CENTRAL BANCOMPANY

2019 ANNUAL REPORT

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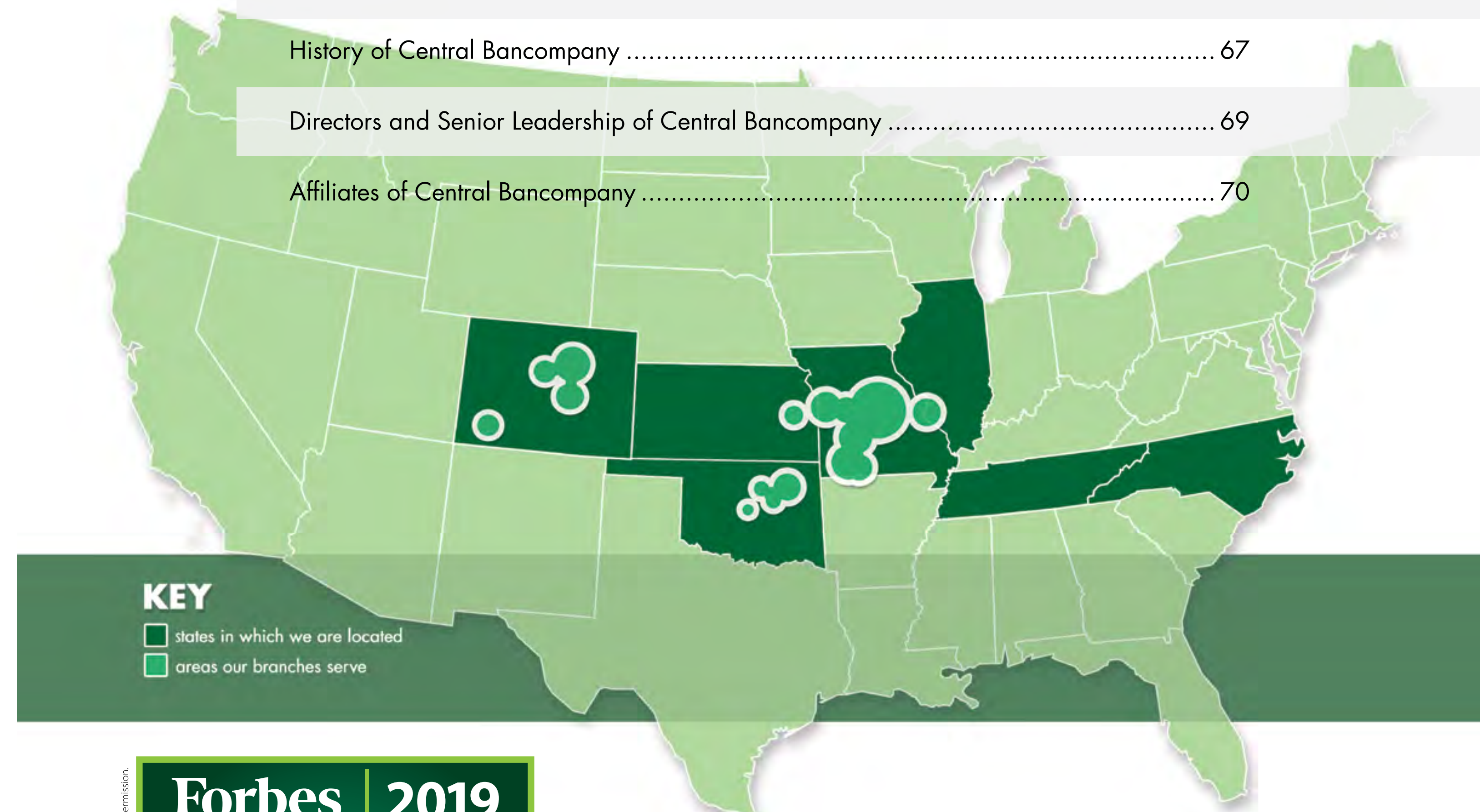


Forbes 2019
BEST BANKS
IN AMERICA

Financial Highlights

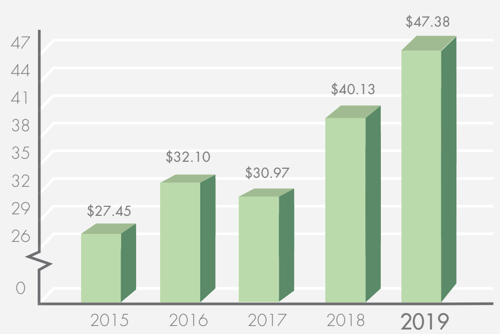
GROWTH

TOTAL AVERAGE ASSETS (in billions)

TOTAL AVERAGE DEPOSITS (in billions)

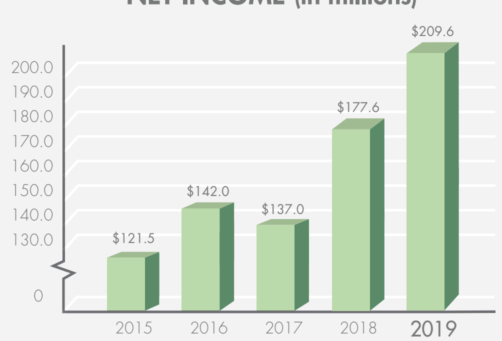
PERFORMANCE

EARNINGS PER SHARE

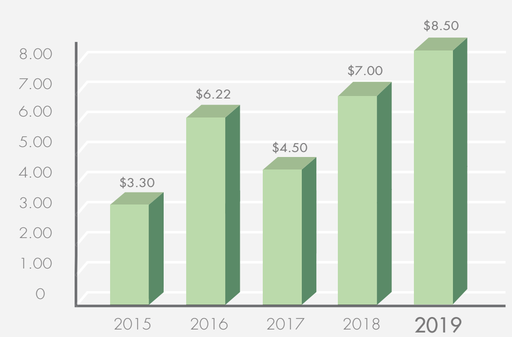


BOOK VALUE PER SHARE

NET INCOME (in millions)

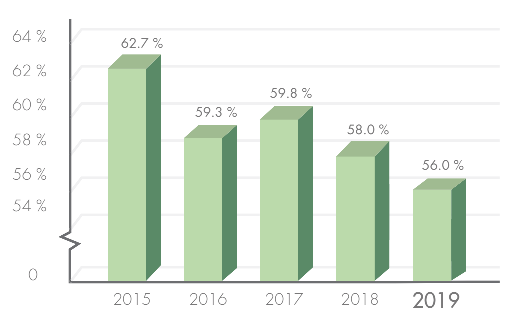


ANNUAL DIVIDENDS PER SHARE



EFFICIENCY

EFFICIENCY RATIO (%)



Year in Review

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

For the Year	2019	2018
Interest Income	$538,614,000	470,009,000
Interest Expense	73,595,000	51,479,000
Net Interest Income	465,019,000	418,530,000
Provision for Loan Losses	14,025,000	15,880,000
Non-Interest Income	190,262,000	162,487,000
Non-Interest Expense	368,928,000	339,013,000
Income Taxes	62,685,000	48,548,000
Net Income	209,643,000	177,576,000
Average Daily Assets	13,635,347,000	12,693,790,000
Average Daily Deposits	10,321,184,000	9,660,186,000
Average Daily Loans	8,670,796,000	8,263,526,000
At Year End		
Total Assets	$14,960,940,000	13,172,605,000
Investment Securities	3,633,572,000	2,893,864,000
Loans	9,475,093,000	8,328,530,000
Deposits	11,566,917,000	10,115,151,000
Stockholders' Equity	2,126,063,000	1,946,883,000
Number of Outstanding Shares	4,425,085	4,425,085
Per Share		
Net Income	$47.38	40.13
Dividends	8.50	7.00
Stockholders' Equity	480.46	439.97

For the Love of People and Community

We're not just in the banking business – we're in the people business. From our humble beginnings in 1902, it's always been about people. The foundation for the company's culture of people-first manifested itself in 1933. It was the Great Depression, and people were struggling to make a living. The state of Missouri, right in our back yard, was no stranger to the struggle. The state was nearly $4 million short in revenue and unable to pay state employees, their wages totaling $300,000. To ensure the state did not fall victim to the Great Depression, the Central Missouri Trust Company made $1 million available for state worker compensation and financial aid. This ultimately shaped the future for the state of Missouri and the people who lived in our footprint.

Central Bank doesn't just do banking better, we also make the community better. Our employees are there for the moments that matter. These moments are not always happy and exciting, but also the terrifying and unpredictable. Fast forward to this year, 2019 brought devastation to many of our local communities due to severe weather by tornadoes and flooding. When the community needed us, our employees showed up. And they keep showing up, day after day.

Our commitment to the collective communities we serve is extensive. When an EF3 tornado ripped through Eldon and Jefferson City, MO, in May 2019, our employees lent hearts and hands. Without hesitation, countless volunteers and Central Bank families swarmed Capitol Avenue with food, water, and necessary supplies to victims who had lost their homes, access to basic needs, and personal belongings. When the United Way of Central Missouri expressed their need for volunteers, our employees worked extra hard to complete their day-to-day tasks while volunteering at the United Way office assisting with victim requests, donor responses, and volunteer coordination.

"Before we could assess the damage to our communities, several Central Bank employees reached out to me with a plan and an offer of assistance," said Ann Bax, President of the United Way of Central Missouri. "In any time of need, Central Bank's culture allows its employees to roll up their sleeves and help during the moments of devastation."

Our commitment to the communities we serve is true, even if it is just one individual who is affected by personal tragedy. When a young man visited a local branch in Springfield, MO, after the passing of his wife, he was overwhelmed with sadness and grief. Our employee was determined to help in any way possible. She worked to help facilitate his life insurance he had through the bank. And, in that moment, there was an instance of hope, as he was grateful for the unexpected funds to assist with the pile of never-ending medical bills.

"Through our company's culture and leadership, we want all of our employees to be people-first," said Joselyn Baldner, Executive Vice President of Central Bank of the Ozarks. "To bring even a little light to our customers' day, whether it be through a product or service, or just a smile, our culture of caring and giving really shines through."

Our employees are not only serving the community during moments of devastation and grief. Our employees are there at every moment. In 2019, Central Bank of Boone County launched ProsperU, an educational program designed to empower the people of the community to achieve financial success. A product of the bank's strategic plan to solidify its community bank image, the program combines on and off-site classes, one-on-one coaching, and outreach efforts to open the doors of the bank to the entire community. Employees teach the classes, which from day one of its launch was well received and filled within hours. This validates the need for financial education that improves lives.

"We have always provided extensive financial education," said Joe Henderson, President of Central Bank of Boone County. "But we wanted to do more, primarily by reaching more people. Creating this program allows us to dedicate specific resources to help people understand how to use their money effectively and find ways to make it go further. We know that educational programs work best when they happen in places easily accessed. We will take this education anywhere our community needs us, whether that is a church basement, a high school classroom, a community center, or business lunchroom."

Our commitment to the communities we serve is limitless. In 2019 alone, our employees spent 27,500 plus hours in the community at more than 2,023 organizations in our footprint. From building homes in the greater Kansas City area, to providing mentorship to children in need in Branson, MO, Central Bank is proud to serve our communities by volunteering at local events, chairing committees, organizing local campaigns, funding events, and serving on boards. The most significant piece of our culture is people first – our employees are integral to the success of our collective communities.

The Central Bank culture has always been, and always will be, community-minded. Whether it is something that impacts an entire community, like a tornado, one individual person, or developing a new community-wide program for financial literacy, our employees can be found giving back. We are proud of our employees.

To watch a video about our community service commitments, use your smartphone camera to scan this code.

To Our Shareholders

I am pleased to announce that 2019 was another record year for our company with strong and improved performance across all key metrics. Once again, Central Bancompany has delivered record core net income and earnings per share. Our success this year was driven by our ability to grow organically in our core markets, strong financial management, and two strategic acquisitions in new communities.

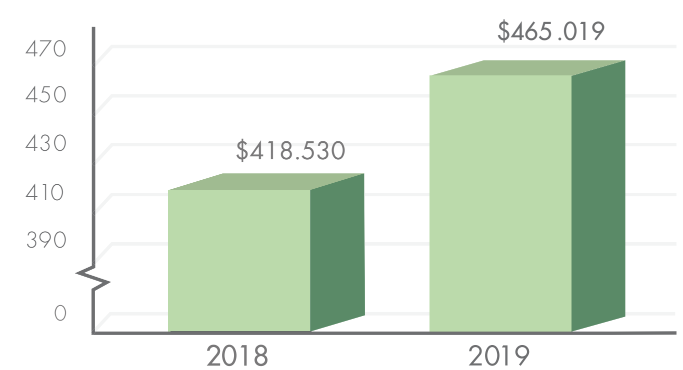
We were rewarded for our efforts by being named one of the "Best Banks in America" by *Forbes Magazine*. I am proud to say we were ranked 17th on the list and the highest-rated bank headquartered in the State of Missouri. More importantly, our customers continue to value our legendary service. For the fourth consecutive year, our customer satisfaction and net promoter scores increased. These accolades are due to the continuous hard work from our employees and their dedication to our company's mission.

S. Bryan Cook,
President and Chief Executive Officer

Central Bancompany has a long history of strong financial performance, and 2019 was another great year. Some key financial highlights for 2019 were:

- 18.1% increase in net income from $177.6 million in 2018 to $209.6 million in 2019. Included in 2019 is a gain on securities of $7.9 million unlike in 2018 when there was a securities loss of $5.5 million.
- 1.54% Return on Assets compared to our peers who earned 1.19%.
- 12.9% increase in total assets to $14.9 billion in 2019; a $1.8 billion increase that includes organic growth and two acquisitions.
- 18.1% increase in earnings per share from $40.13 in 2018 to $47.38 in 2019..
- 21.4% increase in dividends paid to shareholders from $7.00 in 2018 to $8.50 per share in 2019.
- 9.2% increase in shareholder book value from $439.97 in 2018 to $480.46 in 2019.

NET INTEREST INCOME (in millions)



Our strong growth in 2019 net income was a result of good growth in both net interest income and non-interest income. Net interest income increased $46.5 million or 11.1%. Average earning assets increased $878 million, or 7.3%, and our net interest margin increased from 3.52% in 2018 to 3.64% in 2019. Non-interest income grew by $27.8 million; a 17.1% year-over-year increase.

For additional information, refer to Financial Review starting on page 12 and the KPMG audited report beginning on page 18.

Credit Quality

All of our key credit risk indicators remain very strong and favorable compared to industry peers:

- Our year-end allowance for loan losses grew from $128 million at the end of 2018 to $133 million at the end of 2019, and our ratio of allowance to total loans was 1.40% of loans compared to 1.53% at the end of 2018. The decrease in our reserve to total loan ratio is due to purchase accounting treatment for $851 million of acquired loans at market value.
- Credit cost decreased to $14.0 million in 2019 compared to $15.9 million in 2018.
- The ratio of net charge-offs to total loans was down to 0.11% in 2019 compared to 0.19% in 2018. Both numbers reflect excellent credit performance and compare favorably to industry peers.

Growing Through Strategic Acquisition

One of the more notable accomplishments of 2019 was the acquisition of two banks in the greater Kansas City area – BankLiberty and Platte Valley Bank. These strategic acquisitions give us a stronger foothold in the burgeoning northern area of Kansas City. Together, they were considered two of the strongest banks in their communities, with combined assets of $1.13 billion and a network of 20 locations, spanning 13 communities. This deployment of capital gives us significant market share in that trade area and places us in Platte and Clay Counties, currently two of the fastest-growing counties in the state of Missouri.

> "Our success this year was driven by our ability to grow organically in our core markets, strong financial management, and two strategic acquisitions in new communities."

These acquisitions are strategically important to the success of our company as we continue to build scale to leverage the technology and infrastructure necessary to compete with the largest banks in the country. We could not make acquisitions of this magnitude without first growing our capital by retaining a good portion of our earnings. In his annual letter to The Berkshire Hathaway Inc. shareholders, Warren Buffet acknowledged the power of retained earnings, saying, "Overall, the retained earnings of our investees are certain to be of major importance in the growth of Berkshire's value." Buffet referenced an economic theory from Edgar Lawrence Smith in 1924 and a book review written by John Maynard Keynes. From Smith's theory, Keynes stated that "Well-managed industrial companies do not, as a rule, distribute to the shareholders the whole of their earned profits."

This theory has guided our company since its inception and afforded us the ability to think strategically and act when acquisition opportunities become available. Not only are we poised to grow in a significant way in Kansas City, but also when other opportunities become available.

Innovation to Serve and Grow

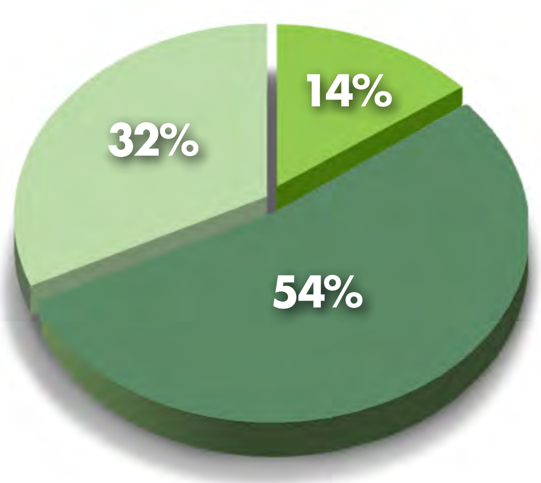
Today, Central Bancompany serves more than 500,000 individuals and business customers in five states. Our core relationships continue to grow thanks to our ability to remain relevant with products and services that are at the forefront of technology. We recognize the importance of keeping pace with our largest competitors in the industry and are investing heavily in technology, analytics, and our overall digital strategy.

In 2019, we built and launched Zelle® P2P within our mobile app, placing us in the fastest-growing personal payment network in the country. Since its launch, our customers' usage of P2P payments has doubled over our previous solution, and the feedback is overwhelmingly positive. More importantly, this partnership with Zelle® positions us evenly with the largest banks in the nation and keeps us competitive in our markets.

Our branch network, as a customer touchpoint, continues to play a significant role in our success. Just as we invest in mobile and online capabilites, we also must continue to strengthen the technology in our branches to increase our operational efficiency. We deployed our first Interactive Teller Machine (ITM) under the name "Video Teller" in 2018, removing the teller transaction from the traditional lobby and drive-up windows. With customer acceptance high, we have now deployed more than 25 machines and will double that number in 2020.

We also introduced a new and more functional online account opening platform. This new platform allows a consumer to easily open an account through a mobile device, removes all paper documentation, and has significantly reduced the time to open and activate a new relationship. This was part of our strategic initiative to strengthen our digital channels as customers continue to choose them over our traditional delivery models.

CORE MIX



TOTAL CORE FUNDING
$11,566,917,000

- TIME DEPOSITS $1,630,052,000
- NON-INTEREST BEARING DEMAND DEPOSITS $3,739,782,000
- SAVINGS & INTEREST BEARING DEPOSITS $6,197,083,000

It has never been more important for us to focus on our customers' experience, no matter where they choose to interact with us. We are making significant investments in data, business intelligence, user experience, information security infastructure, and user interface to stay ahead of the competition and on pace with customer demands. It is an exciting time for the banking industry and for our company.

Looking Ahead

My father had a keen eye for banking talent and always followed a practice of hiring best qualified people. We are most fortunate to announce in this report that we have added a highly skilled banker to our team. His name is John Ross and his title will be President, Chief Operating Officer. He will report directly to me and have responsibility for the day-to-day operations of the company. He comes to us having been an executive of one of the largest and most respected banks in the United States and with a wealth of executive experience. For a few years, we have been aware of the need to add more top quality management to our team. We are fortunate to find John and we welcome him to our company.

Looking ahead to 2020, we were projecting another good year. However, as I write this letter the world has changed. The introduction of the coronavirus (COVID-19) has created a decline in the financial markets and a decline in interest rates, contributing to slower economic activity. This will impact our earnings. At this moment, no one can predict the full effect of this crisis, but our company's long term commitment to proven economic principals, positions us favorably to weather the storm. Our corporate DNA demands that we plan for the worst and hope for the best. We enter these challenging times with a very strong capital position. At the end of 2019, our tangible stockholders equity to assets ratio was 13.13% and our total risk based capital ratio was 17.98%. These ratios are considerably higher than our peers and greatly exceeds regulatory well-capitalized guidelines of 8% and 10% respectively.

Another headwind is the tight labor market. It is getting more difficult to fill positions. We will need to hire and develop more talent in critical specialty positions and keep our compensation and benefits competitive with others in banking and other industries. To accomplish this, we must work on better technology to produce more efficient processes to help offset the increasing cost of labor.

On the positive side, we will have a full year of earnings with the acquired assets from our two acquisitions in Kansas City. Also, we anticipate a solid increase in our mortgage origination income, and the current low interest rates will encourage mortgage loan refinancing.

Expansion Opportunities

Our conservative approach to de novo expansions has served us well. However, during the last few years, we have cautiously moved into Colorado, Tennessee, and North Carolina with mortgage operations. In 2018, we officially opened a full-service branch in Colorado Springs, Colorado. These expansion efforts have proven to be successful and encouraged us to think about a broader customer footprint.

In 2020, We are actively looking for expansion opportunities for our wealth management services - which continues to be a core business of our bank.

Innovation

Our focus and decades of proven capabilities in technology have consistently created the differentiation necessary for us to remain best-in-class with our peers. But our competition is no longer just the banks in our communities. We see increasing threats from digital-only offerings (Fin Techs) who compete on speed and innovation and have the potential to create a significant deposit drain on our bank. This is why technology innovation will remain one of our major focuses to retain deposits and our core customer base.

We remain committed to continuously enhancing our systems, applications, and user interfaces to compete on speed and customer security. Because we have the flexibility to implement new technologies with strategic technology partners, we have the ability to act quicker to consumer demands. We control our roadmap and that is our competitive advantage. With the consumer online account opening system implemented in 2019, you will see even more enhancements to other applications to make it easier and faster to do business with us.

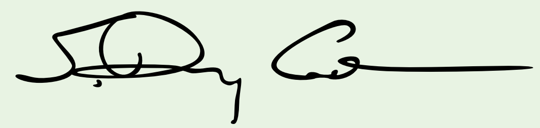
We have invested heavily in our commercial banking area over the past few years and are seeing the benefits of relationship management and specialized products. The next step to improving our commercial customers' experience is to enhance their digital services. An expansion of this platform will bring better mobile tools for our business customers, customized reporting, and increased functionality to accommodate this sophisticated customer base.

Our credit card portfolio continues to grow in volume and revenue, but to remain competitive, we must continosly improve our offer and card functionality. To do this, we have made the commitment to upgrade our platform and convert our card base. Though a complex project, the end result is better fraud and alert tools for customers, additional offers, and more options for rewards. This upgrade will allow for continued growth in this important line of business.

We are committed to helping our retail and business customers achieve financial success and these new digital tools also allow us to communicate with our customers in a more meaningful way. Through data and insights, we can now better anticipate a customer's needs in order to strengthen our relationship with them.

As we put the finishing touches on another very successful year, it is good to reflect on the ingredients that brought success throughout the years. It is inadequate but, at the same time, powerful to admit there is no secret formula for success because everything we do is there for anyone to see. Our success is baked in our DNA from years of evolution, evolving processes, building on the successes of those before us, the continuous development of better technology, from the hard work and good employees with a passion for providing the best possible banking services to our customers.

In closing, I am very pleased with our performance this year and am cautiously optimistic for 2020. It is essential to understand that our success is the result of the strong, consistent efforts of our officers and employees, their focus on customer service and dedication to excellence that makes us so great year after year. I often speak with pride about the entrepreneurial spirit that drives our company; and how our management team is committed to an enriching and empowering work culture that promotes innovation. We are dedicated to community banking and the communities we serve. Most importantly, we are committed to delivering long-term value to you, the shareholder. Thank you for your continued support and confidence in Central Bancompany.



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

Financial Review

Results of Operations

Central Bancompany, Inc., recorded net income of $209,643,000 in 2019, a $32,067,000 increase compared to 2018 net income of $177,576,000. Two key bank performance measures are the return on assets and the return on equity. The company's return on average assets was 1.54% in 2019 compared to 1.40% in 2018. The return on beginning equity was 10.77% in 2019 and 9.95% in 2018.

Average daily assets for the company were $13.635 billion in 2019 compared to $12.694 billion in 2018. Consolidated assets of the Company on December 31, 2019 were $14.961 billion. Deposits increased by 14.3% to $11.567 billion on December 31, 2019 and loans increased by 13.7% to $9.475 billion. On August 1, 2019, the Company acquired BankLiberty in Liberty, Missouri, with total assets of $533 million and on December 2, 2019, the Company acquired Platte Valley Bank of Missouri in Platte City, Missouri with total assets of $599 million. Total assets at December 31, 2019 include both banks and the Company's operating results for 2019 includes the net income for each bank from the date acquired through December 31, 2019. BankLiberty was merged into Central Bank of the Midwest on December 6, 2019 and Platte Valley Bank will be merged into Central Bank of the Midwest in the second quarter of 2020.

Total stockholders' equity increased by 9.2% to $2,126,063,000 as of December 31, 2019. Book value per share was $480.46 on December 31, 2019 compared to $439.97 on December 31, 2018. The Company's 2019 year-end tangible equity to asset ratio was 13.13% compared to 14.21% in 2018. Net income per share was $47.38 in 2019 compared to $40.13 per share in 2018, an 18.1% increase; total dividends paid by the Company in 2019 were $37,613,000, or $8.50 per share compared to $30,976,000 in 2018, or $7.00 per share, a 21.4% increase.

Total revenue in 2019 amounted to $655.3 million, a $74.3 million increase, or 12.8% from 2018; excluding security gains and losses total revenue increased $60.9 million, or 10.4%. Non-interest expense incurred in 2019 was $368.9 million, a $29.9 million, or 8.8% increase compared to 2018. And the provision for credit losses in 2019 amounted to $14.0 million a decrease of $1.9 million. Following is a breakdown of the different components of each category and a discussion of the changes.

Net Interest Income

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

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

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

In 2019, net interest income was $465.0 million, up $46.5 million, or 11.1% from 2018. The volume of average earning assets was $12.903 billion in 2019 a 7.3% increase compared to 2018. Average loans increased by 4.9% to $8.671 billion while average deposits increased by 6.8% to $10.321 billion. The Company's level of investment securities and short-term investments averaged $4.232 billion in 2019, a 12.5% increase.

The Company's net interest margin increased from 3.52% in 2018 to 3.64% in 2019.

The loan portfolio yielded 5.04% in 2019 and 4.73% in 2018 while the yield on the investment portfolio was 2.53% in 2019 and 2.29% in 2018. The Company's cost to fund the earning assets was 0.57% in 2019 and 0.43% in 2018.

Allowance for Loan Loss

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

The Company's provision for loan losses was $14.0 million in 2019 compared to $15.9 million in 2018. Net loan charge-offs were $9.1 million in 2019 and $16.1 million in 2018. Net loan charge-offs as a percentage of average loans was 0.11% in 2019 and 0.19% in 2018. The reserve for possible loan losses was $128.0 million on December 31, 2018, or 1.53% of outstanding loans; this compares to a reserve of $132.9 million on December 31, 2019, or 1.40% of loans. The decrease in the percentage to 1.40% is due to purchase accounting requirements for acquired loans with the two acquisitions as the loan loss reserve is eliminated and the loans are discounted to fair value. Treating the discount on loans as a portion of the loan loss reserve would increase the percentage to 1.53% at December 31, 2019, the same as the prior year-end.

Non-interest Income

Non-interest income is comprised of fees and commissions that are received from the products and services we provide to our customers. For 2019, total non-interest income was $190.3 million compared to $162.5 million in 2018, a $27.8 million, or 17.1% increase; excluding security gains and losses, non-interest income increased by $14.4 million, or 8.6% driven by an $8.0 million, or 30.9% increase in mortgage banking revenue which was enhanced by the expansion of mortgage banking efforts in Colorado. The following is a comparison by major categories of the 2019 non-interest income with 2018.

(In millions)	2019	2018	$ Change	% Change
Service charges and commissions	$50.6	$48.6	$2.0	4.1%
Bankcard and merchant fees	47.9	45.2	2.7	6.0%
Fees for fiduciary services	30.7	30.7	0.0	0.0%
Mortgage banking revenues	33.9	25.9	8.0	30.9%
Brokerage fees	14.5	13.6	0.9	6.6%
Investment securities gains (losses)	7.9	(5.5)	13.4	——
Other	4.8	4.0	0.7	17.5%
Total non-interest income	$190.3	$162.5	$27.8	17.1%

Non-interest Expense

Non-interest expense for 2019 was $368.9 million compared to $339.0 million in 2018, an increase of $29.9 million or 8.8%. Some items contributing to the increase, 1) approximately $8.0 million of the increase was due to the two banks acquired, 2) Incentive based compensation was up $5.8 million, or 20.9% associated with the increase in fee based revenue, 3) Medical insurance costs increased $4.1 million, or 36.6% in 2019 as premiums were reduced in 2018 due to favorable claims experience and overfunding in the Company's VEBA, and 4) Benefiting the Company in 2019, was the freezing of the pension plan effective December 31, 2018 as pension expense declined $12.0 million in 2019 while enhancement of the defined contribution plan added costs of $9.5 million resulting in a $2.5 million savings. Changes in non-interest expense by major categories between 2019 and 2018 follows:

(In millions)	2019	2018	$ Change	% Change
Salaries and wages	$174.0	$159.3	$14.7	9.2%
Employee benefits and payroll taxes	44.7	41.1	3.6	8.8%
Occupancy expenses	24.8	23.8	1.0	4.2%
Equipment costs	12.9	14.1	(1.2)	-8.5%
Marketing and business development	10.0	9.4	0.6	6.4%
Computer software and maintenance	13.2	11.9	1.3	10.9%
BankCard processing and other costs	27.9	23.3	4.6	19.7%
Management and consulting	8.2	6.6	1.6	24.2%
FDIC insurance	0.5	2.6	(2.1)	-80.8%
OMSR amortization	7.1	4.7	2.4	51.1%
Information services	5.2	5.0	0.2	4.0%
Correspondent bank charges	3.5	3.2	0.3	9.4%
FDIC indemnification amortization	1.6	3.5	(1.9)	-54.3%
Loan collection and other real estate costs	3.1	2.6	0.5	19.2%
Travel, meetings, and entertainment	4.2	3.8	0.4	10.5%
Printing, telecommunication, postage	8.4	8.1	0.3	3.7%
Legal fees	1.3	1.4	(0.1)	-7.1%
Intangible asset amortization	1.9	1.3	0.6	46.2%
Other	16.4	13.3	3.1	22.5%
Total non-interest expense	$368.9	$339.0	$29.9	8.8%

The Company's consolidated efficiency ratio for 2019 was 56.0% compared to 58.0% for 2018.

Income Taxes

For 2019, the Company recorded an expense for income taxes of $62.7 million compared to $48.5 million in 2018. The 2019 expense is comprised of $47.8 million in federal income tax, $10.6 million in state income tax, and $4.3 million in amortization of tax credit costs. The Company's effective tax rate (Federal and State) amounted to 23.0% in 2019 and 21.5% in 2018.

5 YEAR Consolidated Average Balance Sheet

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Assets	2019	2018	2017	2016	2015
Cash & Due From Banks	$168,642,000	167,414,000	178,101,000	189,278,000	168,238,000
Investment Securities	3,363,369,000	2,949,581,000	3,386,506,000	3,197,151,000	3,066,014,000
Money Market Obligations	868,795,000	813,716,000	649,626,000	721,983,000	855,128,000
Loans Less Unearned Income	8,670,796,000	8,263,526,000	7,977,585,000	7,593,567,000	6,992,203,000
Allowance for Loan Loss	(132,228,000)	(129,565,000)	(126,816,000)	(126,391,000)	(127,123,000)
Net Loans	8,538,568,000	8,133,961,000	7,850,769,000	7,467,176,000	6,865,080,000
Other Assets	695,973,000	629,118,000	647,671,000	669,523,000	700,854,000
Total Assets	$13,635,347,000	12,693,790,000	12,712,673,000	12,245,111,000	11,655,314,000

Liabilities and Stockholders' Equity

	2019	2018	2017	2016	2015
Non-Interest Bearing Demand Deposits	3,368,629,000	3,132,724,000	3,175,488,000	3,041,476,000	2,831,531,000
Savings, NOW, and Money Market Deposits	5,438,204,000	5,109,279,000	4,946,129,000	4,574,425,000	4,234,473,000
Time Deposits	1,514,351,000	1,418,183,000	1,546,619,000	1,573,276,000	1,659,896,000
Total Deposits	10,321,184,000	9,660,186,000	9,668,236,000	9,189,177,000	8,725,900,00
Federal Funds Purchased & Repurchase Agreements	1,016,169,000	976,546,000	1,129,666,000	1,240,600,000	1,186,022,000
Borrowed Funds	2,296,000	14,000	0	1,175,000	13,379,000
Other Liabilities	217,341,000	196,097,000	193,746,000	183,422,000	194,505,000
Total Liabilities	11,556,990,000	10,832,843,000	10,991,648,000	10,614,374,000	10,119,413,000
Stockholders' Equity	2,078,357,000	1,860,947,000	1,721,025,000	1,630,737,000	1,535,901,000
Total Liabilities and Stockholders' Equity	$13,635,347,000	12,693,790,000	12,712,673,000	12,245,111,000	11,655,314,000

5 YEAR Consolidated Summary of Operations

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

	2019	2018	2017	2016	2015
Interest Income	$538,614,000	470,009,000	425,328,000	400,910,000	375,825,000
Interest Expense	73,595,000	51,479,000	33,378,000	22,862,000	20,000,000
Net Interest Income	465,019,000	418,530,000	391,950,000	378,048,000	355,825,000
Provision for Loan Losses	14,025,000	15,880,000	18,142,000	14,982,000	8,588,000
Non-Interest Income	190,262,000	162,487,000	161,012,000	167,972,000	154,091,000
Non-Interest Expense	368,928,000	339,013,000	335,288,000	329,572,000	326,333,000
Income Before Taxes	272,328,000	226,124,000	199,532,000	201,466,000	174,995,000
Income Taxes	62,685,000	48,548,000	62,505,000	59,438,000	53,503,000
Net Income	$209,643,000	177,576,000	137,027,000	142,028,000	121,492,000

Financial Data of Affiliate Banks

As of December 31, 2019

Bank	Total Assets	Loans	Investment Securities	Deposits	Stockholders' Equity
Central Trust Bank, Jefferson City	$2,652,771,000	$1,153,975,000	$1,225,635,000	$1,796,860,000	$194,082,000
Central Bank of the Midwest, Lee's Summit	2,399,654,000	1,642,302,000	340,223,000	1,943,678,000	351,375,000
Central Bank of Boone County, Columbia	2,198,637,000	1,267,153,000	566,128,000	1,777,954,000	169,384,000
Central Bank of St. Louis, Clayton	1,933,534,000	1,562,181,000	193,608,000	1,410,191,000	229,904,000
Central Bank of the Ozarks, Springfield	1,373,273,000	1,026,839,000	257,892,000	1,169,467,000	137,438,000
Central Bank of Lake of the Ozarks, Osage Beach	797,893,000	459,292,000	268,554,000	692,862,000	71,629,000
Central Bank of Oklahoma, Tulsa	703,633,000	589,019,000	34,555,000	544,041,000	133,443,000
Platte Valley Bank of Missouri, Platte City*	702,898,000	442,530,000	86,913,000	553,828,000	114,382,000
Jefferson Bank of Missouri, Jefferson City	644,462,000	479,486,000	138,482,000	540,665,000	60,501,000
Central Bank of Sedalia, Sedalia	428,790,000	298,473,000	96,705,000	367,666,000	38,579,000
Central Bank of Branson, Branson	355,496,000	237,807,000	86,372,000	294,319,000	35,460,000
Central Bank of Warrensburg, Warrensburg	255,609,000	131,953,000	84,372,000	209,461,000	36,555,000
Central Bank of Audrain County, Mexico	204,194,000	92,603,000	76,812,000	182,540,000	14,243,000
Central Bank of Moberly, Moberly	197,422,000	105,737,000	80,893,000	168,297,000	16,914,000

*Platte Valley Bank will join Central Bank of the Midwest in April of 2020.

KPMG

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

Independent Auditors' Report

The Board of Directors
Central Bancompany, Inc.:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Central Bancompany Inc. and subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Central Bancompany, Inc. and subsidiaries as of December 31, 2019 and 2018, and the results of their operations and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Report on Internal Control Over Financial Reporting

We also have audited, in accordance with auditing standards generally accepted in the United States of America, the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring

Organizations of the Treadway Commission (COSO) and our report dated March 26, 2020 expressed an unmodified opinion on the effectiveness of the Company's internal control over financial reporting.

Central Bancompany, Inc. acquired Liberty Bancorp, Inc. and Platte County Bancorporation, Inc. during 2019, and management excluded from its assessment of the effectiveness of Central Bancompany's internal control over financial reporting as of December 31, 2019, Liberty Bancorp, Inc. and Platte County Bancorporation, Inc.'s internal control over financial reporting as of and for the year ended December 31, 2019. Our audit of internal control over financial reporting of Central Bancompany, Inc. also excluded an evaluation of the internal control over financial reporting of Liberty Bancorp, Inc. and Platte County Bancorporation, Inc.

KPMG LLP

Kansas City, Missouri
March 26, 2020

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2019 and 2018

Assets		2019	2018
Cash and due from banks	$	234,609,000	242,982,000
Short-term interest-bearing deposits		692,406,000	1,001,146,000
Interest-bearing deposits		60,220,000	39,357,000
Federal funds sold and securities purchased under agreements to resell		200,831,000	194,184,000
Investment securities (note 2):			
Available for sale (AFS)		3,520,920,000	2,749,410,000
Held to maturity (fair value of $58,019,000 and $79,329,000, in 2019 and 2018, respectively)		57,222,000	78,251,000
Equity		55,322,000	66,078,000
Trading		108,000	125,000
Total investment securities		3,633,572,000	2,893,864,000
Loans (note 3)		9,475,093,000	8,328,530,000
Less allowance for loan losses (note 4)		132,949,000	128,045,000
Net loans		9,342,144,000	8,200,485,000
Land, buildings, and equipment, net (notes 6 and 14)		227,931,000	167,377,000
Deferred tax assets, net (note 8)		839,000	9,394,000
Foreclosed assets held for sale		9,756,000	11,354,000
Goodwill (note 7)		348,907,000	258,381,000
Core deposit and other intangibles (note 7)		25,122,000	6,545,000
Mortgage servicing rights (note 5)		20,474,000	20,950,000
Bank owned life insurance		22,848,000	2,677,000
Other assets		141,281,000	123,909,000
Total assets	$	14,960,940,000	13,172,605,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2019 and 2018

Liabilities and Stockholders' Equity	2019	2018
Deposits:		
Noninterest-bearing demand	$ 3,739,782,000	3,324,466,000
Savings and interest-bearing demand	6,197,083,000	5,354,279,000
Time (note 9)	1,630,052,000	1,436,406,000
Total deposits	11,566,917,000	10,115,151,000
Federal funds purchased and securities sold under agreements to repurchase (note 10)	1,022,348,000	944,148,000
Trust preferred securities (note 11)	6,702,000	—
Other liabilities (note 14)	238,910,000	166,423,000
Total liabilities	12,834,877,000	11,225,722,000
Stockholders' equity:		
Class A voting common stock, $1 par value. Authorized, 3,993,779 shares; issued, 1,993,779 shares	1,994,000	1,994,000
Class B nonvoting common stock, $1 par value. Authorized, 7,962,278 shares; issued, 3,962,278 shares	3,962,000	3,962,000
Capital surplus	5,250,000	5,250,000
Retained earnings	2,253,438,000	2,081,588,000
Accumulated other comprehensive loss (note 16)	(59,162,000)	(66,492,000)
	2,205,482,000	2,026,302,000
Less treasury stock of 447,682 shares of Class A voting common stock in 2019 and 2018, respectively; 1,083,290 shares of Class B nonvoting common stock in 2019 and 2018, respectively	79,419,000	79,419,000
Total stockholders' equity	2,126,063,000	1,946,883,000
Total liabilities and stockholders' equity	$ 14,960,940,000	13,172,605,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Income

December 31, 2019 and 2018

	2019	2018
Interest income:		
Loans	$ 435,465,000	389,246,000
Investment securities	83,203,000	64,711,000
Federal funds sold and securities purchased under agreements to resell	19,946,000	16,052,000
Total interest income	538,614,000	470,009,000
Interest expense:		
Deposits	58,880,000	39,049,000
Federal funds purchased, securities sold under agreements to repurchase, and borrowed funds	14,715,000	12,430,000
Total interest expense	73,595,000	51,479,000
Net interest income	465,019,000	418,530,000
Provision for loan losses (note 4)	14,025,000	15,880,000
Net interest income after provision for loan losses	450,994,000	402,650,000
Other income:		
Service charges and commissions	50,615,000	48,577,000
Bankcard and merchant service fees	47,913,000	45,246,000
Brokerage services	14,548,000	13,557,000
Fees for fiduciary services	30,739,000	30,704,000
Mortgage banking revenues (note 5)	33,917,000	25,945,000
Other	4,656,000	3,953,000
Investment securities gains (losses), net	7,874,000	(5,495,000)
Total other income	190,262,000	162,487,000
Other expense:		
Salaries and employee benefits (note 12)	217,792,000	198,394,000
Net occupancy (notes 6 and 14)	24,837,000	23,839,000
Equipment (notes 6 and 14)	12,827,000	14,158,000
Computer software and maintenance	13,158,000	11,898,000
Marketing and business development	10,041,000	9,378,000
FDIC insurance	482,000	2,550,000
Management and consulting fees	8,261,000	6,607,000
Bankcard	27,938,000	23,306,000
Other	53,592,000	48,883,000
Total other expense	368,928,000	339,013,000
Income before income taxes	272,328,000	226,124,000
Income taxes (note 8)	62,685,000	48,548,000
Net income	$ 209,643,000	177,576,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

December 31, 2019 and 2018

		2019	2018
Net income	$	209,643,000	177,576,000
Change in unrealized gain (loss) on AFS securities, net of income taxes		16,385,000	(6,394,000)
Change in pension (loss) gain, net of income taxes		(9,055,000)	21,463,000
Total comprehensive income	$	216,973,000	192,645,000

See accompanying notes to consolidated financial statements.

CENTRAL BANCOMPANY, INC. AND SUBSIDIARIES

Consolidated Statement of Stockholders' Equity

December 31, 2019 and 2018

		2019	2018
Common stock:			
Balance at beginning and end of year, Class A, voting	$	1,994,000	1,994,000
Balance at beginning and end of year, Class B, nonvoting		3,962,000	3,962,000
Capital surplus:			
Balance at beginning and end of year		5,250,000	5,250,000
Retained earnings:			
Balance at beginning of year		2,081,588,000	1,905,144,000
Adoption of ASU 2016-01		—	29,844,000
Adoption of ASU 2016-02		(180,000)	—
Net income		209,643,000	177,576,000
Cash dividends ($8.50 per common share in 2019 and $7.00 per common share in 2018)		(37,613,000)	(30,976,000)
Balance at end of year		2,253,438,000	2,081,588,000
Accumulated other comprehensive loss			
Balance at beginning of year		(66,492,000)	(51,717,000)
Adoption of ASU 2016-01		—	(29,844,000)
Other comprehensive income		7,330,000	15,069,000
Balance at end of year		(59,162,000)	(66,492,000)
Treasury stock:			
Balance at beginning and end of year		(79,419,000)	(79,419,000)
Total stockholders' equity	$	2,126,063,000	1,946,883,000

See accompanying notes to consolidated financial statements.

Consolidated Statement of Cash Flows

December 31, 2019 and 2018

		2019	2018
Cash flows from operating activities:			
Net income	$	209,643,000	177,576,000
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization		24,319,000	21,129,000
Operating Leases		235,000	—
Accretion of discounts and amortization of premiums, net		2,020,000	17,937,000
Deferred income taxes		4,429,000	15,920,000
Provision for loan losses		14,025,000	15,880,000
Gain on sale of loans		(25,498,000)	(17,683,000)
Purchase of trading securities		(1,899,000)	(3,619,000)
Sales of trading securities		1,918,000	3,793,000
Investment securities (gains) losses, net		(7,874,000)	5,495,000
Originations of mortgage loans held for sale		(1,084,430,000)	(705,311,000)
Proceeds from sales of mortgage loans held for sale		1,104,733,000	717,958,000
(Increase) in other assets		(1,602,000)	(1,879,000)
Increase in other liabilities		1,221,000	2,409,000
Net cash provided by operating activities		241,240,000	249,605,000
Cash flows from investing activities:			
Purchase of available-for-sale securities		(5,081,402,000)	(2,506,528,000)
Purchase of equity securities		(7,946,000)	(3,469,000)
Purchase of held-to-maturity securities		(1,402,000)	—
Proceeds from sales of available-for-sale securities		360,384,000	184,013,000
Proceeds from sales of equity securities		29,966,000	55,629,000
Proceeds from maturities of available-for-sale securities		4,072,663,000	2,580,641,000
Proceeds from maturities of held-to-maturity securities		22,290,000	11,126,000
Net change in interest bearing deposits		(20,863,000)	34,729,000
Purchase of banks, net of cash acquired		(100,712,000)	—
Net increase in loans		(299,967,000)	(193,134,000)
Additions to land, buildings, and equipment		(23,668,000)	(16,142,000)
Disposals of land, buildings, and equipment		6,886,000	5,616,000
Net cash (used in) provided by investing activities		(1,043,771,000)	152,481,000
Cash flows from financing activities:			
Increase in deposits		465,240,000	226,333,000
Increase (decrease) in federal funds purchased and securities sold under agreements to repurchase		64,438,000	(65,252,000)
Dividends paid		(37,613,000)	(30,976,000)
Net cash provided by financing activities		492,065,000	130,105,000
Net (decrease) increase in cash and cash equivalents		(310,466,000)	532,191,000
Cash and cash equivalents at beginning of year		1,438,312,000	906,121,000
Cash and cash equivalents at end of year	$	1,127,846,000	1,438,312,000
Cash and due from banks	$	234,609,000	242,982,000
Short-term interest bearing deposits		692,406,000	1,001,146,000
Federal funds sold and securities purchased under agreements to resell		200,831,000	194,184,000
Total cash and cash equivalents	$	1,127,846,000	1,438,312,000
Supplemental disclosure of cash flow information:			
Interest paid	$	75,218,000	52,792,000
Income taxes paid		48,588,000	36,661,000
Loans transferred to foreclosed assets held for sale		6,029,000	5,336,000

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

December 31, 2019 and 2018

(1) Summary of Significant Accounting Policies

(a) *Principles of Consolidation*

The accompanying consolidated financial statements include the accounts of Central Bancompany, Inc. and its subsidiary banks and companies (the Company). All intercompany accounts and transactions have been eliminated. The Company evaluated subsequent events for recognition or disclosure through March 26, 2020, the date on which the consolidated financial statements were issued. The spread of COVID-19 in the first quarter of 2020 has affected the economy and business operations throughout the world. The Company is in the process of evaluating the impact that COVID-19 may have on the consolidated financial statements. While any impact is not know at this time, the Company expects COVID-19 will have an impact on the consolidated financial statements.

(b) *Use of Estimates*

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

(c) *Cash and Cash Equivalents*

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

(d) *Investment Securities*

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

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

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

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

(e) Loans

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

(f) Provision for Loan Losses

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

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

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

(g) Land, Buildings, and Equipment

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

(h) Goodwill and Other Intangible Assets

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

(i) Foreclosed Assets

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

(j) Income Taxes

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

(k) Comprehensive Income

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

(l) Mortgage Banking

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

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

(m) Securities Sold under Agreements to Repurchase

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

(n) Recent Accounting Pronouncements

Financial Instruments –In January 2016, the FASB issued ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, which require all equity investments to be measured at fair value with changes in the fair value recognized through net income, other than those accounted for under the equity method of accounting or those that result in the consolidation of the investee. Additionally, these amendments require presentation in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk for those liabilities measured at fair value. The amendments also require use of the exit price notion when measuring the fair value of financial instruments for disclosure purposes. The ASU is effective for annual periods beginning January 1, 2018. The adoption of this pronouncement on January 1, 2018 resulted in an increase in tangible equity of approximately $30 million with the unrealized gain, net of taxes, moving from accumulated other comprehensive income to retained earnings.

Leases –In February 2016, the FASB issued ASU 2016-02, *Leases*, which requires lessees to present right-of-use assets and lease liabilities on the balance sheet, as well as disclose key information regarding leasing arrangements. The guidance in this standard is effective for interim and annual periods beginning after December 15, 2018. The Company adopted this ASU as of January 1, 2019 using the effective date as the date of initial application. The adoption resulted in the recording of a $33.0 million right to use asset and a lease liability of $33.3 million to the consolidated Balance Sheet. The adoption did not have a material effect on the Company's financial statements or related disclosures.

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

Cash Flows – In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments.* The amendments provide guidance on eight specific cash flow issues. The ASU is effective for annual periods beginning January 1, 2018. The change did not have a significant effect on the Company's consolidated financial statements.

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

Retirement Benefits – In March 2017, the FASB issued ASU 2017-07, *Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost.* The ASU amends the requirements in ASC 715 related to the income statement presentation of the components of net periodic benefit cost for an entity's sponsored defined benefit pension and other postretirement plans. The ASU is effective for annual periods beginning after December 15, 2017. The change did not have a significant effect on the Company's consolidated financial statements.

Derivatives – In August 2017, the FASB issued ASU 2017-12, *Targeted Improvements to Accounting for Hedging Activities,* which amends the hedge accounting recognition and presentation requirements in ASC 815. The ASU is effective for annual periods beginning after December 15, 2018. The Company's adoption of this ASU in 2019 did not have a significant effect on its consolidated financial statements.

Comprehensive Income – In February 2018, the FASB issued ASU-2018-02, *"Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income".* The ASU addresses industry concerns related to the application of ASC 740 to certain provisions of the new tax reform legislation commonly known as the Tax Cuts and Jobs Act. The ASU is effective for fiscal years beginning after December 15, 2018, however the Company early adopted the standard in 2018 which did not have a significant effect on its consolidated financial statements.

(2) Investment Securities

Effective January 1, 2018, ASU 2016-1, "Recognition and Measurement of Financial Assets and Financial Liabilities" was adopted by the Company. Equity securities were segregated from available for sale debt securities. The table below includes the fair value of equity securities as of December 31, 2019 and 2018 including, Federal Home Loan Bank Stock, Federal Reserve Bank Stock, and equity securities with no readily determinable value:

Equity Securities		12/31/2019	12/31/2018
Common and preferred stocks with readily determinable fair value	$	4,957,000	26,953,000
Federal Home Loan Bank stock		19,357,000	14,889,000
Federal Reserve Bank stock		21,288,000	18,294,000
No readily determinable fair value		9,720,000	5,942,000
Total equity securities	$	55,322,000	66,078,000

Prior to 2018, the change in the fair value of equity securities was recorded in accumulated other comprehensive (loss). The new guidance requires changes in fair value of equity securities to be recorded in current earnings. As of January 1, 2018, the unrealized gain of approximately $40,000,000 on equity securities was transferred from accumulated other comprehensive income, net of approximately $10,200,000 in taxes, resulting in an increase in retained earnings of $29,800,000.

During 2019, $7,841,000 in gains were recorded on the net increase in market value of the common and preferred stock, consisting of $6,337,000 realized on sales during 2019 and $1,504,000 in net unrealized gains on the portfolio. $23,500,000 of the $27,000,000 in common and preferred stocks were sold in 2019. In 2018, $5,301,000 in losses were recorded on the net decline in market value of the common and preferred stock, consisting of $2,338,000 in losses realized on sales during 2018 and $2,963,000 in net unrealized losses on the portfolio. $69,000,000 of the $101,300,000 in common and preferred stocks were sold in 2018.

The following tables show the carrying amount, gross unrealized holding gains, gross unrealized holding losses, and fair value of AFS and HTM securities by security type at December 31, 2019 and 2018.

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

2018	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair values
Available for sale:				
United States government obligations and government-sponsored enterprises	$ 2,049,378,000	4,427,000	(16,114,000)	2,037,691,000
Obligations of states and political subdivisions	309,320,000	2,992,000	(810,000)	311,502,000
Other securities	406,293,000	595,000	(6,671,000)	400,217,000
	$ 2,764,991,000	8,014,000	(23,595,000)	2,749,410,000
Held to maturity:				
United States government obligations and government-sponsored enterprises	$ 114,000	5,000	—	119,000
Obligations of states and political subdivisions	78,137,000	1,194,000	(121,000)	79,210,000
	$ 78,251,000	1,199,000	(121,000)	79,329,000

The amortized cost and fair value of available-for-sale and held-to-maturity securities at December 31, 2019, by contractual maturity, are shown below:

	United States government obligations and government-sponsored enterprises		Obligations of states and political subdivisions		Obligations of other securities	
	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost	Fair value
Available for sale:						
Within 1 year	$ 685,152,000	685,835,000	120,461,000	121,172,000	301,399,000	301,447,000
After 1 but within 5 years	489,537,000	489,103,000	50,087,000	50,948,000	62,587,000	62,245,000
After 5 but within 10 years	1,986,000	1,986,000	7,243,000	7,992,000	34,985,000	32,505,000
After 10 years	—	—	501,000	496,000	—	—
Mortgage – and asset-backed securities	1,732,037,000	1,738,550,000	—	—	28,661,000	28,641,000
	$ 2,908,712,000	2,915,474,000	178,292,000	180,608,000	427,632,000	424,838,000
Held to maturity:						
Within 1 year	$ —	—	10,316,000	10,367,000	—	—
After 1 but within 5 years	—	—	25,935,000	26,315,000	—	—
After 5 but within 10 years	—	—	19,324,000	19,777,000	—	—
After 10 years	—	—	1,557,000	1,466,000	—	—
Mortgage – and asset-backed securities	90,000	94,000			—	—
	$ 90,000	94,000	57,132,000	57,925,000	—	—

Proceeds from sales of available-for-sale securities in 2019 and 2018 were $360,384,000 and $184,207,000, respectively. Net gains of $33,000 and net losses of $194,000 were recognized on the sale of available-for-sale securities in 2019 and 2018, respectively.

Other securities consist primarily of corporate bonds. Investment securities and money market obligations with a carrying value of approximately $2,712,000,000 and $2,329,000,000 were pledged to secure public deposits, repurchase agreements, and borrowed funds at December 31, 2019 and 2018, respectively.

Gross unrealized losses on available-for-sale investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2019 and 2018 were as follows:

	Less than 12 months		12 months or more		Total	
2019	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Available for sale:						
United States government obligations and government-sponsored enterprises	$ 981,508,000	(1,971,000)	172,782,000	(2,450,000)	1,154,290,000	(4,421,000)
Obligations of states and political subdivisions and other securities	265,179,000	(212,000)	93,481,000	(2,978,000)	358,660,000	(3,190,000)
	$ 1,246,687,000	(2,183,000)	266,263,000	(5,428,000)	1,512,950,000	(7,611,000)

	Less than 12 months		12 months or more		Total	
2018	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Available for sale:						
United States government obligations and government-sponsored enterprises	$ 710,088,000	(1,176,000)	880,033,000	(14,938,000)	1,590,121,000	(16,114,000)
Obligations of states and political subdivisions and other securities	272,878,000	(1,684,000)	171,962,000	(5,797,000)	444,840,000	(7,481,000)
	$ 982,966,000	(2,860,000)	1,051,995,000	(20,735,000)	2,034,961,000	(23,595,000)

Gross unrealized losses on held-to-maturity investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2019 and 2018 were as follows:

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

	Less than 12 months		12 months or more		Total	
2018	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses
Held to maturity:						
Obligations of states and political subdivisions	3,569,000	(11,000)	2,260,000	(110,000)	5,829,000	(121,000)
	$ 3,569,000	(11,000)	2,260,000	(110,000)	5,829,000	(121,000)

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

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

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

The Company's impairment policy requires a review of all securities for which fair value is less than amortized cost for a period of 12 months. Special emphasis and analysis is placed on securities whose credit rating has experienced a negative credit rating event. These securities are placed on a watch list, and for all such securities, further credit analysis, research, and rating agency outlook is evaluated for further action considerations. Securities below investment grade with risk of bankruptcy filing or uncertain financial outlook are considered for OTTI impairment. There were no securities on the watch list as of December 31, 2019 and 2018 that were considered other than temporarily impaired.

As of December 31, 2019 and 2018, the Company had no recorded other than temporary impairment. Securities that were temporarily impaired at December 31, 2019 and 2018 are shown above, along with the length of the impairment period. Out of the total available-for-sale securities portfolio, consisting of 3,204 individual securities at December 31, 2019, 985 securities were temporarily impaired. Of these securities, 399 securities, amounting to 8% of the portfolio value, were temporarily impaired for 12 months or longer.

With respect to United States government and federal agency obligations, the unrealized losses on investments in securities of U.S. government and federal agency obligations were caused by interest rate changes and other market conditions. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than par. Because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired. These securities represent 65% of all securities at a loss for greater than 12 months.

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

Market rates moved higher year over year, while sector spreads accounted for the remainder of the decline in value. Historical spreads for corporate bonds tend to widen in times of financial distress (resulting in lower market values) and will narrow as markets calm down (market values will recover). The individual bond investments remain investment grade and within policy limits. Because the Company has the ability and intent to hold these investments until a market price recovery or maturity, these investments are not considered other-than-temporarily impaired.

(3) Loans

Loans consisted of the following at December 31, 2019 and 2018:

	2019	2018
Commercial	$ 7,135,456,000	6,068,715,000
Real estate	1,116,341,000	1,008,318,000
Individual	1,266,345,000	1,282,976,000
	9,518,142,000	8,360,009,000
Less unearned income	26,714,000	22,209,000
Less fair value adjustment	16,335,000	9,270,000
Total loans	$ 9,475,093,000	8,328,530,000

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

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

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

Loans acquired by the Company were $850,522,000 and $0 in 2019 and 2018, respectively.

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

	2019
Balance at beginning of year	$ 469,760,000
New loans	220,931,000
Repayments	(213,421,000)
Other changes	(4,695,000)
Balance at end of year	$ 472,575,000

Mortgage loans held-for-sale at December 31, 2019 and 2018 totaled approximately $70,339,000 and $32,116,000, respectively. The Company determines at the time of origination whether mortgage loans will be held for the Company's portfolio or sold to the secondary market. Loans originated and intended for sale in the secondary market are recorded at the lower of aggregate cost or estimated fair value. The loans held for sale are included in loans on the balance sheets of the accompanying consolidated financial statements.

Nonaccruing loans at December 31, 2019 and 2018 totaled approximately $51,743,000 and $28,003,000, respectively. The interest income recorded on nonaccrual loans was approximately $1,132,000 and $1,012,000 in 2019 and 2018, respectively.

Restructured loans at December 31, 2019 and 2018 totaled $26,883,000 and $27,657,000, respectively. The interest income recognized on restructured loans at December 31, 2019 and 2018 was approximately $979,000 and $762,000, respectively. The Company has entered into commitments to lend additional funds to the borrowers whose loans have been restructured and included in the totals disclosed above of approximately $2,000 at December 31, 2019. The table below shows the outstanding balance of loans classified as troubled debt restructurings (TDR) at December 31, 2019 and 2018. Nonperforming TDRs include all past-due and nonaccrual TDR loans. As of December 31, 2019, the Company had 19 TDRs totaling $5,984,000 that were past-due.

	2019			2018		
	Performing TDRs	Nonperforming TDRs	Total TDRs	Performing TDRs	Nonperforming TDRs	Total TDRs
Commercial	$ 10,494,000	7,533,000	18,027,000	13,010,000	5,106,000	18,116,000
Real estate	5,199,000	3,600,000	8,799,000	7,010,000	2,479,000	9,489,000
Individual	50,000	7,000	57,000	52,000	—	52,000
Total loans	$ 15,743,000	11,140,000	26,883,000	20,072,000	7,585,000	27,657,000

The Company has outstanding commitments to provide loans to customers and also has issued letters of credit. Loan commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as is involved in extending loan facilities to customers. At December 31, 2019 and 2018, the Company had unfunded loan commitments of $2,706,598,000 and $2,368,775,000, respectively. Outstanding letters of credit as of December 31, 2019 and 2018 amounted to $65,138,000 and $75,117,000, respectively.

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

(4) Allowance for Loan Losses

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

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

		Commercial and commercial real estate	Residential real estate	Individual	Total
At December 31, 2018:					
Balance at beginning of year	$	86,209,000	23,021,000	19,012,000	128,242,000
Provision for loan losses		7,529,000	(627,000)	8,978,000	15,880,000
Loans charged off		(9,602,000)	(1,071,000)	(11,242,000)	(21,915,000)
Recoveries on loans previously charged off		1,621,000	766,000	3,451,000	5,838,000
Balance at end of year	$	85,757,000	22,089,000	20,199,000	128,045,000

The following table provides the balance in the allowance for loan losses at December 31, 2019 and 2018, and the related loan balance by impairment methodology. Loans evaluated under ASC 310-10-35, *Receivable–Overall–Subsequent Measurement*, include loans on nonaccrual status, which are individually evaluated for impairment, troubled debt restructurings, and other impaired loans deemed to have similar risk characteristics. All other loans are collectively evaluated for impairment under ASC 450-20, *Loss Contingencies*. Although the allowance for loan losses is comprised of specific and general allocations, the entire allowance is available to absorb credit losses.

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

		Commercial and commercial real estate	Residential real estate	Individual	Total
At December 31, 2018:					
Allowance for loan losses:					
Individually evaluated for impairment	$	646,000	44,000	—	690,000
Collectively evaluated for impairment		85,111,000	22,045,000	20,199,000	127,355,000
Total	$	85,757,000	22,089,000	20,199,000	128,045,000
Loans outstanding:					
Individually evaluated for impairment	$	26,575,000	5,225,000	—	31,800,000
Collectively evaluated for impairment		6,011,210,000	1,002,677,000	1,282,843,000	8,296,730,000
Total	$	6,037,785,000	1,007,902,000	1,282,843,000	8,328,530,000

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

	2019	2018
Impaired loans with a specific allowance provided		
Commercial and commercial real estate	$ 7,333,000	5,715,000
Residential real estate	1,493,000	1,739,000
Individual	—	—
	8,826,000	7,454,000
Impaired loans with no specific allowance provided		
Commercial and commercial real estate	33,863,000	23,378,000
Residential real estate	7,917,000	6,736,000
Individual	—	—
	41,780,000	30,114,000
Total impaired loans	$ 50,606,000	37,568,000
Allowance related to impaired loans		
Commercial and commercial real estate	$ 802,000	646,000
Residential real estate	149,000	44,000
Individual	—	—
Total allowance related to impaired loans	$ 951,000	690,000

Total average impaired loans during 2019 and 2018 are shown in the table below.

	2019			2018		
	Nonaccrual	Restructured and still accruing	Total	Nonaccrual	Restructured and still accruing	Total
Average Impaired Loans:						
Commercial and commercial real estate	$ 23,515,000	11,803,000	35,318,000	22,779,000	13,298,000	36,077,000
Residential real estate	12,856,000	6,105,000	18,961,000	12,362,000	7,101,000	19,463,000
Individual	3,503,000	51,000	3,554,000	2,990,000	54,000	3,044,000
Total	$ 39,874,000	17,959,000	57,833,000	38,131,000	20,453,000	58,584,000

Age Analysis of Past Due and Nonaccrual Loans

	Current or less than 30 days past due	30 – 89 Days past due	90 Days past due and still accruing	Nonaccrual	Total
At December 31, 2019:					
Commercial and commercial real estate	$ 7,047,641,000	11,626,000	29,000	33,843,000	7,093,139,000
Residential real estate	1,089,695,000	11,384,000	565,000	14,098,000	1,115,742,000
Individual	1,252,799,000	9,154,000	457,000	3,802,000	1,266,212,000
Total	$ 9,390,135,000	32,164,000	1,051,000	51,743,000	9,475,093,000

	Current or less than 30 days past due	30 – 89 Days past due	90 Days past due and still accruing	Nonaccrual	Total
At December 31, 2018:					
Commercial and commercial real estate	$ 6,018,156,000	6,423,000	20,000	13,186,000	6,037,785,000
Residential real estate	982,858,000	13,059,000	371,000	11,614,000	1,007,902,000
Individual	1,266,544,000	12,629,000	467,000	3,203,000	1,282,843,000
Total	$ 8,267,558,000	32,111,000	858,000	28,003,000	8,328,530,000

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

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

	Commercial and commercial real estate	Residential real estate	Individual	Total
At December 31, 2018:				
Watch	$ 88,358,000	12,080,000	648,000	101,086,000
Substandard	68,482,000	15,865,000	2,781,000	87,128,000
Nonaccrual	13,186,000	11,614,000	3,203,000	28,003,000
Total	$ 170,026,000	39,559,000	6,632,000	216,217,000

(5) Mortgage Banking Activities

Certain subsidiary banks of the Company originate mortgage loans and sell those loans to the Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), and other private investors. Typically, these loans are sold with servicing retained by the subsidiary banks. Loans sold with servicing retained in 2019 and 2018 aggregated $751,482,000 and $572,015,000, respectively. Loans serviced for investors aggregated $3,544,243,000 and $3,390,238,000 at December 31, 2019 and 2018, respectively. Included in mortgage banking revenues in the accompanying consolidated statements of income are gains on the sale of mortgage loans totaling $25,350,000 and $17,604,000 in 2019 and 2018, respectively. Servicing fees recorded by the banks, which are also recorded in mortgage banking revenues and recorded when collected, aggregated $8,567,000 and $8,341,000 in 2019 and 2018, respectively.

Included in gain on sales of mortgage loans during 2019 and 2018 are capitalized mortgage servicing rights aggregating $6,605,000 and $5,953,000, respectively.

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

	2019	2018
Discount Rate	10.01%	10.02%
Prepayment Speed	14.23%	10.36%
Delinquency Rate	0.70%	0.19%

A summary of the mortgage servicing rights is as follows:

	2019	2018
Balance at beginning of year	$ 20,950,000	19,659,000
Capitalized mortgage servicing rights	6,605,000	5,953,000
Amortization	(6,996,000)	(4,664,000)
Change in valuation allowance	(85,000)	2,000
Balance at end of year	$ 20,474,000	20,950,000

The valuation allowance at December 31, 2019 and 2018 was $86,000 and $1,000 respectively.

The following table shows the estimated future amortization expense based on existing asset balances and the interest rate environment as of December 31, 2019. The Company's actual amortization expense in any given period may be different from the estimated amounts depending upon the addition of new intangible assets, changes in mortgage interest rates, prepayment rates, and other market conditions.

Year:	
2020	$ 3,820,000
2021	3,053,000
2022	2,499,000
2023	2,076,000
2024 and after	9,026,000

(6) Land, Buildings, and Equipment

A summary of land, buildings, and equipment at December 31, 2019 and 2018 is as follows:

	2019	2018
Land	$ 62,428,000	56,077,000
Buildings and improvements	267,506,000	247,325,000
Equipment	83,637,000	78,193,000
Right to use assets, net of amortization	34,696,000	—
	448,267,000	381,595,000
Less accumulated depreciation	220,336,000	214,218,000
	$ 227,931,000	167,377,000

The following table shows the estimated future depreciation expense based on existing asset balances as of December 31, 2019.

Year:	
2020	$ 15,186,000
2021	13,116,000
2022	11,231,000
2023	9,507,000
2024	8,120,000
Thereafter	73,647,000

Depreciation of buildings and equipment charged to operating expense was approximately $15,661,000 and $15,221,000 in 2019 and 2018, respectively, and is included in net occupancy and equipment expense on the consolidated statements of income. Amortization of right to use assets was approximately $1,707,000 in 2019.

(7) Goodwill and Core Deposit Intangible Assets

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

	2019			2018		
	Gross carrying amount	Accumulated amortization	Net amount	Gross carrying amount	Accumulated amortization	Net amount
Amortizable intangible assets:						
Core deposit intangible assets	$ 26,311,000	(4,366,000)	21,945,000	17,755,000	(14,749,000)	3,006,000
Trust customer intangible asset	6,100,000	(2,923,000)	3,177,000	6,100,000	(2,561,000)	3,539,000
Unamortizable intangible assets:						
Goodwill	$ 348,907,000	—	348,907,000	258,381,000	—	258,381,000

Aggregate amortization expense on core deposit and other intangible assets for the years ended December 31, 2019 and 2018 was $1,898,000 and $1,244,000, respectively. The following table shows the estimated future amortization expense for the next five years based on existing asset balances and the interest rate environment as of December 31, 2019. The Company's actual amortization expense in any given period may be different from the estimated amounts depending upon the addition of new intangible assets and other market conditions.

Year:	
2020	$ 4,054,000
2021	3,992,000
2022	3,527,000
2023	3,517,000
2024	3,385,000
Thereafter	6,647,000

(8) Income Taxes

The components of income tax expense on operations for the years ended December 31, 2019 and 2018 are as follows:

	2019	2018
Current income tax expense:		
Federal	$ 47,179,000	37,039,000
State	10,912,000	5,776,000
Total current income tax expense	58,091,000	42,815,000
Deferred income tax expense:		
Federal	4,918,000	4,481,000
State	(324,000)	1,252,000
Total deferred income tax expense	4,594,000	5,733,000
Total income tax expense on operations	$ 62,685,000	48,548,000

The reasons for the difference between the effective tax rates of 23.0% and 21.5% for 2019 and 2018, respectively, and the current federal statutory income tax rate of 21%, are as follows:

	2019		2018	
	Amount	Percentage	Amount	Percentage
Income tax expense at federal statutory rate	$ 57,189,000	21.0	$ 47,486,000	21.0
Increase (reduction) in income taxes resulting from:				
Tax-exempt interest	(2,906,000)	(1.1)	(3,501,000)	(1.6)
Dividend exclusion	(39,000)	0.0	(242,000)	(0.1)
State income taxes, net of federal income tax	8,364,000	3.0	5,552,000	2.5
Nondeductible expenses	439,000	0.2	394,000	0.2
Federal tax credits, net of low income housing tax credit partnership amortization	(385,000)	(0.1)	(852,000)	(0.4)
Other, net	23,000	0.0	(289,000)	(0.1)
	$ 62,685,000	23.0	$ 48,548,000	21.5

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2019 and 2018 are presented below:

	2019	2018
Deferred tax assets:		
Loans, principally due to allowance for loan losses	$ 32,242,000	33,000,000
Accrued expenses	24,524,000	25,473,000
Buildings and equipment	1,212,000	3,107,000
Unrealized loss on available-for sale securities	—	3,967,000
Defined benefit plan	20,026,000	18,749,000
Total gross deferred tax assets	78,004,000	84,296,000
Deferred tax liabilities:		
Prepaid pension expense	7,787,000	8,499,000
Mortgage servicing rights	4,886,000	5,332,000
Goodwill	26,213,000	25,998,000
Lease financing	33,019,000	26,623,000
Unrealized gain on equity securities	1,123,000	6,751,000
Unrealized gain on available-for sale securities	1,498,000	—
Other	2,639,000	1,699,000
Total gross deferred tax liabilities	77,165,000	74,902,000
Net deferred tax assets	$ 839,000	9,394,000

The Company has not recorded a valuation allowance related to the net deferred tax assets at December 31, 2019 or 2018 due to historical and expected future earnings of the bank subsidiaries.

On June 1, 2018, Senate Bill No. 884 ("S.B. 884") was signed into Missouri state law. S.B. 884 reduces the Missouri corporate income tax rate from 6.25% to 4.00%, effective January 1, 2020. The Company completed its analysis of the effects of S.B. 884 in its 2019 financial statements. The impact of the Missouri law change did not have a significant impact on the Company's deferred tax balances.

The Company classifies interest and penalties on uncertain tax benefits as income tax expense. In the normal course of business, the Company provides for uncertain tax positions and the related interest and penalties and adjusts its unrecognized tax benefits and related interest and penalties accordingly. Unrecognized tax benefits increased by $1.5 million during 2019, totaling $2.9 million at December 31, 2019.

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

(9) Deposits

Maturities of time deposits are as follows at December 31, 2019:

Year:	
2020	$ 1,253,316,000
2021	246,216,000
2022	76,222,000
2023	30,268,000
2024	22,083,000
Thereafter	1,947,000
	$ 1,630,052,000

Time deposits include certificates of deposit of $250,000 and over, totaling approximately $308,240,000 and $249,813,000 at December 31, 2019 and 2018, respectively. Interest expense on such deposits amounted to $5,702,000 and $4,272,000 in 2019 and 2018, respectively.

(10) Securities Sold under Agreements to Repurchase

The Company's obligation to repurchase securities sold at December 31, 2019 and 2018 totaled $856,958,000 and $784,195,000, respectively. These are short-term borrowings that generally have one day maturities. Information concerning securities sold under agreements to repurchase during the year is as follows:

	2019	2018
Average monthly balance during the year	$ 825,270,000	786,583,000
Maximum month-end balance during the year	874,338,000	874,193,000
Average interest rate during the year	1.27%	1.14%

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

The table below shows the remaining contractual maturities of repurchase agreements outstanding at December 31, 2019, in addition to the various types of marketable securities that have been pledged as collateral for these borrowings.

	Remaining Contractual Maturity of the Agreements			
	Overnight and continuous	Up to 90 days	Greater than 90 days	Total
December 31, 2019				
Repurchase agreements, secured by:				
U.S. government and federal agency obligations	$ 172,582,000	—	20,074,000	$ 192,656,000
Government-sponsored enterprise obligations	39,706,000	—	350,000	40,056,000
Mortgage-backed securities	213,151,000	—	355,936,000	569,087,000
Other	55,159,000	—	—	55,159,000
Total Repurchase agreements, gross amount recognized	$ 480,598,000	$ —	$ 376,360,000	$ 856,958,000

(11) Trust Preferred Securities

The Company with the acquisition of Platte County Bancshares, Inc. on December 2, 2019, acquired $6.7 million of Trust preferred security debt instruments consisting of 1) $3,000,000 of Trust preferred securities issued on July 31, 2001 with a 30 year maturity and a floating rate of 3.58% above three month LIBOR set quarterly. The current rate at December 31, 2019 is 5.51%. 2) $3,500,000 of Trust preferred securities issued on December 30, 2003 with a 30 year maturity and a floating rate of 2.85% above three month LIBOR set quarterly. The current rate at December 31, 2019 is 4.99%. 3) $202,000 of Trust preferred securities from the proceeds of the sale of the securities that were loaned to Platte County Bancshares, Inc. under subordinated debentures issued to the Trust pursuant to an indenture with payment terms identical to the preferred securities. The Company expects to retire the Trust preferred securities in the first quarter of 2020.

(12) Employee Benefit Plans

The Company has a noncontributory defined benefit pension plan, the Central Bancompany, Inc. Retirement Plan (the Plan), available to qualified employees, as defined under the Plan. On November 14, 2018, the Company's Board of Directors approved an amendment to freeze the Plan, effective December 31, 2018. After December 31, 2018, participants in the Plan will not accrue additional benefits for future service or compensation. Participants will retain benefits accumulated as of December 31, 2018 in accordance with the terms of the Plan. In accordance with applicable accounting standards, the Pension Plan's assets and liabilities were remeasured as of December 31, 2018. This resulted in a reduction of the accrued pension liability of approximately $26,691,000 and a curtailment gain of $2,317,000.

The Company's funding policy is to contribute funds to an account maintained by the pension plan trustee, as necessary, to provide for the normal cost and amortization of the unfunded actuarial accrued liability. Assets held in the Plan are primarily government and government agency obligations, common stock, corporate bonds, mutual funds, and money market accounts. Certain executives also participate in a supplemental pension plan (the CERP) that the Company funds only as retirement benefits are disbursed. The CERP carries no segregated assets.

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

	2019	2018
Projected benefit obligation	$ 23,085,000	21,365,000
Accumulated benefit obligation	22,332,000	22,433,000

The following items are components of net pension cost for the years ended December 31, 2019 and 2018:

	2019	2018
Service cost benefits earned during the year	$ —	10,216,000
Interest cost on projected benefit obligation	12,591,000	12,459,000
Expected return on plan assets	(11,768,000)	(14,299,000)
Amortization of prior service cost	—	(829,000)
Amortization of net loss	929,000	8,429,000
Curtailment gain recognized	—	(2,317,000)
Net periodic pension cost	$ 1,752,000	13,659,000

The following table sets forth the pension plans' funded status, using valuation dates of December 31, 2019 and 2018:

	2019	2018
Change in projected benefit obligation:		
Projected benefit obligation at prior valuation date	$ 287,007,000	326,661,000
Service cost	—	10,216,000
Interest cost	12,591,000	12,459,000
Plan curtailments	—	(24,163,000)
Benefits paid	(15,833,000)	(11,519,000)
Actuarial (gain) loss	42,221,000	(26,647,000)
Projected benefit obligation at valuation date	325,986,000	287,007,000
Change in plan assets:		
Fair value of plan assets at beginning of year	224,264,000	231,796,000
Actual return on plan assets	42,747,000	(13,024,000)
Employer contributions	1,022,000	17,011,000
Benefits paid	(15,833,000)	(11,519,000)
Fair value of plan assets at end of year	252,200,000	224,264,000
Funded status and net amount recognized at December 31	$ (73,786,000)	(62,743,000)

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

	2019	2018
Prepaid pension asset	$ 32,548,000	33,380,000
Accrued benefit liability	(106,334,000)	(96,123,000)
Net amount recognized at December 31	$ (73,786,000)	(62,743,000)

The estimated net loss expected to be amortized from accumulated other comprehensive income into net periodic pension cost in 2020 will be $1,909,000.

Amounts not yet reflected in net periodic benefit cost and included in accumulated other comprehensive loss, on a pretax basis, at December 31, 2019 are as follows:

Prior service asset	$ —
Accumulated loss	(84,002,000)
Accumulated other comprehensive loss, pretax	(84,002,000)
Cumulative employer contributions in excess of net periodic benefit cost	10,216,000
Net amount recognized on the December 31, 2019 balance sheet	$ (73,786,000)

The following weighted average assumptions have been used at December 31, 2019 and 2018:

	2019	2018
Determination of benefit obligation at year-end:		
Discount rate	3.45%	4.45%
Determination of net periodic benefit cost for the year ended:		
Discount rate	4.45%	3.85%
Expected long-term rate of return on Plan assets	5.00	6.00
Rate of compensation increase	—	3.12

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

The following table shows the Company's benefit cost, employer contributions, and benefits paid for the years ended December 31, 2019 and 2018:

	2019	2018
Benefit cost	$ —	10,216,000
Employer contribution	1,022,000	17,011,000
Benefits paid	15,833,000	11,519,000

The weighted average asset allocations as of December 31, 2019 and 2018, by asset category, are as follows:

	Plan assets as of December 31	
	2019	2018
Equity securities	73%	63%
Fixed income	25%	30%
Cash and equivalents	2%	7%
Total	100%	100%

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

The following benefit payments are expected to be paid:

2020	$ 13,468,000
2021	14,101,000
2022	15,226,000
2023	15,897,000
2024	16,086,000
2025 – 2029	84,834,000

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

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

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

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

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

		Fair value measurements at report date using		
	December 31, 2019	Quoted prices in active markets for identical assets (Level 1)	Significant other unobservable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents	$ 7,457,000	7,457,000	—	—
U.S. government and agency obligations	13,679,000	—	13,679,000	—
Common stocks	60,102,000	60,102,000	—	—
Mutual funds	170,962,000	170,962,000	—	—
Total	$ 252,200,000	238,521,000	13,679,000	—

The following table sets forth by level, within the fair value hierarchy, the pension plan's assets at fair value as of December 31, 2018:

		Fair value measurements at report date using		
	December 31, 2018	Quoted prices in active markets for identical assets (Level 1)	Significant other unobservable inputs (Level 2)	Significant unobservable inputs (Level 3)
Cash equivalents	$ 18,928,000	18,928,000	—	—
U.S. government and agency obligations	29,990,000	7,359,000	22,631,000	—
Common stocks	42,330,000	42,330,000	—	—
Mutual funds	133,016,000	133,016,000	—	—
Total	$ 224,264,000	201,633,000	22,631,000	—

The Company has established a Voluntary Employees Beneficiary Association Trust (VEBA) to fund an employee benefit plan covering medical and dental benefits. For the years ended December 31, 2019 and 2018, the Company contributed $15,183,000 and $10,766,000, respectively, to the VEBA.

The Company has established an employee savings plan under Section 401(k) of the Internal Revenue Code (the Code). Under this plan, employees are allowed to contribute a maximum of 75% of their base pay, subject to certain IRS limitations. The Company's matching contribution is equal to one-half of the employee's contribution up to a maximum of 6% of the employee's base pay. For the years ended December 31, 2019 and 2018, the Company contributed $3,768,000 and $3,080,000, respectively, to the 401(k) plan.

In 2019, with the freezing of the defined benefit pension plan effective December 31, 2018, the Company added to the defined contribution plan two additional benefits. Effective January 1, 2019, a Non Elective Contribution (NEC) of 4% was given to all employees, except employees who are drawing a pension. NEC eligibility has an immediate entry date for employees age 18 or older. Subsequent to 2019, there will be a

Supplemental NEC of an additional 4% to employees who have been active ten plus years as of January 1, 2019 and not drawing a pension. This contribution will be given for five years. The Company cost for the two benefits for 2019 was $6,214,000 for the all employee 4% contribution and $2,600,000 for the 4% contribution for ten year plus employees.

The Company has established a deferred compensation plan. The liability for the plan, aggregating $38,421,000 and $39,206,000 at December 31, 2019 and 2018, respectively, is recorded in other liabilities in the accompanying consolidated balance sheets. Total expense under these arrangements included in salaries and employee benefits was $3,695,000 and $3,420,000 for the years ended December 31, 2019 and 2018, respectively.

(13) Capital Adequacy

Quantitative measures established by regulation to ensure capital adequacy require the banks to maintain minimum amounts and ratios (set forth in the table below on a consolidated basis, amounts in thousands) of total and Tier 1 capital (as defined in the regulations) to risk-weighted assets, and of Tier 1 capital to average assets. At December 31, 2019, the Company met all capital requirements to which it is subject, and the Bank's capital position exceeded the regulatory definition of well-capitalized.

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

A summary of the Company's and its significant subsidiaries' (greater than $1.0 billion in assets) capital ratios at December 31, 2019 and 2018 is as follows:

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

(in 000's)	Actual		Minimum capital adequacy requirement		Well-capitalized requirement	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of December 31, 2018:						
Total risk-based capital (to risk-weighted assets):						
Company	$ 1,900,782	19.47%	$ 780,908	8.00%	$ —	—%
Central Bank of St. Louis	218,969	13.14	133,283	8.00	166,604	10.00
Central Trust bank	203,627	13.40	121,528	8.00	151,910	10.00
Central Bank of Boone County	187,929	13.13	114,522	8.00	143,153	10.00
Central Bank of the Midwest	171,870	12.26	112,121	8.00	140,152	10.00
Central Bank of the Ozarks	143,713	12.81	89,778	8.00	112,223	10.00
Tier 1 capital (to risk-weighted assets):						
Company	1,778,672	18.22	585,681	6.00	—	—
Central Bank of St. Louis	198,127	11.89	99,962	6.00	133,283	8.00
Central Trust bank	187,523	12.34	91,146	6.00	121,528	8.00
Central Bank of Boone County	170,037	11.88	85,892	6.00	114,522	8.00
Central Bank of the Midwest	154,343	11.01	84,091	6.00	112,121	8.00
Central Bank of the Ozarks	129,669	11.55	67,334	6.00	89,778	8.00
Tier 1 common equity capital (to risk-weighted assets):						
Company	1,778,672	18.22	439,261	4.50	—	—
Central Bank of St. Louis	198,127	11.89	74,972	4.50	108,293	6.50
Central Trust bank	187,523	12.34	68,359	4.50	98,741	6.50
Central Bank of Boone County	170,037	11.88	64,419	4.50	93,049	6.50
Central Bank of the Midwest	154,343	11.01	63,068	4.50	91,099	6.50
Central Bank of the Ozarks	129,669	11.55	50,500	4.50	72,945	6.50
Tier 1 capital (to average assets):						
Company	1,778,672	14.21	510,150	4.00	—	—
Central Bank of St. Louis	198,127	10.85	74,124	4.00	92,655	5.00
Central Trust bank	187,523	7.89	95,712	4.00	119,640	5.00
Central Bank of Boone County	170,037	8.88	76,726	4.00	95,908	5.00
Central Bank of the Midwest	154,343	9.21	70,946	4.00	88,682	5.00
Central Bank of the Ozarks	129,669	8.70	52,200	4.00	65,251	5.00

(14) Leasing

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

As of December 31, 2019, the Company's assets included right to use assets that had a weighted average lease term remaining of 28.2 years and a weighted average discount rate of 3.8%. Operating lease cost recorded in occupancy and equipment expense amounted to $3,191,000 in 2019. Operating cash flows from operating leases were $2,974,000 in 2019. As of December 31, 2019, the right to use assets, reported within premises and equipment, net, and lease liability, reported within other liabilities, recognized on the Company's financial statements totaled $34,696,000 and $35,173,000, respectively.

As of December 31, 2019, undiscounted operating lease liabilities are scheduled to mature as follows:

Year:	
2020	$3,044,000
2021	2,920,000
2022	2,812,000
2023	2,731,000
2024	2,607,000
Thereafter	44,658,000

The adoption of the lease standard using the effective date as of the date of initial application requires the inclusion of the disclosure for periods prior to adoption, which is included in the table below. Minimum future rental commitments as of December 31, 2018, for all non-cancelable operating leases were as follows:

Year:	
2019	$ 2,982,000
2020	2,560,000
2021	2,433,000
2022	2,337,000
2023	2,288,000
Thereafter	44,376,000
	$ 56,976,000

Operating expense and short term lease costs totaled $3,600,000 in 2019.

(15) Litigation

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

(16) Fair Value Disclosures

Fair Value Hierarchy

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

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

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 – inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liabilities, either directly or indirectly (such as interest rates, yield curves, and prepayment speeds).
- Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value. These may be internally developed, using the Company's best information and assumptions that a market participant would consider.

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

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

The following table presents assets and liabilities measured at fair value on a recurring basis (including items that are required to be measured at fair value) at December 31, 2019 and December 31, 2018.

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

		Fair value measurements at report date using		
	Fair Value December 31, 2018	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:				
Available-for-sale investment securities:				
Money markets	$ 2,173,000	2,173,000	—	—
U.S. treasuries	269,588,000	269,588,000	—	—
Agencies	605,497,000	—	605,497,000	—
Fixed rate MBS pools	287,680,000	—	287,680,000	—
Floating rate and hybrid ARM MBS pools	361,263,000	—	361,263,000	—
SBA pools	336,313,000	—	336,313,000	—
Fixed rate CMOs	161,517,000	—	161,517,000	—
Floating rate CMOs	15,240,000	—	15,240,000	—
Tax-exempt municipal bonds	273,129,000	—	273,129,000	—
Taxable municipal bonds	38,373,000	—	38,373,000	—
Corporates	398,637,000	—	398,637,000	—
Equity investments	66,078,000	26,953,000	39,125,000	—
Trading securities:				
Tax-exempt municipal bonds	125,000	—	125,000	—
Total	$ 2,815,613,000	298,714,000	2,516,899,000	—

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

Available-for-Sale Investment Securities

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

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

Trading Securities

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

Loans Held for Sale

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

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

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

Mortgage Servicing Rights

The Company initially measures its mortgage servicing rights at fair value, and amortizes them over the period of estimated net servicing income. They are periodically assessed for impairment based on fair value at the reporting date. Mortgage servicing rights do not trade in an active market with readily observable prices. Accordingly, the fair value is estimated based on a valuation model, which calculates the present value of estimated future net servicing income. The model incorporates assumptions that market participants use in estimating future net servicing income, including estimates of prepayment speeds, market discount rates, cost to service, float earnings rates, and other ancillary income, including late fees. The fair value measurements are classified as Level 3. A fair value adjustment of $86,000 was recorded on the mortgage servicing rights at December 31, 2019.

Collateral Dependent Impaired Loans

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

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

Foreclosed Assets

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

Fair Value of Financial Instruments

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

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

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

Time Deposits

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

Investment Securities

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

Loans

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

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

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

Deposits

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

Federal Funds Purchased and Securities Sold Under Agreements to Repurchase

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

Trust Preferred Securities and Accrued Interest Payable

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

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

	December 31, 2019			
	Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
Financial Assets				
Cash and due from banks and short-term interest bearing deposits	$ 927,015,000	927,015,000	—	—
Interest bearing deposits	60,220,000	—	—	60,654,000
Federal funds sold and securities purchased under agreements to resell	200,831,000	200,831,000	—	—
Investment securities (1)				
Available for sale	3,520,920,000	359,504,000	3,161,416,000	—
Held to maturity	57,222,000	—	57,443,000	677,354
Equity	55,322,000	4,957,000	50,365,000	274,000
Trading	108,000	—	108,000	—
Loans (2)				
Commercial loans	7,003,980,000	—	—	6,996,640,000
Real estate loans	1,022,572,000	—	—	1,030,294,000
Individual loans	1,245,253,000	—	—	1,248,514,000
Loans held for sale	70,339,000	—	70,339,000	—

	December 31, 2018			
	Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
Financial Assets				
Cash and due from banks and short-term interest bearing deposits	$ 1,244,128,000	1,244,128,000	—	—
Interest bearing deposits	39,357,000	—	—	39,396,000
Federal funds sold and securities purchased under agreements to resell	194,184,000	194,184,000	—	—
Investment securities (1)				
Available for sale	2,749,410,000	269,587,000	2,479,823,000	—
Held to maturity	78,251,000	—	78,753,000	576,000
Equity	66,078,000	26,953,000	39,125,000	—
Trading	125,000	—	125,000	—
Loans (2)				
Commercial loans	5,951,479,000	—	—	6,039,311,000
Real estate loans	986,229,000	—	—	976,018,000
Individual loans	1,262,777,000	—	—	1,252,093,000
Loans held for sale	32,116,000	—	32,116,000	—

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

	December 31, 2018			
	Carrying amount	Estimated Fair Value Level 1	Level 2	Level 3
Financial Liabilities				
Noninterest-bearing demand	$ 3,324,466,000	3,324,466,000	—	—
Savings and interest-bearing demand	5,354,279,000	5,354,279,000	—	—
Time deposits	1,436,406,000	—	—	1,421,518,000
Total deposits	$ 10,115,151,000	8,678,745,000	—	1,421,518,000
Federal funds purchased and securities sold under agreements to repurchase	$ 944,148,000	944,148,000	—	—
Accrued interest payable	3,337,000	3,337,000	—	—

Limitations

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

(17) Accumulated Other Comprehensive Loss

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

	Unrealized Gains/Losses on AFS Securities	Pension Plan	Total
Balance December 31, 2017	$ 24,667,000	(76,384,000)	(51,717,000)
Reclassification from adoption of ASU 2016-01	(29,844,000)	—	(29,844,000)
Other comprehensive (loss) income before reclassifications	(8,469,000)	23,508,000	15,039,000
Amounts reclassified from accumulated other comprehensive (loss) income	(126,000)	5,283,000	5,157,000
Current period other comprehensive (loss) income, before tax	(8,595,000)	28,791,000	20,196,000
Income tax benefit (expense)	2,201,000	(7,328,000)	(5,127,000)
Current period other comprehensive (loss) income, net of tax	(6,394,000)	21,463,000	15,069,000
Balance December 31, 2018	(11,571,000)	(54,921,000)	(66,492,000)
Other comprehensive income (loss) before reclassifications	21,864,000	(10,332,000)	11,532,000
Amounts reclassified from accumulated other comprehensive loss	(14,000)	—	(14,000)
Current period other comprehensive income (loss), before tax	21,850,000	(10,332,000)	11,518,000
Income tax (expense) benefit	(5,465,000)	1,277,000	(4,188,000)
Current period other comprehensive income (loss), net of tax	16,385,000	(9,055,000)	7,330,000
Balance December 31, 2019	$ 4,814,000	(63,976,000)	(59,162,000)

(18) Acquisitions

Liberty Bancorp, Inc.

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

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

Goodwill of $45.0 million was recorded with the purchase of LBI. The goodwill recorded is not tax deductible. A summary of the historical balances acquired and the adjustments to arrive at fair value follows:

	LBI August 1, 2019	Fair Value Adjustments	Fair Value
Assets			
Cash and due from banks	$ 8,529,000	—	8,529,000
Due from banks interest bearing	57,274,000	—	57,274,000
Investment securities	13,011,000	21,000	13,032,000
Loans	411,389,000	757,000	406,175,000
		(5,971,000)	
Allowance for loan loss	(5,143,000)	5,143,000	—
Premises and equipment	14,257,000	(1,915,000)	12,342,000
Other real estate owned	4,457,000	(2,237,000)	2,220,000
Bank owned life insurance	19,927,000	—	19,927,000
Goodwill	3,927,000	(3,927,000)	—
Core deposit intangible	1,993,000	(1,993,000)	10,292,000
		10,292,000	
Other assets	3,790,000	847,000	2,202,000
		(2,435,000)	
Total assets	$ 533,411,000	(1,418,000)	531,993,000
Liabilities and equity			
Non-interest bearing demand	$ 124,036,000	—	124,036,000
Interest bearing demand and savings	270,964,000	—	270,964,000
Time deposits	63,642,000		63,642,000
Total deposits	458,642,000	—	458,642,000
Fed funds and repurchase agreements	4,226,000	—	4,226,000
Other borrowed funds	3,500,000	—	3,500,000
Subordinated debt	2,504,000	1,105,000	3,609,000
Other liabilities	4,493,000	—	4,493,000
Total liabilities	473,365,000	1,105,000	474,470,000
Equity	60,046,000	(60,046,000)	—
Total liabilities and equity	$ 533,411,000	(58,941,000)	474,470,000
Net acquired fair value			57,523,000
Purchase price			102,646,000
Goodwill			45,123,000

During 2019, the Company finalized the valuation resulting in the adjustments to state the balance sheet at fair value.

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

Platte County Bancorporation Inc.

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

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

Goodwill of $45.2 million was recorded with the purchase of PCBI. The goodwill recorded is tax deductible. A summary of the historical balances acquired and the adjustments to arrive at fair value follows:

	PCBI December 2, 2019	Fair Value Adjustments	Fair Value
Assets			
Cash and due from banks	$ 5,709,000	—	5,709,000
Due from banks interest bearing	38,384,000	—	38,384,000
Investment securities	92,135,000	154,000	92,289,000
Loans	447,924,000	(3,575,000)	444,349,000
Allowance for loan loss	(5,463,000)	5,463,000	—
Premises and equipment	12,802,000	(641,000)	12,161,000
Goodwill	178,000	(178,000)	—
Core deposit intangible	—	10,181,000	10,181,000
Other assets	7,081,000	—	7,081,000
Total assets	$ 598,750,000	11,404,000	610,154,000
Liabilities and equity			
Non-interest bearing demand	$ 159,197,000	—	159,197,000
Interest bearing demand and savings	270,633,000	—	270,633,000
Time deposits	98,053,000	335,000	98,388,000
Total deposits	527,883,000	335,000	528,218,000
Fed funds and repurchase agreements	9,536,000	—	9,536,000
Subordinated debt	6,702,000	—	6,702,000
Other liabilities	2,714,000	—	2,714,000
Total liabilities	546,835,000	335,000	547,170,000
Equity	51,915,000	(51,915,000)	—
Total liabilities and equity	$ 598,750,000	(51,580,000)	547,170,000
Net acquired fair value			62,984,000
Purchase price			108,203,000
Goodwill			45,219,000

The adjustments to fair value are estimates based on a preliminary analysis. Final adjustments are expected to be recorded in the first six months of 2020.

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

The following is the process to determine the fair value amounts:

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

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

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

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

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

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

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

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

(19) Derivative Instruments

The Company's mortgage banking operation makes commitments to extend fixed rate loans secured by 1-4 family residential properties, which are considered to be derivative instruments. These commitments have an average term of 60 to 90 days. The Company's general practice is to sell such loans in the secondary market. During the term of the loan commitment, the value of the loan commitment changes in inverse proportion to changes in market interest rates. The Company obtains forward sale contracts with investors in the secondary market in order to manage these risk positions. Most of the contracts are matched to a specific loan on a ''best efforts'' basis, in which the Company is obligated to deliver the loan only if the loan closes. Hedge accounting has not been applied to these activities. The unrealized gain on the forward sales contracts, which has not been recognized in the Company's consolidated statements of income given its insignificance, amounted to $323,000 and $165,000 for the years ended December 31, 2019 and 2018, respectively.

The Company maintains an overall interest rate risk management strategy that permits the use of derivative instruments to modify exposure to interest rate risk. The Company's interest rate risk management strategy includes the ability to modify the repricing characteristics of certain assets and liabilities so that changes in interest rates do not adversely affect the net interest margin and cash flows. Interest rate swaps may be used on a limited basis as part of this strategy. The Company also sells interest rate swap contracts to customers who wish to modify their interest rate sensitivity. The Company offsets the interest rate risk of these swaps by purchasing matching contracts with offsetting pay/receive rates from other financial institutions. These Back-to-Back swap contracts comprised a portion of the Company's swap portfolio at December 31, 2019 and 2018 with total notional amounts of $332.9 million and $178.4 million, respectively. The Company's "Back-to-Back" swaps are accounted for as free-standing derivatives, and changes in their fair value are recorded in current earnings.

The Company also employs the use of "Critical Terms" swaps. While this strategy does not directly involve customers of the banks, they are used to swap the interest rate structure of individual loans. By using Critical Terms, the bank is able to mark-to-market the loan as well. For derivatives designated and that qualify as fair value hedges, the gain or loss on the derivative as well as the offsetting loss or gain on the hedged item attributable to the hedged risk are recognized in earnings. The Company includes the gain or loss on the hedged items in the same line item as the offsetting loss or gain on the related derivatives. These structures had a notional amount of $24.3 million, with a fair value of $(200,000) and $13.4 million, with a fair value of $669,000 at December 31, 2019 and 2018, respectively.

		Derivative Assets 12/31/19	Derivative Liabilities 12/31/19	Derivative Assets 12/31/18	Derivative Liabilities 12/31/18
Back to back swaps	$	6,018,000	(6,018,000)	2,631,000	(2,631,000)
Fair value hedges		249,000	(449,000)	669,000	—

(20) Revenue Recognition

On January 1, 2018, the Company adopted ASU 2014-09, *Revenue from Contracts with Customers*, and its related amendments. The core principle of the new guidance is that an entity should recognize revenue to reflect the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue from financial instruments, including revenue from loans and securities, is not included within this guidance. Of the remaining revenue, those items that are subject to this guidance mainly include fees for bank card, trust, deposit account services, and consumer brokerage services.

Noninterest revenue streams within the scope of this guidance are discussed below and summarized in the table that follows.

Fees for Fiduciary Services

Trust and asset management income is primarily comprised of fees earned from the management and administration of trusts and other customer assets. The Company's performance obligation is generally satisfied over time and the resulting fees are recognized monthly, based upon the month-end market value of the assets under management and the applicable fee rate. Other transactional-based services such as tax return preparation are available. The performance obligation for these services is generally satisfied and related revenue recognized, at the conclusion of each month.

Deposit Accounts and Other Fees

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

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

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

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

Bankcard Transaction Fees

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

Consumer Brokerage Services

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

Other Non-Interest Income from Contracts with Customers

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

		2019	2018
Service charges and commissions			
Deposit account and other fees	$	40,963,000	38,955,000
Other non-ASC 606 revenue		9,652,000	9,622,000
		50,615,000	48,577,000
Bankcard and merchant service fees			
Bankcard transaction fees		47,913,000	45,246,000
Brokerage services			
Consumer brokerage service fees		14,548,000	13,557,000
Fees for fiduciary services			
Fiduciary service fees		30,739,000	30,704,000
Other			
Gain on sale of bank premises and equipment		566,000	501,000
Other non-ASC 606 revenue		4,090,000	3,452,000
		4,656,000	3,953,000

Company History

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

1972 First National Bank of Clayton joins Central Bancompany

1973 Acquired – The Guaranty Trust Company, Clayton, MO

1974 Acquired – Boone County National Bank, Columbia, MO

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

Deployed first automated teller machine (ATM)

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

1980 Acquired – Empire Bank, Springfield, MO

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

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

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

Launched Credit Card Division

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

Acquired – Ozark Mountain Bank, Branson, MO

1991 Empire Bank acquires Nixa Bank, Nixa, MO

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

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

Added our **50th** Location

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

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

Launched InvestorServices, a full-service brokerage division

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

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

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

Acquired – Farmers & Traders Bank, California, MO

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

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

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

Launched Internet Banking

1999 Acquired – Bank of Jacomo, Blue Springs, MO

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

Central Trust Bank acquires Fulton Savings Bank, Fulton, MO

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

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

Reached **$5 Billion** in Total Assets

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

Expanded into the State of Illinois

Added our **100th** Location

2004 Bank of Jacomo collapses into FNB of Missouri

Acquired – Community Bank and Trust Company, Tulsa, OK

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

Expanded into the State of Oklahoma

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

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

Acquired – Metcalf Bank, Overland Park, KS

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

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

Expanded into the State of Kansas

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

Empire Bank acquires The Greene County Bank, Strafford, MO

First Central Bank acquires Bank of Holden, Holden, MO

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

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

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

2010 Empire Bank acquires Citizens National Bank, Springfield, MO

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

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

Reached **$10 Billion** in Total Assets

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

2014 Metcalf Bank acquires Bank of Belton, Belton, MO

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

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

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

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

Central Trust Bank creates Mortgage Central and opens offices in Colorado

Expanded into the State of Colorado

2018 Full service branch opens in Colorado Springs, CO

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

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

Central Bancompany Directors & Senior Leadership

Board of Directors

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

Senior Leadership

S. Bryan Cook, *President & Chief Executive Officer*
Robert M. Robuck, *Chairman of the Board*
Kenneth W. Littlefield, *Vice Chairman*, Chief Administrative Officer and Chief Financial Officer
Stephen E. Erdel, *Vice Chairman*, Chief Operating Officer
Donald R. Perdue, *Senior Executive Vice President*, Investments
Russell L. Goldammer, *Executive Vice President*, Chief Information Officer
Gregory D. Omer, *Executive Vice President*, Corporate Secretary & General Counsel
David W. Roehl, *Executive Vice President*, Chief Investment Officer
Daniel G. Stephen, *Executive Vice President*, Senior Credit Officer & Chief Risk Officer
Daniel H. Westhues, *Executive Vice President*, Chief Marketing Officer & Retail Banking

Robert M. Carr, Jr., *Senior Vice President*, Managing Director, Central Investment Advisors
Christine K. Ellinger, *Senior Vice President*, Chief Human Resources Officer
Scott M. Kellett, *Senior Vice President*, Trust and Asset Management
Paul J. Kleffner, *Senior Vice President*, Managing Director, Auditing
David P. Minton, *Senior Vice President*, Mortgage Banking
Lisa J. Pittman, *Senior Vice President*, Controller
Alan F. Stonum, *Senior Vice President*, Managing Director, BankCard Services
Shannon M. Thomason, *Senior Vice President*, Chief Compliance Officer
Brad T. Waster, *Senior Vice President*, Central Investment Advisors

Central Bancompany acquired two banks in 2019, the building shown here is the main facility from the BankLiberty aquisition.

The Central Trust Bank

Joined Central Bancompany in 1970

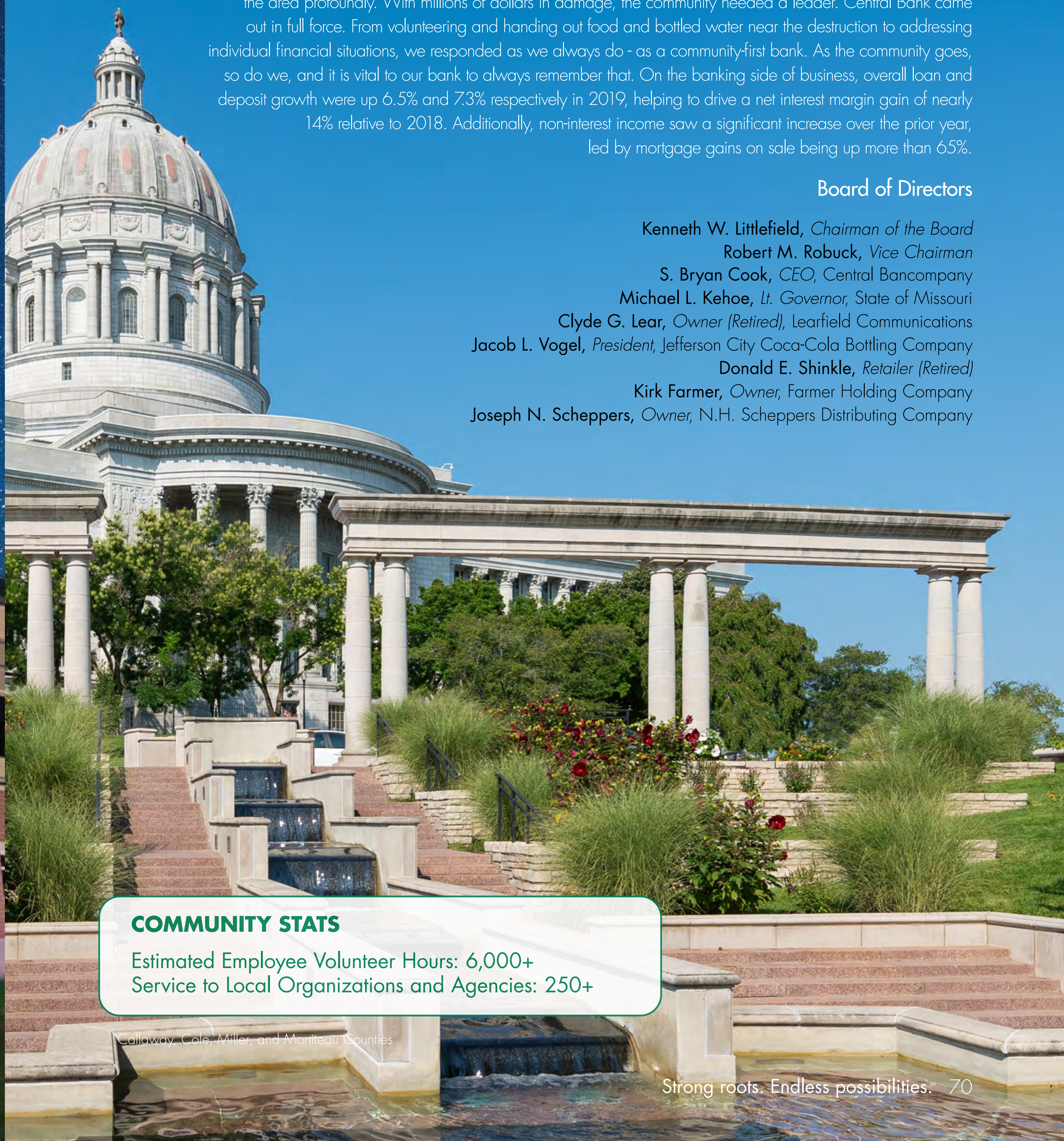
President & CEO: David P. Minton • Branches: 15 • Employees: 505

If there is a need in the greater Jefferson City area, Central Bank is there.

On May 22, Jefferson City was struck with an EF-3 tornado. It destroyed local businesses, houses, and affected the area profoundly. With millions of dollars in damage, the community needed a leader. Central Bank came out in full force. From volunteering and handing out food and bottled water near the destruction to addressing individual financial situations, we responded as we always do - as a community-first bank. As the community goes, so do we, and it is vital to our bank to always remember that. On the banking side of business, overall loan and deposit growth were up 6.5% and 7.3% respectively in 2019, helping to drive a net interest margin gain of nearly 14% relative to 2018. Additionally, non-interest income saw a significant increase over the prior year, led by mortgage gains on sale being up more than 65%.

Board of Directors

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



COMMUNITY STATS

Estimated Employee Volunteer Hours: 6,000+
Service to Local Organizations and Agencies: 250+

Callaway, Cole, Miller, and Moniteau Counties

Jefferson Bank of Missouri

Joined Central Bancompany in 1970

President & CEO: L. Kenton Theroff • Branches: 4 • Employees: 112

At Jefferson Bank, we know there's more to banking than new technology and traditional products; it's about taking care of people. We believe that taking care of our customers doesn't stop at the desk, and when our community has a need, we are proud to be there. In 2019, the strength of our community was put to the test by excessive flooding and tornado damage. These weather-related disasters only fueled our passion for serving, and without hesitation, our team began reaching out to those affected. Our bank pulled resources together to deliver meals, provide phone calls of reassurance, and simply let our community know "we're here to help." We also continued our ongoing effort to serve over 250 non-profit and civic organizations within Jefferson City and surrounding areas in 2019. As a bank, we joined hands with our neighbors to serve on boards, lead fundraising campaigns, and coordinate youth sports, all in an effort to strengthen Jefferson City. From a financial standpoint, Jefferson Bank is also proud to note a positive year for 2019. This was made possible by continuing our good credit quality and consistent year-end profits.

Board of Directors

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

Serving the Jefferson City area

COMMUNITY STATS

Estimated Employee Volunteer Hours: 1,000+
Service to Local Organizations and Agencies: 250+

Central Bank of St. Louis

Joined Central Bancompany in 1972

Chairman & CEO: S. Bryan Cook • Branches: 15 • Employees: 239

Our employees continue to drive Central Bank of St. Louis as both a leader in the financial industry and in the community. In 2019, we proudly served more than 1,200 volunteer service hours for the greater St. Louis community. One of the most significant volunteer initiatives was our participation in Pedal The Cause, a community bike ride that raises money for cancer research. With more than 80 employees participating in the ride as both volunteers and riders, we raised more than $47,000 for Siteman Cancer Center and St. Louis Children's Hospital. We finished 11th among participants in the entire St. Louis area. All employees were able to participate in an auction created by the bank with personally donated items that raised several thousand dollars for the cause. In addition, we were proud to provide more than $255,000 in down payment assistance to homebuyers who otherwise might not have been able to achieve their dream of homeownership. Since the bank has participated in this program, we have provided more than $2.4 million in assistance for the St. Louis Community. Finally, we had another successful financial year. Despite a difficult rate environment, we were able to still grow total retail deposits. Additionally, commercial loans increased, installment loans increased, and our largest increase was in mortgage lending at 9.6%. Our financial success and community service is a credit to our dedicated employees and commitment to community banking.

Board of Directors

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

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

COMMUNITY STATS

Estimated Employee Volunteer Hours: 1,200+
Service to Local Organizations and Agencies: 100+

Central Bank of Boone County

Joined Central Bancompany in 1974

Chairman & CEO: Stephen E. Erdel • Branches: 15 • Employees: 330

Central Bank of Boone County did not slow down in 2019. In fact, we got busier. Although we donate time and resources throughout our community year-round, we are most proud of two events that cemented our community bank mission. ProsperU was launched in June 2019 and is our initiative to empower people to achieve financial success. ProsperU provides educational programs and workshops to help the general public and small business owners better understand the most basic financial topics. Our classes routinely fill up within hours of the announcement, and we are also proud to offer both one-on-one financial counseling, Spanish language classes, and on-site seminars to reach as many people as possible. The unveiling of our 1969 time capsule was also a momentous event, and we created a scavenger hunt that led up to the day of unveiling. Items from the time capsule were then displayed in the lobby of the Downtown Bank. During all of those exciting moments Central Bank of Boone County did not lose sight of our overall goals as a financial institution. We are pleased with our record-breaking 2019 results and will continue that positive course in the year to come.

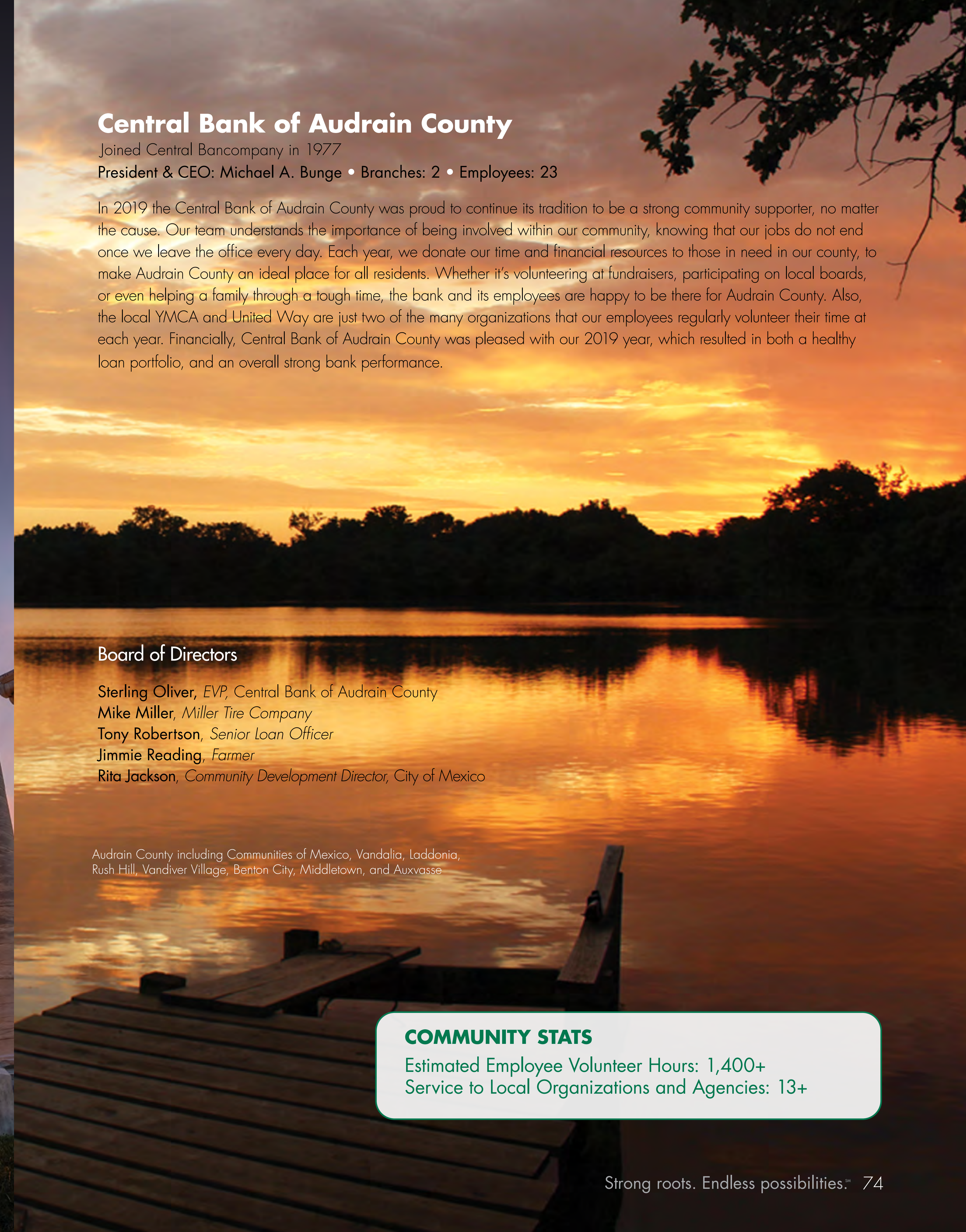
Board of Directors

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

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

COMMUNITY STATS

Estimated Employee Volunteer Hours: 1,000+
Service to Local Organizations and Agencies: 250+



Central Bank of Audrain County

Joined Central Bancompany in 1977

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

In 2019 the Central Bank of Audrain County was proud to continue its tradition to be a strong community supporter, no matter the cause. Our team understands the importance of being involved within our community, knowing that our jobs do not end once we leave the office every day. Each year, we donate our time and financial resources to those in need in our county, to make Audrain County an ideal place for all residents. Whether it's volunteering at fundraisers, participating on local boards, or even helping a family through a tough time, the bank and its employees are happy to be there for Audrain County. Also, the local YMCA and United Way are just two of the many organizations that our employees regularly volunteer their time at each year. Financially, Central Bank of Audrain County was pleased with our 2019 year, which resulted in both a healthy loan portfolio, and an overall strong bank performance.

Board of Directors

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

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

COMMUNITY STATS

Estimated Employee Volunteer Hours: 1,400+
Service to Local Organizations and Agencies: 13+

Central Bank of Moberly

Joined Central Bancompany in 1979

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

Central Bank of Moberly continues to be a leader in our local community, as it has for the last 90 years. We continue to encourage every employee to get involved. Our 30 employees are dedicated to making a big impact, and are proudly represented on almost every major board and civic organization in town. In 2019, we had several fresh new faces join the bank, and it was exciting to see how they decided to get involved and give back to the community. The bank is proud to contribute resources throughout the Moberly area for the betterment of the community. We remain humble about our yearly contributions, giving back to as many organizations as possible, including Art on the Block, Buddy Packs for the local schools, charity golf tournaments, and even the local fire and police departments. 2019 was a successful year for the bank, as we grew as a financial institution, and an overall community leader.

Board of Directors

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

Randolph, Howard, Chariton, and Monroe Counties

COMMUNITY STATS

Estimated Employee Volunteer Hours: 600+
Service to Local Organizations and Agencies: 50+

Central Bank of the Ozarks

Joined Central Bancompany in 1980

Chairmain, President, & CEO: Russell R. Marquart • Branches: 22 • Employees: 260

Central Bank of the Ozarks continues to be a leader in the Springfield area through its dedication to the community. The bank is responsible for sponsoring and distributing the largest Federal Home Loan Bank Affordable Housing Grant in Springfield's history, through its Eden Village initiative, a "Tiny Home" village in Springfield that provides housing to disabled and homeless people in the area. In addition, our bank purchased and donated a home called "the Dogwood House." Employees regularly stop by and help the resident of the Dogwood House. In 2019, we also worked to get Eden Village another $1 million grant to build out a second location in Springfield for the same purpose. We are also proud to say that our Central Connect group is in its fifth year, this employee initiative is crucial to the growth of our next generation of bankers in becoming leaders in the community, and our company. Financially speaking, 2019 was a very successful year with significant increases in Net Income, up 11%, and growth in all other key metrics.

Board of Directors

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

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

COMMUNITY STATS

Estimated Employee Volunteer Hours: 1,000+
Service to Local Organizations and Agencies: 250+

Central Bank of Lake of the Ozarks

Joined Central Bancompany in 1986

CEO: James D. Judas, Jr. • Branches: 8 • Employees: 160

There was much to be proud of at Central Bank of Lake of the Ozarks after a record 2019 year. Not only was our bank financially successful, exceeding our real estate lending goals for the year, but we are also pleased about our lasting commitment to give back to the lake community. We hosted and participated in multiple community events, including our 3rd annual, lake-wide Wing Fest that benefited the Lake Community. All of our involved volunteers enjoyed accommodating restaurant vendors and the crowd of more than 1,000 attendees. In addition to community fundraisers, our staff also participated in both shoreline and highway clean-up efforts, and the annual Polar Plunge. While we do enjoy our fun at the lake, we also understand what it means to come together during times of tragedy. In 2019, our bank and staff volunteered both its time and financial resources to help the City of Eldon clean up after the May tornado, donating over $25,000 in tornado relief during the summer.

Board of Directors

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

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

COMMUNITY STATS

Estimated Employee Volunteer Hours: 4,000+
Service to Local Organizations and Agencies: 200+

Central Bank of Branson

Joined Central Bancompany in 1988

Chairman, President, & CEO: Joseph F. Loth, Jr. • Branches: 5 • Employees: 70

It was an exciting year for Central Bank of Branson as we continued to contribute to local organizations and charities, and our staff members represented the bank with more than 3,700 volunteer hours at community service events throughout the year. Pre-tax earnings were up 22% from the prior year, and ROA was 1.48%, making 2019 the second consecutive record-breaking year in Branson. This was achieved through the dedication of our employees and commitment to community banking in Branson. Additionally, we were the top mortgage producer in Taney County for the second year in a row. We were honored to achieve an exceptional Net Promoter Score of 71.30. Central Bank of Branson has much to celebrate on its 70th anniversary in 2020!

Board of Directors

Brian Burney, *Pharmacist, Assistant Director,* Convenient Care Pharmacy
Patrick Cox, *Co-Owner,* Starboard Marinas, Inc.
Ann M. McDowell, *Owner,* McDowell Consulting
Daniel Ruda, *President,* Thousand Hills Golf Resort
Larry Schmitt, *Retired,* The Track Family Fun Parks
Rick Todd, *Retired,* Herschend Family Entertainment

Stone and Taney Counties

COMMUNITY STATS

Estimated Employee Volunteer Hours: 3,700+
Service to Local Organizations and Agencies: 185+

Central Bank of Sedalia

Joined Central Bancompany in 1992

Chairman, President, & CEO: Larry D. Bahr • Branches: 5 • Employees: 77

Central Bank of Sedalia enjoyed a successful 2019. Our team attributes this success to both our committed employees and leadership, who all do their part to make the bank as successful as possible. An exciting development for the bank over the year, was the introduction of two interactive teller machines to our market. So far, our customers have reported positive experiences and our usage is increasing every month. Throughout the year, our employees also showcased their commitment to the Sedalia community by participating in a multitude of events. Our most significant efforts went toward the United Way, with each department donating a basket to auction off. Also, several employees donated their time to various efforts throughout the community. We were also proud to offer substantial financial donations to both the local Boy Scouts of America, and the hospital, specifically raising money through the efforts of a celebrity bartending event, and the Lub Dub. In all, we are proud of our many financial and community successes throughout the 2019 year.

Board of Directors

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

Sedalia, Pettis County, and surrounding Counties

COMMUNITY STATS

Estimated Employee Volunteer Hours: 200+
Service to Local Organizations and Agencies: 120+

Central Bank of the Midwest

Joined Central Bancompany in 1993

President & CEO: Bill Ferguson • Branches: 54 • Employees: 650

Central Bank of the Midwest has partnered with Habitat for Humanity in Kansas City for several years, supporting affordable housing and the American dream of homeownership in Kansas City. In 2019, we sponsored our very own home build, with more than 100 of our associates working in excess of 2,000 volunteer hours on the build. 2019 was a year of incredible growth. Through two large acquisitions, we welcomed more than 150 BankLiberty associates, and nearly 180 with Platte Valley Bank, doubling our associate population in the second half of the year. With any initiative of this size and scope, our core values were put to the test daily. The Central Bank of the Midwest team rose to the challenges and shined in those moments, reaffirming our culture and coming together through shared experiences. We are thrilled to join this amazing team, and proud to introduce the Central Bank brand in the Northland. Financially speaking, the acquisitions were the highlight of 2019. In August, we grew from $1.9B to $2.4B with BankLiberty, then to $3.1B with Platte Valley Bank in December. As the fourth largest commercial lending bank in Kansas City, we are now poised to become the third largest in the area with our expanded commercial portfolio.

Board of Directors

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

COMMUNITY STATS

Estimated Employee Volunteer Hours: 4,000+
Service to Local Organizations and Agencies: 300+

Serving the Greater Kansas City and Lawrence areas.

Central Bank of Warrensburg

Joined Central Bancompany in 1997

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

The Central Bank of Warrensburg staff continues to give back to the communities we serve by donating money to "Jeans for Charity," which allows employees to pay on Fridays to wear jeans. Because the bank extends into communities beyond Warrensburg, the money donated went to multiple charities, including Angel Tree, Shop with a Cop, Johnson County Heart Walk, Big Brothers/Big Sisters, and Survival House. Additionally, the bank remains dedicated to education, and growing future leaders in the community. This year, and the last several years, we partnered with the University of Central Missouri to develop a mentorship program to award five future leaders at the university with an internship, and the opportunity to learn from bank employees, managers, and executives. From a financial standpoint, we celebrated record-high earnings for the second year in a row, with a 4% increase in pre-tax net income year-over-year. Additionally, we restructured our mortgage lending division, and enjoyed the best per-loan profitability since 2007.

Board of Directors

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

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

COMMUNITY STATS

Estimated Employee Volunteer Hours: 200+
Service to Local Organizations and Agencies: 50+

Central Bank of Oklahoma

Joined Central Bancompany in 2004

Chairman, President, & CEO: John B. Allan • Branches: 8 • Employees: 97

The Central Bank of Oklahoma is proud of our work this year with the Junior Achievement USA program, continuing our dedication to volunteer with local school children. Each week, bank employees visit middle schools to teach students about personal finances. A highlight for everyone was when a group of students visited the bank for a behind-the-scenes field trip, where they visited each department and learned about the different roles. The bank also took the opportunity to educate more than just school children by hosting adult educational opportunities. With the support of local organizations, we provide financial learning, job skills presentations, and even host mock interviews for adults currently looking for new employment. The bank's employees also volunteered their time to several efforts, including ringing holiday bells for the Salvation Army, hosting a school supply drive for local schools, as well as organizing several events benefiting the United Way. Throughout the year, we also contributed to a total of $72,000 in donations throughout the greater Tulsa area. The bank itself also experienced record financial earnings for 2019, totaling $10.5 million in net income.

Board of Directors

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

David Blankenship, long-term board member passed away January 19, 2020. We are thankful for his continued service to both the Community and Central Bank since 1981.

COMMUNITY STATS

Estimated Employee Volunteer Hours: 1,000+
Service to Local Organizations and Agencies: 15+

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

Central Trust Company

President & CEO: Scott M. Kellett • Locations: 7 • Employees: 115

Central Trust Company, with $6.7 billion in assets under management in 2019, provides investment management, financial planning, estate planning, trust and estate settlement services, and retirement plan services through its highly experienced and credentialed wealth management professionals. This includes 18 Certified Trust and Financial Advisors, 16 Attorneys, 13 CERTIFIED FINANCIAL PLANNER™ Professionals, and 5 Chartered Financial Analysts. The most important and defining characteristic of Central Trust Company is its adherence, at all times and in all instances, to the Fiduciary Standard; providing investment management solutions, and advice on a "fee only" basis, and free from conflicts of interest.

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

Central Investment Advisors

CEO: Don Perdue • Locations: 24 • Employees: 61

Central Investment Advisors (CIA) had another record year in 2019, with income exceeding $14 million, and total assets under management of more than $3 billion.

38 financial advisors including 15 CERTIFIED FINANCIAL PLANNERS™ offer clients a full-suite of investment solutions, including managed accounts (advisory) for all levels of investors, as well as traditional brokerage accounts through our broker/dealer LPL Financial, LLC. To complement these investment offerings, we also offer insurance solutions to our clients through the Investor Services Insurance Agency including fixed annuities, term and whole life insurance, and long-term care insurance.

Central Investment Advisors has been affiliated with LPL Financial, LLC (LPL) since 2018 for its brokerage and managed account solutions. LPL, a publicly traded company (trading on NASDAQ, symbol LPLA) is the largest independent broker/dealer in the country[1], supporting more than 16,000 financial advisors.

[1]*As reported in Financial Planning magazine June 1996-2018, based on total revenues*

Locations: CIA has offices in all 13 affiliates.

Central Bancompany

Strong roots. Endless possibilities.℠

238 Madison Street, Jefferson City, Missouri 65101