discussed in detail in Footnote #18 - Acquisitions, the Company purchased certain loans that included deterioration of credit quality for which payment of contractual amounts were subject to default (PCI loans). At December 31, 2020, the contractual balance, carrying value, and accretable discounts for PCI credits and non PCI credits carried at fair value are as follows:

At December 31, 2020:		Contractual Loan Balance	Carrying Value	Accretable Discount
PCI Loans				
From Prior Acquisitions	$	19,546,218	15,562,489	4,279,287
Non PCI Loans				
From Prior Acquisitions		512,662,871	512,662,871	4,546,300
	$	532,209,089	528,225,360	8,825,587

Accretion moved from non-accretable to accretable in 2020	$	1,069,960
Discount accretion recognized as interest income in 2020 from accretable	$	3,736,123

At December 31, 2019:		Contractual Loan Balance	Carrying Value	Accretable Discount
PCI Loans				
From Prior Acquisitions	$	13,917,000	11,355,000	4,605,000
BankLiberty		10,815,000	8,213,000	—
Platte Valley Bank of Missouri		141,000	123,000	—
Non PCI Loans				
BankLiberty		369,271,000	369,271,000	3,124,000
Platte Valley Bank of Missouri		442,222,000	442,223,000	3,424,000
	$	836,366,000	831,185,000	11,153,000

Accretion moved from non-accretable to accretable in 2019	$	332,000
Discount accretion recognized as interest income in 2019 from accretable	$	2,401,000

Loans acquired by the Company were $0 and $850,522,000 in 2020 and 2019, respectively.

Loans made to officers and directors of the Company, including subsidiary banks and their related businesses are summarized below. They were made in the ordinary course of business at market rates.

		2020
Balance at beginning of year	$	472,575,000
New loans		150,160,000
Repayments		(96,643,000)
Other changes		2,801,000
Balance at end of year	$	528,893,000

Mortgage loans held-for-sale at December 31, 2020 and 2019 totaled approximately $137,695,000 and $70,339,000 respectively. The Company determines at the time of origination whether mortgage loans will be held for the Company's portfolio or sold to the secondary market. Loans originated and intended for sale in the secondary market are recorded using the fair value option. The election of the fair value option aligns the accounting for these loans with the related economic hedges discussed in Note 19. The loans held for sale are included in loans on the balance sheets of the accompanying consolidated financial statements.

Nonaccruing loans at December 31, 2020 and 2019 totaled approximately $27,671,000 and $51,743,000, respectively. The interest income recorded on nonaccrual loans was approximately $1,478,000 and $1,132,000 in 2020 and 2019, respectively.

Restructured loans at December 31, 2020 and 2019 totaled $15,855,000 and $26,883,000, respectively. The interest income recognized on restructured loans at December 31, 2020 and 2019 was approximately $380,000 and $979,000, respectively.

Section 4013 of the CARES Act was signed into law on March 27, 2020, and includes a provision that short-term modifications are not troubled debt restructurings, if made on a good-faith basis in response to COVID-19 to borrowers who were current prior to December 31, 2019. The Company follows the guidance under the CARES Act when determining if a customer's modification is subject to troubled debt restructuring classification. If it is deemed the modification is not short term, not COVID-19 related or the customer does not meet the criteria under the guidance to be scoped out of troubled debt restructuring classification, the Company will evaluate the loan modifications under its existing framework which requires modifications that result in a concession to a borrower experiencing financial difficulty be accounted for as a troubled debt restructuring.

The initial guidance issued under the CARES Act was due to expire on December 31, 2020. During January 2021, the Consolidated Appropriations Act, 2021 was enacted and extended relief offered under the CARES Act related to the accounting and disclosure requirements for troubled debt restructurings as a result of COVID-19. The Company elected to adopt the extension of this guidance.

The Company has entered into commitments to lend additional funds to the borrowers whose loans have been restructured and included in the totals disclosed above of approximately $51,000 at December 31, 2020. The table below shows the outstanding balance of loans classified as troubled debt restructurings (TDR) at December 31, 2020 and 2019. Nonperforming TDRs include all past-due and nonaccrual TDR loans. As of December 31, 2020, the Company had 19 TDRs totaling $3,391,000 that were past-due.

	2020			2019		
	Performing TDRs	Nonperforming TDRs	Total TDRs	Performing TDRs	Nonperforming TDRs	Total TDRs
Commercial	$ 5,252,000	4,334,000	9,586,000	10,494,000	7,533,000	18,027,000
Real estate	3,490,000	2,731,000	6,221,000	5,199,000	3,600,000	8,799,000
Individual	48,000	—	48,000	50,000	7,000	57,000
Total loans	$ 8,790,000	7,065,000	15,855,000	15,743,000	11,140,000	26,883,000

The Company has outstanding commitments to provide loans to customers and also has issued letters of credit. Loan commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as is involved in extending loan facilities to customers. At December 31, 2020 and 2019, the Company had unfunded loan commitments of $3,054,194,000 and $2,706,598,000, respectively. Outstanding letters of credit as of December 31, 2020 and 2019 amounted to $66,349,000 and $65,138,000, respectively.

The Company evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary, by the Company upon extension of credit is based on management's credit evaluation of the customer. Collateral held varies, but may include accounts receivable, inventory, property, plant, equipment, and income-producing commercial properties. The Company's banking subsidiaries are located throughout the states of Missouri, Kansas, Illinois, Oklahoma, Colorado, North Carolina and Tennessee, and the Company's loan portfolio has no unusual geographic concentrations of credit risk beyond its market areas.

(4) Allowance for Loan Losses

The following is a summary of activity in the allowance for loan losses:

	Commercial and commercial real estate	Residential real estate	Individual	Total
For the year ended December 31, 2020:				
Balance at beginning of year	$ 88,427,000	23,430,000	21,092,000	132,949,000
Provision for loan losses	17,222,000	1,771,000	8,160,000	27,153,000
Loans charged off	(6,251,000)	(838,000)	(9,494,000)	(16,583,000)
Recoveries on loans previously charged off	2,456,000	797,000	3,685,000	6,938,000
Balance at end of year	$ 101,854,000	25,160,000	23,443,000	150,457,000

		Commercial and commercial real estate	Residential real estate	Individual	Total
For the year ended December 31, 2019:					
Balance at beginning of year	$	85,757,000	22,089,000	20,199,000	128,045,000
Provision for loan losses		5,246,000	1,058,000	7,721,000	14,025,000
Loans charged off		(4,787,000)	(666,000)	(10,612,000)	(16,065,000)
Recoveries on loans previously charged off		2,211,000	949,000	3,784,000	6,944,000
Balance at end of year	$	88,427,000	23,430,000	21,092,000	132,949,000

The following table provides the balance in the allowance for loan losses at December 31, 2020 and 2019, and the related loan balance by impairment methodology. Loans evaluated under ASC 310-10-35, *Receivable–Overall–Subsequent Measurement*, include loans on nonaccrual status, which are individually evaluated for impairment, troubled debt restructurings, and other impaired loans deemed to have similar risk characteristics. All other loans are collectively evaluated for impairment under ASC 450-20, *Loss Contingencies*. Although the allowance for loan losses is comprised of specific and general allocations, the entire allowance is available to absorb credit losses.

		Commercial and commercial real estate	Residential real estate	Individual	Total
At December 31, 2020:					
Allowance for loan losses:					
Individually evaluated for impairment	$	694,000	20,000	—	714,000
Collectively evaluated for impairment		101,160,000	25,140,000	23,443,000	149,743,000
Total	$	101,854,000	25,160,000	23,443,000	150,457,000
Loans outstanding:					
Individually evaluated for impairment	$	23,991,000	2,573,000	—	26,564,000
Collectively evaluated for impairment		7,892,592,000	1,182,662,000	1,272,634,000	10,347,888,000
Total	$	7,916,583,000	1,185,235,000	1,272,634,000	10,374,452,000

		Commercial and commercial real estate	Residential real estate	Individual	Total
At December 31, 2019:					
Allowance for loan losses:					
Individually evaluated for impairment	$	802,000	149,000	—	951,000
Collectively evaluated for impairment		87,625,000	23,281,000	21,092,000	131,998,000
Total	$	88,427,000	23,430,000	21,092,000	132,949,000
Loans outstanding:					
Individually evaluated for impairment	$	29,462,000	6,223,000	—	35,685,000
Collectively evaluated for impairment		7,063,677,000	1,109,519,000	1,266,212,000	9,439,408,000
Total	$	7,093,139,000	1,115,742,000	1,266,212,000	9,475,093,000

The following table presents information on impaired loans at December 31:

		2020	2019
Impaired loans with a specific allowance provided			
Commercial and commercial real estate	$	9,524,000	7,333,000
Residential real estate		1,015,000	1,493,000
Individual		—	—
		10,539,000	8,826,000
Impaired loans with no specific allowance provided			
Commercial and commercial real estate		25,450,000	33,863,000
Residential real estate		1,858,000	7,917,000
Individual		—	—
		27,308,000	41,780,000
Total impaired loans	$	37,847,000	50,606,000
Allowance related to impaired loans			
Commercial and commercial real estate	$	694,000	802,000
Residential real estate		20,000	149,000
Individual		—	—
Total allowance related to impaired loans	$	714,000	951,000

Total average impaired loans during 2020 and 2019 are shown in the table below.

	2020			2019		
	Nonaccrual	**Restructured and still accruing**	**Total**	**Nonaccrual**	**Restructured and still accruing**	**Total**
Average Impaired Loans:						
Commercial and commercial real estate	$ 25,100,500	7,922,000	33,022,500	23,515,000	11,803,000	35,318,000
Residential real estate	10,717,000	4,344,500	15,061,500	12,856,000	6,105,000	18,961,000
Individual	3,889,500	49,000	3,938,500	3,503,000	51,000	3,554,000
Total	$ 39,707,000	12,315,500	52,022,500	39,874,000	17,959,000	57,833,000

Age Analysis of Past Due and Nonaccrual Loans

	Current or less than 30 days past due	**30 – 89 Days past due**	**90 Days past due and still accruing**	**Nonaccrual**	**Total**
At December 31, 2020:					
Commercial and commercial real estate	$ 7,889,808,000	10,075,000	342,000	16,358,000	7,916,583,000
Residential real estate	1,170,447,000	6,619,000	833,000	7,336,000	1,185,235,000
Individual	1,260,929,000	7,285,000	443,000	3,977,000	1,272,634,000
Total	$ 10,321,184,000	23,979,000	1,618,000	27,671,000	10,374,452,000

	Current or less than 30 days past due	**30 – 89 Days past due**	**90 Days past due and still accruing**	**Nonaccrual**	**Total**
At December 31, 2019:					
Commercial and commercial real estate	$ 7,047,642,000	11,626,000	29,000	33,843,000	7,093,140,000
Residential real estate	1,089,695,000	11,384,000	565,000	14,098,000	1,115,742,000
Individual	1,252,798,000	9,154,000	457,000	3,802,000	1,266,211,000
Total	$ 9,390,135,000	32,164,000	1,051,000	51,743,000	9,475,093,000

The following table provides information about the credit quality of the loan portfolio using the Company's internal rating system reflecting management's risk assessment. Loans are placed on *watch* status when (1) one or more weaknesses which could jeopardize timely liquidation exists; or (2) the margin or liquidity of an asset is sufficiently tenuous that adverse trends could result in a collection problem. Loans classified as *substandard* are inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified may have a well-defined weakness or weaknesses that jeopardize the repayment of the debt. Such loans are characterized by the distinct possibility that the Company may sustain some loss if the deficiencies are not corrected. Loans are placed on *nonaccrual* status when (1) deterioration in the financial condition of the borrower exists for which payment of full principal and interest is not expected, or (2) upon which principal or interest has been in default for a period of 90 days or more and the asset is not both well secured and in the process of collection.

		Commercial and commercial real estate	Residential real estate	Individual	Total
At December 31, 2020:					
Watch	$	119,329,000	13,618,000	652,000	133,599,000
Substandard		69,152,000	11,706,000	2,439,000	83,297,000
Nonaccrual		16,358,000	7,336,000	3,977,000	27,671,000
Total	$	204,839,000	32,660,000	7,068,000	244,567,000

		Commercial and commercial real estate	Residential real estate	Individual	Total
At December 31, 2019:					
Watch	$	91,413,000	10,843,000	395,000	102,651,000
Substandard		79,077,000	12,276,000	2,406,000	93,759,000
Nonaccrual		33,843,000	14,098,000	3,802,000	51,743,000
Total	$	204,333,000	37,217,000	6,603,000	248,153,000

(5) Mortgage Banking Activities

Certain subsidiary banks of the Company originate mortgage loans and sell those loans to the Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), and other private investors. Typically, these loans are sold with servicing retained by the subsidiary banks. Loans sold with servicing retained in 2020 and 2019 aggregated $2,073,882,000 and $751,482,000, respectively. Loans serviced for investors aggregated $4,329,148,000 and $3,544,243,000 at December 31, 2020 and 2019, respectively. Included in mortgage banking revenues in the accompanying consolidated statements of income for 2020 and 2019 are gains on the sale of mortgage loans totaling $93,686,000 and $25,350,000, as well as gains on interest rate lock commitments (IRLC) hedge of $9,462,000 and $0, respectively, for additional detail on this item see note 19. Servicing fees recorded by the banks, which are also recorded in mortgage banking revenues and recorded when collected, aggregated $9,439,000 and $8,567,000 in 2020 and 2019, respectively.

Included in gain on sales of mortgage loans during 2020 and 2019 are capitalized mortgage servicing rights aggregating $19,644,000 and $6,605,000, respectively.

The following assumptions were used in determining the fair value of the capitalized mortgage servicing rights:

	2020	2019
Discount Rate	10.20%	10.01%
Prepayment Speed	16.38%	14.23%
Delinquency Rate	0.65%	0.70%

A summary of the mortgage servicing rights is as follows:

	2020	2019
Balance at beginning of year	$20,474,000	$20,950,000
Capitalized mortgage servicing rights	19,644,000	6,605,000
Amortization	(12,698,000)	(6,996,000)
Less valuation allowance	(267,000)	(85,000)
Balance at end of year	$27,153,000	$20,474,000

The valuation allowance at December 31, 2020 and 2019 was $267,000 and $85,000 respectively.

The following table shows the estimated future amortization expense based on existing asset balances and the interest rate environment as of December 31, 2020. The Company's actual amortization expense in any given period may be different from the estimated amounts depending upon the addition of new intangible assets, changes in mortgage interest rates, prepayment speeds, and other market conditions.

Year:	
2021	$ 5,363,000
2022	4,136,000
2023	3,356,000
2024	2,788,000
Thereafter	11,510,000

(6) Land, Buildings, and Equipment

A summary of land, buildings, and equipment at December 31, 2020 and 2019 is as follows:

	2020	**2019**
Land	$ 61,192,000	62,428,000
Buildings and improvements	269,663,000	267,506,000
Equipment	79,182,000	83,637,000
Right to use assets, net of amortization	34,159,000	34,696,000
	444,196,000	448,267,000
Less accumulated depreciation	224,266,000	220,336,000
	$ 219,930,000	227,931,000

The following table shows the estimated future depreciation expense based on existing asset balances as of December 31, 2020.

Year:	
2021	$ 15,592,000
2022	13,079,000
2023	10,782,000
2024	9,203,000
2025	8,026,000
Thereafter	67,896,000

Depreciation of buildings and equipment charged to operating expense was approximately $16,765,000 and $15,426,000 in 2020 and 2019, respectively, and is included in net occupancy and equipment expense on the consolidated statements of income.

(7) Goodwill and Intangible Assets

Goodwill and core deposit intangible assets are summarized in the following table:

	2020			2019		
	Gross carrying amount	Accumulated amortization	Net amount	Gross carrying amount	Accumulated amortization	Net amount
Amortizable intangible assets:						
Core deposit intangible assets	$ 26,335,000	(8,073,000)	18,262,000	26,311,000	(4,366,000)	21,945,000
Trust customer intangible asset	6,100,000	(3,274,000)	2,826,000	6,100,000	(2,923,000)	3,177,000
Goodwill	348,237,000	—	348,237,000	348,907,000	—	348,907,000

Aggregate amortization expense on core deposit and other intangible assets for the years ended December 31, 2020 and 2019 was $4,057,000 and $1,898,000, respectively. The following table shows the estimated future amortization expense for the next five years based on existing asset balances and the interest rate environment as of December 31, 2020. The Company's actual amortization expense in any given period may be different from the estimated amounts depending upon the addition of new intangible assets and other market conditions.

Year	
2021	$ 3,996,000
2022	3,531,000
2023	3,520,000
2024	3,388,000
2025	3,227,000
Thereafter	3,426,000

(8) Income Taxes

The components of income tax expense on operations for the years ended December 31, 2020 and 2019 are as follows:

	2020	2019
Current income tax expense:		
Federal	$ 60,816,000	47,179,000
State	9,068,000	10,912,000
Total current income tax expense	69,884,000	58,091,000
Deferred income tax expense:		
Federal	133,000	4,918,000
State	(2,000)	(324,000)
Total deferred income tax expense	131,000	4,594,000
Total income tax expense on operations	$ 70,015,000	62,685,000

The reasons for the difference between the effective tax rates of 22.5% and 23.0% for 2020 and 2019, respectively, and the current federal statutory income tax rate of 21%, are as follows:

	2020		2019	
	Amount	Percent	Amount	Percent
Income tax expense at federal statutory rate	$ 65,266,000	21.0	$ 57,189,000	21.0
Increase (reduction) in income taxes resulting from:				
Tax-exempt interest	(2,268,000)	(0.7)	(2,906,000)	(1.1)
Dividend exclusion	(57,000)	(0.0)	(39,000)	0.0
State income taxes, net of federal income tax	7,162,000	2.3	8,364,000	3.0
Nondeductible expenses	258,000	0.1	439,000	0.2
Federal tax credits, net of low income housing tax credit partnership amortization	(460,000)	(0.2)	(385,000)	(0.1)
Other, net	114,000	0.0	23,000	0.0
	$ 70,015,000	22.5	$ 62,685,000	23.0

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2020 and 2019 are presented below:

	2020	2019
Deferred tax assets:		
Loans, principally due to allowance for loan losses	$ 36,419,000	32,242,000
Accrued expenses	28,010,000	24,524,000
Buildings and equipment	1,412,000	1,212,000
Defined benefit plan	23,202,000	20,026,000
Total gross deferred tax assets	89,043,000	78,004,000
Deferred tax liabilities:		
Prepaid pension expense	7,538,000	7,787,000
Mortgage servicing rights	6,480,000	4,886,000
Goodwill	28,128,000	26,213,000
Lease financing	35,378,000	33,019,000
Unrealized gain on equity securities	1,229,000	1,123,000
Unrealized gain on available-for-sale securities	7,347,000	1,498,000
Other	4,909,000	2,639,000
Total gross deferred tax liabilities	91,009,000	77,165,000
Net deferred taxes	$ (1,966,000)	839,000

The Company has not recorded a valuation allowance related to the net deferred tax assets at December 31, 2020 or 2019 due to historical and expected future earnings of the bank subsidiaries.

On June 1, 2018, Senate Bill No. 884 ("S.B. 884") was signed into Missouri state law. S.B. 884 reduced the Missouri corporate income tax rate from 6.25% to 4.00%, effective January 1, 2020.

The Company classifies interest and penalties on uncertain tax benefits as income tax expense. In the normal course of business, the Company provides for uncertain tax positions and the related interest and penalties and adjusts its unrecognized tax benefits and related interest and penalties accordingly. Unrecognized tax benefits decreased by $400,000 during 2020, totaling $2.5 million at December 31, 2020.

The Company's U.S. federal and state income tax returns for years prior to 2016 are no longer subject to examination by the tax authorities.

(9) Deposits

Maturities of time deposits are as follows at December 31, 2020:

Year	
2021	$1,167,602,000
2022	206,094,000
2023	70,980,000
2024	28,165,000
2025	17,528,000
Thereafter	410,000
	$1,490,779,000

Time deposits include certificates of deposit of $250,000 and over, totaling approximately $316,828,000 and $308,240,000 at December 31, 2020 and 2019, respectively. Interest expense on such deposits amounted to $3,105,000 and $5,702,000 in 2020 and 2019, respectively.

(10) Securities Sold under Agreements to Repurchase

The Company's obligation to repurchase securities sold at December 31, 2020 and 2019 totaled $1,050,430,000 and $856,958,000, respectively. These are short-term borrowings that generally have one day maturities. Information concerning securities sold under agreements to repurchase during the year is as follows:

	2020	2019
Average monthly balance during the year	$ 1,002,524,000	825,270,000
Maximum month-end balance during the year	1,090,969,036	874,338,000
Average interest rate during the year	0.35%	1.27%

Assets and liabilities relating to securities purchased under agreements to resell (resale agreements) and securities sold under agreements to repurchase (repurchase agreements) are presented gross in the consolidated balance sheet and the Company is not party to any offsetting arrangements associated with these agreements. Resale and repurchase agreements to purchase/sell securities are subject to an obligation to resell/repurchase the same or similar securities and are accounted for as collateralized financing transactions, not as sales and purchases of the securities portfolio. The securities collateral accepted or pledged in resale and repurchase agreements with other financial institutions also may be sold or re-pledged by the secured party, but is usually delivered to and held by third party trustees.

The table below shows the remaining contractual maturities of repurchase agreements outstanding at December 31, 2020, in addition to the various types of marketable securities that have been pledged as collateral for these borrowings.

		Remaining Contractual Maturity of the Agreements			
		Overnight and continuous	Up to 90 days	Greater than 90 days	Total
December 31, 2020					
Repurchase agreements, secured by:					
U.S. government and federal agency obligations	$	159,918,000	—	39,539,000	199,457,000
Government-sponsored enterprise obligations		22,273,000	—	58,889,000	81,162,000
Mortgage-backed securities		285,774,000	—	515,715,000	801,489,000
Other		—	—	—	—
Total Repurchase agreements, gross amount recognized	$	467,965,000	$ —	$ 614,143,000	1,082,108,000

(11) Trust Preferred Securities and Other Borrowed Funds

The Company, with the acquisition of Platte County Bancshares, Inc. on December 2, 2019, acquired $6.7 million of Trust preferred security debt instruments consisting of 1) $3,000,000 of Trust preferred securities issued on July 31, 2001 with a 30 year maturity and a floating rate of 3.58% above three month LIBOR set quarterly. The rate at December 31, 2019 was 5.51%. 2) $3,500,000 of Trust preferred securities issued on December 30, 2003 with a 30 year maturity and a floating rate of 2.85% above three month LIBOR set quarterly. The rate at December 31, 2019 was 4.99%. 3) $202,000 of Trust preferred securities from the proceeds of the sale of the securities that were loaned to Platte County Bancshares, Inc. under subordinated debentures issued to the Trust pursuant to an indenture with payment terms identical to the preferred securities.

The Company's Trust preferred securities were retired in the first quarter of 2020.

Borrowed funds at December 31, 2020 and 2019 are as follows:

	2020	2019
Notes payable to the FHLB of Topeka at a .37% fixed rate of interest, secured by certain qualifying mortgage loans of the Company with a maturity in 2022	$ 5,000,000	—

(12) Employee Benefit Plans

The Company has a noncontributory defined benefit pension plan, the Central Bancompany, Inc. Retirement Plan (the Plan), available to qualified employees, as defined under the Plan. On November 14, 2018, the Company's Board of Directors approved an amendment to freeze the Plan, effective December 31, 2018. After December 31, 2018, participants in the Plan stopped accruing additional benefits for future service or compensation. Participants retained benefits accumulated as of December 31, 2018 in accordance with the terms of the Plan.

The Company's funding policy is to contribute funds to an account maintained by the pension plan trustee, as necessary, to provide for the normal cost and amortization of the unfunded actuarial accrued liability.

Assets held in the Plan are primarily government and government agency obligations, common stock, corporate bonds, mutual funds, and money market accounts. Certain executives also participate in a supplemental pension plan (the CERP) that the Company funds only as retirement benefits are disbursed. The CERP carries no segregated assets.

Benefit obligations of the CERP are shown in the table immediately below. In all other tables presented, the pension plan and the CERP are presented on a combined basis, even though the CERP is unfunded.

	2020	2019
Projected benefit obligation	$ 23,584,000	23,085,000
Accumulated benefit obligation	21,423,000	22,332,000

The following items are components of net pension cost for the years ended December 31, 2020 and 2019:

	2020	2019
Interest cost on projected benefit obligation	$ 11,195,000	12,591,000
Expected return on plan assets	(11,547,000)	(11,768,000)
Amortization of net loss	2,160,000	929,000
Net periodic pension cost	$ 1,808,000	1,752,000

The following table sets forth the pension plans' funded status, using valuation dates of December 31, 2020 and 2019:

	2020	2019
Change in projected benefit obligation:		
Projected benefit obligation at prior valuation date	$ 325,986,000	287,007,000
Interest cost	11,194,000	12,591,000
Benefits paid	(16,471,000)	(15,833,000)
Actuarial (gain) loss	34,888,000	42,221,000
Projected benefit obligation at valuation date	355,597,000	325,986,000
Change in plan assets:		
Fair value of plan assets at beginning of year	252,200,000	224,264,000
Actual return on plan assets	30,952,000	42,747,000
Employer contributions	1,680,000	1,022,000
Benefits paid	(16,471,000)	(15,833,000)
Fair value of plan assets at end of year	268,361,000	252,200,000
Funded status and net amount recognized at December 31	$ (87,236,000)	(73,786,000)

Amounts recognized on the December 31 balance sheet are as follows:

	2020	2019
Prepaid pension asset	$ 31,511,000	32,548,000
Accrued benefit liability	(118,747,000)	(106,334,000)
Net amount recognized at December 31	$ (87,236,000)	(73,786,000)

Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive loss, on a pretax basis, at December 31, 2020 are as follows:

Prior service asset	$ —
Accumulated loss	(97,324,000)
Accumulated other comprehensive loss, pretax	(97,324,000)
Cumulative employer contributions in excess of net periodic benefit cost	10,088,000
Net amount recognized on the December 31, 2020 balance sheet	$ (87,236,000)

The following weighted average assumptions have been used at December 31, 2020 and 2019:

	2020	2019
Determination of benefit obligation at year-end:		
Discount rate	2.80%	3.45%
Determination of net periodic benefit cost for the year ended:		
Discount rate	3.45%	4.45%
Expected long-term rate of return on Plan assets	5.00	5.00

The expected return on pension plan assets is developed using inflation expectations and risk factors to arrive at a long-term nominal expected return for each asset class. The nominal expected return for each asset class is then weighted based on the target asset allocation to develop the expected long-term rate of return on plan assets.

The following table shows the Company's employer contributions and benefits paid for the years ended December 31, 2020 and 2019:

	2020	2019
Employer contributions	$ 1,680,000	1,022,000
Benefits paid	16,471,000	15,833,000

The weighted average asset allocations as of December 31, 2020 and 2019, by asset category, are as follows:

	Plan assets as of December 31,	
	2020	2019
Equity securities	76%	73%
Fixed income	23%	25%
Cash and equivalents	1%	2%
Total	100%	100%

The Plan's Investment Policy focuses on efficient allocation of capital among various asset classes to create a diversified portfolio in order to achieve the Plan's investment return objective of 5.0%. In making capital allocation decisions, the Trustee considers the expected return, standard deviation, and correlation of returns of various asset classes, as well as the current term structure of interest rates and current market conditions. In order to generate returns sufficient to meet actuarial estimates of the Plan's future obligations, the majority of the Plan's assets are typically invested in asset classes with higher expected rates of return, specifically equity securities. In order to limit risk, a lesser allocation is made to fixed income securities. Within strict policy ranges, the Trustee has discretion to increase or decrease the equity and fixed income allocations in response to changing market conditions. The Plan allocates a small percentage to real assets in the form of precious metals trusts.

The following benefit payments are expected to be paid:

2021	$ 14,691,000
2022	15,153,000
2023	15,875,000
2024	16,097,000
2025	16,545,000
2026 – 2030	86,352,000

Following is a description of the valuation methodologies used for assets measured at fair value in the Plan:

Cash equivalents – Money market funds are valued at the closing price reported on the active market on which the funds are traded.

U.S. government and agency obligations – Federal agencies are priced utilizing industry-standard models that consider various assumptions, including time value, yield curves, volatility factors, prepayment speeds, default rates, loss severity, current market, and contractual prices for the underlying financial instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace. Municipal and corporate securities are valued using a type of matrix, or grid, pricing in which securities are benchmarked against the treasury rate based on credit rating. These model and matrix measurements are classified as Level 2 in the fair value hierarchy.

Mutual funds and common stocks – The fair value of these investments is based on quoted market prices from national securities exchanges.

The following table sets forth by level, within the fair value hierarchy, the pension plan's assets at fair value as of December 31, 2020:

	December 31, 2020	Fair value measurements at report date using: Quoted prices in active markets for identical assets (Level 1)	Significant other unobservable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents	$ 2,732,000	2,732,000	—	—
U.S. government and agency obligations	—	—	—	—
Common stocks	72,716,000	72,716,000	—	—
Mutual funds - fixed income	59,903,000	59,903,000		
Mutual funds	133,010,000	133,010,000	—	—
Total	$ 268,361,000	268,361,000	—	—

The following table sets forth by level, within the fair value hierarchy, the pension plan's assets at fair value as of December 31, 2019:

	December 31, 2019	Fair value measurements at report date using: Quoted prices in active markets for identical assets (Level 1)	Significant other unobservable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents	$ 7,457,000	7,457,000	—	—
U.S. government and agency obligations	13,679,000	—	13,679,000	—
Common stocks	60,102,000	60,102,000	—	—
Mutual funds - fixed income	46,367,000	46,367,000		
Mutual funds	124,595,000	124,595,000	—	—
Total	$ 252,200,000	238,521,000	13,679,000	—

The Company has established a Voluntary Employees Beneficiary Association Trust (VEBA) to fund an employee benefit plan covering medical and dental benefits. For the years ended December 31, 2020 and 2019, the Company contributed $16,590,000 and $15,183,000, respectively, to the VEBA.

The Company has established an employee savings plan under Section 401(k) of the Internal Revenue Code (the Code). Under this plan, employees are allowed to contribute a maximum of 75% of their base pay, subject to certain IRS limitations. The Company's matching contribution is equal to one-half of the employee's contribution up to a maximum of 6% of the employee's base pay. For the years ended December 31, 2020 and 2019, the Company contributed $4,020,000 and $3,768,000, respectively, to the 401(k) plan.

In 2019, with the freezing of the defined benefit pension plan effective December 31, 2018, the Company added to the defined contribution plan two additional benefits. Effective January 1, 2019, a Non-Elective Contribution (NEC) of 4% was given to all employees, except employees who are drawing a pension. NEC eligibility has an immediate entry date for employees age 18 or older. For the years ended December 31, 2020 and 2019, the Company contributed $6,909,000 and $6,214,000, respectively, to the 401(k) plan related to this benefit.

Also, in effect as of January 1, 2019, a Supplemental NEC of an additional 4% was given to employees who have been active ten plus years as of January 1, 2019 and not drawing a pension. This contribution will be given for five years. For the years ended December 31, 2020 and 2019, the Company expensed $2,694,000 and $2,600,000, respectively, related to the 4% contribution for ten year plus employees.

The Company has established a deferred compensation plan. The liability for the plan, aggregating $39,028,000 and $38,421,000 at December 31, 2020 and 2019, respectively, is recorded in other liabilities in the accompanying consolidated balance sheets. Total expense under these arrangements included in salaries and employee benefits was $5,602,000 and $3,695,000 for the years ended December 31, 2020 and 2019, respectively.

(13) Capital Adequacy

Quantitative measures established by regulation to ensure capital adequacy require the banks to maintain minimum amounts and ratios (set forth in the table below on a consolidated basis, amounts in thousands) of total and Tier 1 capital (as defined in the regulations) to risk-weighted assets, and of Tier 1 capital to average assets. At December 31, 2020, the Company met all capital requirements to which it is subject, and the Bank's capital position exceeded the regulatory definition of well-capitalized.

The Basel III minimum required ratios for well-capitalized banks (under prompt corrective action provisions) are 6.5% for Tier I common capital, 8.0% for Tier I capital, 10.0% for Total capital and 5.0% for the leverage ratio.

A summary of the Company’s and its significant subsidiaries’ (greater than $1.0 billion in assets) capital ratios at December 31, 2020 and 2019 is as follows:

(in 000's)	Actual		Minimum capital adequacy requirement		Well-capitalized requirement	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2020:						
Total risk-based capital (to risk-weighted assets):						
Company	$ 2,178,266	19.73%	$ 883,086	8.00%	$ —	—%
Central Bank of St. Louis	229,364	12.47	147,199	8.00	183,999	10.00
Central Trust Bank	258,519	16.01	129,179	8.00	161,474	10.00
Central Bank of Boone County	214,616	14.04	122,310	8.00	152,888	10.00
Central Bank of the Midwest	328,525	14.34	183,232	8.00	229,040	10.00
Central Bank of the Ozarks	163,933	13.56	96,716	8.00	120,895	10.00
Central Bank of Lake of the Ozarks	87,314	17.24	40,510	8.00	50,637	10.00
Tier 1 capital (to risk-weighted assets):						
Company	2,040,111	18.48	662,315	6.00	—	—
Central Bank of St. Louis	206,340	11.21	110,399	6.00	147,199	8.00
Central Trust Bank	239,208	14.81	96,884	6.00	129,179	8.00
Central Bank of Boone County	195,496	12.79	91,733	6.00	122,310	8.00
Central Bank of the Midwest	302,809	13.22	137,424	6.00	183,232	8.00
Central Bank of the Ozarks	148,783	12.31	72,537	6.00	96,716	8.00
Central Bank of Lake of the Ozarks	80,952	15.99	30,382	6.00	40,510	8.00
Tier 1 common equity capital (to risk-weighted assets):						
Company	2,040,111	18.48	496,736	4.50	—	—
Central Bank of St. Louis	206,340	11.21	82,800	4.50	119,599	6.50
Central Trust Bank	239,208	14.81	72,663	4.50	104,958	6.50
Central Bank of Boone County	196,496	12.79	68,800	4.50	99,377	6.50
Central Bank of the Midwest	302,809	13.22	103,068	4.50	148,876	6.50
Central Bank of the Ozarks	148,783	12.31	54,403	4.50	78,582	6.50
Central Bank of Lake of the Ozarks	80,952	15.99	22,787	4.50	32,914	6.50
Tier 1 capital (to average assets):						
Company	2,040,111	11.73	695,435	4.00	—	—
Central Bank of St. Louis	206,340	9.12	90,527	4.00	113,158	5.00
Central Trust Bank	239,208	7.11	134,559	4.00	168,199	5.00
Central Bank of Boone County	195,496	7.84	99,781	4.00	124,726	5.00
Central Bank of the Midwest	302,809	8.78	137,896	4.00	172,370	5.00
Central Bank of the Ozarks	148,783	8.75	68,025	4.00	85,031	5.00
Central Bank of Lake of the Ozarks	80,952	8.04	40,256	4.00	50,320	5.00

(in 000's)						
	Actual		Minimum capital adequacy requirement		Well-capitalized requirement	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2019:						
Total risk-based capital (to risk-weighted assets):						
Company	$ 1,976,636	17.98%	$ 879,384	8.00%	$ —	—%
Central Bank of St. Louis	223,106	12.60	141,655	8.00	177,069	10.00
Central Trust Bank	214,421	13.87	123,712	8.00	154,641	10.00
Central Bank of Boone County	194,099	13.20	117,625	8.00	147,032	10.00
Central Bank of the Midwest	222,095	11.52	154,210	8.00	192,762	10.00
Central Bank of the Ozarks	147,002	12.64	93,071	8.00	116,339	10.00
Central Bank of Lake of the Ozarks	75,291	14.42	41,776	8.00	52,220	10.00
Tier 1 capital (to risk-weighted assets):						
Company	1,842,162	16.76	659,538	6.00	—	—
Central Bank of St. Louis	200,963	11.35	106,241	6.00	141,655	8.00
Central Trust Bank	197,341	12.76	92,784	6.00	123,712	8.00
Central Bank of Boone County	175,719	11.95	88,219	6.00	117,625	8.00
Central Bank of the Midwest	202,939	10.53	115,657	6.00	154,210	8.00
Central Bank of the Ozarks	132,441	11.38	69,804	6.00	93,071	8.00
Central Bank of Lake of the Ozarks	68,741	13.16	31,332	6.00	41,776	8.00
Tier 1 common equity capital (to risk-weighted assets):						
Company	1,835,460	16.70	494,653	4.50	—	—
Central Bank of St. Louis	200,963	11.35	79,681	4.50	115,095	6.50
Central Trust Bank	197,341	12.76	69,588	4.50	100,516	6.50
Central Bank of Boone County	175,719	11.95	66,164	4.50	95,571	6.50
Central Bank of the Midwest	202,939	10.53	86,743	4.50	125,295	6.50
Central Bank of the Ozarks	132,441	11.38	52,353	4.50	75,621	6.50
Central Bank of Lake of the Ozarks	68,741	13.16	23,499	4.50	33,943	6.50
Tier 1 capital (to average assets):						
Company	1,842,162	13.13	561,274	4.00	—	—
Central Bank of St. Louis	200,963	10.62	75,704	4.00	94,630	5.00
Central Trust Bank	197,341	7.43	106,188	4.00	132,736	5.00
Central Bank of Boone County	175,719	8.46	83,070	4.00	103,837	5.00
Central Bank of the Midwest	202,939	11.27	72,010	4.00	90,013	5.00
Central Bank of the Ozarks	132,441	9.51	55,714	4.00	69,642	5.00
Central Bank of Lake of the Ozarks	68,741	13.16	31,270	4.00	39,087	5.00

(14) Leasing

Effective for 2019, the Company adopted ASU 2016-02, which required premises and equipment leased to be recorded as right to use assets with a corresponding lease liability. Leases are recorded at market values at the inception of the lease and may contain escalations based on indexes tied to the consumer price index or other factors for an increase in the amount of the lease payment. Escalators are included in valuing of right to use assets under certain conditions. Lease value cash flows are discounted to present value in recording the right to use asset based on Federal Home Loan Bank advance rates. The Company has made the election not to separate lease and non-lease components for existing real estate leases when determining consideration within the lease contract. All of the Company's lease agreements are classified as operating leases under ASC 842. Application of the new standard resulted in an $180,000 charge to the opening balance of undivided profits net of tax as of January 1, 2019, due to the Company adopting the transition using the effective date as the date of initial application allowed by the new standard.

As of December 31, 2020 and 2019, the Company's assets included right to use assets that had a weighted average lease term remaining of 27.6 years and 28.2 years and a weighted average discount rate of 3.7% and 3.8%, respectively. Operating lease cost recorded in occupancy and equipment expense amounted to $3,370,000 and $3,191,000 in 2020 and 2019, respectively. Operating cash flows from operating leases were $3,171,000 and $2,974,000 in 2020 and 2019, respectively. As of December 31, 2020 and 2019, the right to use assets, reported within premises and equipment, net, totaled $34,159,000 and $34,696,000, respectively.

The lease liability, reported within other liabilities, recognized on the Company's financial statements as of December 31, 2020 and 2019 totaled $34,837,000 and $35,173,000, respectively.

As of December 31, 2020, undiscounted operating lease liabilities are scheduled to mature as follows:

Year	
2021	$3,114,403
2022	2,950,873
2023	2,832,519
2024	2,737,105
2025	2,301,904
Thereafter	43,867,215

Operating expense and short-term lease costs totaled $3,672,000 and $3,600,000 in 2020 and 2019, respectively. Amortization of right to use assets charged to operating expense was approximately $2,090,000 and $1,860,000 in 2020 and 2019, respectively, and is included in net occupancy and equipment expense on the consolidated statements of income.

(15) Litigation

The Company and its subsidiaries are defendants in various claims, legal actions, and complaints arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, all such matters are adequately covered by insurance or reserves recorded by management or are of such nature that the unfavorable disposition of any, or all, such matters would not have a material adverse effect on the financial position of the Company.

(16) Fair Value Disclosures

Fair Value Hierarchy

The Company uses fair value measurements to record fair value adjustments to certain financial and nonfinancial assets and liabilities and to determine fair value disclosures. Various financial instruments such as available-for-sale and trading securities are recorded at fair value on a recurring basis. Additionally, from time to time, the Company may be required to record at fair value other assets and liabilities on a nonrecurring basis, such as loans, loans held for sale, mortgage servicing rights, and certain other investment securities. These nonrecurring fair value adjustments typically involve lower of cost or market accounting, or write-downs of individual assets.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Depending on the nature of the asset or liability, the Company uses various valuation techniques and assumptions when estimating fair value, which are in accordance with ASC 820. ASC 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liabilities, either directly or indirectly (such as interest rates, yield curves, and prepayment speeds).

- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value. These may be internally developed, using the Company's best information and assumptions that a market participant would consider.

When determining the fair value measurements for assets and liabilities required or permitted to be recorded or disclosed at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability. When possible, the Company looks to active and observable markets to price identical assets or liabilities. When identical assets and liabilities are not traded in active markets, the Company looks to market observable data for similar assets and liabilities.

Valuation Methods for Instruments Measured at Fair Value on a Recurring Basis

The following table presents assets and liabilities measured at fair value on a recurring basis (including items that are required to be measured at fair value) at December 31, 2020 and December 31, 2019.

		Fair value measurements at report date using		
	Fair Value December 31, 2020	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Loans held for sale	$ 137,695,000	137,695,000	—	—
Available-for-sale investment securities:				
Money market	2,784,000	2,784,000	—	—
U.S. treasuries	866,472,000	866,472,000	—	—
Agencies	1,639,647,000	—	1,639,647,000	—
Fixed rate MBS pools	894,430,000	—	894,430,000	—
Floating rate and hybrid ARM MBS pools	163,605,000	—	163,605,000	—
SBA pools	298,666,000	—	298,666,000	—
Fixed rate CMOs	707,588,000	—	707,588,000	—
Floating rate CMOs	516,871,000	—	516,871,000	—
Tax-exempt municipal bonds	88,606,000	—	88,606,000	—
Taxable municipal bonds	16,124,000	—	16,124,000	—
Corporates	131,008,000	—	131,008,000	—
Equity investments	58,368,000	4,500,000	53,868,000	—
Trading securities:				
Tax-exempt municipal bonds	216,000	—	216,000	—
Derivatives *	29,680,000	—	29,680,000	—
Total assets	$ 5,551,760,000	1,011,451,000	4,540,309,000	—
Liabilities:				
Derivatives *	$ 24,045,000	—	24,045,000	—
Total liabilities	$ 24,045,000	—	24,045,000	—

* The fair value of each class of derivative is shown in Note 19.

		Fair value measurements at report date using		
	Fair Value December 31, 2019	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Available-for-sale investment securities:				
Money market	$ 1,881,000	1,881,000	—	—
U.S. treasuries	357,623,000	357,623,000	—	—
Agencies	819,104,000	—	819,104,000	—
Fixed rate MBS pools	418,933,000	—	418,933,000	—
Floating rate and hybrid ARM MBS pools	265,784,000	—	265,784,000	—
SBA pools	290,083,000	—	290,083,000	—
Fixed rate CMOs	448,715,000	—	448,715,000	—
Floating rate CMOs	315,234,000	—	315,234,000	—
Tax-exempt municipal bonds	126,850,000	—	126,850,000	—
Taxable municipal bonds	53,757,000	—	53,757,000	—
Corporates	422,956,000	—	422,956,000	—
Equity investments	55,322,000	4,957,000	50,365,000	—
Trading securities:				
Tax-exempt municipal bonds	108,000	—	108,000	—
Total	$ 3,576,350,000	364,461,000	3,211,889,000	—

Following is a description of the Company's valuation methodologies used for instruments measured at fair value on a recurring basis:

Available-for-Sale Investment Securities

Available-for-sale securities are accounted for in accordance with ASC 320, with changes in fair value recorded in accumulated other comprehensive income (loss). This portfolio comprises the majority of the assets the Company records at fair value. Most of the portfolio, which includes federal agency, mortgage-backed, and asset-backed securities, are priced utilizing industry-standard models that consider various assumptions, including time value, yield curves, volatility factors, prepayment speeds, default rates, loss severity, current market and contractual prices for the underlying financial instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.

Municipal and corporate securities are valued using a type of matrix, or grid pricing in which securities are benchmarked against the treasury rate based on credit rating. These model and matrix measurements are classified as Level 2 in the fair value hierarchy. Where quoted prices are available in an active market, the measurements are classified as Level 1. Most of the Level 1 measurements apply to exchange-traded equities.

The estimated fair value of the Company's equity securities is based on bid prices published in financial newspapers or bid quotations received from security dealers. Stocks which trade infrequently are classified as Level 2.

Trading Securities

The majority of the securities in the Company's trading portfolios are priced by averaging several broker quotes for identical instruments, and are classified as Level 2 measurements.

Loans Held for Sale

Loans held for sale are carried at fair value. The portfolio consists primarily of residential real estate loans that are originated with the intent to sell. The Company contracts to sell the loans to the FHLMC, FNMA, and other private investors. Fair value measurements on these loans held for sale are based on quoted market prices for similar loans in the secondary market and are classified as Level 2. No write-down was necessary at December 31, 2020 and 2019.

Derivatives

The Company's derivative instruments include interest rate swaps, interest rate lock commitments (IRLC) and TBA contracts for hedging our mortgage loan pipeline. Valuations for interest rate swaps are derived from a proprietary model whose significant inputs are readily observable market parameters, primarily yield curves used to calculate current exposure. The results of the model are constantly validated through comparison to active trading in the marketplace. The fair value measurements of interest rate swaps and floors are classified as Level 2 due to the observable nature of the significant inputs utilized. Derivatives relating to residential mortgage loan sale activity include commitments to originate mortgage loans held for sale, forward loan sale contracts, and forward commitments to sell TBA securities. The fair values of loan commitments and sale contracts are estimated using quoted market prices for loans similar to the underlying loans in these instruments. The valuations of loan commitments are further adjusted to include embedded servicing value and the probability of funding. These assumptions are considered Level 2 inputs and are significant to the loan commitment valuation; accordingly, the measurement of loan commitments is classified as Level 2. The fair value measurement of TBA contracts is based on security prices published on trading platforms and is classified as Level 2.

Valuation Methods for Instruments Measured at Fair Value on a Nonrecurring Basis

Following is a description of the Company's valuation methodologies used for other financial instruments measured at fair value on a nonrecurring basis:

Mortgage Servicing Rights

The Company initially measures its mortgage servicing rights at fair value, and amortizes them over the period of estimated net servicing income. They are periodically assessed for impairment based on fair value at the reporting date. Mortgage servicing rights do not trade in an active market with readily observable prices. Accordingly, the fair value is estimated based on a valuation model, which calculates the present value of estimated future net servicing income. The model incorporates assumptions that market participants use in estimating future net servicing income, including estimates of prepayment speeds, market discount rates, cost to service, float earnings rates, and other ancillary income, including late fees. The fair value measurements are classified as Level 3. A fair value adjustment of $267,000 was recorded on the mortgage servicing rights at December 31, 2020.

Collateral Dependent Impaired Loans

While the overall portfolio is not carried at fair value, adjustments are recorded on certain loans to reflect partial write-downs that are based on the value of the underlying collateral. In determining the value of real estate collateral, the Company relies on external appraisals and assessment of property values by its internal staff. In the case of non-real estate collateral, reliance is placed on a variety of sources, including external estimates of value and judgments based on the experience and expertise of internal specialists.

Because many of these inputs are not observable, the measurements are classified as Level 3. The carrying value of these impaired loans and the allowance related to these loans was $26.7 million and $.7 million at December 31, 2020 and $35.7 million and $.9 million at December 31, 2019, respectively. Impaired loans carried at fair value were $26 million at December 31, 2020 and $34.8 million at December 31,2019.

Foreclosed Assets

Foreclosed assets consist of loan collateral, which has been repossessed through foreclosure. This collateral is comprised of commercial and residential real estate and other non-real estate property. Foreclosed assets are recorded as held for sale initially at the lower of the loan balance or fair value of the collateral less estimated selling costs. Subsequent to foreclosure, valuations are updated periodically, and the assets may be marked down further, reflecting a new cost basis. Fair value measurements may be based upon appraisals, third-party price opinions, or internally developed pricing methods. These measurements are classified as Level 3.

Fair Value of Financial Instruments

The carrying amounts and estimated fair values of financial instruments held by the Company, in addition to a discussion of the methods used and assumptions made in computing the estimates, are set forth below.

Cash and Due from Banks, Short-term Interest-Bearing Deposits, Federal Funds Sold and Securities Purchased Under Agreement to Resell, and Accrued Interest Receivable

The carrying amounts for cash and due from banks, short-term interest-bearing deposits, and federal funds sold, and securities purchased under agreements to resell, and accrued interest receivable approximate fair value because they mature in 90 days or less and do not present unanticipated credit concerns.

Time Deposits

The fair value of time deposits is based on the discounted value of cash flows. Discount rates are based on the Company's approximate cost of obtaining similar maturity funding in the market. Their fair value measurement is classified as Level 3.

Investment Securities

The estimated fair value of the Company's debt and equity securities is based on bid prices published in financial newspapers or bid quotations received from security dealers. The fair value of certain state and municipal securities that are not available through market sources is based on quoted market prices of similar instruments.

Loans

The estimated fair value of the Company's loan portfolio is based on the segregation of loans by type – commercial, residential mortgage, and consumer. Each loan category is further segmented into fixed and adjustable-rate interest categories. In estimating the fair value of each category of loan, the carrying amount of the loan is reduced by an allocation of the allowance for loan losses. Such allocation is based on management's loan classification system, which is designed to measure the credit risk inherent in each classification category.

The estimated fair value for variable rate loans is the carrying value of such loans, reduced by an allocation of the allowance for loan losses based on management's loan classification system.

The estimated fair value of fixed-rate loans is calculated by discounting the scheduled cash flows for each loan category – commercial, residential real estate, and consumer. The cash flows through maturity for each category of fixed-rate loans are aggregated for each of the Company's subsidiary banks. Prepayment estimates for residential real estate and installment consumer loans are based on estimates for similar instruments in the secondary market with similar maturity schedules and interest rates. Estimated credit losses affecting the scheduled cash flows have been reflected as a reduction in the scheduled cash flows in the discounting model. Discount rates used for each loan category of fixed rate loans represent rates the Company believes are reflective of what the Company could sell loans for based on market conditions and the Company's assessment of credit quality.

Deposits

The fair value of deposits with no stated maturity is equal to the amount payable on demand. Such deposits include savings and interest and non-interest-bearing demand deposits. The fair value of demand deposits does not include the benefit that results from the low-cost funding provided by deposit liabilities compared to the cost of borrowing funds in the market. Because they are payable on demand, they are classified as Level 1 in the fair value hierarchy. The fair value of time deposits is based on the discounted value of cash flows. Discount rates are based on the Company's approximate cost of obtaining similar maturity funding in the market. Their fair value measurement is classified as Level 3.

Federal Funds Purchased and Securities Sold Under Agreements to Repurchase

The estimated fair value of federal funds purchased and securities sold under agreements to repurchase approximate their carrying values because of the short-term nature of these borrowings.

Trust Preferred Securities and Accrued Interest Payable

The estimated fair value of Trust Preferred Securities of the Company is determined by discounting the contractual cash flows using discount rates for similar instruments currently being offered. The estimated fair value of accrued interest payable approximates the carrying value because of the short term nature of the liability.

The estimated fair values of the Company's financial instruments are as follows:

	December 31, 2020			
	Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
Financial Assets				
Cash and due from banks and short-term interest bearing deposits	$ 1,813,853,000	1,813,853,000	—	—
Interest bearing deposits	28,679,000	—	—	28,763,000
Federal funds sold and securities purchased under agreements to resell	10,238,000	10,238,000	—	—
Investment securities (1)				
Available for sale	5,325,801,000	869,255,000	4,456,546,000	—
Held to maturity	29,569,000	—	29,569,000	—
Equity	58,368,000	4,500,000	53,868,000	—
Trading	216,000	—	216,000	—
Loans (2)				
Commercial loans	7,814,728,000	—	—	7,847,971,000
Real estate loans	1,025,642,000	—	—	1,047,472,000
Individual loans	1,249,191,000	—	—	1,237,138,000
Loans held for sale	137,695,000	137,695,000		
Derivatives	29,680,000		29,680,000	

	December 31, 2019			
	Carrying	Estimated Fair Value		
	amount	Level 1	Level 2	Level 3
Financial Assets				
Cash and due from banks and short-term interest bearing deposits	$ 927,015,000	927,015,000	—	—
Interest bearing deposits	60,220,000	—	—	60,654,000
Federal funds sold and securities purchased under agreements to resell	200,831,000	200,831,000	—	—
Investment securities (1)				
Available for sale	3,520,920,000	359,504,000	3,161,416,000	—
Held to maturity	57,222,000	—	57,443,000	677,354
Equity	55,322,000	4,957,000	50,365,000	—
Trading	108,000	—	108,000	—
Loans (2)				
Commercial loans	7,003,980,000	—	—	6,996,640,000
Real estate loans	1,022,572,000	—	—	1,030,294,000
Individual loans	1,245,253,000	—	—	1,248,514,000
Loans held for sale	70,339,000	—	70,339,000	—
Derivatives	6,267,000	—	6,267,000	—

	December 31, 2020			
	Carrying	Estimated Fair Value		
	amount	Level 1	Level 2	Level 3
Financial Liabilities				
Noninterest-bearing demand	$ 5,345,070,000	5,345,070,000	—	—
Savings and interest-bearing demand	7,555,475,000	7,555,475,000	—	—
Time deposits	1,490,779,000	—	—	1,485,598,000
Total deposits	$ 14,391,324,000	12,900,545,000	—	1,485,598,000
Federal funds purchased and securities sold under agreements to repurchase	$ 1,315,747,000	1,315,747,000	—	—
Trust Preferred Securities & other borrowed funds	5,000,000	5,000,000		
Accrued interest payable	2,337,000	2,337,000	—	—
Derivatives	24,045,000		24,045,000	

		December 31, 2019			
		Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
Financial Liabilities					
Noninterest-bearing demand	$	3,739,782,000	3,739,782,000	—	—
Savings and interest-bearing demand		6,197,083,000	6,197,083,000	—	—
Time deposits		1,630,052,000	—	—	1,626,809,000
Total deposits	$	11,566,917,000	9,936,865,000	—	1,626,809,000
Federal funds purchased and securities sold under agreements to repurchase	$	1,022,348,000	1,022,348,000	—	—
Trust Preferred Securities		6,702,000	6,702,000		
Accrued interest payable		4,960,000	4,960,000	—	—
Derivatives		6,467,000	—	6,467,000	—

Limitations

Fair value estimates are made at a specific point in time based on relevant market information and information about the financial instruments. These estimates do not reflect any premium or discount that could result from offering for sale at one time the Company’s entire holdings of a particular financial instrument. Because no market exists for a significant portion of the Company’s financial instruments, fair value estimates are based on judgments regarding future loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective, involve uncertainties and cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

(17) Accumulated Other Comprehensive Loss

The table below shows the activity and accumulated balances for components of other comprehensive loss.

		Unrealized Gains/Losses on AFS Securities	Pension Plan	Total
Balance December 31, 2018	$	(11,571,000)	(54,921,000)	(66,492,000)
Other comprehensive income (loss) before reclassifications		21,864,000	(10,332,000)	11,532,000
Amounts reclassified from accumulated other comprehensive loss		(14,000)	0	(14,000)
Current period other comprehensive income (loss), before tax		21,850,000	(10,332,000)	11,518,000
Income tax (expense) benefit		(5,465,000)	1,277,000	(4,188,000)
Current period other comprehensive income (loss), net of tax		16,385,000	(9,055,000)	7,330,000
Balance December 31, 2019	$	4,814,000	(63,976,000)	(59,162,000)
Other comprehensive income (loss) before reclassifications	$	24,534,000	(13,322,000)	11,212,000
Amounts reclassified from accumulated other comprehensive loss		(30,000)	0	(30,000)
Current period other comprehensive income (loss), before tax		24,504,000	(13,322,000)	11,182,000
Income tax (expense) benefit		(5,849,000)	3,176,000	(2,673,000)
Current period other comprehensive income (loss), net of tax		18,655,000	(10,146,000)	8,509,000
Balance December 31, 2020	$	23,469,000	(74,122,000)	(50,653,000)

(18) Acquisitions

Liberty Bancorp, Inc.

On August 1, 2019, the Company acquired Liberty Bancorp, Inc. (LBI) located in Liberty, Missouri and its 100% owned subsidiary BankLiberty. The purchase was a cash transaction resulting in the purchase of 100% of the common stock of LBI.

BankLiberty operates as a retail and commercial bank within a 13 branch network in Liberty, Missouri and the surrounding area. Total bank assets at the acquisition date were $533 million with loans of $411 million and deposits of $458 million. Subsequent to the merger, on December 6, 2019, BankLiberty was merged into Central Bank of the Midwest, a subsidiary of the Company located in the Kansas City, Missouri area. Also, the borrowed funds and subordinated debt of BankLiberty were paid off at the time of the merger into Central Bank of the Midwest.

Goodwill of $43.9 million was recorded with the purchase of LBI. The goodwill recorded is not tax deductible. A summary of the historical balances acquired and the adjustments to arrive at fair value follows:

		LBI August 1, 2019	Fair Value Adjustments	Fair Value
Assets				
Cash and due from banks	$	8,529,000	—	8,529,000
Due from banks interest bearing		57,274,000	—	57,274,000
Investment securities		13,011,000	21,000	13,032,000
Loans		411,389,000	757,000	406,175,000
			(5,971,000)	
Allowance for loan loss		(5,143,000)	5,143,000	—
Premises and equipment		14,257,000	(1,915,000)	12,342,000
Other real estate owned		4,457,000	(2,237,000)	2,220,000
Bank owned life insurance		19,927,000	—	19,927,000
Goodwill		3,927,000	(3,927,000)	—
Core deposit intangible		1,993,000	(1,993,000)	10,292,000
			10,292,000	
Other assets		3,790,000	2,047,000	3,402,000
			(2,435,000)	
Total assets	$	533,411,000	(218,000)	533,193,000
Liabilities and equity				
Non-interest bearing demand	$	124,036,000	—	124,036,000
Interest bearing demand and savings		270,964,000	—	270,964,000
Time deposits		63,642,000		63,642,000
Total deposits		458,642,000	—	458,642,000
Fed funds and repurchase agreements		4,226,000	—	4,226,000
Other borrowed funds		3,500,000	—	3,500,000
Subordinated debt		2,504,000	1,105,000	3,609,000
Other liabilities		4,493,000	—	4,493,000
Total liabilities		473,365,000	1,105,000	474,470,000
Equity		60,046,000	(60,046,000)	—
Total liabilities and equity	$	533,411,000	(58,941,000)	474,470,000
Net acquired fair value				58,723,000
Purchase price				102,646,000
Goodwill				43,923,000

During 2020, the Company finalized the valuation resulting in the adjustments to state the balance sheet at fair value which reduced goodwill.

The Company's operating results from August 1, 2019 include the operating results of the acquired assets and liabilities of BankLiberty.

Platte County Bancorporation Inc.

On December 2, 2019, the Company acquired Platte County Bancorporation Inc. (PCBI) located in Platte City, Missouri and its 100% owned subsidiary Platte Valley Bank of Mo. (PVBM). The purchase was a cash transaction resulting in the purchase of 100% of the common stock of PCBI.

PVBM operates as a retail and commercial bank within a 9 branch network in Platte City, Missouri and the surrounding area. Total assets acquired were $599 million, loans were $448 million and deposits amounted to $528 million. As of year-end 2019, PVBM was operating as a subsidiary of the Company. In the second quarter of 2020, PVBM was merged into Central Bank of the Midwest.

Goodwill of $45.9 million was recorded with the purchase of PCBI. The goodwill recorded is tax deductible. A summary of the historical balances acquired and the adjustments to arrive at fair value follows:

	PCBI December 2, 2019	Fair Value Adjustments	Fair Value
Assets			
Cash and due from banks	$ 5,709,000	—	5,709,000
Due from banks interest bearing	38,384,000	—	38,384,000
Investment securities	92,135,000	183,000	92,318,000
Loans	447,924,000	(4,156,000)	443,768,000
Allowance for loan loss	(5,463,000)	5,463,000	—
Premises and equipment	12,802,000	(641,000)	12,161,000
Goodwill	178,000	(178,000)	—
Core deposit intangible	—	10,206,000	10,206,000
Other assets	7,081,000	—	7,081,000
Total assets	$ 598,750,000	10,877,000	609,627,000
Liabilities and equity			
Non-interest bearing demand	$ 159,197,000	—	159,197,000
Interest bearing demand and savings	270,633,000	—	270,633,000
Time deposits	98,053,000	335,000	98,388,000
Total deposits	527,883,000	335,000	528,218,000
Fed funds and repurchase agreements	9,536,000	—	9,536,000
Subordinated debt	6,702,000	—	6,702,000
Other liabilities	2,714,000	—	2,714,000
Total liabilities	546,835,000	335,000	547,170,000
Equity	51,915,000	(51,731,000)	184,000
Total liabilities and equity	$ 598,750,000	(51,396,000)	547,354,000
Net acquired fair value			62,273,000
Purchase price			108,203,000
Goodwill			45,930,000

During 2020, the Company finalized the valuation resulting in the adjustments to state the balance sheet at fair value which increased the goodwill.

The Company's operating results from December 2, 2019 include the operating results of the acquired assets and liabilities of PCBI and PVBM.

The following was the process used to determine the fair value amounts:

1) For cash and due from banks, due from banks interest bearing, bank owned life insurance, other assets, and other liabilities – historical balances as of the acquisition date were used for opening fair value balances.

2) Investment securities are adjusted to market value at acquisition date.

3) The fair value of the loan portfolio was determined by calculating the future cash flows associated with the loans factoring in amortization schedules, prepayments, defaults, current interest rates relative to the loan rates, and other factors discounted back to present value in determining the fair value as of the acquisition date.

4) The core deposit intangible was determined using an income approach as to the cost savings method which recognizes the cost savings represented by the expense of maintaining the core deposit base versus the cost of an alternative open market funding source by calculating the present value of the future benefit stream related to the acquired deposits.

5) Premise and equipment's fair value was determined by taking historical values and adjusting the values lower if the appraised value for individual assets were lower than historic values.

6) Time deposit fair value adjustment was determined by a present value calculation based upon current market rates for comparable time deposits.

7) Trust Preferred Securities are a floating rate instrument and therefore were brought over at book value.

The fair value for loans, core deposit intangible, and time deposits was determined by an independent third party.

(19) Derivative Instruments

Prior to August 2020, the Company's mortgage banking operation made commitments to extend fixed rate loans secured by 1-4 family residential properties, which are considered to be derivative instruments. These commitments have an average term of 60 to 90 days. The Company's general practice was to sell such loans in the secondary market. During the term of the loan commitment, the value of the loan commitment changes in inverse proportion to changes in market interest rates. The Company obtains forward sale contracts with investors in the secondary market in order to manage these risk positions. Most of the contracts are matched to a specific loan on a ''best efforts'' basis, in which the Company is obligated to deliver the loan only if the loan closes. Hedge accounting has not been applied to these activities. The unrealized gain on the forward sales contracts, which has not been recognized in the Company's consolidated statements of income given its insignificance, amounted to $332,000 and $323,000 for the years ended December 31, 2020 and 2019, respectively.

In August 2020, the Company changed its mortgage banking operation for originating loans (interest rate locks) to be sold into the secondary market. Under this new process, the Company does not enter into a commitment to sell these loans at the time of the interest rate lock but instead enters into an agreement to sell the loan(s) after funding. The Company enters into free–standing derivatives to protect against movement in interest rates once the loan commitment is entered into. These derivatives are in the form of commitments to sell to-be-announced (TBA) securities which move in value in the opposite direction of the fixed rate loan commitments thereby economically protecting the Company from movement in interest rates during the period from the interest rate lock date to the date the loan is sold into the secondary market.

As of December 31, 2020, the amounts reflected in the Company's balance sheet in assets and liabilities for the value of the interest rate lock commitments, funded loans held for sale, and the corresponding commitments to sell the TBA securities were as follows:

		Notional Value	Market Value
Interest Rate Loan Commitments	$	395,841,000	11,764,000
Loans Closed - Market Value Loans Held for Sale		111,247,000	3,261,000
TBA Derivative Value		457,500,000	(4,227,000)

The market value of the Loan Commitment Pipeline and the Loans Closed Held for Sale is net of expenses.

The Company maintains an overall interest rate risk management strategy that permits the use of derivative instruments to modify exposure to interest rate risk. The Company's interest rate risk management strategy includes the ability to modify the repricing characteristics of certain assets and liabilities so that changes in interest rates do not adversely affect the net interest margin and cash flows. Interest rate swaps may be used on a limited basis as part of this strategy. The Company also sells interest rate swap contracts to customers who wish to modify their interest rate sensitivity. The Company offsets the interest rate risk of these swaps by purchasing matching contracts with offsetting pay/receive rates from other financial institutions. These Back-to-Back swap contracts comprised a portion of the Company's swap portfolio at December 31, 2020 and 2019 with total notional amounts of $438.1 million and $332.9 million, respectively. The Company's "Back-to-Back" swaps are accounted for as free-standing derivatives, and changes in their fair value are recorded in current earnings.

The Company also employs the use of "Critical Terms" swaps. While this strategy does not directly involve customers of the banks, they are used to swap the interest rate structure of individual loans. By using Critical Terms, the bank is able to mark-to-market the loan as well. For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in earnings. The Company includes the gain or loss on the hedged items in the same line item as the offsetting loss or gain on the related derivatives. These structures had a notional amount of $25.3 million, with a fair value of $(1,902,000) and $24.3 million, with a fair value of ($200,000) at December 31, 2020 and 2019, respectively.

		Derivative Assets 12/31/20	Derivative Liabilities 12/31/20	Derivative Assets 12/31/19	Derivative Liabilities 12/31/19
Back to back swaps	$	17,916,000	(17,916,000)	6,018,000	(6,018,000)
Fair value hedges			(1,902,000)	249,000	(449,000)

(20) Revenue Recognition

Revenue should be recognized to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue from financial instruments, including revenue from loans and securities, is not included within this guidance. Noninterest revenue items that are subject to this guidance mainly include fees for bank card, trust, deposit account services, and consumer brokerage services and are discussed below and summarized in the table that follows.

Fees for Fiduciary Services

Trust and asset management income is primarily comprised of fees earned from the management and administration of trusts, settlement of estates, and other similar duties where Central Trust Company serves in a fiduciary capacity. The Company's performance obligation is generally satisfied over time and the resulting fees are recognized monthly, based upon the average monthly value of the assets under management and the applicable fee rate or otherwise as negotiated as a fee for service. Other transactional-based services, including but not limited to, tax return preparation and financial planning are available. The performance obligation for these services is generally satisfied and related revenue recognized, at the completion of the service.

Deposit Accounts and Other Fees

Service charges on deposit accounts consist of account analysis fees (i.e., net fees earned on analyzed business and public checking accounts), monthly service fees, check orders, and other deposit account related fees. The Company's performance obligation for account analysis and monthly service fees is generally satisfied, and the related revenue recognized, when the service is provided and received immediately or in the following month.

The Company provides corporate cash management services to its business customers to meet their various transaction processing needs. Such services include deposit and check processing, lockbox, remote deposit, reconciliation, online banking, and other similar transaction processing services. The Company maintains unit prices for each type of service, and the customer is billed based on transaction volumes processed monthly.

Overdraft fees are charged to customers when daily checks and other withdrawals to customers' accounts exceed balances on hand. The daily overdraft charge is calculated and the fee is posted to the customer's account each day.

Other deposit related fees such as check orders, foreign ATM processing fees, stop payment fees, and cashier's checks are largely transactional based, and therefore, the Company's performance obligation is satisfied, and related revenue recognized, when the transaction is processed.

Bankcard Transaction Fees

Fees, exchange, and other service charges are primarily comprised of debit and credit card income, ATM fees, merchant services income, and other service charges. Debit and credit card income is primarily comprised of interchange fees earned whenever the Company's debit and credit cards are processed through card payment networks such as MasterCard. The fees earned are established by the settlement network and are dependent on the type of transaction processed but are typically based on a per unit charge. Interchange income is settled daily through the networks.

Consumer Brokerage Services

Consumer brokerage services revenue is comprised of commissions received upon the execution of purchases and sales of mutual fund shares and equity securities, in addition to certain limited insurance products in an agency capacity. Also, fees are earned on managed advisory programs. Payment from the customer is upon settlement for purchases and sales of securities, upon purchase for annuities and insurance products, and upon inception of the service period for advisory programs.

Other Non-Interest Income from Contracts with Customers

Other non-interest income consists mainly of gains on foreclosed assets as well as bank premises and equipment. Performance obligations for these services consist mainly of the execution of transactions for sale of various properties. Fees from these revenue sources are recognized when the performance obligation is completed, at which time cash is received by the Company.

	2020	2019
Service charges and commissions		
Deposit account and other fees	$40,256,000	40,963,000
Other non-ASC 606 revenue	9,744,000	9,652,000
	$50,000,000	50,615,000
Bankcard and merchant service fees		
Bankcard transaction fees	$56,246,000	47,913,000
Brokerage services		
Consumer brokerage service fees	$16,253,000	14,548,000
Fees for fiduciary services		
Fiduciary service fees	$32,841,000	30,739,000
Other		
Gain on sale of bank premises and equipment	$ 469,000	566,000
Other non-ASC 606 revenue	6,551,000	4,090,000
	$ 7,020,000	4,656,000

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Company History

1970 Central Bancompany incorporates as a multi-bank holding company that includes The Central Trust Bank and Jefferson Bank of Missouri, both in Jefferson City, MO

1972 First National Bank of Clayton joins Central Bancompany

1973 Acquired – The Guaranty Trust Company, Clayton, MO

1974 Acquired – Boone County National Bank, Columbia, MO

1977 Acquired – First National Bank of Mexico, Mexico, MO

Deployed first automated teller machine (ATM)

1979 Acquired – City Bank & Trust Company, Moberly, MO

1980 Acquired – Empire Bank, Springfield, MO

1984 Reached **$1 Billion** in Total Assets

1985 Central Trust Bank acquires Lake National Bank of Tuscumbia, Tuscumbia, MO

1986 Acquired – Bank of the Lake of the Ozarks, Osage Beach, MO

Launched Credit Card Division

1988 Central Bank of Lake of the Ozarks acquires Camden County Bank, Camden, MO

Acquired – Ozark Mountain Bank, Branson, MO

1991 Empire Bank acquires Nixa Bank, Nixa, MO

1992 Acquired – Third National Bank of Sedalia, Sedalia, MO

1993 Acquired – First National Bank of Lee's Summit, Lee's Summit, MO

Added our **50th** Location

1994 Boone County National Bank acquires South County Bank, Ashland, MO

FNB of Audrain County acquires Laddonia State Bank, Laddonia, MO

Launched InvestorServices, a full-service brokerage division

1995 FNB of Missouri (previously FNB of Lee's Summit) acquires First State Bank of Buckner, Buckner, MO

Empire Bank acquires Webster County Bank and Pleasant Hope Bank, Springfield, MO

1997 Acquired – Bank of Warrensburg, Warrensburg, MO and renamed First Central Bank

Acquired – Farmers & Traders Bank, California, MO

Boone County National Bank acquires Mercantile Bank of Boonville, Boonville, MO

1998 First Central Bank acquires Bank of Higginsville, Higginsville, MO

FNB of St. Louis (previously FNB of Clayton) acquires Colonial Bank, Des Peres, MO

Launched Internet Banking

1999 Acquired – Bank of Jacomo, Blue Springs, MO

Boone County National Bank acquires State Bank of Hallsville and Sturgeon State Bank, Boone County, MO

Central Trust Bank acquires Fulton Savings Bank, Fulton, MO

Farmers and Traders Bank, California, MO merges with Central Trust Bank, Jefferson City, MO

2000 Central Trust Bank acquires deposits from Union Planters Bank, California, MO

Reached **$5 Billion** in Total Assets

2001 FNB of St. Louis acquires Mid America Bank of St. Clair County, O'Fallon, IL

Expanded into the State of Illinois

Added our **100th** Location

2004 Bank of Jacomo collapses into FNB of Missouri

Acquired – Community Bank and Trust Company, Tulsa, OK

First Central Bank acquires Higginsville, MO, branches of Bank Midwest

Expanded into the State of Oklahoma

2007 The Guaranty Trust Company collapses into the Central Trust Company, Jefferson City, MO

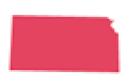
Acquired – ONB Bank, Tulsa, OK Community Bank and Trust collapses into ONB Bank

Acquired – Metcalf Bank, Overland Park, KS

Acquired – First Kansas Bank & Trust Company, Gardner, KS

FNB of St. Louis acquires First National Bank of Millstadt, Millstadt, IL

Expanded into the State of Kansas



2008 FNB of Missouri, First Kansas Bank, and Metcalf Bank merge with Metcalf Bank, the surviving name

Empire Bank acquires The Greene County Bank, Strafford, MO

First Central Bank acquires Bank of Holden, Holden, MO

2009 Metcalf Bank acquires, through purchase and assumption agreement, American Sterling Bank, Sugarcreek, MO

2009 Central Trust Company acquires Springfield Trust Company, Springfield, MO

Recognized by *Forbes* as being a TOP TEN bank in America

2010 Empire Bank acquires Citizens National Bank, Springfield, MO

2011 TNB of Sedalia acquires Union Savings Bank, Sedalia, MO

2012 Metcalf Bank acquires, through purchase and assumption agreement, Heartland Bank, Leawood, KS

Reached **$10 Billion** in Total Assets

2013 Boone County National Bank acquires partial assets from Shelter Financial Bank, Columbia, MO

2014 Metcalf Bank acquires Bank of Belton, Belton, MO

FNB of Audrain County acquires the Vandalia branch from First State Community Bank

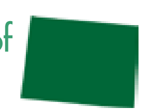
2015 Central Bank of the Midwest acquires Douglas County Bank, Lawrence, KS

Twelve of 13 charters are renamed under the **Central Bank** name

2017 Central Trust Bank and Central Bank of Lake of the Ozarks acquires Bank Star One, New Bloomfield, MO

Central Trust Bank creates Mortgage Central and opens offices in Colorado

Expanded into the State of Colorado



2018 Full service branch opens in Colorado Springs, CO

2019 Central Bank of the Midwest acquires BankLiberty, Liberty, MO

Central Bank of the Midwest acquires Platte Valley Bank, Platte City, MO

2020 Surpassed **$15 Billion** in Total Assets

Central Bancompany Directors & Senior Leadership

Board of Directors

S. Bryan Cook, *Chairman & Chief Executive Officer*
Robert M. Robuck, *Vice Chairman*
E. Stanley Kroenke, *President & CEO*, The Kroenke Group
Robert R. Hermann, Jr., *President & CEO*, Hermann Companies, Inc.
Charles E. Kruse, *President*, Charles Kruse Farms, Inc.
Richard H. McClure, *President (Retired)*, UniGroup, Inc.
Michael K. Farmer, *President*, Farmer Companies
Edward D. "Chip" Robertson, Jr., *Attorney*, Bartimus Frickleton Robertson Rader P.C.
Charles Digges, Jr., *President*, The Insurance Group - Columbia

Senior Leadership

S. Bryan Cook, *Chairman & Chief Executive Officer*
John T. Ross, *President & Chief Operating Officer*
Robert M. Robuck, *Vice Chairman*
Stephen E. Erdel, *Vice Chairman*
Kenneth W. Littlefield, *Vice Chairman, Chief Administrative Officer and Chief Financial Officer*
Donald R. Perdue, *Senior Executive Vice President*, Investments

Russell L. Goldammer, *Executive Vice President*, Chief Information Officer
David P. Minton, *Executive Vice President*, Mortgage Banking
Gregory D. Omer, *Executive Vice President*, Corporate Secretary & General Counsel
David W. Roehl, *Executive Vice President*, Chief Investment Officer
Daniel G. Stephen, *Executive Vice President*, Senior Credit Officer & Chief Risk Officer
Daniel H. Westhues, *Executive Vice President*, Chief Marketing Officer & Retail Banking

Robert M. Carr, Jr., *Senior Vice President*, Managing Director, Central Investment Advisors
Christine K. Ellinger, *Senior Vice President*, Chief Human Resources Officer
Scott M. Kellett, *Senior Vice President*, Trust and Asset Management
Paul J. Kleffner, *Senior Vice President*, Managing Director, Auditing
Peter J. Langston, *Senior Vice President*, Loan Review
Lisa J. Pittman, *Senior Vice President*, Controller
Alan F. Stonum, *Senior Vice President*, Managing Director, BankCard Services
Shannon M. Thomason, *Senior Vice President*, Chief Compliance Officer
Matthew T. Tollerton, *Senior Vice President*, Managing Director, Digital Banking
Shawn D. Von Talge, *Senior Vice President*, Mortgage Banking
Brad T. Wastler, *Senior Vice President*, Central Investment Advisors

Shown here is the main facility from the Platte Valley Bank acquisition that occurred in 2019, and converted to Central Bank in 2020.

The Central Trust Bank

Joined Central Bancompany in 1970

President & CEO: David P. Minton • Branches: 15 • Employees: 569

In so many ways, 2020 was a challenge and as always, Central Bank responded.

Our Paycheck Protection Program (PPP) lending resulted in nearly $100 million in volume, which assisted more than 900 local businesses. This had a profound effect on the communities and people we serve. It is not an exaggeration to say this PPP production was critical in helping keep our local economy intact. Despite the pandemic, Central Bank had a fantastic year. Deposits grew by more than $600 million and loans (exclusive of PPP loans) grew by more than $80 million, led by strong loan growth in Colorado of $70 million. Central Bank had a record year in both purchase and refinance mortgage production, more than doubling the number of mortgages made in 2019 and totaling nearly $1 billion. Total Net Income for 2020 was more than $48 million, a nearly 40% increase over the prior year. Our online-only mortgage solution was launched in Q4-20. This new business, "Online Central," is an important component in our overall strategy and will become a significant contributor to our mortgage line of business in 2021.

In November, Central Bank launched a "Celebrate Kindness" initiative to the community. This was a marketing campaign that solicited public nominations of those who are known for acts of kindness, big or small. Hundreds were nominated, and each weekday in November, one person was awarded $500 for his or her kindness. 2020 also saw Central Bank employees give back - and give back a lot. Amid the pandemic, despite a dramatic decrease in public events and gatherings, Central Bank employees found ways to give their time and passion to make the communities we serve even stronger.

Board of Directors

David P. Minton, *President & Chief Executive Officer*
Kenneth W. Littlefield, *Chairman of the Board*
Robert M. Robuck, *Vice Chairman*
Michael L. Kehoe, *Lt. Governor,* State of Missouri
Clyde G. Lear, *Owner (Retired),* Learfield Communications
Jacob L. Vogel, *President,* Jefferson City Coca-Cola Bottling Company
Donald E. Shinkle, *Retailer (Retired)*
Kirk Farmer, *Owner,* Farmer Holding Company
Joseph N. Scheppers, *Owner,* N.H. Scheppers Distributing Company

Callaway, Cole, Miller, and Moniteau Counties

2020 PPP LOAN PRODUCTION

Total Number of Loans: 904
Total $ amount of Loans: $96,187,932

Jefferson Bank of Missouri

Joined Central Bancompany in 1970

President & CEO: L. Kenton Theroff • Branches: 4 • Employees: 100

The strength and stability of Jefferson Bank were tested in 2020. The COVID-19 pandemic resulted in a nationwide stay-at-home order requiring our lobbies to close for 60 days and making it necessary to relocate staff to limit exposure to illness. Despite the disruption, we continued to provide important lending and retail services. Contactless banking services allowed us to maintain customer relationships while supporting the greatest household growth in a decade. When a massive Mid-Missouri hail storm severely damaged cars, homes, and businesses, our staff processed insurance claims for repairs and prepared new loan contracts for total vehicle replacements. COVID-19 challenged local businesses trying to adapt to new restrictions, while also seeking to avoid closure and layoffs. $522 billion in SBA relief funds were made available through the Paycheck Protection Program (PPP). Our lending team responded by processing more than $54 million in loans, aiding 539 businesses; the highest penetration of PPP loans to commercial loans in the Holding Company. With record low interest rates, the mortgage lending team processed 1,184 home loans, totaling $206 million in annual volume, despite limited real estate inventory. Our commitment to service was highlighted in the Jefferson City Magazine and Jefferson Bank was named the 2020 "Most Philanthropic Company." This past year proved that with a dedicated team and community support, growth is possible under any circumstance.

Board of Directors

Harold W. Westhues, *Chairman of the Board, Retired*, Jefferson Bank
Robert L. Bryant, *EVP, CFO and COO*, Jefferson Bank
Robert P. Wankum, MD, *Retired*, JCMG Ophthalmology
Bernard J. Fechtel, *Owner*, Fechtel Beverage & Sales
C. Roger Schrimpf, *Owner*, Schrimpf Management
Jeffrey L. Patrick, MD, *Radiologist, JCMG President*

Serving the Jefferson City area

2020 PPP LOAN PRODUCTION

Total Number of Loans: 539
Total $ amount of Loans: $54,268,950

Central Bank of St. Louis

Joined Central Bancompany in 1972

Chairman & CEO: S. Bryan Cook • Branches: 16 • Employees: 249

Central Bank of St. Louis, like everyone else, dealt with the challenging and unique circumstances of 2020. We implemented new ways of doing business in a diligent effort to keep our Central Bank family of employees and customers safe, all while continuing to provide legendary service to meet the needs of our customers. Through all of the changes, we were able to increase net income by more than 30%, increase deposits by more than 20%, increase loan volume by more than 14%, and achieve a record year in mortgage lending. The dedication to our customers and community is spotlighted by how our employees worked seven days a week and around the clock to help local businesses secure funding from the government to keep their doors open and our economy moving. In a short period of time, we helped more than 1,000 businesses secure over $180,000,000. We helped customers ranging from hair salons and restaurants to manufacturers and contractors. We take great pride in being part of the solution that helped keep local businesses going. We look forward to a bright and healthy 2021 with a new President and COO, Mr. Daniel Stephen.

Board of Directors

Richard J. Bagy, Jr., *President,* Chief Operating Officer
Daniel G. Stephen, *EVP,* Central Bancompany
Wayne R. Baker, *President,* Warrenton Oil Company
Daniel B. Bruns, *President/Owner,* Kienstra Company
Robert C. Byrne, Jr., *Owner,* Byrne & Jones Enterprises, Inc.
Howard L. Chilcutt, *Chairman,* Jones Company of Tennessee
Christopher Chivetta, *President,* Hastings & Chivetta Architects
Jeffrey S. Gershman, *Principal,* Stone, Leyton & Gershman
Daniel L. Human, *Executive Director,* Howard Bend Levee District
Richard H. McClure, *President (Retired),* UniGroup, Inc.

St. Louis City (MO), St. Louis County (MO), St. Charles County (MO), St. Clair County (IL), Monroe County (IL)

2020 PPP LOAN PRODUCTION

Total Number of Loans: 1,054
Total $ amount of Loans: $182,641,088

Central Bank of Boone County

Joined Central Bancompany in 1974

Chairman & CEO: Stephen E. Erdel • Branches: 15 • Employees: 368

What an extraordinary year. At the beginning of 2020, we could never have expected the turmoil and triumph we would experience due to the emerging pandemic. Through it all, our incredibly talented and committed employees took exceptional care of the bank, each other, our customers, and our community.

Nothing demonstrated this commitment more than the Small Business Administration Paycheck Protection Program (PPP). Within just a few weeks, our talented people managed to assist more than 1,080 small businesses secure $99 million in loans. That is four times more than our competitors and 85% of those loans were less than $150,000, truly helping the smallest businesses. The entire process was new and challenging, made more so by the need for employees to social distance and, in some cases, work remotely. Through it all our customers were well-taken care of. More importantly, we made a difference in our community by supporting a bedrock of our local economy.

2020 also brought changes to our leadership as Ed Scavone was named president of the bank in July. Ed has a long, distinguished career with both the Central Bancompany and Central Bank of Boone County. We have no doubt that he will bring all those talents to bear on a bright future for our organization in the years to come.

Central Bank of Boone County is exceptionally proud of its 2020 results given the challenges we all faced. While we are a long way from moving ahead of these challenges, we know that the future holds great things for our organization because of our exceptional people.

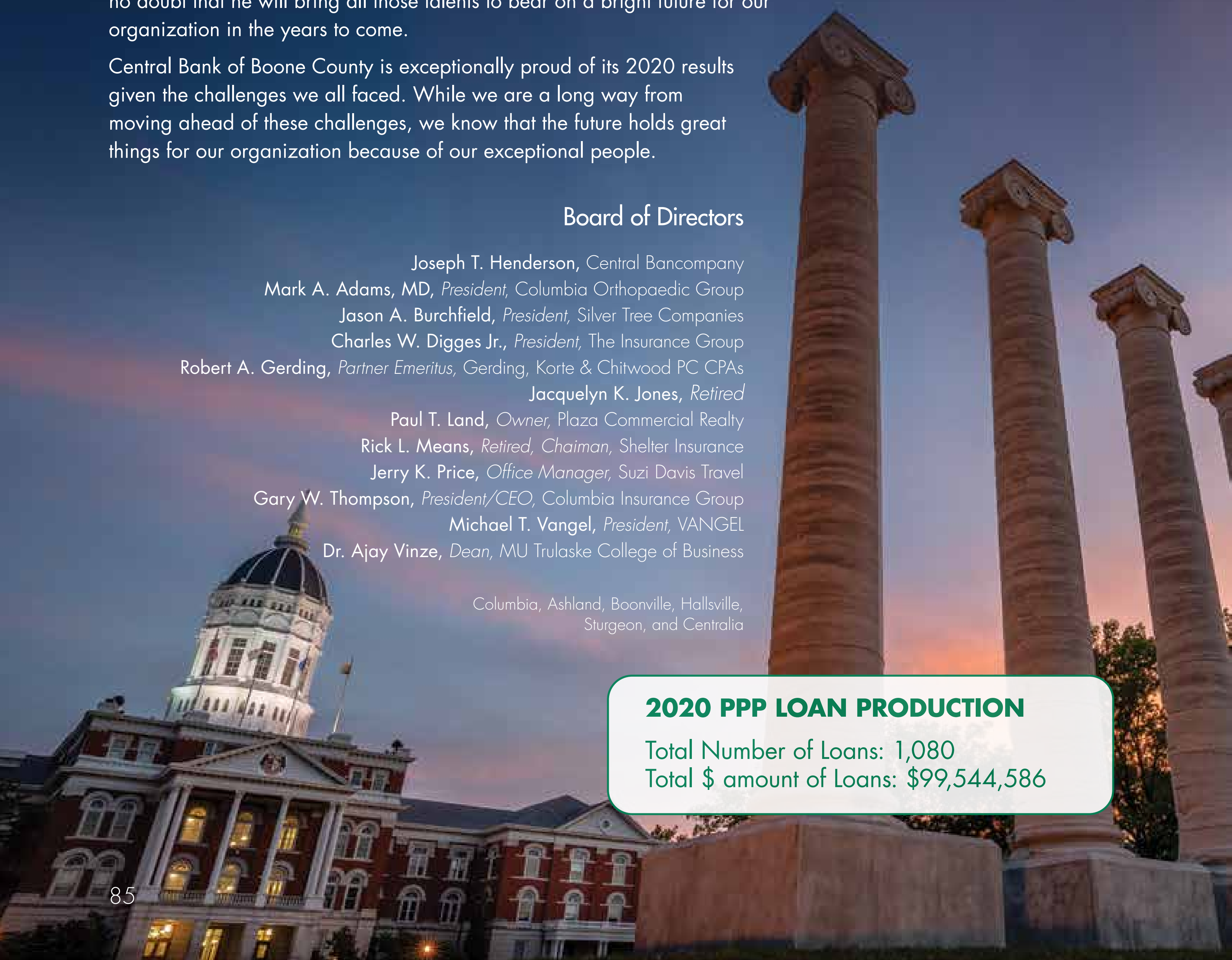
Board of Directors

Joseph T. Henderson, Central Bancompany
Mark A. Adams, MD, *President,* Columbia Orthopaedic Group
Jason A. Burchfield, *President,* Silver Tree Companies
Charles W. Digges Jr., *President,* The Insurance Group
Robert A. Gerding, *Partner Emeritus,* Gerding, Korte & Chitwood PC CPAs
Jacquelyn K. Jones, *Retired*
Paul T. Land, *Owner,* Plaza Commercial Realty
Rick L. Means, *Retired, Chaiman,* Shelter Insurance
Jerry K. Price, *Office Manager,* Suzi Davis Travel
Gary W. Thompson, *President/CEO,* Columbia Insurance Group
Michael T. Vangel, *President,* VANGEL
Dr. Ajay Vinze, *Dean,* MU Trulaske College of Business

Columbia, Ashland, Boonville, Hallsville, Sturgeon, and Centralia

2020 PPP LOAN PRODUCTION

Total Number of Loans: 1,080
Total $ amount of Loans: $99,544,586



Central Bank of Audrain County

Joined Central Bancompany in 1977

President & CEO: Michael A. Bunge • Branches: 2 • Employees: 23

In 2020 the Central Bank of Audrain County faced many of the same challenges the rest of the country encountered due to COVID-19. While providing SBA Paycheck Protection Program (PPP) loans, we continued to provide reliable, accessible service to our customer base. We have a strong culture, efficient systems, and a strong customer base due to our commitment to being a socially responsible member of the Audrain County community. An example of this would be our employee's 100% participation in our local United Way Drive in 2020.

These attributes served us well during this year of rapid changes. Our customers are to be commended for their willingness to adapt to change during this past year. While the focus of our energy may have been on dealing with change caused by COVID, we experienced success in real estate and commercial lending while growing our deposit base substantially.

Board of Directors

Sterling Oliver, *EVP*, Central Bank of Audrain County
Mike Miller, *Miller Tire Company*
Tony Robertson, *Senior Loan Officer*
Jimmie Reading, *Farmer*
Rita Jackson, *Community Development Director*, City of Mexico

Audrain County including Communities of Mexico, Vandalia, Laddonia, Rush Hill, Vandiver Village, Benton City, Middletown, and Auxvasse

2020 PPP LOAN PRODUCTION

Total Number of Loans: 106
Total $ amount of Loans: $5,200,087

Central Bank of Moberly

Joined Central Bancompany in 1979

President & CEO: W. Michael Riffel • Branches: 3 • Employees: 28

Central Bank of Moberly is proud to be the leading bank in the Moberly area, a position we have held for more than 25 years. Despite a low rate environment, 2020 brought deposit account growth of 16% as well as a large increase in Mortgage Loan volume, growing 179% from 2019, resulting in a record year in earnings. This growth was only made possible by a dedicated group of employees. While the pandemic presented a unique set of challenges in 2020, our team worked tirelessly to continue to provide the legendary service our customers have come to expect.

Board of Directors

John S. Meystrik, *Senior Vice President,* Central Bank of Moberly
K. Mack Hils, *Retired,* Mack Hils Inc.
J. Richard Truesdell, *Retired,* Truesdell Brothers Grain, Inc.
Barbara A. Westhues, *Chief Operating Officer,* Orscheln Industries

Randolph, Howard, Chariton, and Monroe Counties

2020 PPP LOAN PRODUCTION

Total Number of Loans: 73
Total $ amount of Loans: $8,519,400

Central Bank of the Ozarks

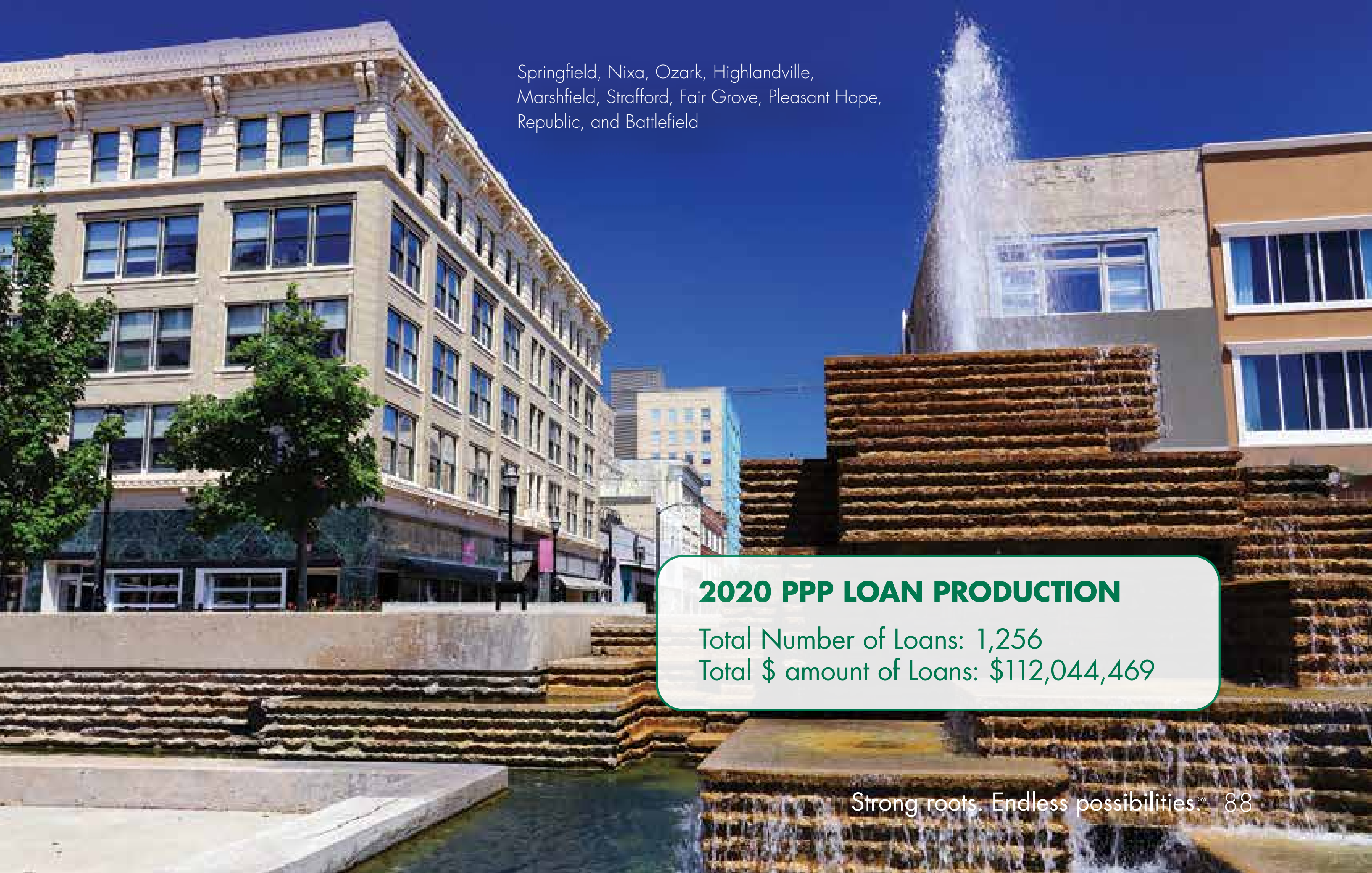
Joined Central Bancompany in 1980

Chairman, President, & CEO: Russell R. Marquart • Branches: 22 • Employees: 255

Central Bank of the Ozarks continues to be a leader in the Springfield area through its dedication to the communities we serve. The bank has donated its second "Tiny Home" to Eden Village 2, the second community in Springfield that provides housing to disabled and homeless people. Bank teammates regularly visit and help the resident at our Dogwood House #1, and now, Dogwood House #2. Our Central Connect group is in its sixth year and is crucial to the growth of our next generation of bankers in becoming leaders in the community and our company. Despite the many challenges with the COVID-19 pandemic in 2020, the bank had a successful year with significant increases in Net Income, up 11%, and growth in all other key metrics. We helped many businesses, organizations, and families in our area affected by the pandemic with a very successful SBA Paycheck Protection Program (PPP). With the low rate environment, our Mortgage Loans have more than doubled in 2020 with volumes hitting $224 million and 1,210 loans serviced.

Board of Directors

Michael J. Williamson, *Retired, Central Bank of the Ozarks*
Chris W. Nattinger, *President,* Skyline Investment Co, LLC
John R. Twitty, *General Manager & CEO,* Missouri Public Utility Alliance
Judi M. Samuel, *Broker*
J. Mark Cook, *CEO,* Central States Industrial Equipment
Mark M. McNay, *Sr. Vice President,* SMC Packaging Group
Thomas B. Rankin, *Sr. Advisor/Broker,* Sperry Van Ness/Rankin Company
Mark L. Walker, *Chairman & CEO,* Transland



Springfield, Nixa, Ozark, Highlandville, Marshfield, Strafford, Fair Grove, Pleasant Hope, Republic, and Battlefield

2020 PPP LOAN PRODUCTION

Total Number of Loans: 1,256
Total $ amount of Loans: $112,044,469

Central Bank of Lake of the Ozarks

Joined Central Bancompany in 1986

CEO: James D. Judas, Jr. • Branches: 8 • Employees: 155

There was much to be proud of as Central Bank of Lake of the Ozarks had a record-breaking year in 2020. Not only was our bank financially successful, exceeding our Mortgage lending goals for the year; but, we also remained committed to giving back to the Lake community. In 2020, we had 16 employees help customers secure Paycheck Protection Program (PPP) loans to keep the economy going. Those employees consisted of Commercial Loan Officers, Credit Analysts, Loan Processors, and Servicers. We approved 816 PPP Loans, for a total amount near $41 million, which assisted 6,781 jobs. Lake of the Ozarks restaurants and retailers remained open to the public during 2020 which continued to drive our local economy. Several events were hosted at the Lake and many new residents moved to the area, and tourism was stronger than ever at Lake of the Ozarks in 2020.

Board of Directors

James W. Mead, *Senior Vice President/Chairman*
Joe Jurgensmeyer, *Owner,* J & M Farms
Robert E. Mason, *D.O.,* Lake Regional Clinics
Danny D. Opie, *Owner,* Opie's Transport
Belinda K. Phillips, *Owner,* Four Seasons Storage
George Stanton, *Owner,* Stanton Manufacturing
Robert C. Frazee, *Retired,* Central Bank of Lake of the Ozarks

Miller, Camden & Morgan Counties
Osage Beach, Lake Ozark, Camdenton, Eldon, and Laurie Communities

2020 PPP LOAN PRODUCTION

Total Number of Loans: 816
Total $ amount of Loans: $40,867,550

Central Bank of Branson

Joined Central Bancompany in 1988

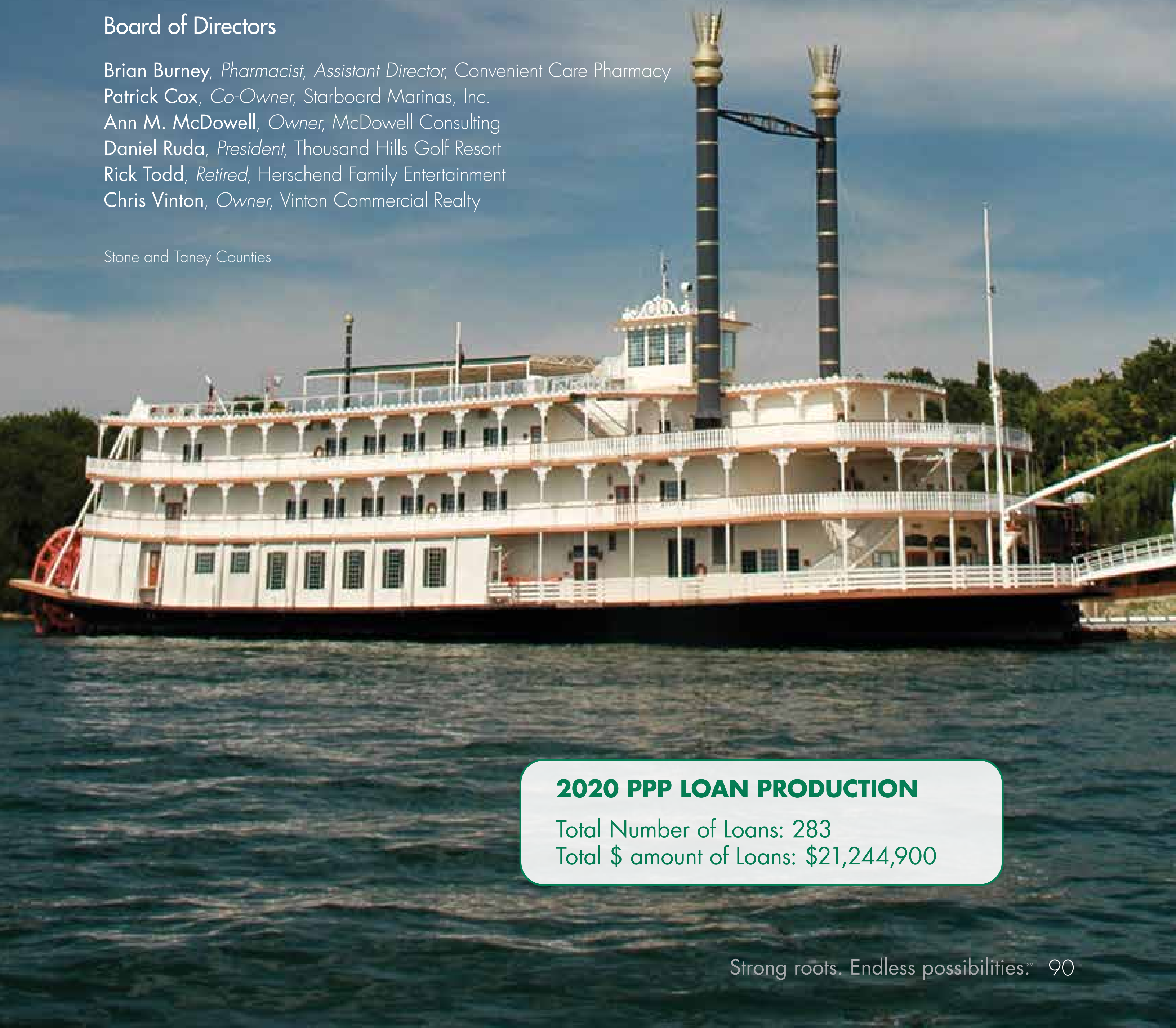
Chairman, President, & CEO: Joseph F. Loth, Jr. • Branches: 5 • Employees: 66

Central Bank of Branson rolled into 2020 excited to celebrate our 70th anniversary with staff, customers, and the community! Plans of celebrations and promotions swiftly changed in the face of the global pandemic, and we were instead challenged with protecting public health and safety while working to help more than 280 local small businesses through the Paycheck Protection Program (PPP). The unforeseen mortgage refinance boom had a major impact on the bank as well, with our mortgage production increasing 67% over the prior year. Overall, our pre-tax earnings were up 5.93% year-over-year, making 2020 Central Bank of Branson's third consecutive record-breaking year. We celebrated our 70th anniversary by standing strong for our community during unprecedented and widespread economic hardship, and we could not be more proud!

Board of Directors

Brian Burney, *Pharmacist, Assistant Director,* Convenient Care Pharmacy
Patrick Cox, *Co-Owner,* Starboard Marinas, Inc.
Ann M. McDowell, *Owner,* McDowell Consulting
Daniel Ruda, *President,* Thousand Hills Golf Resort
Rick Todd, *Retired,* Herschend Family Entertainment
Chris Vinton, *Owner,* Vinton Commercial Realty

Stone and Taney Counties



2020 PPP LOAN PRODUCTION

Total Number of Loans: 283
Total $ amount of Loans: $21,244,900

Central Bank of Sedalia

Joined Central Bancompany in 1992

Chairman, President, & CEO: Larry D. Bahr • Branches: 5 • Employees: 71

In 2020 Central Bank of Sedalia bankers funded $15.9 million in Paycheck Protection Program (PPP) loans for 260 businesses. This supported more than 2,500 jobs in our community during this unprecedented time of crisis. The bank led Pettis County in the number of PPP loans and continues to lead in deposit market share. We participated in many virtual events including the Bothwell Regional Health Center Foundation, Child Safe aimed at supporting the youth of the area, and countless others. While this was an uncertain year, Central Bank of Sedalia continued its commitment to serving our community and helping the small businesses that are vital to Sedalia and the surrounding areas.

Board of Directors

Charles G. Kempton, *Owner,* Dugan Paint
David Albrecht, *Retired,* Septagon Construction
Charles G. Marshall, *Owner,* McDonald's
Kenneth D. Weymuth, *Owner,* W-K Chevrolet
Chris Squires, *an Owner,* SMC Electric Supply
Ruth Ferguson, *Co-Owner,* Robert Taylor Insurance

Sedalia, Pettis County, and surrounding Counties

2020 PPP LOAN PRODUCTION

Total Number of Loans: 260
Total $ amount of Loans: $15,563,232

Central Bank of the Midwest

Joined Central Bancompany in 1993

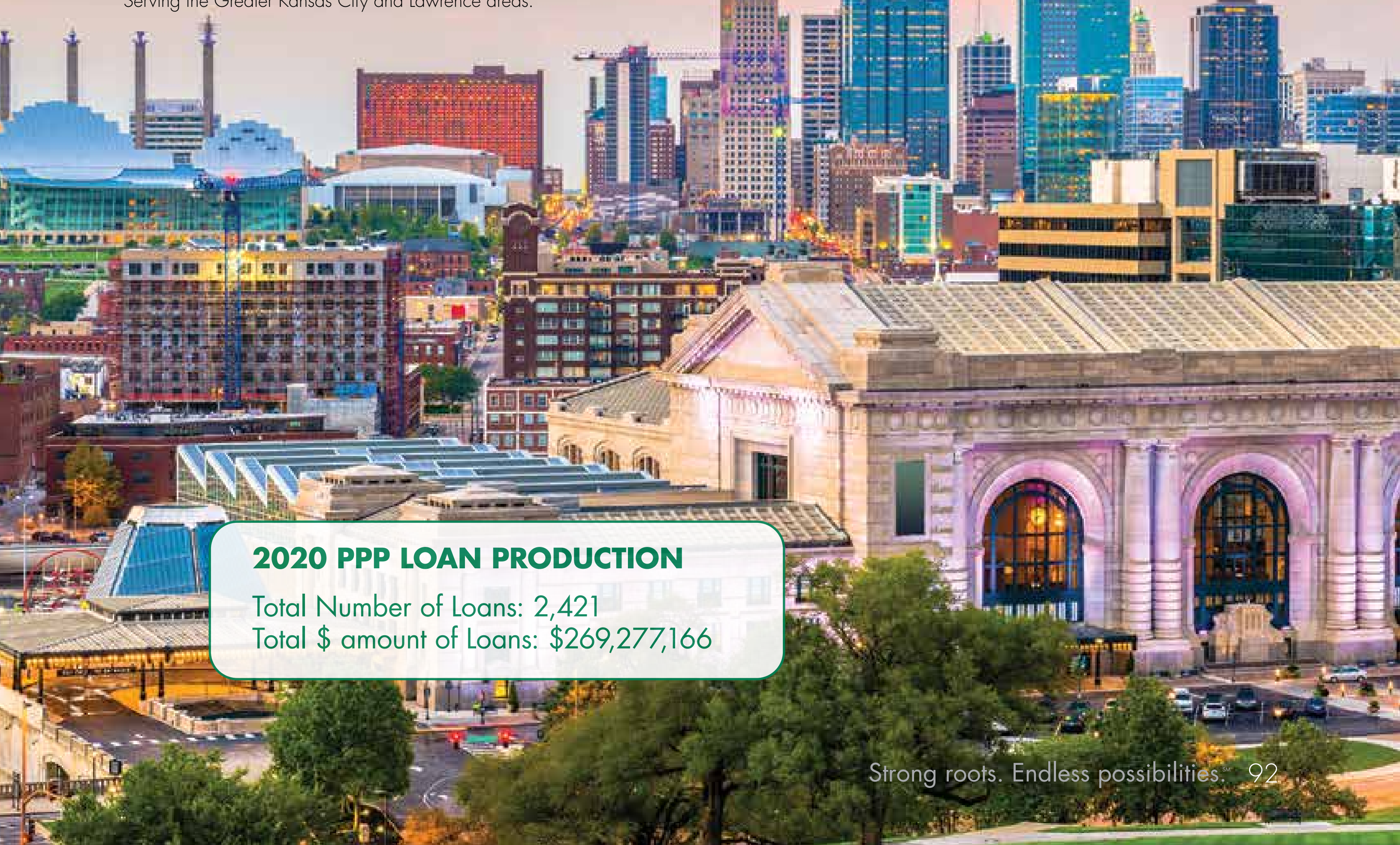
President & CEO: Bill Ferguson • Branches: 51 • Employees: 540

Central Bank of the Midwest is a proud supporter of the 28 communities we serve, giving over $300,000 in charitable donations and sponsorships in 2020. A large part of our effort was focused on affordable housing, financial wellness, and thriving families. We looked to align ourselves with organizations like Hillcrest Platte County and Habitat for Humanity, who are doing great things in our communities. These partnerships were even more prevalent in 2020 as we faced unprecedented times with the COVID-19 pandemic. Our associates showed tremendous spirit working through the pandemic while keeping our doors open and completing the conversion of Platte Valley Bank in the Northland area of Kansas City. Our lending teams worked diligently to process Paycheck Protection Program (PPP) loans and placed us in the #2 spot in Kansas City and #1 spot in Lawrence, Kansas, for the volume of loans produced. We are proud to be the fourth-largest commercial lending bank in Kansas City with $3.6 billion in assets. We continue to follow the path of providing legendary service to our customers and associates on our way to being the brand of choice in all the markets we serve.

Board of Directors

Thomas B. Fitzsimmons, *Chairman of the Board*
John T. Carper, *Retired, Senior Advisor,* Husch Blackwell Sanders, LLP
James Person, *Chief,* Belton Police Department
James L. Hix, *Retired,* Bossler-Hix Personnel / *Retired,* Overland Park City Council
Robert Rogers, *President,* Mid-State Aerospace, Inc.
Kenneth P. Woodward, *Retired, Owner,* Woodward, Hunt & Associates, CPA's
Joseph A. Flannery, *President,* Weaver's, Inc.
Laura Crowley-Coy, *General Manager,* Crowley Furniture

Serving the Greater Kansas City and Lawrence areas.



2020 PPP LOAN PRODUCTION

Total Number of Loans: 2,421
Total $ amount of Loans: $269,277,166

Central Bank of Warrensburg

Joined Central Bancompany in 1997

Chairman & CEO: Stephen L. Abney • Branches: 5 • Employees: 56

2020 was an extremely challenging year and our amazing and dedicated staff rose to the moment. Thanks to the investment in technology by Central Bancompany, we were able to provide excellent customer service while focusing on the safety of our staff, customers, and communities with innovative contactless service delivery. Through the efforts of our entire staff, we were able to implement and deliver the first round of the Paycheck Protection Program (PPP) loans to both customers and non-customers, originating 327 loans totaling $14,148,700 for small businesses and non-profit organizations. Central Bank of Warrensburg was recognized as the #1 provider of PPP funding in both Johnson and Lafayette counties in 2020. We were also proud to be ranked in the top 25 in SBA 7(a) loan volume in the Kansas City region, providing additional lending resources to small businesses in a time of uncertainty. Our staff continues to volunteer and be active in the communities we serve. We were especially proud that our Chairman, Stephen Abney, was named President of the Board of Governors at the University of Central Missouri. We feel certain he will provide the same high level of leadership, guidance, and dedication to this storied local university that he has provided us over the last nearly four decades. We look forward to a bright and healthy 2021 with a new President and CEO, Mr. Marshall Abney.

Board of Directors

Richard Lloyd, *Exec. V.P. and C.O.O.*
Alan Cavaness, *Retired,* Insurance
Rick G. Sengstacken, *Grocer*
Densil E. Allen, *Rancher*
Daric E. Elwell, *Retired,* Banking

Johnson and Lafayette Counties including the Warrensburg, Higginsville, Odessa, and Holden Communities

2020 PPP LOAN PRODUCTION

Total Number of Loans: 327
Total $ amount of Loans: $14,148,700

Central Bank of Oklahoma

Joined Central Bancompany in 2004
Chairman, President, & CEO: John B. Allan • Branches: 8 • Employees: 90

The historical issues of COVID-19 presented us with the opportunity to assure our customers and communities that we were there to help with the new Paycheck Protection Program (PPP) loan initiative, and by continuing our service through our branch delivery system while keeping employees and customers as safe as possible.

Business owners were anxious as to how to meet their daily operations, as well as the needs of their employees. Our conversations with our business customers shifted from expansion, efficiencies, and improving the bottom line, to how we can help keep people employed and get them the Federal money they needed. We worked to save the livelihoods of the individuals and businesses in our community. Without the PPP loans, many companies would not have survived or kept many individuals employed – a challenge in which we were proud to help.

Central Bank of Oklahoma's local success was due in part to the Holding Company's support to include legal and operational expertise, as well as the creation of an infrastructure that flawlessly facilitated the delivery of this new product. The reward for the long hours for all came from knowing we were part of a solution for our customers and communities.

Board of Directors

S. Doug Terry, *Executive Vice President and CLO,* CBOK
James E. Frasier, *Partner,* Frasier, Frasier, & Hickman Attorneys at Law
George S. Sharp, *President,* Sharp Mortgage Co. ALP
Clifton Taulbert, *President and CEO,* The Freemount Corporation
Rick Willhour, Rancher
John Woolman, *President,* McGraw Realtors

Tulsa/Tulsa County, Owasso/Tulsa County, Sapulpa/Creek County, Stillwater/Payne County, Edmond/Oklahoma County

2020 PPP LOAN PRODUCTION

Total Number of Loans: 361
Total $ amount of Loans:$37,673,658

Central Bancompany Wealth Management

Central Trust Company

President & CEO: Scott M. Kellett • Locations: 7 • Employees: 113

Central Trust Company ended the year 2020, with $7.5 billion in assets under management and approximately $33 million in gross revenue; with a profit margin exceeding 40%. CTC, provides investment management, financial planning, estate planning, trust and estate administration and settlement services, and retirement plan services through its highly experienced and credentialed wealth management professionals. This includes 18 Certified Trust and Financial Advisors, 16 Attorneys, 13 CERTIFIED FINANCIAL PLANNER™ Professionals, and 4 Chartered Financial Analysts.

Locations: Jefferson City, Columbia, Springfield, St. Louis, Lake Ozark, Kansas City, Lawrence, KS.

Central Investment Advisors

President & CEO: Scott M. Kellett • Locations: 24 • Employees: 58

Central Investment Advisors (CIA) enjoyed a good year in 2020, with income exceeding $16 million, and total assets under management of more than $3.3 billion.

With 37 financial advisors including 17 CERTIFIED FINANCIAL PLANNERS™ CIA offers its clients a full-suite of investment solutions, including managed accounts (advisory) for all levels of investors, as well as traditional brokerage accounts through our broker/dealer LPL Financial, LLC. To complement these investment offerings, we also offer insurance solutions to our clients through the Investor Services Insurance Agency including fixed annuities, term and whole life insurance, and long-term care insurance.

Locations: CIA has offices in all 13 affiliates.

4th Best Bank in America

by *Forbes Magazine*

Forbes 2021

BEST BANKS IN AMERICA

Central Bancompany

Strong roots. Endless possibilities.™

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