



**Conditional Approval #1307
June 2023**

SENT VIA ELECTRONIC MAIL TO KPUHL@SNBONLINE.COM ONLY

May 18, 2023

Ms. Kelly Puhl, Controller
The Security National Bank of Sioux City, Iowa
601 Pierce Street
P. O. Box 147
Sioux City, Iowa 51102

Re: Application to Merge Northwestern Bank, Orange City, Iowa, with and into The Security National Bank of Sioux City, Iowa, Sioux City, Iowa Charter No.: 3124
OCC Control Number: 2023-Combination-331346

Dear Ms. Puhl:

The Office of the Comptroller of the Currency (OCC) hereby conditionally approves your application to merge Northwestern Bank, Orange City, Iowa (NB), with and into The Security National Bank of Sioux City, Iowa, Sioux City, Iowa (SNB). This approval is granted based on a thorough review of all information available, including commitments and representations made in and with the application, merger agreement, and those of your representatives.

The OCC reviewed the proposed merger transaction under the criteria of the Bank Merger Act, 12 USC 1828(c), and other applicable laws and regulations. Among other matters, we found that the proposed transaction would have no anticompetitive effects. We also considered the financial and managerial resources of the banks, their future prospects, their effectiveness in combating money laundering activities, the convenience and needs of the communities to be served and the risk of the transaction to the stability of the United States banking or financial system. Furthermore, the OCC reviewed the Banks' record of compliance with the Community Reinvestment Act, 12 USC 2903(a)(2). We considered these factors and found them consistent with approval.

The branch acquisitions are authorized under 12 USC 36(b).

Ms. Kelly Puhl, Controller
OCC Control Number: 2023-Combination-331346

This approval is subject to the following condition:

Security National Bank of Soux City, Iowa, should divest or conform all nonconforming assets, and cease all nonconforming activities, including those associated with Northwest Realty, not more than two years after consummation of the Merger.

The condition of this approval is a condition “imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request” within the meaning of 12 USC 1818. As such, the condition is enforceable under 12 USC 1818.

The Licensing Office for the West Region must be advised in writing in advance of the desired effective date for the merger, so it may issue the necessary certification letter. The effective date must follow any other required regulatory approval.

The OCC will issue a letter certifying consummation of the transaction when we receive:

- A Secretary’s Certificate for each institution, certifying that a majority of the board of directors approved.
- A Secretary’s Certificate for each institution, certifying that the shareholder approvals have been obtained, if required.
- An executed merger agreement.
- Amended Articles of Association, with a Secretary’s Certificate certifying the required shareholder approval was obtained.

If the merger is not consummated within six months from the approval date, the approval shall automatically terminate, unless the OCC grants an extension of time period.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory, and examination authorities under applicable law and regulations.

Our approval is based on the bank’s representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend, or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

A survey is enclosed requesting your feedback on how we handled the referenced application. We would appreciate your response so we may improve our service. Please include the OCC control number on any correspondence related to this filing. If you have any questions, you

Ms. Kelly Puhl, Controller
OCC Control Number: 2023-Combination-331346

may contact Carolyn Engelhardt, Licensing Manager, at Carolyn.Engelhardt@occ.treas.gov or me at Debra.Burke@occ.treas.gov.

Sincerely,

/s/

Debra Burke
Director for Licensing

Enclosure: Survey