

Board of Governors of the Federal Reserve System



Annual Report of Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 248(a)(1), 602, and 611a); and sections 113, 165, 312, 618, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

This report form is to be filed by all top-tier bank holding companies, top-tier savings and loan holding companies, and U.S. intermediate holding companies organized under U.S. law, and by any foreign banking organization that does not meet the requirements of and is not treated as a qualifying foreign banking organization under Section 211.23 of Regulation K (12 C.F.R. § 211.23). (See page one of the general instructions for more detail of who must file.) The Federal Reserve may not conduct or sponsor, and an organization (or a person) is not required to respond to, an information collection unless it displays a currently valid OMB control number.

NOTE: The *Annual Report of Holding Companies* must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

I, **Richard D. Wardell**

Name of the Holding Company Director and Official

President

Title of the Holding Company Director and Official

attest that the *Annual Report of Holding Companies* (including the supporting attachments) for this report date has been prepared in conformance with the instructions issued by the Federal Reserve System and are true and correct to the best of my knowledge and belief.

With respect to information regarding individuals contained in this report, the Reporter certifies that it has the authority to provide this information to the Federal Reserve. The Reporter also certifies that it has the authority, on behalf of each individual, to consent or object to public release of information regarding that individual. The Federal Reserve may assume, in the absence of a request for confidential treatment submitted in accordance with the Board's "Rules Regarding Availability of Information," 12 C.F.R. Part 261, that the Reporter and individual consent to public release of all details in the report concerning that individual.

Signature of Holding Company Director and Official

Date of Signature

Richard D. Wardell
 3/9/20

For holding companies not registered with the SEC—Indicate status of Annual Report to Shareholders:

is included with the FR Y-6 report
 will be sent under separate cover
 is not prepared

For Federal Reserve Bank Use Only

RSSD ID _____
 C.I. _____

Date of Report (top-tier holding company's fiscal year-end):

December 31, 2019

Month / Day / Year

n/a

Reporter's Legal Entity Identifier (LEI) (20-Character LEI Code)

Reporter's Name, Street, and Mailing Address

Iron Bancshares,

Legal Title of Holding Company

195 Main Street, P.O. Box 565

(Mailing Address of the Holding Company) Street / P.O. Box

Salisbury

CT

06068

City

State

Zip Code

Physical Location (if different from mailing address)

Person to whom questions about this report should be directed:

Margaret Caiati

VP&CFO

Name

Title

860-435-2581

Area Code / Phone Number / Extension

860-435-9105

Area Code / FAX Number

mcaiati@ironbank.com

E-mail Address

www.ironbank.com

Address (URL) for the Holding Company's web page

Is confidential treatment requested for any portion of this report submission? =No =Yes **0**

In accordance with the General Instructions for this report (check only one),

1. a letter justifying this request is being provided along with the report.

2. a letter justifying this request has been provided separately ...

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."

For Use By Tiered Holding Companies

Top-tiered holding companies must list the names, mailing address, and physical locations of each of their subsidiary holding companies below.

<hr/> <p>Legal Title of Subsidiary Holding Company</p> <hr/> <p>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</p> <hr/> <p>City State Zip Code</p> <hr/> <p>Physical Location (if different from mailing address)</p> <hr/>	<hr/> <p>Legal Title of Subsidiary Holding Company</p> <hr/> <p>(Mailing Address of the Subsidiary Holding Company) Street / P.O. Box</p> <hr/> <p>City State Zip Code</p> <hr/> <p>Physical Location (if different from mailing address)</p> <hr/>
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Form FRY-6

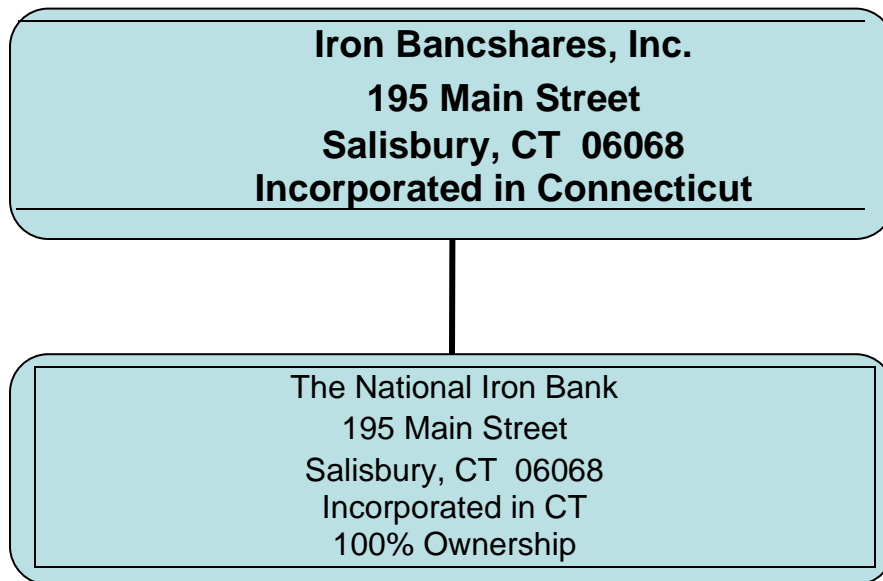
Iron Bancshares, Inc.
195 Main Street
Salisbury, CT 06068
Fiscal Year Ending December 31, 2019

Report Item:

- 1
 - a. Iron Bancshares, Inc. is not required to prepare form 10K with the SEC.
 - b. Iron Bancshares, Inc. does prepare an annual report for its shareholders. Enclosed are two copies of the annual report.

2. Organizational Chart:

LEI is not applicable unless otherwise noted.



Report Item 2b: Domestic Branch Listing

National Iron Bank:

Norfolk Branch Office –Open date: 06/30/1966

**12 John Curtiss Road
Norfolk
Litchfield County
Connecticut
United States
06058
Full Service**

Cornwall Bridge Branch Office – Open date: 07/01/1963

**366 Furnace Brook Road
Cornwall Bridge
Litchfield County
Connecticut
United States
06754
Full Service – No Safe Deposit Facilities**

Washington Depot Branch Office – Open date: 11/19/1984

**6 Bee Brook Road
Washington Depot
Litchfield County
Connecticut
United States
06794
Full Service – No Safe Deposit Facilities**

Salisbury Branch Office and Home Office – Open date: 07/01/1984

**195 Main Street
Salisbury
Litchfield County
Connecticut
United States
06068
Full Service**

Litchfield Loan Office – Open date: 03/01/2018

**39 West Street
Litchfield
Litchfield County
Connecticut
United States
06759
Limited Service – By Appointment only**

Iron Bancshares, Inc.
FORM FR Y-6
December 31, 2019

Report Item 3: Shareholders

Current Shareholders with ownership, control or holdings of 5% or more with power to vote as of 12/31/19

Shareholders not listed in (3)(1)(a) through (3)(1)(c) that had ownership, control Or holdings of 5% or more with power to vote during the fiscal year ending 12/31/19.

(1)(a) Name & Address (City, State, Country)	(1)(b) Country of Citizenship Or Incorporation	(1)(c) Number & Percentage of Each Class of Voting Securities	(2)(a) Name & Address (City, State, Country)	(2)(b) Country of Citizenship Or Incorporation	(2)(c) Number & Percentage of Each Class of Voting Securities
Paul L. Cornell, Jr. Washington Depot, CT	USA	3,232 – 19.89% Common stock			
Ralph W. Sandmeyer, Jr Cornwall Bridge, CT	USA	4,717 – 29.03% Common stock			
Richard D. Wardell Salisbury, CT	USA	2,917 – 17.95% Common stock			
Wardell Family Trust III Salisbury, CT	USA	1,180 – 7.26% Common stock			

Iron Bancshares, Inc.
FORM FR Y-6
December 31, 2019

Report Item 4: Directors and Officers

(1) Names & Address (City, State, Country)	(2) Principal Occupation if other than with Bank Holding Company	(3)(a) Title & Position with Bank Holding Company	(3)(b) Title & Position with Subsidiaries (include names of subsidiaries)	(3)(c) Title & Position with Other Businesses (include names of other businesses)	(4)(a) Percentage of Voting Shares in Bank Holding Company	(4)(b) Percentage of Voting Shares in Subsidiaries (include names of subsidiaries)	(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held(list names of companies and percentage of voting securities held)
Paul L. Cornell, Jr. Washington Depot, CT, USA	Retired	Chairman of the Board	Chairman of the Board (National Iron Bank)		19.89%		
Steven T. Cornell Washington Depot, CT, USA	Banking	Vice President, Secretary & Treasurer	Executive Vice President and Security Officer (National Iron Bank)		1.68%		
Kevin L. Dumas Roxbury, CT, USA	CPA	Director	Director (National Iron Bank)	Dumas Estate & Tax Management Owner	.06%		
Michael D. Lynch Sharon, CT, USA	Lawyer	Director	Private Practice		1.69%		
Kathryn S. Ward Cornwall Bridge, CT, USA	Consultant	Director	Director (National Iron Bank)		.67%		
Ralph W. Sandmeyer, Jr. Cornwall Bridge, CT, USA	Retired	Vice Chairman of the Board	Vice Chairman of the Board (National Iron Bank)		29.03%		Bonney Brook LLC –35%
Russell Riva, Jr. Salisbury, CT, USA	Retail Lumber	Director	Director (National Iron Bank)	Owner (Lindell Fuels, Inc.)	3.99%		Lindell Fuels,Inc.-50% C.A. Lindell & Sons, Inc. – 50% Riva Associates-50%
Richard D. Wardell Salisbury, CT, USA	Banking	President & Chief Executive Officer	President & Chief Executive Officer (National Iron Bank)		17.95%		
Thaddeus I. Gray Salisbury, CT, USA	Retired	Director	Director, Business Development (National Iron Bank)		1.56%		

IRON BANCSHARES, INC.

195 Main Street, P. O. Box 565
Salisbury, CT 06068-0565
(860) 435-2581 / Fax (860) 435-9105

Paul L. Cornell, Jr.
Chairman
Ralph W. Sandmeyer, Jr.
Vice-Chairman
Richard D. Wardell
President & CEO
Steven T. Cornell
EVP, Secretary & Treasurer

Directors:
Paul L. Cornell, Jr.
Steven T. Cornell
Kevin Dumas
Thaddeus I. Gray
Michael D. Lynch
Russell Riva, Jr.
Ralph W. Sandmeyer, Jr.
Kathryn Sandmeyer Ward
Richard D. Wardell

February 7, 2020

Dear Stockholder,

We are pleased to invite you to join us for the annual shareholders meeting of Iron Bancshares, Inc. on Tuesday February 25, 2019 at 10:00 a.m., in the boardroom at 195 Main Street, Salisbury, Connecticut. Enclosed for your review is Iron Bancshares year-end balance sheet and the National Iron Bank's financial statements for 2019. The reports and proxy statements are being sent in advance of the annual meeting of stockholders. Proxy statements are enclosed for those not planning to attend the meeting.

The only item on the agenda for the shareholder meeting is the re-election of Directors. However, during the meeting, National Iron Bank's President, Steven Cornell, will provide an update on the bank's performance in 2019 and any new initiatives planned for the coming year. We hope you can attend. Please read the proxy material and return it to us at your earliest convenience.

Thank you for your support and encouragement.



Richard D. Wardell, President & CEO



Paul L. Cornell, Jr., Chairman

NATIONAL
IRON BANK
Since 1847

195 Main Street, Salisbury CT 06068
(860) 435-2581 / Fax (860) 435-9105

Directors:
Paul L. Cornell, Jr.
Steven T. Cornell
Kevin Dumas
Thaddeus I. Gray
Michael D. Lynch
Russell Riva, Jr.
Ralphw.Sandmeyer,Jr.
KathrynSandmeyerWard
Richard D.Wardell

February 7, 2020

Dear Stockholders:

On behalf of the National Iron Bank Board of Directors, I am pleased to report on the bank's performance for 2019 at the shareholder meeting dated February 25, 2020.

The bank continues to serve our customers successfully, and along with our strategic philosophies, allow us to continue to grow and maintain strong profitability, even with ongoing economic challenges. In 2018, we continued to increase loans by 4.28%, without compromising asset quality. The bank ended the year with a ROA of 0.51% and a ROE of 6.41%. This year, the State of Connecticut passed legislation, in response to the Tax Cuts and Jobs Act, that imposed a new Pass-Thru Entity tax on any entity treated as an S Corporation. The new Pass-thru Entity tax was imposed at the rate of 6.99 percent on the bank's taxable income, resulting in a reduction in earnings for the year. We recommend that you consult your tax advisors to determine the impact of the change on you.

We are four-years into our strategic plan to modernize our Branches. The renovation of our Norfolk office is complete, and we are starting the final renovation of the Cornwall Office in 2019. We also continue to upgrade our Home and Smart Phone banking systems to make sure they are state of the art.

For 2019, we are very optimistic about our sustained growth in loans and deposits. We have already signed one town and two businesses to move their accounts to us, with others in the pipeline. On the loan side, we formed a strategic loan agreement with Quicken Loans, which should give us the opportunity to offer the best loan rates in the market and learn from one of the top lenders in the country.

Our employees remain intimately involved in our communities by donating their time to serve in various capacities for numerous non-profit organizations that have positive impacts on our communities. In addition, we continue to fulfill our commitment to strengthen our communities by donating a percent of our profits back to various community organizations and charitable programs.

Respectfully,



Steven T. Cornell
President & CEO

ANNUAL SHAREHOLDERS MEETING

TO THE HOLDERS OF SHARES OF COMMON STOCK:

NOTICE IS HEREBY GIVEN that pursuant to a call of its Directors, the regular annual meeting of the shareholders of Iron Bancshares, Inc. be held at the Banking House in Salisbury, Connecticut on Tuesday, February 25, 2020, at 10:00 a.m., for the purpose of considering and voting upon the following matters:

1. Election of Directors: To fix the number of directors to be elected at **nine** and the election of the **nine** persons listed in the proxy statement dated February 7, 2020, which accompanies this notice of said meeting.
2. Whatever Other Business may be brought before the meeting or any adjournment thereof.

Only those shareholders at the close of business on February 7, 2020, shall be entitled to notice of the meeting and to vote at the meeting.

By order of the Board of Directors

Richard D. Wardell, President

February 07, 2020

WE URGE YOU TO SIGN AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON. IF YOU DO ATTEND THE MEETING, YOU MAY WITHDRAW YOUR PROXY.

PROXY STATEMENT

Dear Stockholder:

We are pleased to enclose the official notice of the Annual Stockholders Meeting to be held on February 25, 2020, at 10:00 a.m. in the boardroom at the Main Office, Salisbury, Connecticut.

Election of Directors

The Bylaws of the bank holding company provide that the number of directors to be elected at the Shareholders Meeting will be determined by vote of the shareholders. The following are the nominees favored by management for election:

Paul Lincoln Cornell, Jr.
Steven T. Cornell
Kevin Dumas
Thaddeus I. Gray
Michael D. Lynch
Russell Riva, Jr.
Ralph W. Sandmeyer, Jr.
Kathryn Sandmeyer Ward
Richard D. Wardell

By order of the Board of Directors

Richard D. Wardell, President

February 7, 2020

BALLOT

February 25, 2020 - Iron Bancshares, Inc. - Salisbury, CT 06068

1. I am voting _____ shares fixing the number of directors to be elected at nine and the election of the nine persons listed in the proxy statement dated February 7, 2020 namely:

Paul Lincoln Cornell, Jr.

Steven T. Cornell

Kevin Dumas

Thaddeus Gray

Michael D. Lynch

Russell Riva, Jr.

Kathryn Sandmeyer Ward

Ralph W. Sandmeyer, Jr.

Richard D. Wardell

I am voting _____ shares in my name as registered on the books of this bank.

I am voting _____ shares as proxy.

Signed _____

THE NATIONAL IRON BANK

Balance Sheet

(In thousands of dollars)

(unaudited)

	Dec. 31 <u>2019</u>	Dec. 31 <u>2018</u>
Assets:		
Cash and due from banks	\$ 11,266	\$ 3,313
U.S. Treasury Securities	0	0
Obligations of other U.S. Government Agencies and Corps./ CMO's	21,875	23,653
Obligations of States and Political subdivisions	0	413
Other bonds, notes, debentures and stock	330	521
Federal funds sold and securities purchased under agreements to resell	150	150
Loans, total (excluding unearned income)	102,300	92,651
Less: Reserve for possible loan losses	<u>423</u>	<u>389</u>
Loans, net	101,877	92,262
Bank premises, furniture and fixtures, and other assets representing bank premises	1,402	1,321
Other real estate owned	0	0
Other assets	<u>537</u>	<u>485</u>
Total Assets	\$ <u>137,437</u>	\$ <u>122,118</u>
Liabilities:		
Transaction accounts: individuals, partnerships & corp.	\$ 44,710	\$ 56,906
Time and savings deposits of individuals, partnerships and corps.	68,051	45,916
Deposits of States and political subdivisions	12,947	7,049
Commercial banks and other depository institutions in the U.S.	491	245
Certified and officers' checks	<u>231</u>	<u>260</u>
Total domestic deposits	126,430	110,376
(a) Total demand deposits	11,908	18,072
(b) Total time and savings deposits	114,525	92,304
Interest bearing demand notes issued to the U.S. Treasury	25	22
Federal Home Loan Bank advances	0	1,650
Other liabilities	<u>82</u>	<u>77</u>
Total Liabilities	<u>126,537</u>	<u>112,125</u>
Equity Capital Accounts:		
Common stock:		
No. shares authorized (20,000)		
No. shares outstanding (par values) (20,000)	200	200
Surplus	200	200
Undivided Profits and Other Capital Reserves	10,628	10,295
Net unrealized gains (losses) on available-for-sale securities	<u>-128</u>	<u>-702</u>
Total equity capital	<u>10,900</u>	<u>9,993</u>
Total Liabilities and Equity Capital	\$ <u>137,437</u>	\$ <u>122,118</u>

STATEMENT OF EARNINGS

For the Years Ended December 31, 2019 and 2018
(in thousands of dollars)
(unaudited)

	<u>Dec. 31</u> <u>2019</u>	<u>Dec. 31</u> <u>2018</u>
Operating Income:		
Interest and fees on loans	\$ 3,888	\$ 3,520
Income on Federal Funds sold and securities purchased under agreements to resell in domestic offices	4	3
Interest on U.S. Treasury securities and on obligations of other U.S. Government agencies and corporations	442	530
Interest on obligations of States and political subdivisions of the U.S.	12	22
Income from all other securities	310	76
Service charges on deposit accounts	462	446
Realized Gain (losses) on securities	0	(5)
Net Gain (losses) on other real estate owned	0	0
Other service charges, commissions and fees	<u>107</u>	<u>87</u>
Total Operating Income	<u><u>5,225</u></u>	<u><u>4,679</u></u>
Operating Expenses:		
Salaries and employee benefits	1,805	1,683
Interest on time certificates of deposit of \$250,000 or more issued by domestic office	109	57
Interest on other deposits	489	223
Interest on borrowed money	0	34
Occupancy expense of bank premises and furniture and equipment expense	606	595
Provision for possible loan losses	42	0
Other expenses	<u>1,376</u>	<u>1,400</u>
Total Operating Expenses	<u><u>4,427</u></u>	<u><u>3,992</u></u>
Income before income taxes	798	687
Applicable income taxes	<u>47</u>	<u>46</u>
Net Income	<u><u>\$ 751</u></u>	<u><u>\$ 641</u></u>
Earnings Per Common Share:		
Net Income	<u><u>\$ 37.55</u></u>	<u><u>\$ 32.05</u></u>

(The bank is on an accrual basis of accounting)

Reconciliation of Equity Capital Accounts
For the Year Ended December 31, 2019
(In thousands of dollars)
(unaudited)

	Common Stock (par value)	Surplus	Undivided profits and other capital reserves	Total equity capital
Balance beginning of period	\$200	\$200	\$9,593	\$9,993
Net income	---	---	751	751
Cash dividends declared on common stock	---	---	417	417
Change in net unrealized holding gains (losses) on available for sale securities	---	---	573	573
Other transactions with Parent Holding Company			-----	-----
Balance end of period	\$200	\$200	\$10,500	\$10,900

Reconciliation of Reserve for Possible Loan Losses (Valuation Reserve)
For the years ended December 31, 2019 and 2018(In thousands of dollars)
(unaudited)

	<u>2019</u>	<u>2018</u>
Balance beginning of period	\$389	\$422
Provision for possible loan losses	42	0
Losses charged to reserve	9	35
Recoveries	1	2
Adjustments to Allowance for Off-balance sheet credit exposures	0	0
Balance end of period	\$423	\$389

Loan Categories of Total Loan Portfolio
(In thousands of dollars)
(unaudited)

	<u>Dec. 31, 2019</u>	<u>Dec. 31, 2018</u>
Real estate loans	\$ 100,039	\$90,880
Commercial Loans	1,206	696
Loans to individuals	1,060	1,080
Loans to Municipalities	0	0
	<u>102,305</u>	<u>92,656</u>
Less unearned income	5	5
	<u>\$ 102,300</u>	<u>\$ 92,651</u>

Iron Bancshares, Inc.

Balance Sheet

(In thousands of dollars)
(Unaudited)

	<u>Dec. 31</u> <u>2019</u>	<u>Dec. 31</u> <u>2018</u>
<u>Assets:</u>		
Cash and due from banks	\$ 88	\$ 86
Investment in National Iron Bank	10,900	9,993
Dividend Receivable	-	-
Total Assets	<u>\$ 10,988</u>	<u>\$ 10,079</u>
<u>Liabilities:</u>		
Notes Payable	\$ 468	\$ 657
Accrued Interest Payable	\$ 6	\$ 9
Dividend Payable	\$ -	\$ -
Total Liabilities	<u>\$ 474</u>	<u>\$ 666</u>
<u>Equity Capital Account:</u>		
Capital	16	16
Surplus	4,676	4,676
Retained earnings	5,950	5,423
Net Unrealized Gain/Loss on Securities	(128)	(702)
Total equity capital	<u>\$ 10,514</u>	<u>\$ 9,413</u>
Total Liabilities and Equity Capital	<u>\$ 10,988</u>	<u>\$ 10,079</u>

IRON BANCSHARES, INC.

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Richard D. Wardell
President & CEO
Steven T. Cornell
EVP, Secretary & Treasurer

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Thank you for your support and encouragement.



Richard D. Wardell, President & CEO



Paul L. Cornell, Jr., Chairman

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Since 1847

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Directors:
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Respectfully,



Steven T. Cornell
President & CEO

ANNUAL SHAREHOLDERS MEETING

TO THE HOLDERS OF SHARES OF COMMON STOCK:

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By order of the Board of Directors

Richard D. Wardell, President

February 07, 2020

WE URGE YOU TO SIGN AND RETURN THE ENCLOSED PROXY AS PROMPTLY AS POSSIBLE, WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING IN PERSON. IF YOU DO ATTEND THE MEETING, YOU MAY WITHDRAW YOUR PROXY.

PROXY STATEMENT

Dear Stockholder:

We are pleased to enclose the official notice of the Annual Stockholders Meeting to be held on February 25, 2020, at 10:00 a.m. in the boardroom at the Main Office, Salisbury, Connecticut.

Election of Directors

The Bylaws of the bank holding company provide that the number of directors to be elected at the Shareholders Meeting will be determined by vote of the shareholders. The following are the nominees favored by management for election:

Paul Lincoln Cornell, Jr.
Steven T. Cornell
Kevin Dumas
Thaddeus I. Gray
Michael D. Lynch
Russell Riva, Jr.
Ralph W. Sandmeyer, Jr.
Kathryn Sandmeyer Ward
Richard D. Wardell

By order of the Board of Directors

Richard D. Wardell, President

February 7, 2020

BALLOT

February 25, 2020 - Iron Bancshares, Inc. - Salisbury, CT 06068

1. I am voting _____ shares fixing the number of directors to be elected at nine and the election of the nine persons listed in the proxy statement dated February 7, 2020 namely:

Paul Lincoln Cornell, Jr.

Steven T. Cornell

Kevin Dumas

Thaddeus Gray

Michael D. Lynch

Russell Riva, Jr.

Kathryn Sandmeyer Ward

Ralph W. Sandmeyer, Jr.

Richard D. Wardell

I am voting _____ shares in my name as registered on the books of this bank.

I am voting _____ shares as proxy.

Signed _____

THE NATIONAL IRON BANK

Balance Sheet

(In thousands of dollars)

(unaudited)

	Dec. 31 <u>2019</u>	Dec. 31 <u>2018</u>
Assets:		
Cash and due from banks	\$ 11,266	\$ 3,313
U.S. Treasury Securities	0	0
Obligations of other U.S. Government Agencies and Corps./ CMO's	21,875	23,653
Obligations of States and Political subdivisions	0	413
Other bonds, notes, debentures and stock	330	521
Federal funds sold and securities purchased under agreements to resell	150	150
Loans, total (excluding unearned income)	102,300	92,651
Less: Reserve for possible loan losses	<u>423</u>	<u>389</u>
Loans, net	101,877	92,262
Bank premises, furniture and fixtures, and other assets representing bank premises	1,402	1,321
Other real estate owned	0	0
Other assets	<u>537</u>	<u>485</u>
Total Assets	\$ <u>137,437</u>	\$ <u>122,118</u>
Liabilities:		
Transaction accounts: individuals, partnerships & corp.	\$ 44,710	\$ 56,906
Time and savings deposits of individuals, partnerships and corps.	68,051	45,916
Deposits of States and political subdivisions	12,947	7,049
Commercial banks and other depository institutions in the U.S.	491	245
Certified and officers' checks	<u>231</u>	<u>260</u>
Total domestic deposits	126,430	110,376
(a) Total demand deposits	11,908	18,072
(b) Total time and savings deposits	114,525	92,304
Interest bearing demand notes issued to the U.S. Treasury	25	22
Federal Home Loan Bank advances	0	1,650
Other liabilities	<u>82</u>	<u>77</u>
Total Liabilities	<u>126,537</u>	<u>112,125</u>
Equity Capital Accounts:		
Common stock:		
No. shares authorized (20,000)		
No. shares outstanding (par values) (20,000)	200	200
Surplus	200	200
Undivided Profits and Other Capital Reserves	10,628	10,295
Net unrealized gains (losses) on available-for-sale securities	<u>-128</u>	<u>-702</u>
Total equity capital	<u>10,900</u>	<u>9,993</u>
Total Liabilities and Equity Capital	\$ <u>137,437</u>	\$ <u>122,118</u>

STATEMENT OF EARNINGS

For the Years Ended December 31, 2019 and 2018
(in thousands of dollars)
(unaudited)

	<u>Dec. 31</u> <u>2019</u>	<u>Dec. 31</u> <u>2018</u>
Operating Income:		
Interest and fees on loans	\$ 3,888	\$ 3,520
Income on Federal Funds sold and securities purchased under agreements to resell in domestic offices	4	3
Interest on U.S. Treasury securities and on obligations of other U.S. Government agencies and corporations	442	530
Interest on obligations of States and political subdivisions of the U.S.	12	22
Income from all other securities	310	76
Service charges on deposit accounts	462	446
Realized Gain (losses) on securities	0	(5)
Net Gain (losses) on other real estate owned	0	0
Other service charges, commissions and fees	<u>107</u>	<u>87</u>
Total Operating Income	<u><u>5,225</u></u>	<u><u>4,679</u></u>
Operating Expenses:		
Salaries and employee benefits	1,805	1,683
Interest on time certificates of deposit of \$250,000 or more issued by domestic office	109	57
Interest on other deposits	489	223
Interest on borrowed money	0	34
Occupancy expense of bank premises and furniture and equipment expense	606	595
Provision for possible loan losses	42	0
Other expenses	<u>1,376</u>	<u>1,400</u>
Total Operating Expenses	<u><u>4,427</u></u>	<u><u>3,992</u></u>
Income before income taxes	798	687
Applicable income taxes	<u>47</u>	<u>46</u>
Net Income	<u><u>\$ 751</u></u>	<u><u>\$ 641</u></u>
Earnings Per Common Share:		
Net Income	<u><u>\$ 37.55</u></u>	<u><u>\$ 32.05</u></u>

(The bank is on an accrual basis of accounting)

Reconciliation of Equity Capital Accounts
For the Year Ended December 31, 2019
(In thousands of dollars)
(unaudited)

	Common Stock (par value)	Surplus	Undivided profits and other capital reserves	Total equity capital
Balance beginning of period	\$200	\$200	\$9,593	\$9,993
Net income	---	---	751	751
Cash dividends declared on common stock	---	---	417	417
Change in net unrealized holding gains (losses) on available for sale securities	---	---	573	573
Other transactions with Parent Holding Company			-----	-----
Balance end of period	\$200	\$200	\$10,500	\$10,900

Reconciliation of Reserve for Possible Loan Losses (Valuation Reserve)
For the years ended December 31, 2019 and 2018(In thousands of dollars)
(unaudited)

	<u>2019</u>	<u>2018</u>
Balance beginning of period	\$389	\$422
Provision for possible loan losses	42	0
Losses charged to reserve	9	35
Recoveries	1	2
Adjustments to Allowance for Off-balance sheet credit exposures	0	0
Balance end of period	\$423	\$389

Loan Categories of Total Loan Portfolio
(In thousands of dollars)
(unaudited)

	<u>Dec. 31, 2019</u>	<u>Dec. 31, 2018</u>
Real estate loans	\$ 100,039	\$90,880
Commercial Loans	1,206	696
Loans to individuals	1,060	1,080
Loans to Municipalities	0	0
	<u>102,305</u>	<u>92,656</u>
Less unearned income	5	5
	<u>\$ 102,300</u>	<u>\$ 92,651</u>

Iron Bancshares, Inc.

Balance Sheet (In thousands of dollars) (Unaudited)

	<u>Dec. 31 2019</u>	<u>Dec. 31 2018</u>
<u>Assets:</u>		
Cash and due from banks	\$ 88	\$ 86
Investment in National Iron Bank	10,900	9,993
Dividend Receivable	-	-
Total Assets	<u>\$ 10,988</u>	<u>\$ 10,079</u>
<u>Liabilities:</u>		
Notes Payable	\$ 468	\$ 657
Accrued Interest Payable	\$ 6	\$ 9
Dividend Payable	\$ -	\$ -
Total Liabilities	<u>\$ 474</u>	<u>\$ 666</u>
<u>Equity Capital Account:</u>		
Capital	16	16
Surplus	4,676	4,676
Retained earnings	5,950	5,423
Net Unrealized Gain/Loss on Securities	(128)	(702)
Total equity capital	<u>\$ 10,514</u>	<u>\$ 9,413</u>
Total Liabilities and Equity Capital	<u>\$ 10,988</u>	<u>\$ 10,079</u>