

**MERCHANTS & MARINE BANK**  
**BALANCE SHEETS (unaudited)**

	September 30, 2017	September 30, 2016
Total Cash	\$ 10,379,907.07	\$ 10,155,147.65
Total Due From Banks	11,084,731.84	44,579,315.80
Total Clearings	1,192,572.32	8,046,451.69
Total Cash Items	195.77	(19.50)
<b>TOTAL CASH &amp; DUE FROM</b>	<b>22,657,407.00</b>	<b>62,780,895.64</b>
 MBS-AFS	 62,819,139.48	 54,794,217.95
AFS-Mkt Value	(1,254,042.19)	1,027,353.15
U S Govt Agencies-AFS	67,431,094.32	81,495,574.15
State, County, Muni-AFS	1,361,963.73	
State, County, Muni-HTM	66,308,457.36	63,715,860.88
Other Securities	13,387,769.51	1,753,638.54
<b>TOTAL SECURITIES</b>	<b>210,054,382.21</b>	<b>202,786,644.67</b>
<b>TOTAL FEDERAL FUNDS SOLD</b>	<b>21,517,945.33</b>	<b>1,064,642.21</b>
 Total Commercial Loans	 262,664,495.33	 256,472,867.72
Total Personal Loans	24,859.86	125,192.84
Total Credit Line	769,513.59	825,081.77
Total Home Equity Loans	1,413,938.68	790,741.84
Impaired Loans Purchased - AL	(323,908.25)	(338,416.75)
Total Overdrafts	346,149.44	400,336.63
<b>TOTAL LOANS</b>	<b>264,895,048.65</b>	<b>258,275,804.05</b>
Begin Year Reserve for Loss	(3,112,008.00)	(2,863,450.00)
Recoveries on Charge Off	(363,265.96)	(256,819.17)
Charge Offs Current Year	1,719,180.77	446,611.26
Allowance-Current Year	(523,903.81)	(696,021.09)
<b>RESERVE FOR LOSSES ON LOANS</b>	<b>(2,279,997.00)</b>	<b>(3,369,679.00)</b>
Non-Accrual Loan Contra	(437,974.81)	(353,809.73)
<b>NET LOANS</b>	<b>262,177,076.84</b>	<b>254,552,315.32</b>
 Bank Building	 11,055,651.90	 11,350,944.99
Land	2,358,552.79	2,358,552.79
Furniture, Fixtures & Equipment	740,858.44	931,975.21
Leasehold Improvements	418,635.13	482,603.57
<b>NET FIXED ASSETS</b>	<b>14,573,698.26</b>	<b>15,124,076.56</b>
 Interest Rec-Securities	 1,128,140.77	 1,072,838.89
Interest Rec-Loans	769,089.39	702,534.23
Total Prepaid Expense	2,124,334.53	541,872.30
Other Real Estate	2,369,232.63	2,711,491.21
Other Assets	22,383,761.51	16,994,730.88
<b>TOTAL OTHER ASSETS</b>	<b>28,774,558.83</b>	<b>22,023,467.51</b>
<b>TOTAL ASSETS</b>	<b>\$ 559,755,068.47</b>	<b>\$ 558,332,041.91</b>
 Demand Deposits	 \$ 220,051,672.84	 \$ 217,362,823.91
Public Funds	107,054,787.53	84,890,617.82
<b>TOTAL DEMAND DEPOSITS</b>	<b>327,106,460.37</b>	<b>302,253,441.73</b>
 Gold Star Savings	 330,883.52	 414,049.43
Silver Savings	56,006,601.05	54,409,784.60
Regular & Free Savings	1,652,105.51	1,563,607.14
Kids Club Savings	813,560.53	751,886.76
C D's under \$100M	23,016,196.63	23,734,674.12
C D's over \$100M	41,817,500.56	55,879,830.00
CD Premium	-	159.01
I R A's	10,980,027.58	12,075,136.00
Roth IRA's	67,129.59	66,194.45
Christmas Club	680,583.92	706,938.49
CDARS	10,538,853.89	9,456,974.75
<b>TOTAL TIME &amp; SAVINGS DEPOSITS</b>	<b>145,903,442.78</b>	<b>159,059,234.75</b>
<b>TOTAL DEPOSITS</b>	<b>473,009,903.15</b>	<b>461,312,676.48</b>

**MERCHANTS & MARINE BANK**  
**INCOME STATEMENTS (unaudited)**

ACCOUNT NAME	September 30, 2017	September 30, 2016
Interest on Loans	\$ 9,184,556.38	\$ 9,125,680.93
Interest Credit Line & HELOC	96,242.88	88,948.30
Fees on Loans	514,221.79	486,916.46
<b>TOTAL INTEREST &amp; FEES</b>	<b>9,795,021.05</b>	<b>9,701,545.69</b>
Interest U S Treas - AFS	-	4,317.14
Interest U S Agencies - AFS	1,250,900.44	1,519,959.59
Interest S C M - HTM	1,244,641.95	1,244,534.01
Interest S C M - AFS	2,289.36	-
Interest MBS - AFS	693,657.53	634,460.63
Interest Other Securities	94,368.01	20,062.67
<b>TOTAL INT SECURITIES</b>	<b>3,285,857.29</b>	<b>3,423,334.04</b>
<b>INT FEDERAL FUNDS SOLD</b>	<b>340,556.47</b>	<b>74,477.00</b>
<b>INT FEDERAL RESERVE EBA</b>	<b>91,877.80</b>	<b>137,935.46</b>
<b>TOTAL INTEREST INCOME</b>	<b>13,513,312.61</b>	<b>13,337,292.19</b>
Total Service Charges	2,562,784.58	2,636,398.75
Total Miscellaneous Income	1,868,298.41	2,676,404.08
<b>TOTAL NON INT INCOME</b>	<b>4,431,082.99</b>	<b>5,312,802.83</b>
Gains/(Losses) on Secs	19,648.47	136,846.57
Gains/(Losses) on Sales REO	(41,113.62)	3,785.32
<b>TOTAL INCOME</b>	<b>17,922,930.45</b>	<b>18,790,726.91</b>
Interest on Demand Deposit	731,321.68	483,426.40
Interest on Savings	43,736.22	32,520.15
Interest on Time	556,878.62	581,086.05
Interest on IRA's	73,526.11	82,015.24
Interest on Christmas Club	222.79	233.19
<b>TOTAL INT ON DEPOSITS</b>	<b>1,405,685.42</b>	<b>1,179,281.03</b>
Int Fed Funds Purchased/Sec Sold Repo	10,139.26	10,477.57
<b>TOTAL INT EXPENSE</b>	<b>1,415,824.68</b>	<b>1,189,758.60</b>
<b>PROVISION-LOAN LOSS</b>	<b>523,903.81</b>	<b>696,021.09</b>
Salary & Employee Benefits	6,058,100.37	6,138,810.01
Total Premises Expense	2,326,006.74	2,333,317.79
Director's Expenses	445,553.24	589,770.38
FDIC, Sales and Franchise	271,169.65	341,916.76
Professional Fees	532,174.33	482,941.43
Miscellaneous Office Expense	663,137.16	643,334.92
Dues, Donations and Advertising	248,582.98	226,436.66
Checking, ATM/Debit Card Expenses	833,774.41	873,196.59