foresight financial group • community building through community banking •

LENA STATE BANK

German American State Bank

northwestbank

STATE BANK of DAVIS

State Bank Freeport, IL

SBH STATE BANK OF HERSCHER

the **FORESIGHT** BANKS

German American State Bank

State Bank of Davis

northwestbank

State Bank Freeport, IL

SBH State Bank of Herscher

Lena State Bank

FORESIGHT financial group, inc.

www.foresightfg.com

Dear Stockholders,

The financial environment Foresight Financial Group and its many customers faced in 2018 was profoundly affected by trade tariffs and overall rising interest rates. Foresight navigated this environment and produced the highest level of earnings, $11.4 million, ever recorded by our company while maintaining its steadfast commitment to the four constituencies we serve, shareholders, customers, employees and communities. The federal tax cuts had a positive effect on the 2018 reported earnings adding approximately $1.05 million to net income.

Basic earnings per common share were $3.09, an increase of 22.12% greater than the $2.53 per share reported in 2017, producing a return on average equity of 9.38% for 2018. The market performance of Foresight Stock in the past year increased 4.78% to $33.95 per share at December 31, 2018. We improved our net interest margin by 0.07% despite the rising interest rate environment experienced in 2018. We continue to diligently manage credit risk and net overhead expenses with a focus on improving future earnings and increasing shareholder value.

We continued to invest in technology, human capital, and facility development aimed at improving future earnings of the company. We completed a majority of the scheduled technology upgrades and conversions by year end of 2018, allowing us to more efficiently service customers while enhancing the customers' digital experience throughout the member bank charters. As we grow, we continually recruit or promote the best talent sourced externally or internally, a prime example being the internal promotion of Linda Heckert, as President of the State Bank of Davis in April of 2018. As we look to expand our market, future investments in human capital will be prudently executed. We completed and occupied the new facility constructed by Northwest Bank, a Foresight subsidiary member bank in October of 2018. The prime location of this facility allows us to compete in the fastest growing area of Rockford.

In 2018 we saw a dividend increase of $.04 per share or a 15.38% increase from the year ending December 31, 2017. Total Stockholder's equity also increased 6.87% or $8.1 million to a year-end balance of $125.6 million.

The Foresight board and management have developed a three year business plan addressing organic and external growth opportunities. The enhancements in human capital and technology recently made will contribute to a faster more efficient deployment of new products and the integration of external growth opportunities. The business plan also confirms the use of the Bank Charter model, keeping the Bank Charters operating as independent entities.

The year of 2018 was a strong performance period for the company and shareholders that produced the highest level of consolidated earnings, the company's largest reported earnings per share and an increase in dividends. It is with great appreciation to all shareholders, from myself and the Board of Directors of Foresight, for your steadfast support of our company. We remain dedicated to increasing future shareholder value.

Respectfully,

Rex K. Entsminger
President/Chief Executive Officer

We are a market driven, people oriented community banking organization dedicated to enhancing shareholder value by providing our customers with diversified financial services that help them achieve economic success and financial security.

We will pursue these goals while balancing shareholder and customer interests with the ongoing welfare of our employees and local communities.

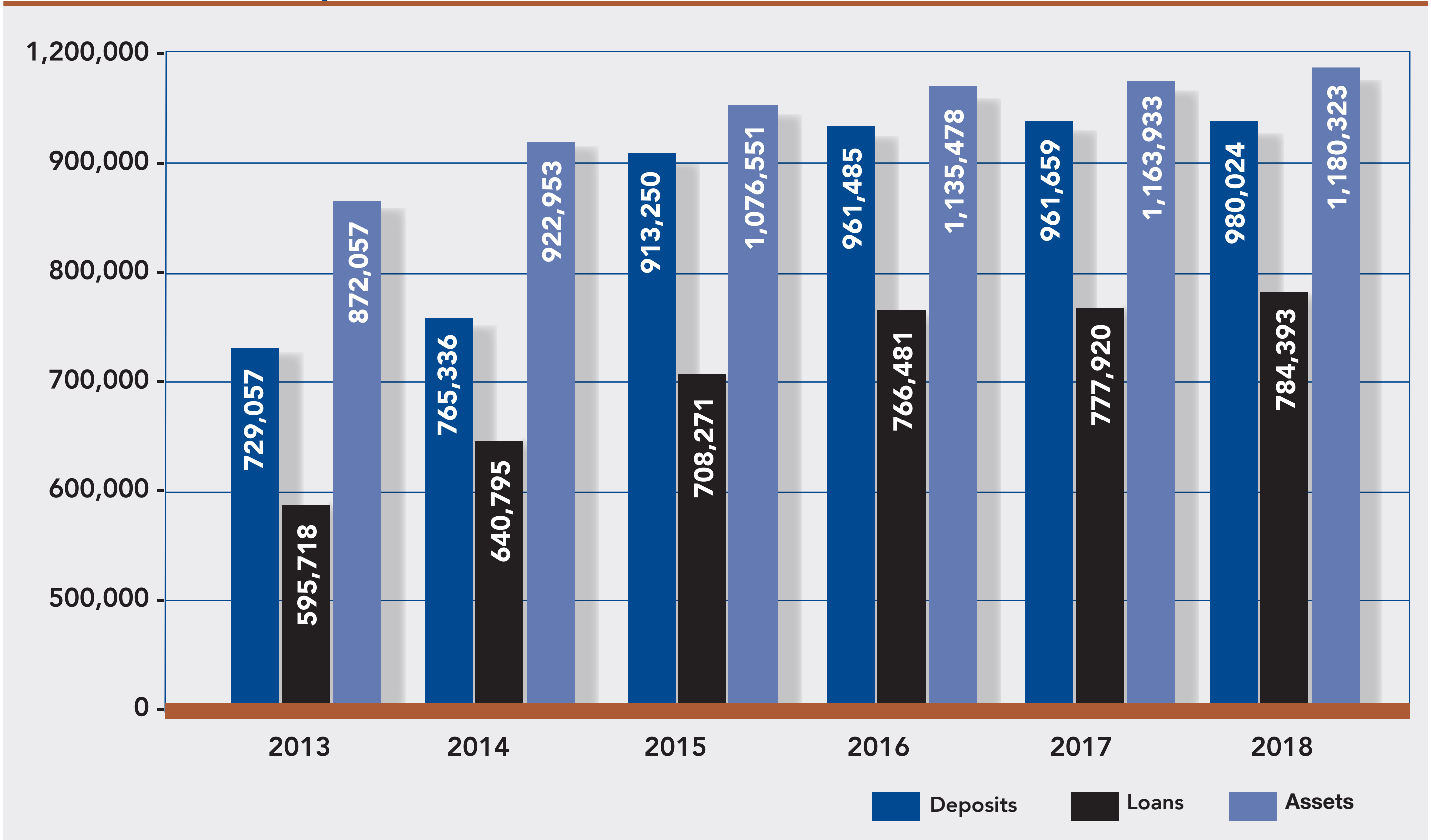
The member banks of our group maintain a high degree of independence and sensitivity to the concerns of the local communities and markets that we choose to serve.

We will seek to expand sensibly into new markets when we believe that our business model and community banking philosophy can be successfully extended.

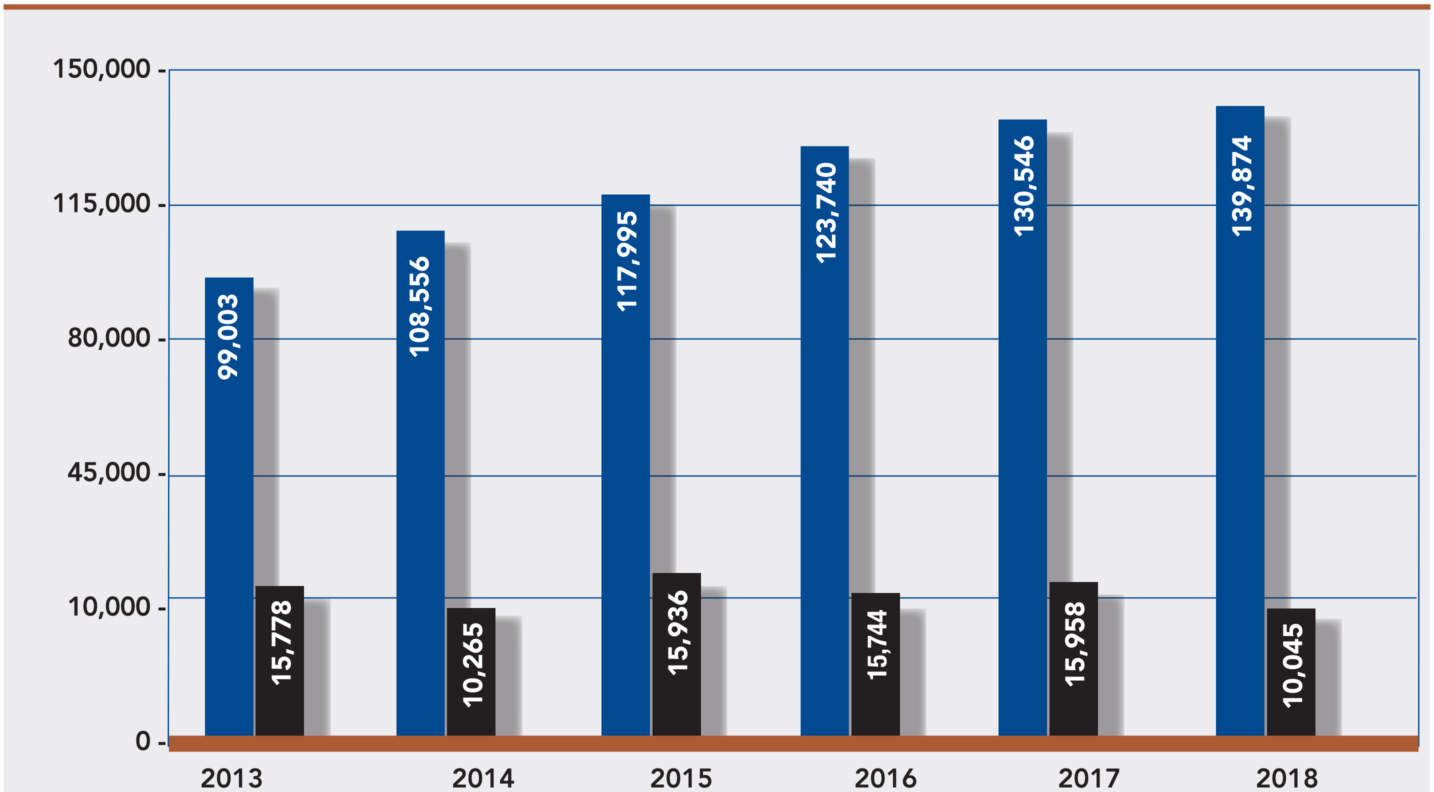
In summary:

"Community Building through Community Banking"

Trends in Assets, Deposits & Loans (000's)

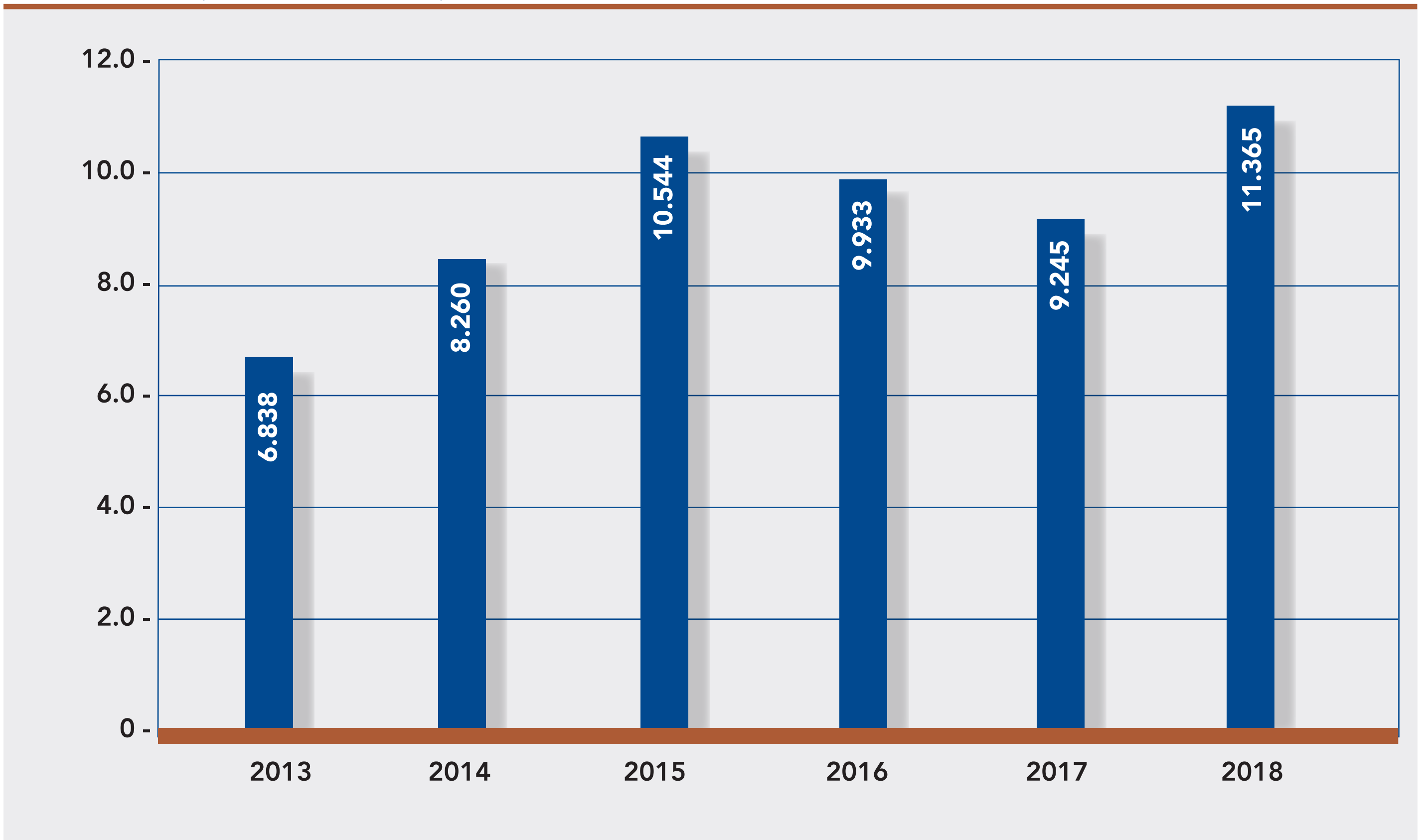


Trends in Combined Equity Capital & ALLL* to Non Performing Assets (000's)

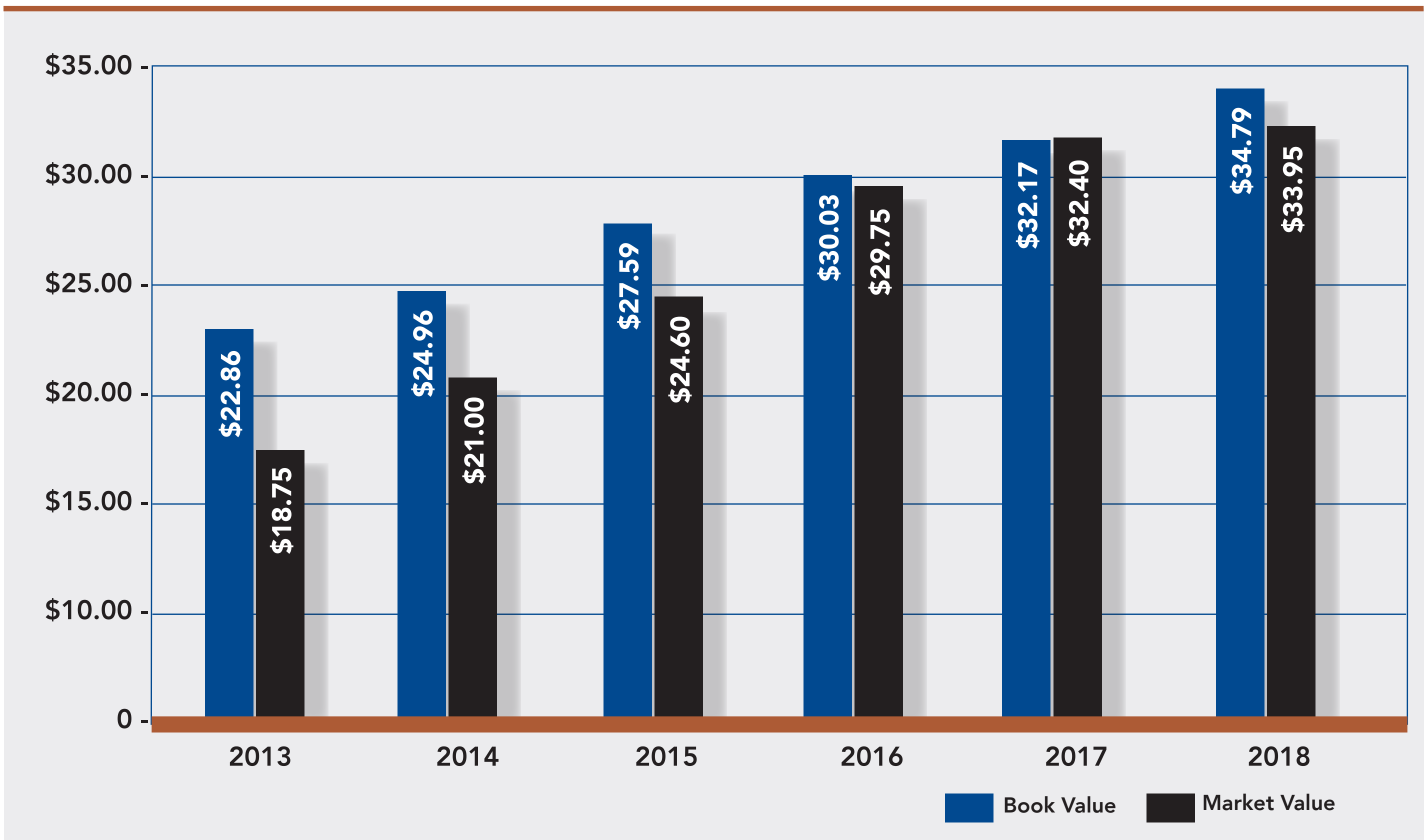


*ALLL: Allowance for loan and lease losses

Net Income (1,000,000,000's)



Common Stock Per Share Book & Market Value - 12/31



Board of Directors

Robert W. Stenstrom
Chairman, Board of Directors
Chairman & CEO,
Stenstrom Companies

Rex K. Entsminger
Chairman

Judd D. Thruman
Partner, Fishburn, Whiton,
Thruman, LTD.

Carolyn S. Sluiter, D.V.M.
Veterinarian, New Hope
Veterinary Clinic

Douglas A. Wagner
Owner, Floor to Ceiling.

Doug Fitzgerald
Retired Partner, Wipfli LLP

Frederick J. Kundert
Retired, Harder Corporation

Charles B. Kullberg
Retired

John Collman
Ag Production

Executive Officers

Rex K. Entsminger
President/Chief Executive Officer

Dean E. Cooke
Chief Financial Officer

Aaron Patterson
Chief Information Officer

John W. Stichnoth
Chief Credit Officer

K. Denise Osadjan
Chief Risk Officer

Nora Koehler
Director of Human Services

WIPFLi LLP
CPAs and Consultants

Wipfli LLP
2501 W. Beltline Hwy #104
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Foresight Financial Group, Inc. and Subsidiaries

We have audited the accompanying consolidated financial statements of Foresight Financial Group, Inc. and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2018 and 2017, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2018, 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 accounting principles generally accepted in the United States of America; 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.

Auditor's 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 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 Foresight Financial Group, Inc. and Subsidiaries as of December 31, 2018 and 2017, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2018, in accordance with accounting principles generally accepted in the United States.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information included in Schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Wipfli LLP

Madison, Wisconsin
March 5, 2019

CONSOLIDATED BALANCE SHEETS
(000s omitted except share data)

	December 31,	
ASSETS	**2018**	2017
Cash and due from banks	**$20,284**	$24,334
Interest-bearing deposits in banks	**7,083**	9,427
Federal funds sold	**954**	4,634
Total cash and cash equivalents	**28,321**	38,395
Interest-bearing deposits in banks - term deposits	**9,968**	10,672
Securities:		
Securities available-for-sale (AFS)	**294,862**	273,001
Securities held-to-maturity (HTM)	**520**	766
Non-marketable equity securities, at cost	**995**	950
Loans held for sale	**1,722**	2,339
Loans, net of allowance for loan losses of $14,431 and $13,164, respectively	**784,393**	777,920
Foreclosed assets, net	**515**	1,092
Premises and equipment, net	**19,003**	16,320
Core deposit intangible	**911**	1,223
Bank owned life insurance	**21,477**	22,168
Other assets	**17,636**	19,087
Total assets	**$1,180,323**	$1,163,933
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Noninterest-bearing	**$148,645**	$137,697
Interest-bearing	**831,379**	823,962
Total deposits	**980,024**	961,659
Federal funds purchased	**6,013**	8,394
Securities sold under agreements to repurchase	**27,754**	32,434
Federal Home Loan Bank (FHLB) and Federal Reserve advances and other borrowings	**33,216**	28,308
Subordinated debentures	**0**	10,000
Accrued interest payable and other liabilities	**7,873**	5,756
Total liabilities	**1,054,880**	1,046,551
Stockholders’ equity:		
Preferred stock (no par value; authorized 500,000 shares)	**0**	0
Common stock ($.25 par value; authorized 10,000,000 shares; 4,009,810 and 3,979,208 shares issued, respectively)	**1,002**	995
Additional paid-in capital	**9,810**	9,410
Retained earnings	**124,068**	113,811
Treasury stock, at cost (314,919 shares)	**(6,320)**	(6,320)
Accumulated other comprehensive (loss)	**(3,117)**	(514)
Total stockholders’ equity	**125,443**	117,382
Total liabilities and stockholders’ equity	**$1,180,323**	$1,163,933

CONSOLIDATED STATEMENTS OF INCOME
(000s omitted except share data)

For the years ended December 31,

	2018	2017	2016
Interest and dividend income:			
Loans, including fees	**$38,877**	$36,241	$36,492
Debt securities:			
Taxable	**4,564**	3,569	3,219
Tax-exempt	**3,140**	3,378	3,450
Interest-bearing deposits in banks and other	**669**	474	324
Federal funds sold	**73**	34	17
Total interest and dividend income	**47,323**	43,696	43,502
Interest expense:			
Deposits	**7,944**	6,401	5,813
Federal funds purchased	**54**	29	12
Securities sold under agreements to repurchase	**533**	229	102
FHLB and other borrowings	**580**	426	458
Subordinated debentures	**296**	600	602
Total interest expense	**9,407**	7,685	6,987
Net interest and dividend income	**37,916**	36,011	36,515
Provision for loan losses	**1,448**	868	2,917
Net interest and dividend income, after provision for loan losses	**36,468**	35,143	33,598
Noninterest income:			
Customer service fees	**1,160**	1,127	1,204
(Loss) Gain on sales and calls of AFS securities, net	**(14)**	0	(167)
Gain on sales of loans, net	**1,297**	1,658	1,521
Loan servicing fees, net	**775**	869	911
Other	**4,378**	3,445	3,499
Total noninterest income	**7,596**	7,099	6,968
Noninterest expenses:			
Salaries and employee benefits	**17,317**	15,982	15,222
Occupancy expense of premises, net	**2,686**	2,096	2,406
Outside services	**773**	1,207	441
Data processing	**2,372**	1,835	1,520
Foreclosed assets, net	**218**	404	588
Other	**6,724**	6,220	6,542
Total noninterest expenses	**30,090**	27,744	26,719
Income before income taxes	**13,974**	14,498	13,847
Income tax expense	**2,609**	5,253	3,914
Net income	**$11,365**	$9,245	$9,933
Earnings per common share:			
Basic	**$3.09**	**$2.53**	$2.73
Diluted	**$3.06**	**$2.50**	$2.70

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(000s omitted except share data)

For the years ended December 31,

	2018	2017	2016
Net income	**$11,365**	$9,245	$9,933
Other comprehensive (loss) income:			
Unrealized holding (gains) losses on securities available for sale, net of tax of $1,040, $370 & $2,639, respectively	**(2,613)**	383	(3,959)
Reclassification adjustments for net securities losses (gains) recognized in income, net of tax of ($4), $0 & ($67), respectively	**10**	0	100
Total other comprehensive (loss) income	**(2,603)**	383	(3,859)
Total comprehensive income	**$8,762**	$9,628	$6,074

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(000s omitted except share data)

For the years ended December 31,

	Preferred Stock	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance, January 1, 2016	$0	$981	$8,613	$96,385	($5,787)	$2,962	$103,154
Net income				9,933			9,933
Other comprehensive loss						(3,859)	(3,859)
Cash dividends ($.22 per share)				(800)			(800)
Purchase of treasury stock (21,300 shares)					(533)		(533)
Stock options exercised (18,624 shares)		5	181				186
Restricted stock vested (8,082 shares)		2	161				163
Balance, December 31, 2016	0	988	8,955	105,518	(6,320)	(897)	108,244
Net income				9,245			9,245
Other comprehensive income						383	383
Cash dividends ($.26 per share)				(952)			(952)
Stock options exercised (23,050 shares)		5	299				304
Restricted stock vested (6,829 shares)		2	156				158
Balance, December 31, 2017	0	995	9,410	113,811	(6,320)	(514)	117,382
Net income				11,365			11,365
Other comprehensive loss						(2,603)	(2,603)
Cash dividends ($.30 per share)				(1,108)			(1,108)
Stock options exercised (25,554 shares)		6	268				274
Restricted stock vested (5,048 shares)		1	132				133
Balance, December 31, 2018	$0	$1,002	$9,810	$124,068	($6,320)	($3,117)	$125,443

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(000s omitted except share data)

	For the years ended December 31,		
	2018	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	**$11,365**	$9,245	$9,933
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for loan losses	**1,448**	868	2,917
Provision for foreclosed asset (gains) losses	**(108)**	137	137
Depreciation	**1,300**	918	953
Net amortization of securities premiums	**1,566**	1,695	1,635
Income on bank owned life insurance	**(620)**	(641)	(447)
Gain on death benefits	**(684)**	0	0
Deferred income tax (benefit) expense	**(40)**	3,321	2,684
Net loss (gain) on the sales and calls of AFS securities	**14**	0	167
Net loss (gain) on the sales of foreclosed assets	**174**	(134)	(82)
Net change in:			
Loans held for sale	**617**	(122)	833
Other assets	**1,608**	(3,371)	(4,336)
Accrued interest payable and other liabilities	**2,117**	143	415
Net cash provided by operating activities	**18,757**	12,059	14,809
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net change in interest-bearing deposits in banks - term deposits	**704**	(65)	3,271
Proceeds from sales of AFS securities	**3,119**	0	19,233
Proceeds from maturities, calls, and paydowns of HTM securities	**0**	0	170
Proceeds from maturities, calls, and paydowns of AFS securities	**34,780**	38,549	95,213
Purchases of AFS securities	**(63,697)**	(56,197)	(99,540)
Purchases of bank owned life insurance	**0**	0	(12,062)
Proceeds from death benefits	**1,995**	0	0
(Purchases) redemption of non-marketable equity securities, net	**(45)**	1,902	0
Loan originations and principal collections, net	**(8,891)**	(13,280)	(62,786)
Proceeds from sales of foreclosed assets	**1,481**	1,644	2,944
Purchases of premises and equipment, net	**(3,788)**	(3,762)	(2,735)
Net cash used in investing activities	**(34,342)**	(31,209)	**(56,292)**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net change in deposits	**18,365**	174	48,235
Net change is securities sold under agreements to repurchase	**(4,680)**	7,327	1,507
Cash dividends paid	**(1,108)**	(952)	(800)
Net change in federal funds purchased	**(2,381)**	7,183	708
Redemption of subordinated debentures	**(10,000)**	0	0
Stock options and restricted stock	**407**	462	349
Purchase of treasury stock	**0**	0	(533)
Proceeds from lines of credit and FHLB advances and other borrowings	**60,500**	39,490	46,972
Payments on lines of credit and FHLB advances and other borrowings	**(55,592)**	(35,000)	(44,000)
Net cash provided by financing activities	**5,511**	18,684	52,438
Net increase (decrease) in cash and cash equivalents	**(10,074)**	(466)	10,955
Cash and cash equivalents at beginning of year	**38,395**	38,861	27,906
Cash and cash equivalents at end of year	**$28,321**	$38,395	$38,861

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
(000s omitted except share data)

For the years ended December 31,

	2018	2017	2016
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
Cash paid during the year for:			
Interest	**$9,039**	$7,652	$6,919
Income taxes	**$895**	$3,011	$1,342
SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING ACTIVITIES:			
Foreclosed assets acquired in settlement of loans	**$970**	$973	$1,659

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies

The accounting and reporting policies of Foresight Financial Group, Inc. (Company) and its wholly-owned subsidiaries (Banks) conform to accounting principles generally accepted in the United States of America and to general practices within the banking industry. The following is a description of the more significant accounting policies:

(a) Nature of Operations

The Company provides a variety of banking services to individuals and businesses through its facilities in the Rockford, Freeport, German Valley, Davis, Lena, Winnebago, Pecatonica, Seward, Kankakee, Loves Park, Machesney Park, and Herscher, Illinois areas. Its primary deposit products are demand deposits and certificates of deposit and its primary lending products are agriculture, agribusiness, commercial, real estate, and installment loans.

(b) Basis of Consolidation

The consolidated financial statements include the accounts and results of operations of the Company and its wholly-owned subsidiaries: German-American State Bank (German), State Bank of Davis (Davis), State Bank (Freeport), Northwest Bank of Rockford (Northwest), Lena State Bank (Lena), and State Bank of Herscher (Herscher) (collectively the "Banks"). All significant intercompany accounts and transactions have been eliminated in consolidation.

(c) Subsequent Events

The Company has evaluated subsequent events for recognition and disclosure through March 5, 2019, which is the date the financial statements were available to be issued.

(d) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The allowance for loan losses, deferred tax assets, fair values of securities, foreclosed assets and financial instruments are particularly susceptible to change in the near-term.

(e) Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, cash and cash equivalents include cash and balances due from banks, interest-bearing deposits in banks, and federal funds sold, all of which generally mature within ninety days.

(f) Interest-bearing Deposits in Banks

Interest-bearing deposits in banks are comprised of liquid non-maturing deposits but also include some balances in time deposits with the maturity being the determining factor for inclusion in cash and cash equivalents with the non-maturing interest bearing deposits. Interest-bearing deposits in banks are carried at cost.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies (continued)

(g) Securities

Debt securities that management has the positive intent and ability to hold to maturity are classified as held to maturity (HTM) and recorded at amortized cost. Securities not classified as HTM are classified as available for sale (AFS) and recorded at fair value, with unrealized gains or losses excluded from earnings and reported in other comprehensive income or loss. Amortization premiums and discounts are recognized in interest income using the interest method over the estimated lives or earliest call date of the securities, as applicable. Declines in the fair value of HTM and AFS securities below their cost that are deemed to be other-than-temporary are reflected in earnings as realized losses. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific-identification method.

In estimating other-than-temporary impairment losses, management considers (1) the length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability of the Company to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value.

(h) Non-Marketable Equity Securities

The Banks, as members of the Federal Home Loan Bank (FHLB) system, are required to maintain a minimum investment in capital stock of the FHLB in an amount equal to the greater of 0.40% of their mortgage-related assets or 4.5% of advances from the FHLB. FHLB stock is reported at cost since no ready market exists and it has no quoted market value. FHLB stock is periodically evaluated for impairment based on the ultimate recovery of par value.

(i) Loans Held for Sale

Loans originated and intended for sale in the secondary market are carried at the lower of cost or market in the aggregate. Net unrealized losses, if any, are recognized through a valuation allowance by charges to income.

Mortgage loans held for sale are generally sold with mortgage servicing rights retained by the Company. The carrying value of mortgage loans sold is reduced by the cost allocated to the associated mortgage servicing rights. Realized gains or losses on sales of mortgage loans are recognized based on the difference between the selling price and the carrying value of the related mortgage loans sold.

(j) Loans and Allowance for Loan Losses

Loans that management has the intent and ability to hold for the foreseeable future, or until maturity or payoff; generally are reported at their outstanding unpaid principal balances adjusted for purchase premiums or discounts, charge-offs, and an allowance for loan losses. Interest on loans is accrued daily based on the unpaid principal balance.

A loan is considered to be delinquent when payments have not been made according to contractual terms, typically evidenced by nonpayment of a monthly installment by the due date. The accrual of interest on a loan is generally discontinued when the loan becomes 90 days delinquent unless the credit is well-secured and in the process of collection. Credit card loans and other personal loans are typically charged off at an earlier date if collection of principal or interest is considered doubtful. Generally, interest accrued but not collected for loans that are placed on nonaccrual status or charged off is reversed against interest income. The interest on these loans is accounted for on the cash basis or cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies (continued)

(j) Loans and Allowance for Loan Losses (continued)

Loan-origination fees and direct origination costs are generally recognized as income or expense when received or incurred since capitalization of these fees and costs would not have a significant impact on the consolidated financial statements.

The allowance for loan losses is a valuation allowance for probable incurred credit losses. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance. Management estimates the allowance balance required using past loan loss experience, the nature and volume of the portfolio, information about specific borrower situations and estimated collateral values, economic conditions, and other factors. Allocations of the allowance may be made for specific loans, but the entire allowance is available for any loan that, in management's judgment, should be charged off.

The allowance consists of specific and general components. The specific component relates to loans that are individually classified as impaired. A loan is impaired when, based on current information and events, it is probable that the Company will be unable to collect all amounts due according to the contractual terms of the loan agreement. Loans for which the terms have been modified resulting in a concession, and for which the borrower is experiencing financial difficulties, are considered troubled debt restructurings (TDRs) and classified as impaired.

Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed.

All problem loans meeting Company criteria are individually evaluated for impairment. If a loan is impaired, a portion of the allowance is allocated so that the loan is reported, net, at the present value of estimated future cash flows using the loan's existing rate or at the fair value of collateral if repayment is expected from the collateral.

TDRs are individually evaluated for impairment and included in the separately identified impairment disclosures. TDRs are measured at the present value of estimated future cash flows using the loan's effective rate at inception. If a TDR is considered to be a collateral dependent loan, the loan is reported, net, at the fair value of the collateral. For TDRs that subsequently default, the Company determines the amount of the allowance on that loan in accordance with the accounting policy for the allowance for loan losses on loans individually identified as impaired

The general component covers loans that are collectively evaluated for impairment. Large groups of smaller balance homogeneous loans, such as consumer and residential real estate loans, are collectively evaluated for impairment, and accordingly, they are not included in the impairment disclosures. The general allowance component also includes loans that are not individually identified for impairment evaluation, such as commercial loans below the individual evaluation threshold, as well as those loans that are individually evaluated but are not considered impaired.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies (continued)

(j) Loans and Allowance for Loan Losses (continued)

The general component is based on historical loss experience adjusted for current qualitative factors. The historical loss experience is determined by portfolio segment or loan class and is based on the actual loss history experienced by the Company. This actual loss experience is supplemented with other economic factors based on the risks present for each portfolio segment or loan class. These economic factors include: levels of and trends in delinquencies and impaired loans; levels of and trends in charge-offs and recoveries; trends in volume and terms of loans; effects of any changes in risk selection and underwriting standards; other changes in lending policies, procedures, and practices; experience, ability, and depth of lending management and employees; national and economic trends and conditions; industry conditions; and effects of changes in credit concentrations.

Management considers the following when assessing the risk in the loan portfolio:

- Residential real estate loans are affected by the local residential real estate market, the local economy, and, for variable rate mortgages, movement in indices tied to these loans. At the time of origination; the Company evaluates the borrower's repayment ability through a review of debt-to-income and credit scores. Appraisals are generally obtained to support the loan amount. Financial information is obtained from the borrowers and/or the individual project to evaluate cash flows sufficiency to service debt at the time of origination.

- Agricultural and commercial real estate loans are dependent on the industries tied to these loans. Agricultural real estate loans are primarily for land acquisition. Commercial real estate loans are primarily secured by office and industrial buildings, warehouses, retail shopping facilities and various special purpose properties, including hotels and restaurants. Financial information is obtained from the borrowers and/or the individual project to evaluate cash flows sufficiency to service debt; and is periodically updated during the life of the loan. Loan performance may be adversely affected by factors impacting the general economy or conditions specific to the real estate market; such as geographic location and/or property type.

- Commercial and agricultural loans are primarily for working capital, physical asset expansion, asset acquisition loans and other. These loans are made based primarily on historical and projected cash flow of the borrower and secondarily on the underlying collateral provided by the borrower. The cash flows of borrowers, however, may not behave as forecasted and collateral securing loans may fluctuate in value due to economic or individual performance factors. Financial information is obtained from the borrowers to evaluate cash flows sufficiency to service debt and is periodically updated during the life of the loan.

- Consumer and other loans may take the form of installment loans, demand loans, or single payment loans and are extended to individuals for household, family, and other personal expenditures. At the time of origination; the Company evaluates the borrower's repayment ability through a review of debt-to-income and credit scores.

(k) Loan Commitments

The Banks enter into off-balance-sheet financial instruments consisting of commitments to extend credit and letters of credit issued to meet customer-financing needs. Loan commitments are recorded when they are funded. Standby or performance letters of credit are considered financial guarantees in accordance with Generally Accepted Accounting Standards and are recorded at fair value, if material.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies (continued)

(l) Loan Servicing

Mortgage servicing rights are recognized as separate assets when rights are acquired through a sale of loans and are reported in other assets. When the originating mortgage loans are sold into the secondary market, the Company allocates the total cost of the mortgage loans between mortgage servicing rights and the loans, based on their relative fair values. The cost of originated mortgage-servicing rights is amortized in proportion to, and over the period of, estimated net servicing revenues. Impairment of mortgage-servicing rights is assessed based on the fair value of those rights. The amount of impairment is the amount by which the capitalized mortgage servicing rights exceed their fair value. Fair value is determined using prices for similar assets with similar characteristics, when available, or based upon discounted cash flows using market-based assumptions.

Servicing fee income is recorded for fees earned for servicing loans. The fees are based on a contractual percentage of the outstanding principal and are recorded as income when earned. The amortization of mortgage servicing rights is offset against loan servicing fee income.

(m) Rate Lock Commitments

Commitments to fund mortgage loans (interest-rate locks) to be sold into the secondary market and mandatory delivery forward commitments for the future delivery of these mortgage loans are to be accounted for as derivatives not qualifying for hedge accounting. The fair values of these mortgage derivatives are to be estimated based on the net future cash flows related to the associated servicing of the loans and on changes in mortgage interest rates from the date of the commitments. Changes in fair values on these derivatives are to be included in net gains on sales of loans. The Company has deemed the effect of these derivatives to be immaterial to the consolidated financial statements and, accordingly, has elected not to record fair values associated with these derivatives.

(n) Foreclosed Assets

Assets acquired through or instead of loan foreclosure are initially recorded at fair value less estimated cost of disposal when acquired. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less cost to sell. Revenues and expenses from operations and changes in the valuation allowance are included in net expenses from foreclosed assets.

(o) Premises and Equipment

Premises and equipment are carried at cost less accumulated depreciation, based on the estimated useful lives of the assets. Depreciation is generally computed on the straight-line method over estimated useful lives ranging from 3 to 40 years.

(p) Bank-Owned Life Insurance

The Banks have purchased life insurance policies on certain key employees and directors. Bank-owned life insurance is recorded at its cash surrender value, or the amount that can be realized.

(q) Significant Group Concentrations of Credit Risk

Most of the Company's activities are with customers located in the area and communities noted above. Note 3 details the types of securities in which the Company invests. Note 4 details the types of lending in which the Company engages. The Company does not have any significant concentrations with any one industry or customer.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies (continued)

(r) Income Taxes

Deferred income tax assets and liabilities are determined using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is determined based on the tax effects of the temporary differences between the book and tax bases of the various balance sheet assets and liabilities and gives current recognition to changes in tax rates and laws. The Company files consolidated Federal and State income tax returns.

The Company may also recognize a liability for unrecognized tax benefits from uncertain tax positions. Unrecognized tax benefits represent the differences between a tax position taken or expected to be taken in a tax return and the benefit recognized and measured in the financial statements. Interest and penalties related to unrecognized tax benefits are classified as income taxes, if applicable. No liabilities for unrecognized tax benefits from uncertain tax positions have been recorded.

(s) Comprehensive Income

Accounting principles generally require the Company to include in net income recognized revenue, expenses, gains and losses. Certain changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities, are reported as a separate component of the equity section of the balance sheet, net of taxes. Such items, along with net income, are components of comprehensive income.

(t) Earnings Per Share

Basic earnings per share (EPS) represent income available to common stockholders divided by the weighted-average number of common shares outstanding during the period. Diluted EPS reflects additional common shares that would have been outstanding if dilutive potential common shares had been issued, as well as any adjustment to income that would result from the assumed issuance. Potential common shares that may be issued by the Company relate solely to outstanding stock options and are determined using the treasury stock method.

(u) Loss Contingencies

Loss contingencies, including claims and legal actions arising from time to time in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. Management does not believe there now are such matters that could have a material effect on the consolidated financial statements.

(v) Transfers of Financial Assets

Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company, (2) the transferee obtains the right to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

(w) Trust Assets

Assets of the trust departments of State Bank and State Bank of Herscher, other than trust cash on deposit at the Banks, are not included in these financial statements because they are not assets of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies (continued)

(x) Goodwill and Intangible Assets

Intangible assets attributable to the value of core deposits are stated at cost less accumulated amortization. Intangible assets are amortized on a straight-line basis over the estimated lives of the assets. The excess of purchase price over fair value of net assets acquired (goodwill) is not amortized.

The Company evaluates whether goodwill and other intangible assets may be impaired at least annually; and whenever events or changes in circumstances indicate it is more likely than not the fair value of the reporting unit or asset is less than its carrying amount.

(y) Securities Sold Under Agreements to Repurchase

Securities sold under agreements to repurchase liabilities represent amounts advanced by various customers. Securities are pledged to cover these liabilities, which are not covered by federal deposit insurance.

(z) Stock Compensation Plans

The Company records the cost of stock-based employee compensation using the fair-value method. Compensation expense for share-based awards is recorded over the vesting period at the fair value of the award at the time of grant. The Company has historically assumed no projected forfeitures on its stock based compensation, since forfeitures have not been significant.

(aa) Advertising

Advertising costs are expensed as incurred.

(bb) Reclassifications

Certain amounts in the 2016 and 2017 consolidated financial statements have been reclassified to conform to the 2018 presentation.

(cc) New Accounting Standards

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*. The objective of this standard is to provide a common revenue standard for all entities that enter into contracts with customers to transfer goods or services or contracts to transfer nonfinancial assets. This new accounting standard is effective for financial statements issued for annual reporting periods beginning after December 15, 2017. The adoption of this accounting standard did not have a significant effect on the Company's consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(1) Summary of Significant Accounting Policies (continued)

(cc) New Accounting Standards (continued)

In January 2016, the FASB issued ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*. This standard makes a number of changes to the recognition and measurement standards of financial instruments, including the following changes: 1) equity securities with a readily determinable fair value will have to be measured at fair value with changes in fair value recognized in net income; 2) entities that are public business entities will no longer be required to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost; and 3) entities that are public business entities will be required to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes. This new standard is effective for consolidated financial statements issued for annual reporting periods, and interim periods within those annual periods, beginning after December 15, 2017. The adoption of this accounting standard did not have a significant effect on the Company's consolidated financial statements.; except that it no longer discloses the methods and significant assumptions used to estimate the fair value that was required to be disclosed for financial instruments measured at amortized cost; as permitted by the standard.

Newly Issued Not Yet Effective Accounting Standards

In April 2016, the FASB issued ASU No. 2016-02, *Leases*. When this standard is adopted, the primary accounting change will require lessees to recognize right of use assets and lease obligations for most operating leases; as well as finance leases. This new standard is effective for financial statements issued for annual periods beginning after December 15, 2018, and interim periods within those years. The Company is evaluating what impact this new standard will have on its financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments*. This standard will significantly change how financial assets measured at amortized cost are presented. Such assets, which include most loans and securities held to maturity, will be presented at the net amount expected to be collected over their remaining contractual lives. Estimated credit losses will be based on relevant information about historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. The standard will also change the accounting for credit losses related to securities available-for-sale and purchased financial assets with a more-than-insignificant amount of credit deterioration since origination. This new accounting standard is effective for consolidated financial statements issued for annual periods beginning after December 15, 2020. The Company is evaluating what impact this new standard will have on its consolidated financial statements.

In December 2018, the FASB issued ASU No. 2018-13, *Changes to the Disclosure Requirement for Fair Value Measurement*. This standard will modify the disclosure requirements on fair value measurements. This new standard is effective for consolidated financial statements issued for annual periods beginning after December 15, 2019, and interim periods within those annual periods. The Company is evaluating what impact this new standard will have on its consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(2) Cash Equivalents and Interest Bearing Deposits

The Banks are required to maintain reserve balances, in cash or on deposit with the Federal Reserve Bank of Chicago, based upon a percentage of deposits. The total required reserve balances as of December 31, 2018 and 2017 was approximately $1,088 and $876, respectively.

In the normal course of business, the Company maintains cash and due from bank balances in accounts with correspondent banks. Balances in these accounts may exceed the Federal Deposit Insurance Corporation's (FDIC) insured limit of $250. Management believes these financial institutions have strong credit ratings and that credit risk related to these deposits is not material.

Interest-bearing deposits consist of certificates of deposit at other financial institutions. Certificates of deposit are in denominations of $250 or less and are fully insured by the FDIC. Certificates of deposit maturing in 2019 total $5,527 and are included with cash and cash equivalents.

Maturities of certificates of deposits at other financial institutions as of December 31, 2018 are as follows:

2020	$996
2021	3,229
2022	3,654
2023 and thereafter	2,089
	$9,968

(3) Securities

The following tables reflect the amortized costs and approximate fair values of securities at December 31:

Held-to-Maturity 2018	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
State and municipal	**$520**	**$32**	**($0)**	**$552**

Held-to-Maturity 2017	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
State and municipal	**$766**	**$50**	**($0)**	**$816**

Available-for-Sale 2018	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government sponsored entities and U.S. agencies	**$79,276**	**$96**	**($1,465)**	**$77,907**
State and municipal	**108,435**	**983**	**(952)**	**108,466**
Agency mortgage-backed	**111,510**	**57**	**(3,078)**	**108,489**
	$299,221	**$1,136**	**($5,495)**	**$294,862**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(3) Securities (continued)

Available-for-Sale 2017	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Government sponsored entities and U.S. agencies	$43,288	$58	($1,066)	$42,280
State and municipal	117,481	2,068	(459)	119,090
Agency mortgage-backed	112,953	304	(1,626)	111,630
	$273,722	$2,431	($3,152)	$273,001

For the years ended December 31, 2018, 2017 and 2016, proceeds from sales of available-for-sale securities amounted to $3,119, $0 and $19,233, respectively. Gross realized gains and losses from the sales and calls of available-for-sale securities for the years ended December 31 are as follows:

	2018	2017	2016
Realized gains	$43	$0	$332
Realized losses	($57)	($0)	($499)

Securities with carrying amounts of approximately $162,847 and $153,862 at December 31, 2018 and 2017, respectively, were pledged to secure public deposits and for other purposes as required or permitted by law.

The amortized costs and fair values of securities at December 31, 2018 are shown below by contractual maturities, except for U.S. agencies which are shown by contractual maturities or their expected call dates if the call dates are considered likely to occur based on present market conditions. Expected maturities may differ from contractual maturities on mortgage-backed securities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

Held-to-Maturity	Amortized Cost	Fair Value
Due in one year or less	$0	$0
Due after one year through five years	128	145
Due after five years through ten years	392	407
Due after ten years	0	0
	$520	$552

Available-for-Sale	Amortized Cost	Fair Value
Due in one year or less	$20,927	$21,027
Due after one year through five years	67,151	66,659
Due after five years through ten years	66,274	65,547
Due after ten years	33,359	33,139
	187,711	186,373
Agency mortgage-backed	111,510	108,489
	$299,221	$294,862

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(3) Securities (continued)

The following tables show the fair values and unrealized losses aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2018 and 2017:

2018 Available-for-Sale	Less than 12 Months			12 Months or More		
	Fair Value	Gross Unrealized Loss	No. of Securities	Fair Value	Gross Unrealized Loss	No. of Securities
U.S. Government sponsored entities and U.S. agencies	$12,266	$63	21	$38,120	$1,402	79
State and municipal	22,004	223	74	29,600	729	104
Agency mortgage-backed	26,253	300	64	75,795	2,778	175
Total temporarily impaired	$60,523	$586	159	$143,516	$4,909	358

2017 Available-for-Sale	Less than 12 Months			12 Months or More		
	Fair Value	Gross Unrealized Loss	No. of Securities	Fair Value	Gross Unrealized Loss	No. of Securities
U.S. Government sponsored entities and U.S. agencies	$18,846	$274	40	$19,794	$792	39
State and municipal	26,609	257	89	7,232	202	28
Agency mortgage-backed	39,220	414	77	54,121	1,212	101
Total temporarily impaired	$84,675	$945	206	$81,147	$2,206	168

There were no held-to-maturity securities in an unrealized loss position as of December 31, 2018 and 2017.

Unrealized losses on securities have not been recognized into income because the bonds are of high credit quality, management has the intent and ability to hold for the foreseeable future and the decline in fair value is largely due to market interest rate fluctuations and current bond markets. The fair value is expected to recover as the bonds approach their maturity dates and/or market rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(4) Loans

The following table presents total loans at December 31 by portfolio segment and class of loan:

	2018	2017
Real estate:		
Commercial real estate	**$289,056**	$277,448
Residential real estate	**105,009**	116,632
Agricultural real estate	**109,199**	101,027
Commercial:		
Commercial and industrial	**211,029**	208,868
Agricultural production	**58,657**	64,255
Consumer and other	**25,874**	22,854
	798,824	791,084
Allowance for loan losses	**(14,431)**	(13,164)
Totals	**$784,393**	$777,920

Detailed analysis of the allowance for loan losses by portfolio segments at December 31 are as follows:

	2018			
	Real Estate	**Commercial**	**Consumer**	**Total**
Balance at beginning of year	$7,672	$5,342	$150	$13,164
Provision charged to operations, net	1,114	336	(32)	1,448
Recoveries on loans previously charged-off	296	137	18	451
	9,082	5,845	136	15,063
Less loans charged-off	(468)	(131)	(33)	(632)
Balance at end of year	$8,614	$5,714	$103	$14,431
Allowance for loan losses:				
Individually evaluated for impairment	$668	$2,320	$0	$2,988
Collectively evaluated for impairment	7,946	3,394	103	11,443
Totals	$8,614	$5,714	$103	$14,431

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(4) Loans (continued)

2017	Real Estate	Commercial	Consumer	Total
Balance at beginning of year	$10,063	$5,266	$167	$15,496
Provision charged to operations, net	734	148	(14)	868
Recoveries on loans previously charged-off	136	351	16	503
	10,933	5,765	169	16,867
Less loans charged-off	(3,261)	(423)	(19)	(3,703)
Balance at end of year	$7,672	$5,342	$150	$13,164
Allowance for loan losses:				
Individually evaluated for impairment	$413	$1,763	$20	$2,196
Collectively evaluated for impairment	7,259	3,579	130	10,968
Loans acquired with deteriorated credit	0	0	0	0
Loans acquired without deteriorated credit	0	0	0	0
Totals	$7,672	$5,342	$150	$13,164

2016	Real Estate	Commercial	Consumer	Total
Balance at beginning of year	$10,851	$3,897	$93	$14,841
Provision charged to operations, net	1,004	1,818	95	2,917
Recoveries on loans previously charged-off	109	46	13	168
	11,964	5,761	201	17,926
Less loans charged-off	(1,901)	(495)	(34)	(2,430)
Balance at end of year	$10,063	$5,266	$167	$15,496
Allowance for loan losses:				
Individually evaluated for impairment	$2,822	$1,786	$21	$4,629
Collectively evaluated for impairment	7,241	3,480	146	10,867
Loans acquired with deteriorated credit	0	0	0	0
Loans acquired without deteriorated credit	0	0	0	0
Totals	$10,063	$5,266	$167	$15,496

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(4) Loans (continued)

Detailed analysis of loans evaluated for impairment by portfolio segment for the year ended December 31 follows:

2018	Real Estate	Commercial	Consumer	Total
Loans:				
Individually evaluated for impairment	$24,733	$12,579	$25	$37,337
Collectively evaluated for impairment	478,531	257,107	25,849	761,487
Totals	$503,264	$269,686	$25,874	$798,824

2017	Real Estate	Commercial	Consumer	Total
Loans:				
Individually evaluated for impairment	$21,649	$14,427	$28	$36,104
Collectively evaluated for impairment	473,459	258,695	22,826	754,980
Totals	$495,108	$273,122	$22,854	$791,084

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(4) Loans (continued)

Detailed information regarding impaired loans by class of loan as of December 31 follows:

	2018				
	Recorded Investment	Principal Balance	Related Allowance	Average Investment	Interest Recognized
Loans with no related allowance for loan losses:					
Real estate:					
Commercial real estate	$7,829	$8,667	N/A	$7,758	$399
Residential real estate	2,453	3,452	N/A	2,686	150
Agricultural real estate	8,084	8,161	N/A	6,571	256
Commercial					
Commercial & industrial	5,664	6,003	N/A	5,829	300
Agricultural production	1,523	1,543	N/A	1,783	131
Consumer and other	25	32	N/A	33	2
Totals	$25,578	$27,858		$24,660	$1,238
Loans with an allowance for loan losses:					
Real estate:					
Commercial real estate	5,821	5,050	456	5,108	213
Residential real estate	546	556	212	839	26
Agricultural real estate	0	0	0	0	0
Commercial					
Commercial & industrial	5,392	5,418	2,320	5,474	72
Agricultural production	0	0	0	0	0
Consumer and other	0	0	0	0	0
Totals	11,759	11,024	2,988	11,421	311
Grand Totals	$37,337	$38,882	$2,988	$36,081	$1,549

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(4) Loans (continued)

	2017				
	Recorded Investment	Principal Balance	Related Allowance	Average Investment	Interest Recognized
Loans with no related allowance for loan losses:					
Real estate:					
Commercial real estate	$7,576	$9,918	N/A	$8,046	$282
Residential real estate	5,519	7,132	N/A	6,131	148
Agricultural real estate	3,707	4,243	N/A	3,804	150
Commercial					
Commercial & industrial	6,185	7,063	N/A	6,523	146
Agricultural production	5,669	5,688	N/A	5,110	237
Consumer and other	8	9	N/A	15	0
Totals	$28,664	$34,053		$29,629	$963
Loans with an allowance for loan losses:					
Real estate:					
Commercial real estate	3,825	3,916	295	4,209	112
Residential real estate	872	936	95	1,182	17
Agricultural real estate	151	234	24	427	0
Commercial					
Commercial & industrial	2,573	2,613	1,763	2,653	67
Agricultural production	0	0	0	0	0
Consumer and other	19	19	19	21	1
Totals	7,440	7,718	2,196	8,492	197
Grand Totals	$36,104	$41,771	$2,196	$38,121	$1,160

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(4) Loans (continued)

	2016				
	Recorded Investment	Principal Balance	Related Allowance	Average Investment	Interest Recognized
Loans with no related allowance for loan losses:					
Real estate:					
Commercial real estate	$3,399	$4,823	N/A	$3,846	$177
Residential real estate	8,235	10,762	N/A	8,928	263
Agricultural real estate	3,764	4,182	N/A	4,055	121
Commercial					
Commercial & industrial	6,704	7,212	N/A	6,345	315
Agricultural production	133	367	N/A	165	16
Consumer and other	42	54	N/A	70	3
Total	22,277	27,400		23,409	895
Loans with an allowance for loan losses:					
Real estate:					
Commercial real estate	8,780	8,864	2,671	8,908	914
Residential real estate	340	382	151	365	19
Agricultural real estate	0	0	0	0	0
Commercial					
Commercial & industrial	2,623	2,656	1,786	1,786	51
Agricultural production	0	0	0	0	0
Consumer and other	21	21	21	22	2
Total	11,764	11,923	4,629	11,081	986
Grand Total	$34,041	$39,323	$4,629	$34,490	$1,881

The Company regularly evaluates various attributes of loans to determine the appropriateness of the allowance for loan losses. The Company generally monitors credit quality indicators for all loans using the following internally prepared ratings:

'Pass' ratings are assigned to loans with adequate collateral and debt service ability; such that collectability of the contractual loan payments is highly probable.

'Special Mention' ratings are assigned to loans where management has some concern that the collateral or debt service ability may not be adequate, though the collectability of the contractual loan payments is still probable.

'Substandard' ratings are assigned to loans that do not have adequate collateral and/or debt service ability; such that collectability of the contractual loan payments is no longer probable.

'Doubtful' ratings are assigned to loans that do not have adequate collateral and/or debt service ability, and collectability of the contractual loan payments is unlikely.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(4) Loans (continued)

Information regarding the credit quality indicators most closely monitored by class of loan at December 31 follows:

	2018				
	Pass	Special Mention	Substandard	Doubtful	Totals
Real estate:					
Commercial real estate	$264,617	$13,693	$10,746	$0	$289,056
Residential real estate	99,206	2,086	3,717	0	105,009
Agricultural real estate	83,886	18,647	6,666	0	109,199
Commercial:					
Commercial & industrial	179,859	19,997	11,173	0	211,029
Agricultural production	43,955	13,179	1,523	0	58,657
Consumer and other	25,843	6	25	0	25,874
Total	$697,366	$67,608	$33,850	$0	$798,824

	2017				
	Pass	Special Mention	Substandard	Doubtful	Totals
Real estate:					
Commercial real estate	$249,950	$16,620	$10,878	$0	$277,448
Residential real estate	110,068	1,892	4,672	0	116,632
Agricultural real estate	85,038	12,264	3,726	0	101,027
Commercial:					
Commercial & industrial	181,958	18,880	7,967	64	208,868
Agricultural production	50,626	7,958	5,669	0	64,255
Consumer and other	22,807	20	27	0	22,854
Total	$700,447	$57,634	$32,939	$64	$791,084

Loan aging information by class of loan at December 31 follows:

As of December 31, 2018	Loans Past Due 30-89 Days	Loans Past Due 90+ Days	Total Past Due
Real estate:			
Commercial real estate	$4,514	$659	$5,173
Residential real estate	1,919	1,728	3,647
Agricultural real estate	610	1,053	1,663
Commercial			
Commercial & industrial	742	4,097	4,839
Agricultural production	960	383	1,343
Consumer and other	19	4	23
Total	$8,764	$7,924	$16,688

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(4) Loans (continued)

As of December 31, 2018	Total Past Due	Total Current	Total Loans	90+ Days Due and Accruing Interest	Total Non-accrual Loans
Real Estate:					
Commercial real estate	$5,173	$283,883	$289,056	$599	$60
Residential real estate	3,647	101,362	105,009	684	2,376
Agricultural real estate	1,663	107,536	109,199	0	1,138
Commercial:					
Commercial & industrial	4,839	206,190	211,029	15	4,251
Agricultural production	1,343	57,314	58,657	383	11
Consumer and other	23	25,851	25,874	4	9
Total	$16,688	$782,136	$798,824	$1,685	$7,845

As of December 31, 2017	Loans Past Due 30-89 Days	Loans Past Due 90+ Days	Total Past Due
Real estate:			
Commercial real estate	$1,118	$275	$1,393
Residential real estate	1,319	1,804	3,123
Agricultural real estate	49	1,480	1,529
Commercial			
Commercial & industrial	371	312	683
Agricultural production	0	70	70
Consumer and other	65	3	68
Total	$2,922	$3,944	$6,866

As of December 31, 2017	Total Past Due	Total Current	Total Loans	90+ Days Due and Accruing Interest	Total Non-accrual Loans
Real Estate:					
Commercial real estate	$1,393	$276,055	$277,448		$5,147
Residential real estate	3,123	113,509	116,632		3,037
Agricultural real estate	1,529	99,498	101,027		2,444
Commercial:					
Commercial & industrial	683	208,185	208,868	$46	4,165
Agricultural production	70	64,185	64,255		24
Consumer and other	68	22,786	22,854		3
Total	$6,866	$784,219	$791,084	$46	$14,820

When, for economic or legal reasons related to the borrower's financial difficulties, the Company grants a concession to the borrower that the Company would not otherwise consider the modified loan is classified as a troubled debt restructuring. Loan modifications may consist of forgiveness of interest and/or principal, a reduction of the interest rate, interest only payments for a period of time, and/or extending amortization terms. All troubled debt restructurings are classified as impaired loans.

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(000s omitted except share data)

(4) Loans (continued)

The following table presents information regarding modifications of loans that are classified as troubled debt restructurings by class of loan that occurred during the years ended December 31:

	2018		
	Number of Loans	Pre-Modification Investment	Post-Modification Investment
Real Estate:			
Commercial real estate	1	$1,696	$1,696
Farm real estate	2	1,417	1,417
Commercial:			
Commercial & industrial	4	4,001	3,993
Total	7	$7,114	$7,106

	2017		
	Number of Loans	Pre-Modification Investment	Post-Modification Investment
Real Estate:			
Commercial real estate	1	$6,939	$4,800
Residential real estate	1	$90	$90
Commercial:			
Commercial & industrial	3	$464	$154
Total	5	$7,493	$5,044

There were no troubled debt restructurings that defaulted during the year, within 12 months of their modification as of December 31, 2018 and 2017. As for December 31, 2016, the following table summarizes troubled debt restructurings that defaulted during the year, within 12 months of their modification:

	2016	
	Number of Loans	Recorded Investment
Commercial:		
Commercial & industrial	1	$176
Total	1	$176

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(4) Loans (continued)

The Company has acquired purchased credit impaired (PCl) loans, which are loans that, at acquisition, evidenced deterioration of credit quality since origination, and the Company determined it was probable, at the acquisition date, all contractually required payments would not be collected. These loans are included in the carrying amount of loans in the Company's Balance Sheet.

The outstanding balance and carrying amount of PCI loans for the year ended December 31 follows:

	2018	2017
Outstanding balance:		
Commercial	$1,428	$2,870
Residential Real Estate	0	221
Total outstanding balance	$1,428	$3,091

The carrying value of the PCI loans was $598 and $1,717 at December 31, 2018 and 2017, respectively.

No increases to the allowance for loan losses were done for PCI loans during 2018 and 2017. No allowances for loan losses were reversed during 2018 and 2017.

There was no change in the accretable yield related to PCI loans during the years ended December 31, 2018 and 2017.

Some PCI loans are not accruing interest income because the Company cannot reasonably estimate the cash flows expected to be collected. The carrying amount of nonaccruing PCI loans was $0 and $891 at December 31, 2018 and 2017, respectively.

(5) Loan Servicing

Loans serviced for others are not included in the accompanying consolidated balance sheets. Mortgage loans serviced for others as of December 31, 2018 and 2017, were approximately $335,441 and $342,567, respectively. Custodial escrow balances maintained in conjunction with serviced loans were approximately $3,772 and $3,645 at December 31, 2018 and 2017, respectively.

The following summarizes the activity pertaining to mortgage servicing rights for the years ended December 31:

	2018	2017	2016
Balance at beginning of year	**$1,290**	$1,328	$1,324
Mortgage servicing rights capitalized	**337**	445	545
Mortgage servicing rights amortized	**(500)**	(483)	(541)
Balance at end of year	**$1,167**	$1,290	$1,328

No impairment of mortgage servicing rights existed and no valuation allowance was recognized for 2018, 2017 and 2016.

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(6) Mortgage Banking Loan Commitments

The Company enters into commitments to fund residential mortgage loans (interest rate locks) at specified times in the future, with the intention that these loans will be subsequently sold to third-party investors. A mortgage loan commitment binds the Company to lend funds to a potential borrower at a specified interest rate and within a specified period of time, generally up to 60 days after inception of the rate lock. It is the Company's practice to enter into mandatory delivery forward commitments for the future delivery of residential mortgage loans to third-party investors when an interest rate lock commitment is granted. These mandatory delivery forward commitments bind the Company to deliver a residential mortgage loan to a third-party investor even if the underlying loan never funds. As of December 31, 2018 and 2017, the Company had approximately $1,715 and $296 in interest rate lock commitments outstanding. As of December 31, 2018 and 2017, the Company had approximately $3,429 and $591 in mandatory delivery forward commitments outstanding. These outstanding mortgage loan commitments are considered to be derivatives. The approximate fair values associated with these derivatives were considered to be immaterial as of December 31, 2018 and 2017.

(7) Foreclosed Assets

Foreclosed assets net of valuation allowance consist of the following at December 31:

	2018	2017
Residential real estate	**$175**	$273
Commercial real estate	**100**	327
Non-farm non-residential properties	**208**	215
Construction, land development and other land	**32**	277
Balance at end of year	**$515**	$1,092

Residential real estate loans that are in process of foreclosure totaled $421 at December 31, 2018 and $719 at December 31, 2017.

(8) Premises and Equipment

The components of premises and equipment at December 31 are as follows:

	2018	2017
Land	**$2,744**	$3,539
Buildings and leasehold improvements	**21,696**	17,700
Furniture, fixtures, and equipment	**12,711**	11,991
	37,151	33,230
Less accumulated depreciation	**18,148**	16,910
	$19,003	$16,320

Depreciation expense for the years ended December 31, 2018, 2017 and 2016 amounted to $1,300, $918 and $953, respectively.

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(9) Intangible Assets

The core deposit premium intangible asset had a gross carrying amount of $1,952 and accumulated amortization of $1,041 and $729 at December 31, 2018 and 2017, respectively.

The following table shows the estimated future amortization of the core deposit premium intangible asset. The projections of amortization expense are based on existing asset balances as of December 31, 2018.

2019	$315
2020	315
2021	281

(10) Other Assets

The components of other assets at December 31 are as follows:

	2018	2017
Accrued interest receivable	**$5,989**	$5,881
Mortgage servicing rights, net of accumulated amortization	**1,167**	1,290
Net deferred tax assets	**4,708**	3,632
Other	**5,772**	8,284
	$17,636	$19,087

(11) Time Deposits

The aggregate amount of time deposits with a minimum denomination of $250 was approximately $73,716 and $54,644 at December 31, 2018 and 2017, respectively. Time deposits are included in the interest-bearing deposits for financial statement presentation.

At December 31, 2018, the scheduled maturities of time deposits are as follows:

2019	$173,604
2020	113,672
2021	58,403
2022	35,889
2023	34,860
	416,428

(000s omitted except share data)

(12) Employee and Director Benefit Plans

The Company and the Banks maintain a 401(k) plan with profit sharing features covering substantially all employees under which they match 50% of eligible employee contributions to a maximum employee contribution of 6% of annual salary. Total 401(k) expense was approximately $341, $310, and $300, for 2018, 2017, and 2016, respectively. Each plan participant elects how the employer contributions are invested; whereby the participants choose between purchasing the Company's common stock or investing in the plan's investment funds.

In addition, the Company and the Banks maintain non-qualified deferred compensation plans whereby certain directors and officers are provided with guaranteed annual payments for periods ranging after reaching a variation of retirement ages pending participant plan. The compensation plans are funded by bank-owned life insurance policies which had an aggregate death benefit of approximately $51,592 and $53,878 as of December 31, 2018 and 2017, respectively. The Banks accrue amounts to be paid over the participant's active service life. The accrued benefits were $2,019, $1,620, and $1,061 at December 31, 2018, 2017, and 2016, respectively. Non-qualified deferred compensation expenses were $476, $643, and $206 in 2018, 2017, and 2016, respectively.

(13) Income Taxes

The components of income tax expense for the years ended December 31 are as follows:

	2018	2017	2016
Current – federal	**$1,669**	$1,715	$614
Current – state	**980**	216	616
	2,649	1,931	1,230
Deferred – federal	**(57)**	2,723	2,110
Deferred – state	**17**	599	574
	(40)	3,321	2,684
Total income tax expense	**$2,609**	$5,253	$3,914

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(13) Income Taxes (continued)

A reconciliation of the differences between the statutory federal income tax rate and the effective federal income tax rate with the resulting dollar amounts is shown in the following table:

	2018		2017		2016	
	Amount	**% of Pretax Earnings**	Amount	% of Pretax Earnings	Amount	% of Pretax Earnings
Statutory federal tax	**$2,934**	**21%**	$4,929	34.0%	$4,708	34.0%
Increase (decrease) in taxes resulting from:						
Tax-exempt interest	**(750)**	**(5.4%)**	(1,271)	(8.8%)	(1,272)	(9.2%)
Bank-owned life insurance	**(274)**	**(2.0%)**	(217)	(1.5%)	(152)	(1.1%)
State taxes, net of federal benefit	**788**	**5.6%**	538	3.7%	786	5.7%
Other	**(89)**	**(0.6%)**	67	0.5%	(156)	(1.1%)
Adjustment to the net defered tax asset for the Tax Cuts and Jobs Act	**0**	**0%**	1,206	8.3%	0	0.0%
Effective tax rates	**$2,609**	**18.7%**	$5,252	36.2%	$3,914	28.3%

The tax effects of existing temporary differences that give rise to significant portions of the deferred tax liabilities and deferred tax assets at December 31, 2018 and 2017 are summarized as follows:

	2018	2017
Deferred tax assets:		
Allowance for loan losses	**$4,113**	$3,753
Allowance for losses on foreclosed assets	**211**	60
Available-for-sale securities	**1,242**	206
Deferred compensation and other	**1,090**	764
Purchase accounting adjustments	**88**	378
Total deferred tax assets	**6,744**	5,161
Deferred tax liabilities:		
FHLB stock dividend	**59**	63
Depreciation	**1,601**	1,078
Mortgage servicing rights and other	**376**	388
Total deferred tax liabilities	**2,036**	1,529
Net deferred tax assets	**$4,708**	$3,632

No valuation allowance has been recorded since deferred tax assets are expected to be realized.

With few exceptions, the Company is no longer subject to federal or state examinations by tax authorities for years before 2015.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(14) Transactions with Related Parties

The Company and subsidiary banks have had, and may be expected to have in the future, loans or other banking transactions in the ordinary course of business with directors, significant stockholders, principal officers, their immediate families, and affiliated companies in which they are principal stockholders (commonly referred to as related parties). In management's opinion, these loans and transactions were on the same terms as those for comparable loans and transactions with non-related parties.

Activity for related party loans for the years ending December 31, is as follows:

	2018	**2017**
Balance at beginning of year	**$17,761**	$18,753
New credits	**8,511**	7,143
Repayments	**(10,752)**	(8,135)
Balance at end of year	**$15,520**	$17,761

Deposit accounts from related parties totaled approximately $18,821 and $14,196 at December 31, 2018 and 2017, respectively.

(15) Financial Instruments with Off-Balance-Sheet Risk and Concentrations

Financial instruments with off-balance-sheet risk:

The Banks are parties to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of their customers. These financial instruments include commitments to extend credit, credit lines, letters of credit, and overdraft protection. They involve, to varying degrees, elements of credit risk in excess of amounts recognized on the consolidated balance sheets.

The Banks' exposures to credit losses in the event of nonperformance by the other parties to the financial instruments, for commitments to extend credit, and letters of credit are represented by the contractual amounts of those instruments. The Banks use the same credit policies in making commitments and issuing letters of credit as they do for on-balance-sheet instruments.

A summary of the contractual amounts of the Banks' exposures to off-balance-sheet risk as of December 31 is approximately as follows:

	2018	2017
Unused lines of credit and other loan commitments	**$173,200**	$185,451
Commercial letters of credits	**761**	176
Performance and standby letters of credit	**1,305**	1,437
	$175,266	$187,064

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(15) Financial Instruments with Off-Balance-Sheet Risk and Concentrations (continued)

Commitments to extend credit are agreements to lend to customers as long as there are no violations of any conditions established in the contracts. Commitments generally have fixed expiration dates or other termination clauses and may require the 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. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The Banks evaluate each customer's credit worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by the Banks upon extension of credit, is based on management's credit evaluation of the counterparty. Collateral held varies; but may include accounts receivable, inventory, crops, livestock, property and equipment, residential real estate, and income-producing commercial properties.

Standby, performance and commercial letters of credit are conditional commitments issued by the Banks to guarantee the performance of a customer to a third party. They are considered financial guarantees under FASB guidance. The fair value of these financial guarantees is considered immaterial.

The Company participates in the FHLB Mortgage Partnership Finance Program (the "Program"). In addition to entering into forward commitments to sell mortgage loans to a secondary market agency, the Company enters into firm commitments to deliver loans to the FHLB through the Program. Under the Program, loans are funded by the FHLB, and the Company receives an agency fee reported as a component of gain on sale of loans. The Company had no firm commitments outstanding to deliver loans through the Program at December 31, 2018. Once delivered to the Program, the Company provides a contractually agreed-upon credit enhancement and performs servicing of the loans. Under the credit enhancement, the Company is liable for losses on loans delivered to the Program after application of any mortgage insurance and a contractually agreed-upon credit enhancement provided by the Program subject to an agreed-upon maximum. The agreed-upon accumulated credit enhancement provided by the Program totaled $2,547, subject to an agreed-upon maximum. The fee the Company received for this credit enhancement was not material in each of the years ended December 31, 2018, 2017 and 2016.

Concentration of credit risk:

The Company and its subsidiary banks provide several types of loans to customers including real estate, agricultural, commercial, and installment loans. The largest component of loans is secured by residential real estate, commercial real estate, or other interest in real property. Lending activities are conducted with customers in a wide variety of industries as well as with individuals with a wide variety of credit requirements. The Company does not have a concentration of loans in any specific industry. Credit risk, as it relates to the Company's business activities, tends to be geographically concentrated in that the majority of the customer base lies within the surrounding communities served by its subsidiary banks.

(16) Securities Sold Under Agreements to Repurchase

Securities sold under agreements to repurchase amounted to $27,754 and $32,434 at December 31, 2018 and 2017, respectively, and are collateralized by U.S. agencies, state and municipal and mortgage-backed investment securities with fair values of approximately $49,038 and $39,943. The weighted-average interest rates on these agreements were 1.94% and 1.05% at December 31, 2018 and 2017, respectively. Securities sold under agreements to repurchase mature on a daily basis.

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(000s omitted except share data)

(17) Federal Home Loan Bank (FHLB) and Federal Reserve Advances and Other Borrowings

FHLB Advances at December 31:	2018	2017
Fixed-rate advances with rates ranging from .91% to 3.03% and .91% to 2.05% and weighted average rates of 2.48% and 1.49% as of December 31, 2018 and 2017, respectively. Interest is payable monthly with principal due at maturity.	**$22,000**	$19,000

Advances are collateralized by 1-4 family mortgage loans, other qualifying loans and securities. The total amounts of collateral securing FHLB advances were approximately $87,893 and $83,183 as of December 31, 2018 and 2017, respectively. FHLB advances are subject to a prepayment penalty if they are repaid prior to maturity. FHLB advances are also secured by $989 and $944 of FHLB stock owned by the Company at December 31, 2018 and 2017, respectively.

The Banks participate in the Federal Reserve Bank of Chicago's Discount Window Lending Program. Primary advances generally mature daily and bear interest at a generally approved rate in relation to the federal funds rate. The primary advance interest rate at December 31, 2018 was 300-basis points. Outstanding advances were $0 at December 31, 2018 and 2017. Advances are collateralized by investment securities pledged totaling approximately $8,954 and $9,257 at December 31, 2018 and 2017, respectively, to the Federal Reserve Bank.

On July 2, 2015, the Company entered into a $7,000 note with Bankers' Bank for the purchase of the State Bank of Herscher. The noted is a fixed rate at 4% due July 2, 2020 and is secured by common stock of Company subsidiaries. The balance was $5,028 and $5,663 at December 31, 2018 and 2017, respectively, with payments of $212, consisting of principal and interest, due quarterly.

On June 27, 2018, the Company entered into a $5,500 note with Bankers' Bank for the redemption of subordinated debentures. The noted is a stepped fixed rate of 4.75% until June 27, 2023, then will adjust to the current Wall Street Journal prime rate until maturity with a minumum rate of 4.75% due June 27, 2025 and is secured by common stock of Company subsidiaries. The balance was $2,875 at December 31, 2018, with quarterly principal payments of $63 plus accrued interest.

Additional other borrowings totaled $3,313 and $3,645 at December 31, 2018 and 2017, respectively, and mature from 2019 to 2024, at interest rates ranging from 1.60% to 4.75%.

At December 31, the scheduled maturities of FHLB advances and other borrowings are as follows:

	2018	2017
2018	**$0**	$16,093
2019	**22,145**	3,750
2020	**5,778**	6,413
2021	**250**	250
2022	**0**	340
2023 and thereafter	**5,043**	1,462
	$33,216	$28,308

The Company had federal funds purchased with its main correspondent institutions totaling $6,013 and $8,394 as of December 31, 2018 and 2017, respectively. Federal funds purchased generally mature within one day from transaction date. The weighted average interest rate was 2.7% and 1.6% as of December 31, 2018 and 2017, respectively.

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(18) Subordinated Debentures

The Company issued $10,000 of Subordinated Debentures in the fiscal year ended 2012 that qualify as Tier 2 regulatory capital (with certain limitations applicable) for the Company. The Company issued the Subordinated Debentures for capital raising purposes primarily for the redemption of preferred stock as part of the Troubled Asset Relief Program. During 2018, the Company elected to redeem all the Subordinated Debentures in accordance with the contract price limitations. The redemption was subject to approval by the Federal Reserve. Total subordinated debentures were 10,000 at December 31, 2017, with an interest rate of 6%.

(19) Fair Value Measurements

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Company has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices; such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The following is a description of valuation methodologies used for assets recorded at fair value:

Securities available-for-sale: The fair values of the Company's securities available-for-sale are primarily determined by matrix pricing, which is a mathematical technique used widely in the industry to value debt securities without relying exclusively on quoted prices for specific securities, but rather by relying on the securities' relationship to other benchmark quoted securities. The values determined by matrix pricing are considered Level 2 fair value measurements.

Collateral-dependent impaired loans: The Company does not record loans at fair value on a recurring basis. However, from time to time, fair value adjustments are recorded on these loans to reflect (1) partial write-downs, through charge-offs or specific reserve allowances, that are based on the current appraised or market-quoted value of the underlying collateral or (2) the full charge-off of the loan carrying value. The fair value of collateral dependent impaired loans is generally based on recent real estate appraisals. Adjustments are routinely made in the appraisal process by independent appraisers to adjust for differences between the comparable sales and income data available. Such adjustments are usually significant and typically result in a Level 3 classification. Non-real estate collateral may be valued using an appraisal, net book value of the borrower's financial statements or aging reports, adjusted or discounted based on management's expertise and knowledge of the borrower and borrower's business. Fair value measurements prepared internally are based on management's comparisons to sales of comparable assets, but include significant unobservable data and are therefore considered Level 3 measurements.

(000s omitted except share data)

(19) Fair Value Measurements (continued)

Foreclosed assets: Real estate acquired through or in lieu of loan foreclosure are not measured at fair value on a recurring basis. However, other real estate is initially measured at fair value (less estimated costs to sell) when it is acquired and may also be measured at fair value (less estimated costs to sell) if it becomes subsequently impaired. The fair value measurement for each property may be obtained from an independent appraiser or prepared internally. Fair value measurements obtained from independent appraisers generally utilize a market approach based on sales of comparable assets and/or an income approach. Such measurements are usually considered Level 2 measurements. However, management routinely evaluates fair value measurements of independent appraisers by comparing actual selling prices to the most recent appraisals. If management determines significant adjustments should be made to the independent appraisals based on these evaluations, these measurements are considered Level 3 measurements. Fair value measurements prepared internally are based on management's comparisons to sales of comparable assets, but include significant unobservable data and are therefore considered Level 3 measurements.

The following table presents the Company's approximate fair-value hierarchy for the assets measured at fair value as of December 31:

As of December 31, 2018		**Fair Value Measurements at Reporting Date Using**		
	Total	**(Level 1)**	**(Level 2)**	**(Level 3)**
Assets measured at fair value on a recurring basis:				
Assets:				
Securities available-for-sale	**$294,862**		**$294,862**	
Assets measured at fair value on a non-recurring basis:				
Assets:				
Collateral-dependent impaired loans	**$8,771**			**$8,771**
Foreclosed assets	**$515**			**$515**

Collateral-dependent impaired loans, which are measured for impairment using the fair value of collateral, had a carrying value of $11,759 with specific reserves of $2,988 as of December 31, 2018.

Foreclosed assets, which are measured at the lower of carrying or fair value less costs to sell, were carried at their fair value of $515, which is comprised of the outstanding balance of $985, net of an allowance for losses of $470 as of December 31, 2018.

As of December 31, 2017		**Fair Value Measurements at Reporting Date Using**		
	Total	**(Level 1)**	**(Level 2)**	**(Level 3)**
Assets measured at fair value on a recurring basis:				
Assets:				
Securities available-for-sale	$273,001		$273,001	
Assets measured at fair value on a non-recurring basis:				
Assets:				
Collateral-dependent impaired loans	$5,243			$5,243
Foreclosed assets	$1,092			$1,092

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(19) Fair Value Measurements (continued)

Collateral-dependent impaired loans, which are measured for impairment using the fair value of collateral, had a carrying value of $7,439 with specific reserves of $2,196 as of December 31, 2017.

Foreclosed assets, which are measured at the lower of carrying or fair value less costs to sell, were carried at their fair value of $1,092, which is comprised of the outstanding balance of $1,304, net of an allowance for losses of $212 as of December 31, 2017.

The following table presents quantitative information about level 3 fair value measurements for financial instruments measured at fair value on a non-recurring basis at December 31, 2018:

	Valuation Technique	Unobservable Input	Range
Collateral dependent impaired loans, net of specific reserves	Sales comparison approach	Appraised values	10% - 20%
Foreclosed assets	Sales comparison approach	Appraised values	10% - 20%

FASB guidance requires disclosure of fair value information about financial instruments, whether or not recognized in the balance sheet, for which it is practicable to estimate that value. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. In that regard, the derived fair value estimates may not be realized in immediate settlement of the instrument. Accounting guidance excludes certain financial instruments and certain nonfinancial instruments from its disclosure requirements. These fair value disclosures may not represent the fair value of the Company.

The estimated fair values of the Company's financial instruments as of December 31 are as follows:

	December 31, 2018		December 31, 2017	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial assets:				
Cash and cash equivalents	**$28,033**	**$28,033**	$38,395	$38,395
Interest-bearing deposits in other banks- term deposits	**10,256**	**10,256**	10,672	10,672
Securities	**295,382**	**295,414**	273,767	273,817
Non-marketable equity securities	**995**	**995**	950	950
Loans held for sale	**1,722**	**1,722**	2,339	2,339
Loans, net of allowance	**784,393**	**776,975**	777,920	772,725
Accrued interest receivable	**5,989**	**5,989**	5,881	5,881
Cash surrender value of bank-owned life Insurance	**21,477**	**21,477**	22,168	22,168
Financial liabilities:				
Demand and saving deposits	**$563,596**	**$563,596**	$566,042	$566,042
Time deposits	**416,428**	**410,850**	395,617	393,710
Federal funds purchased	**6,013**	**6,013**	8,394	8,394
Securities sold under agreements to repurchase	**27,754**	**27,706**	32,434	32,405
FHLB advances and other borrowings	**33,216**	**32,995**	28,308	28,245
Subordinated Debentures	**0**	**0**	10,000	10,000
Accrued interest payable	**1,209**	**1,209**	843	843

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(000s omitted except share data)

(20) Stock-Compensation Plans

During 2012, the Company approved an equity incentive plan to promote the long-term financial success of the Company through stock based awards to employees, directors or service providers who contribute to that success. This equity incentive plan permits Company management to approve and grant a maximum of 150,000 shares of common stock-based awards in the form of any combination of stock options, stock appreciation rights, stock awards or cash incentive awards.

The fair value of each option award is estimated on the date of grant using a closed form option valuation model (Black-Scholes) based on the assumptions noted in the table below. Expected volatilities are based on historical volatilities of the Company's common stock. The Company uses historical data to estimate option exercise and post-vesting termination behavior. The expected term of options granted is based on historical data and represents the period of time that options granted are expected to be outstanding, which takes into account that the options are not transferable. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield in effect at the time of the grant. The Company's accounting policy is to recognize forfeitures as they occur.

For the year ended December 31, 2018, 25,000 shares of non-qualified stock options granted. No options were granted for the years ended December 31, 2017 and 2016.

The following assumptions were used in estimating the fair value of options granted during the year ended December 31, 2018:

Expected volatility	0.0084
Expected dividend yield	0.79%
Expected term (in years)	5.75
Risk free rate	2.8340%

Based on these assumptions the estimated weighted average grant date fair value of options granted was $3.70 during 2018.

For the years ended December 31, 2018, 2017 and 2016, the Company recognized $8, $18 and $24 in compensation expense for stock options, respectively. No tax benefits were recognized for the three-year period ended December 31, 2018. The intrinsic value of options exercised during the years ended December 31, 2018, 2017 and 2016 was $617, $472 and $280, respectively.

The following table summarizes the activity of options for the year ended:

	December 31, 2018		December 31, 2017	
	Options	**Weighted Average Exercise Price**	Options	Weighted Average Exercise Price
Shares under option, beginning of year	**72,742**	**$12.08**	105,792	$12.34
Granted during the year	**25,000**	**35.55**	0	
Forfeited and expired during the year	**0**	**0**	(10,000)	19.00
Exercised during the year	**(25,554)**	**10.27**	(23,050)	10.28
Shares under option, end of year	**72,188**	**$20.85**	72,742	$12.08
Options exercisable, end of year	**47,188**	**$13.07**	72,742	$12.08

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(20) Stock-Compensation Plans (continued)

The following table summarizes information about stock options outstanding at December 31, 2018:

Exercise Price	Number Outstanding	Remaining Contractual Life (Years)	Number Exercisable
$10.25	25,688	1.8	25,688
$10.50	6,500	1.6	6,500
$19.00	15,000	5.2	15,000
$35.55	25,000	9.5	0
	72,188		47,188

The following table summarizes information regarding unvested restricted stock and shares outstanding during the year ended:

	December 31, 2018		December 31, 2017	
	Unvested Shares	**Weighted Average Grant Value**	Unvested Shares	Weighted Average Grant Value
Restricted stock, beginning of year	**8,627**	**$28.90**	11,938	$23.61
Granted during the year	**6,229**	**33.20**	6,153	31.35
Forfeited during the year	**(177)**	**31.35**	(1,690)	27.34
Restricted shares (net for taxes)	**(822)**	**33.20**	(945)	23.05
Vested during the year	**(5,048)**	**27.75**	(6,829)	23.05
Restricted stock, end of year	**8,809**	**$32.66**	8,627	$28.90

During 2018, 2017 and 2016, total compensation expense of $178, $165, and $178 (before tax benefits of $51, $66 and $70) was recorded from amortization of restricted shares expected to vest, respectively. Future projected compensation expense (before tax benefits); assuming all restricted shares eventually vest to employees; would be $123 and $26 for years 2019 and 2020, respectively.

Total shares available for grant under this plan were 78,455 and 108,685 at December 31, 2018 and 2017, respectively.

(21) Stock Repurchase Program

In October 2016, the Company's Board of Directors authorized a stock repurchase program authorizing an aggregate repurchase of up to 100,000 shares of common stock at market price, each year. In October 2017, the Company's Board of Directors authorized a stock repurchase program authorizing an aggregate repurchase of up to 100,000 of common stock at up to 110% of book value. For the year ended December 31, 2016, the Company had repurchased 21,300 shares at market value under this program. There were no shares repurchased in 2017 and 2018.

The purchase price for the shares of the Company's stock repurchased is reflected as a reduction to shareholders' equity as treasury stock.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(22) Earnings Per Common Share

For the years ended December 31, earnings per common share have been computed based on the following:

	2018	2017	2016
Net income	**$11,365**	$9,245	$9,933
Net income available to common stockholders	**$11,365**	$9,245	$9,933
Average number of common shares outstanding	**3,680,578**	3,656,234	3,633,278
Effect of dilutive options	**29,997**	45,234	51,468
Average number of common shares outstanding used to calculate diluted earnings per common share	**3,710,575**	3,701,469	3,684,746

(23) Regulatory Matters

The Company and Banks are subject to various regulatory capital requirements administered by the federal and state banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital-adequacy guidelines and the regulatory framework for prompt corrective action, the Company and Banks must meet specific capital guidelines that involve quantitative measures of the assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Company and its subsidiaries to maintain minimum regulatory capital amounts and ratios (set forth in the following table). Management believes that as of December 31, 2018, the Company and the Banks meet all capital-adequacy requirements to which they are subject.

As of December 31, 2018, all six Banks were categorized as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, minimum capital ratios set forth in the table must be maintained. There are no conditions or events occurring since December 31, 2018, which management believes have changed the capital categories of the Banks.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(23) Regulatory Matters (continued)

The actual capital amounts and ratios for the Company and Banks as of December 31 are presented in the following tables:

	Actual		Minimum Capital Requirement		Minimum To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount In $000s	Ratio	Amount In $000s	Ratio	Amount In $000s	Ratio
As of December 31, 2018:						
Total Capital to Risk Weighted Assets:						
Company	$139,430	14.77%	$75,537	8.00%	$94,421	10.00%
Northwest	30,096	12.68%	18,993	8.00%	23,741	10.00%
German	26,352	12.97%	16,260	8.00%	20,325	10.00%
Davis	18,730	16.86%	8,889	8.00%	11,112	10.00%
Freeport	29,826	13.73%	17,383	8.00%	21,728	10.00%
Lena	11,318	16.83%	5,381	8.00%	6,726	10.00%
Herscher	19,159	19.35%	7,922	8.00%	9,903	10.00%
Tier 1 Capital to Risk Weighted Assets:						
Company	$127,595	13.51%	$56,653	6.00%	$75,537	8.00%
Northwest	27,271	11.49%	14,245	6.00%	18,993	8.00%
German	24,363	11.99%	12,195	6.00%	16,260	8.00%
Davis	17,335	15.60%	6,667	6.00%	8,889	8.00%
Freeport	27,097	12.47%	13,037	6.00%	17,383	8.00%
Lena	10,471	15.57%	4,036	6.00%	5,381	8.00%
Herscher	17,904	18.08%	5,942	6.00%	7,922	8.00%
Common Equity Tier 1 Capital to Risk Weighted Assets:						
Company	$127,595	13.51%	$42,490	4.50%	$61,374	6.50%
Northwest	27,271	11.49%	10,683	4.50%	15,432	6.50%
German	24,363	11.99%	9,146	4.50%	13,211	6.50%
Davis	17,335	15.60%	5,000	4.50%	7,223	6.50%
Freeport	27,097	12.47%	9,778	4.50%	14,123	6.50%
Lena	10,471	15.57%	3,027	4.50%	4,372	6.50%
Herscher	17,904	18.08%	4,456	4.50%	6,437	6.50%
Tier 1 Capital to Average Assets:						
Company	$127,595	10.73%	$47,564	4.00%	$59,455	5.00%
Northwest	27,271	9.91%	11,005	4.00%	13,757	5.00%
German	24,363	9.82%	9,926	4.00%	12,408	5.00%
Davis	17,335	11.09%	6,253	4.00%	7,816	5.00%
Freeport	27,097	10.19%	10,633	4.00%	13,292	5.00%
Lena	10,471	11.73%	3,570	4.00%	4,462	5.00%
Herscher	17,904	12.26%	5,843	4.00%	7,303	5.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(23) Regulatory Matters (continued)

As of December 31, 2017:						
Total Capital to Risk Weighted Assets:						
Company	$130,386	14.04%	$74,289	8.00%	$92,862	10.00%
Northwest	28,941	12.26%	18,886	8.00%	23,608	10.00%
German	24,384	12.67%	15,394	8.00%	19,242	10.00%
Davis	17,545	14.13%	9,932	8.00%	12,415	10.00%
Freeport	27,310	13.73%	15,915	8.00%	19,894	10.00%
Lena	10,621	15.45%	5,500	8.00%	6,875	10.00%
Herscher	19,571	19.93%	7,857	8.00%	9,822	10.00%
Tier 1 Capital to Risk Weighted Assets:						
Company	$116,759	12.57%	$55,717	6.00%	$74,289	8.00%
Northwest	26,777	11.34%	14,165	6.00%	18,886	8.00%
German	22,366	11.62%	11,545	6.00%	15,394	8.00%
Davis	15,990	12.88%	7,449	6.00%	9,932	8.00%
Freeport	24,812	12.47%	11,936	6.00%	15,915	8.00%
Lena	9,756	14.19%	4,125	6.00%	5,500	8.00%
Herscher	18,328	18.66%	5,893	6.00%	7,857	8.00%
Common Equity Tier 1 Capital to Risk Weighted Assets:						
Company	$116,759	12.57%	$41,788	4.50%	$60,360	6.50%
Northwest	26,777	11.34%	10,624	4.50%	15,345	6.50%
German	22,366	11.62%	8,659	4.50%	12,507	6.50%
Davis	15,990	12.88%	5,587	4.50%	8,070	6.50%
Freeport	24,812	12.47%	8,952	4.50%	12,931	6.50%
Lena	9,756	14.19%	3,094	4.50%	4,469	6.50%
Herscher	18,328	18.66%	4,420	4.50%	6,384	6.50%
Tier 1 Capital to Average Assets:						
Company	$116,759	10.05%	$46,491	4.00%	$58,114	5.00%
Northwest	26,777	9.56%	11,200	4.00%	14,000	5.00%
German	22,366	9.30%	9,622	4.00%	12,027	5.00%
Davis	15,990	9.90%	6,461	4.00%	8,076	5.00%
Freeport	24,812	10.17%	9,759	4.00%	12,199	5.00%
Lena	9,756	11.43%	3,416	4.00%	4,270	5.00%
Herscher	18,328	12.84%	5,709	4.00%	7,136	5.00%

(24) Dividends

State banking regulations restrict the amount of dividends that a bank may pay to its stockholders. The regulations provide that dividends are limited to the balance of undivided profits, subject to capital-adequacy requirements, plus an additional amount equal to the bank's current-year earnings through the date of any declaration of dividends. The payment of dividends would also be restricted if a Bank does not meet the minimum capital conservation buffer as defined by Basel III regulatory capital guidelines.

(25) Lease Commitments

One of the Banks had operating lease commitments on office space in Loves Park, Illinois. The terms of the Perryville lease location required base lease amounts of approximately $80 per year. The lease expired September 2016 and was renewed for additional terms with expiration in 2018. The terms of North Second lease location requires base lease amounts of approximately $34 per year. The lease expires September 2020 and is renewable up to two additional five-year terms. Rent expense of $105 and $122 was recognized in 2018 and 2017, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(000s omitted except share data)

(25) Lease Commitments (continued)

In addition, there is an operating lease agreement for bank premises in Kankakee, Illinois. A formal lease agreement was signed for 2018 for the Kankakee location. The terms of the 2018 lease require base lease amount of $10.

The minimum lease commitments on all leases is $46 for 2019 and $23 for 2020.

(26) Qualified Affordable Housing Project Investments

The Company invests in qualified affordable housing projects. At December 31, 2018 and 2017, the balance of the investment for qualified affordable housing projects was $1,503 and $1,857. These balances are reflected in the other assets line on the consolidated balance sheets.

CONSOLIDATING SCHEDULE 1 - BALANCE SHEET
(000s omitted except share data)

December 31, 2018

ASSETS	German-American State Bank	State Bank of Davis	Northwest Bank
Cash and due from banks	$3,834	$1,478	$6,643
Interest-bearing deposits in banks	303	266	69
Federal funds sold	237	0	0
Interest-bearing deposits in banks - term deposits	3,222	3,001	0
Securities:			
Securities available-for-sale	53,576	48,705	44,086
Securities held-to-maturity	0	520	0
Non-marketable equity securities, at cost	189	106	262
Loans held for sale	0	0	1,722
Loans, net	176,810	91,915	205,478
Foreclosed assets, net	111	2	332
Premises and equipment	1,181	870	8,172
Core deposit intangible	0	0	0
Bank owned life insurance	3,249	1,872	5,732
Other assets	3,339	3,417	3,617
Investment in subsidiary banks	0	0	0
Total assets	$246,051	$152,152	$276,113
LIABILITIES AND STOCKHOLDLERS' EQUITY			
Liabilities:			
Deposits:			
Noninterest bearing	$28,293	$14,915	$42,224
Interest-bearing	186,573	109,861	190,833
Total deposits	214,866	124,776	233,057
Federal funds purchased	0	2,014	3,578
Securities sold under agreements to repurchase		7,870	1,900
Federal Home Loan Bank (FHLB) and Federal Reserve advances and other borrowings	6,000	0	9,443
Subordinated debentures	0	0	0
Accrued interest payable and other liabilities	1,450	371	1,386
Total liabilities	222,316	135,031	249,364
Stockholders' equity:			
Preferred stock	0	0	0
Common stock	400	100	1,450
Additional paid-in capital	2,914	1,633	7,365
Retained earnings	21,049	15,602	18,457
Treasury stock	0	0	0
Accumulated other comprehensive income (loss)	(628)	(214)	(523)
Total stockholders' equity	23,735	17,121	26,749
Total liabilities and stockholders' equity	$246,051	$152,152	$276,113

State Bank	Lena State Bank	State Bank of Herscher	Foresight Financial Group, Inc.	Eliminations	Consolidated Total
$4,102	$1,177	$3,050	$201	($201)	$20,284
74	672	172	4,580	947	$7,083
0	702	15	0		954
4,451	1,091	3,730	0	(5,527)	9,968
69,812	26,404	52,279	0		294,862
0	0	0	0		520
225	55	158	0		995
0	0	0	0		1,722
179,267	54,312	76,483	128		784,393
0	0	70	0		515
1,600	381	1,907	4,892		19,003
0	0	911	0		911
1,449	1,690	4,472	3,013		21,477
3,234	1,262	2,646	121		17,636
0	0	0	122,232	(122,232)	
$264,214	$87,746	$145,893	$135,167	($127,013)	$1,180,323
$29,304	$4,203	$29,907	$0	($201)	$148,645
182,960	72,627	93,105	0	(4,580)	831,379
212,264	76,830	123,012	$0	(4,781)	980,024
421	0	0	0		6,013
17,432	0	552	0		27,754
6,370	0	3,500	7,903		33,216
0	0	0	-		0
1,196	689	956	1,825		7,873
237,683	77,519	128,020	9,728	(4,781)	1,054,880
0	0	0	0		0
1,000	500	400	1,002	(3,850)	1,002
4,695	3,733	17,891	9,807	(38,228)	9,810
21,402	6,238	524	124,068	(83,272)	124,068
0	0	0	(6,320)		(6,320)
(566)	(244)	(942)	(3,118)	3,118	(3,117)
26,531	10,227	17,873	125,439	(122,232)	125,443
$264,214	$87,746	$145,893	$135,167	($127,013)	$1,180,323

For the year ended December 31, 2018

	German-American State Bank	State Bank of Davis	Northwest Bank
Interest and dividend income:			
Loans, including fees	$8,765	$4,356	$10,123
Securities:			
Taxable	852	776	645
Tax-exempt	670	596	576
Interest-bearing deposits in banks and other	118	140	72
Federal funds sold	13	11	17
Total interest and dividend income	10,418	5,879	11,433
Interest expense:			
Deposits	2,229	1,095	1,886
Federal funds purchased	12	5	8
Securities sold under agreements to repurchase	0	191	45
Federal Home Loan Bank advances and other borrowings	54	0	125
Subordinated debentures	0	0	0
Total interest expense	2,295	1,291	2,064
Net interest and dividend income	8,123	4,588	9,369
Provision for loan losses	120	100	740
Net interest and dividend income, after provision for loan losses	8,003	4,488	8,629
Noninterest income:			
Customer service fees	301	86	405
Equity in earnings of subsidiaries			
Gain on sales and calls of AFS securuties, net	5	0	(30)
Gain on sales of loans, net	64	0	1,233
Loan-servicing fees	0	0	722
Other	1,032	323	833
Total noninterest income	1,402	409	3,163
Noninterest expenses:			
Salaries and employee benefits	2,859	904	5,389
Occupancy expense of premises, net	328	159	1,032
Outside services	291	291	216
Data processing	617	339	1,030
Foreclosed assets, net	(29)	19	15
Other	1,278	431	2,416
Total noninterest expenses	5,344	2,143	10,098
Income before income taxes	4,061	2,754	1,694
Income tax expense (benefit)	953	494	234
Net income	$3,108	$2,260	$1,460

CONSOLIDATING SCHEDULE 2 - STATEMENT OF INCOME
(000s omitted except share data)

State Bank	Lena State Bank	State Bank of Herscher	Foresight Financial Group, Inc.	Eliminations	Consolidated Total
$8,455	$2,599	$4,576	3		$38,877
1,156	395	740	0		4,564
665	336	297	0		3,140
177	40	122	21	($21)	669
16	7	9	0		73
10,469	3,377	5,744	24	(21)	47,323
1,633	740	382	0	($21)	7,944
18	3	8	0		54
297	0	0	0		533
29	13	12	347		580
0	0	0	296		296
1,977	756	402	643	(21)	9,407
8,492	2,621	5,342	(619)	0	37,916
360	0	128	0		1,448
8,132	2,621	5,214	(619)	0	36,468
150	97	121			1,160
			$13,880	($13,880)	0
13	(2)	0			(14)
0	0	0			1,297
0	0	53			775
1,006	793	528	2,211	(2,348)	4,378
1,169	888	702	16,091	(16,228)	7,596
2,563	637	1,949	3,016		17,317
236	117	327	529	(42)	2,686
219	196	253	538	(1,231)	773
591	254	455	161	(1,075)	2,372
0	0	213	0		218
601	296	806	896		6,724
4,210	1,500	4,003	5,140	(2,348)	30,090
5,091	2,009	1,913	10,332	(13,880)	13,974
1,268	281	412	(1,033)		2,609
$3,823	$1,728	$1,501	$11,365	($13,880)	$11,365

General Information

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Market: OTC Pink Marketplace
Trading symbol: **FGFH**

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