BANTERRA BANK
IS THE LARGEST, LOCALLY-OWNED BANK IN THE REGION.

WE’RE COMMITTED TO PROVIDING THE BEST IN CUSTOMER SERVICE.

EXPERIENCE BANKING WITH LOCAL STYLE.
I am proud to share the impressive results of our team’s efforts for 2015, as we demonstrated continued growth and the advancement of new business lines. These accomplishments continue to make Banterra a trusted partner for our customers, employees, communities and shareholders.

OUR HISTORY
Starting with a single location in Ridgway, Illinois, Banterra celebrated its 40th anniversary in 2015. Banterra is now the region’s largest locally-owned financial institution with 36 branches located in Illinois, Indiana, Kentucky and Missouri with total assets of more than $1.4 billion. Banterra’s assets are now in the top five percent of banks in Illinois and top ten percent in the nation. Our growth is driven by core market progress, expansion into new markets such as Indiana and Missouri and the development of new specialty business lines. The Banterra team is committed to providing strong value and excellent personal service to our customers along with staying ahead of the changing banking industry with new products and customer conveniences.

OUR TEAM
Banterra has loyal, hard-working team members that have a passion for exceeding our customers’ financial needs. They are motivated to provide the highest results for our customers, communities and shareholders. Banterra’s board of directors and regional advisory boards know our communities well and provide expert support to our team members. We consider ourselves fortunate to serve our customers and to have a true partnership with their financial success. If you are considering banking with Banterra, it is our goal that this information and the experience you have had or will have with our team members communicates the bank’s strength and dedication to our slogan “Banking With Local Style.” We mean it.

OUR DIFFERENCE
With Banterra, you will benefit from a bank that is dedicated to staying ahead of the curve in regards to technology and conveniences for our customers. Our industry is changing at rapid speed, and we have the foresight to be a part of those changes that better serve customers. You’ll find “mega bank” products at Banterra such as Mobile Check Deposit, Visa® Checkout, and online applications, yet unlike “mega banks,” you’ll experience personal service, quick and local decisions, and true community involvement from our company and our team members.

We look forward to what we will accomplish in 2016 and we truly appreciate the opportunity to serve you. I invite you to visit Banterra.com to learn more or stop by one of 36 banking centers and meet with a Banterra team member.

Regards,

Jeff May
President
Banterra Bank
ABOUT US

- Founded in 1975; headquartered in Eldorado, Illinois.
- The largest, locally-owned bank in the region with more than $1.4 billion in assets.
- Regional presence – Illinois, Indiana, Kentucky, Missouri.
- Products and services that customers expect from a mega bank, but with the personal service that only comes with a strong regional community bank.
- Team members who go above and beyond what a customer would expect in order for your experience to be exceptional.
- We care about supporting economic development in our communities and building businesses.
- We value entrepreneurs with strong leadership and management teams.
- Strong interest in Commercial and Industrial (C&I) companies including manufacturing, distribution and service companies, among others.
- Lending capacity in excess of $33 million, focusing on middle market, mostly privately-owned companies.
- Experience with agricultural lending that is the cornerstone of our bank and unmatched in the region.
- We offer specialty lending services that are often not provided by other banks including Aircraft Finance, Corporate Banking, Machine Tool Finance, RV and Marine Lending and Transportation Lending.
- Dedicated to working with our business customers and their advisors to develop the optimal lending arrangement that supports company success now and into the future.
- Enhanced mortgage offerings in order to provide the best and most convenient mortgage service to our customers as well as support real estate efforts in our communities.
- Rather than overly reminding the public to bank with us, we choose to invest the largest portion of our marketing budget toward supporting our communities through sponsorships and donations.

MISSION

To be a strong regional community bank delivering financial services that provide long-term value to its customers, employees and shareholders.

Banterra Centre in Cape Girardeau, a $7-million facility that opened in 2013
LEADERSHIP

BOARD OF DIRECTORS
Everett D. Knight
Michael J. Alley
Steve A. Carter
Jason C. Knight
Robert Jeff May
James W. Morris
Harry C. Mueller
Thomas J. Raben

OFFICERS
Everett D. Knight Chairman & Chief Executive Officer
Robert Jeff May President
Barbara L. McKenzie EVP, Chief Financial Officer
James W. Morris EVP, Chief Legal Officer, Asst. Corporate Secretary
Steve R. Burroughs EVP, Chief Credit Officer
Debra J. Becht SVP, Director of Retail Banking
Regina M. Davis VP, Comptroller
Jennifer R. Aden Asst. General Counsel, Corporate Secretary

MARKET EXECUTIVES
Dennis Andrews East Region
Ed Carroll Missouri Region
Phil Goines River Region
Chris Rutledge Indiana Region
Jeffrey Speith Central Region
John Gill RV & Marine Lending
David Madden Aircraft Finance
David Ozbun Transportation Lending
Gary Taylor Corporate Banking
John VanDaele Machine Tool Finance

REGIONAL ADVISORY BOARDS

CAPE GIRARDEAU
David Anderson Eye Consultants, Inc.
Frank Dietiker Stanley, Dirnberger & Hopper
Rick Hetzel R. Hetzel Properties
Rob Janet Dutch Enterprises, Inc.
Doug Mueller W.E. Walker-Lakenan Insurance Agency
Scott Rhodes Plaza Tire Service, Inc.
John Voss Proctor & Gamble

INDIANA
Dan Felker Sterling Boiler & Mechanical, Inc.
Greg Folz The Research Institute of Deaconess Clinic
Shannon Frank Kahn, Dees, Donovan & Kahn, LLP
Chris Kiefer Ivy Tech Community College
Jennifer Stevens Southern Business Machines, Inc.

PADUCAH
James Garrett Bonne Terre Meat Company, Inc.
Garrett Enterprises, LLC
d/b/a Supply Solutions
Marty Johnson Johnson Plaster & Vinyl, Inc.
Bobby Miller The Miller Law Firm
Bruce Wilcox Henry A. Petter Supply Co.

For more information on our company, career opportunities, and services that we provide, please go to Banterra.com.

To contact our staff or any particular branch, simply call us at 866-BANTERRA (226-8377).
**FINANCIAL HIGHLIGHTS**

(Dollar Amounts In Thousands)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$17,370</td>
<td>$18,948</td>
<td>$16,939</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$1,371,854</td>
<td>$1,286,112</td>
<td>$1,178,315</td>
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<tr>
<td>Total Equity</td>
<td>$132,417</td>
<td>$130,691</td>
<td>$110,376</td>
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<tr>
<td>Loans</td>
<td>$940,881</td>
<td>$900,843</td>
<td>$814,555</td>
</tr>
<tr>
<td>Deposits</td>
<td>$1,125,685</td>
<td>$1,086,243</td>
<td>$995,625</td>
</tr>
<tr>
<td>Loan Loss Reserve</td>
<td>$9,902</td>
<td>$10,249</td>
<td>$9,597</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>Peer Banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity/Assets</td>
<td>9.38%</td>
<td>9.81%</td>
<td>9.62%</td>
<td>9.86%</td>
</tr>
<tr>
<td>Return On Assets</td>
<td>0.95%</td>
<td>1.11%</td>
<td>1.03%</td>
<td>0.94%</td>
</tr>
<tr>
<td>Return on Equity</td>
<td>9.61%</td>
<td>11.23%</td>
<td>10.68%</td>
<td>9.53%</td>
</tr>
<tr>
<td>Overhead/Total Assets</td>
<td>2.88%</td>
<td>2.71%</td>
<td>2.79%</td>
<td>2.82%</td>
</tr>
<tr>
<td>Net Loan Losses/Loans</td>
<td>0.31%</td>
<td>0.05%</td>
<td>0.24%</td>
<td>0.09%</td>
</tr>
<tr>
<td>Net Loans/Assets</td>
<td>67.89%</td>
<td>69.28%</td>
<td>68.35%</td>
<td>67.56%</td>
</tr>
</tbody>
</table>

Source FDIC’s UBPR

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**U.S. CHARTERED BANKS** - Out of 6,589 U.S. chartered banks, **Banterra** ranks in the top ten percent.

![Top 10% Chart](chart1.png)

**ILLINOIS CHARTERED BANKS** - Out of 550 Illinois banks, **Banterra** ranks in the top five percent.

![Top 5% Chart](chart2.png)

Source FDIC; Ranking based on total assets.
2015 YEAR IN REVIEW

The Change That You Want To Make

As part of “The Change That You Want To Make” campaign, Banterra placed several outdoor boards in Southern Illinois to remind customers that Banterra won’t force customers to change with bank mergers, because Banterra is here to stay.

Banterra renovated an existing building in East Prairie and opened this new, state-of-the-art branch in August 2015. Banterra donated their existing banking center facility to Massac County for government needs and built this new banking center just a few blocks away at 521 Ferry Street. This branch opened in December 2015.

NEW BRANCHES

Banterra opened two new branches in 2015, one in East Prairie, Missouri and one in Metropolis, Illinois. Both branches featured a modern, new design tailored for “Dialogue Banking” which allows improved communication with customers and stronger efficiency for the bank.

The Change That You Want To Make

Banterra launched “The Change That You Want To Make” campaign primarily in Southern Illinois which featured new team members, a $200 bonus offer for checking, and other reasons why customers should change to Banterra.

NEW CONVENIENCES

- Mobile Check Deposit - Make deposits with your mobile app in a snap.
- Restart Checking - Giving a second chance to customers who need banking.
- checXchange™ - Free service to business customers offering check collection.

SPECIALTY LENDING ENHANCEMENTS

- Aircraft Finance - A new website, BanterraAircraft.com, was launched specifically for Banterra Aircraft Finance which includes online application, customer stories, blog and other helpful information regarding Banterra Aircraft Finance.
- Machine Tool Finance - Following the launch of BanterraAircraft.com, a new website, BanterraMachineTool.com, was developed and launched specifically for Banterra Machine Tool Finance. This site includes online applications, blog, meet the team and other helpful information regarding Banterra Machine Tool Finance.
- RV & Marine Lending - Banterra RV & Marine Lending introduced online payments to further enhance convenience to loan customers. This division continues to be a strong area for Banterra, with $88 million in loan volume for 2015.
- Transportation Lending - This division, which provides lending and financial services specifically to the U.S. trucking industry, was added to Banterra’s offerings in 2015.
PLANS FOR 2016

VISA® CARD ENHANCEMENTS
Visa Chip Cards - Banterra will offer Visa Debit and Credit Cards with Chip Technology. These new cards offer enhanced security for our customers at no extra charge.

Card@Once® - With Card@Once, Banterra VISA Debit Cards will be able to be obtained directly from many of our branches rather than waiting to receive your new card in the mail.

VISA CHECKOUT & APPLE PAY
As part of Banterra’s mission to continuously offer enhanced digital conveniences, Visa Checkout and Apple Pay will be launched in 2016.

Visa Checkout - Online shoppers simply register their debit or credit card only once and then enjoy an easy payment process on any site that utilizes Visa Checkout.

Apple Pay™ - Paying in stores or within apps has never been easier. Access your credit and debit cards from your mobile phone through Apple Pay, enjoying the convenience of no wallet and the security of your card details not being shared or stored on your device.

ENHANCED DIGITAL OPPORTUNITIES
Banterra knows that the banking industry is quickly becoming a digital environment. In addition to online and mobile banking, mobile and iPad apps, online mortgage and specialty lending applications, Banterra will continue to grow its digital conveniences. This will include:

• Digital Banking Platform - This platform will allow team members to offer enhanced customer service by better understanding customer needs as well as offer stronger convenience.

• Online Applications - Banterra plans to expand the online applications for deposit and loan accounts.

“Banterra opened modern, state-of-the-art banking centers in 2015 that have set the standard for our company’s future expansion,” said Jeff May, president of Banterra Bank. “Digital banking will be our priority and our banking centers will complement that technology.”
A Brief Look At The Past 40 Years.

1975
- $11 million in assets.
- Acquired Gallatin County State Bank in Ridgway, Illinois.
- Changed bank names to "Banterra Bank Of..."

1980
- Bank has grown to three Illinois branches with acquisition of The Bank of West Franklin (1979) and Drovers State Bank in Vienna (1980).
- First year of operations.

1983
- Franfort Bancorp, Inc., Vienna Bancorp, Inc. and Ridgway Bancorp, Inc. are merged, making it a multi-bank holding company and is named Banterra Corp.
- The word "Banterra" means "Bank of the Earth" and was selected as it is reflective of the company's philosophy.

1989

1990
- Banterra opens a branch in Paducah (KY).

1995
- Banterra has 16 branches with acquisitions of Heartland National Bank in Herrin and Carbondale (IL, 1999) and National State Bank in Metropolis (IL, 2000).
- Banterra has reached $1 billion in assets.

2000
- Banterra entered fourth state, Missouri, established a loan production office in Cape Girardeau.

2002
- Title Professionals, Inc. is acquired and Banterra reaches 21 branches.
- Banterra Corporation is converted to a financial holding company.
- Banterra adds a third location at 401 E. DeYoung Street.

2003
- Banterra Corp reached $1 billion in assets.
- Banterra entered third state, Indiana, established a loan production office in Evansville.

2004
- Banterra entered fourth state, Missouri, established a loan production office in Cape Girardeau.

2006
- Banterra entered fourth state, Missouri, established a loan production office in Cape Girardeau.

2007
- Banterra opened a branch in Newburgh (IN) and converted Evansville loan production office to a branch.
- Cape Girardeau loan production office is converted to a branch.
- RV Lending is established.

2009
- Evansville (IN) branch moved to newly constructed branch at 133 Cross Pointe Boulevard.
- Machine Tool Financing is established.

2010
- Opened new drive-thru facility in Hinsburg (IL) at 395 S. Commercial.

2012
- Banterra now has four Evansville (IN) area branches with addition of branches at 705 N. St. Joseph Avenue (2011) and 435 E. Diamond Avenue (2012).

2013
- Banterra’s Cape Girardeau branch is moved to the new Banterra Centre, a $7 million facility developed by Banterra and The Rhodes Group.

2014
- Banterra opens two new branches, a renovation project in East Prairie, Missouri (August) and new construction in Metropolis, Illinois (December).

2015
- Banterra now has 36 branches.
- $1.4 billion in assets.
- Transportation Lending was added to Specialty Lending division.
- Banterra now has 36 branches.
- Acquired Area Bank, with locations in Southeast Illinois. Branches include Cave-In-Rock, Golconda, Elizabeth and Rosiclare.
COMMUNITY

At Banterra, we understand the importance of service and taking care of our community. That's probably because we understand that our business is about relationships, meeting customers’ needs, and doing what we can to improve our neighborhoods.

That’s why we make it a point to support our communities. Sometimes it is through sponsoring a local event or donating to groups in need. Oftentimes, it is our team members volunteering or, along with our customers, supporting fund-raising promotions that are ongoing in our branches.

Bantlya supported hundreds of community needs in 2015, including raising almost $14,000 for This Able Veteran by selling t-shirts and St. Louis Cardinals tickets. This Able Veteran is an organization that provides trained service dogs and an intensive trauma resiliency program to veterans suffering from PTSD.

If your charity, organization or event would like to request a donation or sponsorship from Banterra, simply stop by your local branch and talk to a Banking Center Manager. You’ll be provided with a form to complete for consideration.

SPECIAL EVENTS

Bantlya wants to be the financial partner that helps you reach your American dream, whether that is buying a home or starting your own business. You’ll also find that we are a financial partner that wants you to have fun! We sometimes offer special events that raise money for a charity or show our customer appreciation.

Whether it is offering discount tickets to St. Louis Cardinals baseball games or hosting customer events at football tailgates or barn luncheons, Banterra wants you to know that we appreciate your business.

For Banterra’s latest updates on community service and special events, go to Banterra.com.

COMMUNITY SERVICE

We offer St. Louis Cardinals events that raise funds for local charities.

In the home of Superman, our Metropolis grand opening would not be complete without prize giveaways fit for super heroes.

Banterra, along with neighboring businesses, went pink for breast cancer.

Banterra held fundraising events for This Able Veteran, an organization that provides service dogs to veterans such as Pickles shown here.
BUSINESS PRODUCTS

Banterra offers a variety of business products to ensure that you have the convenience and tools necessary for a successful business.

Below are just a few highlights of what we offer. Stop by a branch and talk with a Banterra team member for complete details and offerings.

CHECKING

Variety of checking products to best serve your needs including interest-bearing accounts.

SAVINGS

Savings accounts, money markets, and health savings for smart investing.

LOANS & INSURANCE

Commercial and agricultural loans, as well as insurance and machine tool financing.

VISA® CREDIT CARDS

Through Elan Financial Services, Banterra offers a variety of business credit cards that offer competitive rates, bonus reward points and other important benefits.

TREASURY MANAGEMENT SERVICES

Banterra offers superior treasury management services that provide convenience and personal attention to your business needs. Services include:

- Business Mobile App
  - Available for Cash Management customers
- Online Banking & Account Management
  - Cash Management
  - Image Retrieval
  - Account Reconciliation
- Payments
  - Direct Deposit of Payroll (ACH)
  - Accounts Payable (ACH)
  - Wire Transfers
- Receivables
  - Account Receivables
  - Cash Concentration
  - Remote Deposit
  - Merchant Processing
  - Electronic Data Interchange (EDI)

PERSONAL PRODUCTS

Banterra provides personal banking products to better serve your financial needs and help you reach your American dream. Speak with a Banterra team member for complete details and offerings.

CHECKING

Variety of checking products to best serve your needs including Banterra SmartChoice checking which features an identity theft protection service - IDProtect®, as well as Banterra InterestPlus that allows you to earn interest and Banterra Green which offers the essentials. Banterra also offers Banterra Restart Checking for those individuals needing a second chance at banking.

SAVINGS

Several ways to save including savings accounts, money markets, Individual Retirement Accounts (IRAs), Certificate of Deposits (CDs), and health savings.

ONLINE & MOBILE BANKING

Enjoy free and convenient online and mobile banking with Banterra. Register at Banterra.com or download our mobile and iPad apps (available on Banterra.com, App Store and Google Play) and you’ll experience banking anytime and anywhere. With our mobile app, you can easily view account balances and transactions, transfer funds, and pay bills. The app includes an on/off feature for your debit card for increased security and Mobile Check Deposit. Online banking has similar options including receiving online statements.

MORTGAGE & EQUITY

Banterra offers exceptional mortgage loans including Fixed-Rate and Adjustable-Rate, FHA & VA, Rural Housing, Jumbo Mortgage, Construction and Refinance. Access funds easily for remodel, debt consolidation or other needs with Home Equity Line of Credit and Home Equity Loans. Visit a Banterra Mortgage Consultant or apply online at Banterra.com.

CONSUMER LOANS

Are you looking for a new car, boat or RV? Do you need to consolidate bills? No matter what your needs are, we can help.

BANTERRA VISA® AND AMERICAN EXPRESS® CREDIT CARDS

Through Elan Financial Services, Banterra offers Visa and American Express Credit Cards that offer competitive rates, bonus reward points and other important benefits. Banterra also offers Banterra Visa Debit Cards and Banterra Visa Home Equity Line Of Credit Cards, and all cards feature chip technology for added security.

OVERDRAFT SERVICES

In addition to standard overdraft practice, Banterra offers Overdraft Protection and Debit Card Overdraft Service to assist in managing your checking account.

OTHER - FOREIGN CURRENCY, INSURANCE & MORE

Banterra offers additional personal products including Foreign Currency, Insurance* and more. Go to Banterra.com for a complete listing.

*Not a deposit, not guaranteed by the bank, not FDIC insured, not insured by any federal government agency.
### Illinois

**Carbondale**
1917 W. Main St.
618-549-4445
- ATM Only
  - Westowne Centre 2003 W. Main St.

**Carmi**
1310 W. Main St.
618-382-7376

**Carterville**
108 E. Plaza Dr.
618-985-3738

**Cave-in-Rock**
249 N. Canal St.
618-289-3240

**Cartersville**
506 N. Victor St.
618-724-9416

**Christopher**
124 W. Main St.
618-542-2142
- ATM Only
  - Southtowne Shopping Center, Rt. 51 South

**Eldorado**
1501 U.S. Hwy. 45 S.
618-273-2242

**Elizabethtown**
101 S. Main St.
618-287-2171
- ATM Only
  - Elizabethtown Riverport Express
  - 100 1st Street

**Elnora**
200 E. Market St.
618-287-2171

**East Frankfort**
102 W. Main St.
618-993-1800
- ATM Only
  - Borowiak's IGA
  - 914 W. Main St.

**Edwards**
395 S. Commercial St.
618-207-6000
- ATM Only
  - Southeastern Illinois College
  - 3575 College Rd. Harrisburg

**Harrisburg**
3201 Banterra Dr.
618-993-2678
- ATM Only
  - Southeastern Illinois College
  - 3575 College Rd. Harrisburg

**Herrin**
3811 Haley Dr.
618-490-3200
- ATM Only
  - Russell Oil
  - 415 Main Street

**Herrin**
318 S. Park Ave.
618-993-2678

**Jefferson City**
401 E. DeYoung St.
618-993-0180
- In-Kroger
  - 1704 W. DeYoung St.
  - 618-997-1643

**Kirkwood**
1206 W. Main St.
618-542-2142
- ATM Only

**Ladue**
1404 U.S. Highway 45
618-273-9436

**Marion**
111 Airway Dr.
618-997-2760
- ATM Only

**West Frankfort**
705 N. Clark Ave.
618-285-6813

**McCleanboro**
200 E. Market St.
618-643-2351

**Metropolis**
521 Ferry St.
618-524-9216

**Mount Vernon**
3520 Broadway St.
618-242-9070

**Norris City**
208 E. Main St.
618-378-3453
- ATM Only
  - Doug's Food Mart
  - 201 S. Division St.

**Ridgway**
123 S. Murphy St.
618-272-3151
- ATM Only
  - QuickMart
  - 105 W. Main St.

**Rosiclare**
225 Main St.
618-285-6813
- ATM Only
  - Russell Oil
  - 415 Main Street

**Villa Ridge**
402 Oakwood Rd.
618-993-1800

**Vienna**
318 S. Park Ave.
618-287-2171

**West Frankfort (cont'd)**
120 W. Main St.
618-993-1800

**Other Locations**

**Insurance Division**
Eldorado 1501 U.S. Highway 45
800-455-3391

**Administrative Offices**
Eldorado 1404 U.S. Highway 45
618-273-7309

**Marketing/Administration**
Marion 111 Airway Dr.
618-997-2760

**Kentucky**

**Paducah**
5200 Hinkleville Rd.
270-444-6267

**Evansville**
133 Cross Pointe Blvd.
812-475-2866

**Owensboro**
435 E. Diamond Ave.
812-228-5230

**Newburgh**
3811 Haley Dr.
812-490-3200

**Russellville**
301 W. Main St.
812-475-2866

**Omaha**
374 Third St.

**Sesser**
202 S. Park St.

**West City**
ATM Only
- Murphy Oil At Wal-Mart
  - 917 Giacone Dr.
  - *Cash dispenser only*
BANterra offers 36 branches to serve you

Illinois:
- McLeansboro
- Carbondale
- Marion
- Vienna
- Metropolis
- Paducah
- Cape Girardeau

Missouri:
- Cape Girardeau
- East Prairie

Indiana:
- Newburgh

Kentucky:
- Cave-in-Rock
- Rosiclare

Other:
- Ladue
- Mt. Vernon
- Evansville
- Ridgway
- Elizabethtown
- Carbondale
- Carterville
- Herrin
- Du Quoin
- Christopher
- West Frankfort
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