



## Due Diligence Summary

### **Mission**

Great Lakes Bankers Bank is dedicated to serving, preserving, and promoting independent community banking. Chartered in 1983 by a group of community bankers, Great Lakes Bankers Bank is exclusively focused on providing correspondent services to community bank. Unlike traditional correspondents, we are owned by our clients and never compete with them for business. As a result, you can be assured that our focus is solely on your needs.

### **Ownership and Guidance**

Great Lakes Bankers Bank is a wholly owned subsidiary of Bankers Bancshares, Inc. Bankers Bancshares is owned by over 80 community banks. The stock of Bankers Bancshares is available to community focused financial institutions in our market area. The board of directors of Bankers Bancshares and Great Lakes Bankers Bank are banking executives drawn from our shareholder banks. The management team of Great Lakes Bankers Bank is comprised of a group of dedicated, professional, bankers. Each member of the team has significant experience in banking and, specifically, correspondent banking. Their combined experience base exceeds 200 years.

### **Products and Services**

Great Lakes Bankers Bank is proud to offer its clients a full suite of correspondent services. Our Cash Management services include Clearing & Settlement Services, ACH Originations, and Foreign Exchange. Funds Management services include Agent & Principal Fed Funds Investments, Brokered CDs, as well as Bond Portfolio and Accounting Services. In the Loan Services area we offer Loan Participations, Direct Loans and access to Secondary Market Mortgage services. Access to our services is provided through our state-of-the-art Pathway System. Pathway provides a highly secure, internet based, correspondent banking platform, offering ease of access and simple menu driven features.

### **Financial information**

Our most recent consolidated annual financial statement is available upon request. Historical information is available at [www.fdic.gov](http://www.fdic.gov).

We are proud to maintain a well capitalized status in all categories. Our stock is not traded on an open exchange as ownership is restricted to depository institutions.

For your convenience, we have included a summary of the Bank's financial performance and our most recent ratings from Bauer and LACE. To assist you in your due diligence process, we provide this information to all clients on a quarterly basis.

### **TGLP/FDIC**

GLBB is participating in the FDIC's Transaction Account Guarantee Program. Under this program, all non-interest bearing transaction accounts are fully guaranteed by the FDIC through December 31, 2009.

## **Oversight**

### *Regulatory Compliance*

As a commercial bank, Great Lakes Bankers Bank is subject to regulation and examination by the Federal Reserve Bank and the State of Ohio's Division of Financial Institutions. Like you, we maintain policies and procedures to ensure compliance with all applicable regulatory requirements.

### *Audit*

GLBB conducts quarterly internal audits and loan review in conjunction with an annual external audit. We also complete a periodic independent IT audit.

### *Outsourced Services*

Our clients access account information and initiate transactions through our internet portal, Bankers Pathway. Great Lakes Bankers Bank provides this service in partnership with a third party provider and obtains a copy of its full SAS 70 audit. An annotated version of this audit is available to our clients upon request.

### *Privacy/Information Security*

We endeavor to protect information entrusted to us. While we do not gather non-public personal information, we receive information from our clients in the form of wire transfers, ACH files, loan participations, etc.

We do not share information regarding your customers with any non-affiliated third party, other than service providers or as required by law. We maintain a comprehensive vendor due diligence program to evaluate our outside service providers and ensure all third party contracts contain confidentiality provisions protecting any shared customer data.

We also adhere to a Privacy and Information Security Policy which restricts access of confidential information to employees who must have access and we employ internal controls to protect the security of that information. We have performed an Identity Theft Red Flag risk assessment and we have implemented safeguards to protect the information we have been entrusted with. We perform periodic risk assessments to ensure we maintain the appropriate safeguards.

Whenever we are engaged to perform an activity in connection with one or more of your bank's customer's accounts, proper steps will be taken to ensure that the activity is conducted in accordance with existing regulatory requirements coupled by reasonable internal policies and procedures designed to detect, prevent and mitigate the risk of identity theft.

### *Information Systems*

Our network architecture contains firewalls, routers and servers in various layers of protection. We have implemented access control mechanisms, including firewalls, strong authentication, real-time intrusion detection and enterprise security management products. We maintain a policy for maintaining and updating anti-virus protection and implementing patches.

## **Security and Controls**

### *Personnel*

All employees are bonded and insured and subject to the Bank's Code of Ethics and Conflict of Interest policy. We provide periodic training to all employees to ensure compliance with

company policies. Access to various systems is controlled and limited to employees who require access to perform job functions.

### Business Continuity

GLBB has documented policies and procedures for the identification, back up, storage and restoration of critical systems. Backups are performed daily to a secure off-site location. We have a multi-layered business continuity plan to ensure continuity through minor disruptions such as power outages up through catastrophic events, such as a fire and our plan includes a response to a Pandemic Flu or other epidemic.

### Environmental Controls

All critical equipment is protected against power failure by Uninterruptible Power Supplies (UPS). In addition, generator power is established automatically within seconds of loss of power. We maintain internet connectivity with dual providers, with additional alternatives included in our Business Continuity Plan.

### Conclusion

Great Lakes Bankers Bank's value proposition exclusively provides our owners/clients with the correspondent services they need without competing with you for business. We appreciate your interest in Great Lakes Bankers Bank and will gladly provide additional information at your request.

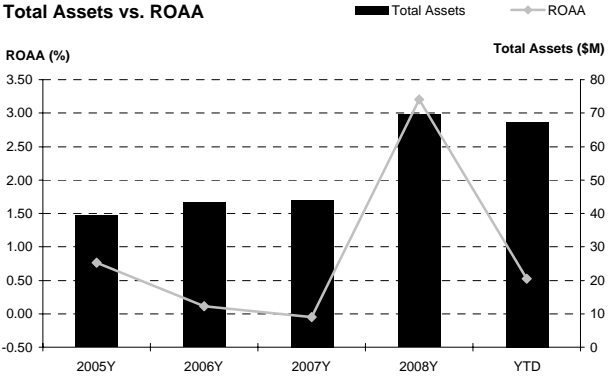
# Great Lakes Bankers Bank

1182 Claycraft Road  
Gahanna, OH 43230

Phone: (614) 864-3883  
Website: <http://www.greatlakesbb.com>  
Company Type: Commercial Bank

Management	Role	Age	Title
Charlotte W. Martin	CEO	NA	President & CEO
Elizabeth E. Woodruff	COO	NA	Vice President, Operations
Charlotte W. Martin	CFO	NA	President & CEO
Raymond D. Campbell	Chairman	NA	Chairman of the Board

## Total Assets vs. ROAA



Loan Composition (%)	YTD	2008Y	2007Y	2006Y	2005Y
Const & Land Dev Lns	9.55	9.81	20.89	12.91	11.99
Cl-end 1-4 Fam Lns	3.46	3.55	2.39	1.53	1.17
Rev 1-4 Fam Loans	0.00	0.00	0.00	0.00	0.00
Tot 1-4 Fam Loans	3.46	3.55	2.39	1.53	1.17
Multifamily (5+) Loans	10.08	10.34	4.07	15.41	11.69
Comm RE & Farm Lns	65.47	64.82	60.14	58.97	66.86
Foreign Office RE Loans	0.00	0.00	0.00	0.00	0.00
Total Real Est Lns	88.56	88.52	87.50	88.81	91.71
C&I Loans	3.44	3.53	8.07	10.10	6.31
Consumer Loans	0.00	0.00	0.00	0.00	0.00
Other	7.99	7.95	4.44	1.09	1.98
Total Non-RE Loans	11.44	11.48	12.50	11.19	8.29
Less Unearned Inc Lns	0.00	0.00	0.00	0.00	0.00

Deposit Composition (%)	YTD	2008Y	2007Y	2006Y	2005Y
Demand Dep	96.09	96.35	94.84	73.31	76.33
NOW & Oth Trans Accts	3.25	3.04	2.12	0.10	0.08
Trans Accts	99.34	99.39	96.96	73.41	76.42
MMDA & Savings	0.00	0.00	0.00	0.00	0.00
Time Dep >= \$100K	0.47	0.43	2.82	26.59	23.58
Time Dep < \$100K	0.19	0.17	0.22	0.00	0.00
Tot Time Deposits	0.66	0.61	3.04	26.59	23.58
Foreign Dep	NA	NA	NA	NA	NA
Core Deposits	99.53	99.57	97.18	73.41	76.42
Non Int Bear Dep	99.34	99.39	96.96	73.41	76.42
Int Bear Dep	0.66	0.61	3.04	26.59	23.58

	YTD	2008Y	2007Y	2006Y	2005Y
Bauer Rating	4 *	4*	4*	5*	5*
LACE Rating	B+	B+	B-	B	B

Financial Highlights (%)	YTD	2008Y	2007Y	2006Y	2005Y
ROAA	0.52	3.20	-0.05	0.11	0.76
ROAE	6.92	39.49	-0.59	1.17	8.02
Net Interest Margin (FTE)	5.08	4.93	5.09	4.21	5.20
Efficiency Ratio (FTE)	79.00	46.15	101.72	96.26	77.48
Oper Exp/ Oper Rev	79.19	46.25	102.37	97.01	78.19
Interest Income/ AA	3.89	4.57	6.09	5.94	5.36
Interest Expense/ AA	0.04	0.21	1.63	2.17	0.53
Net Interest Income/AA	3.86	4.36	4.46	3.77	4.83
Non Interest Income/AA	0.69	4.74	1.96	1.00	0.66
Non Interest Expense/ AA	3.60	4.21	6.57	4.63	4.29

Balance Sheet Ratios (%)	YTD	2008Y	2007Y	2006Y	2005Y
Equity Cap/ Total Assets	8.39	7.99	8.01	8.78	9.49
Tangible Equity/Tangible Assets	8.39	7.99	8.01	8.78	9.49
Total Securities/Assets	7.62	8.85	10.45	8.50	7.26
Cash & Cash Equiv/Assets	28.35	30.11	5.94	6.61	9.14
Loans/Deposits	77.49	70.09	102.93	109.95	109.13
Loans/ Assets	61.01	57.88	78.90	80.11	79.31
Goodwill & Other Intang/Assets	0.00	0.00	0.00	0.00	0.00
Deposit/ Liabilities	85.93	89.74	83.33	79.88	80.30
Pledged Secs/Secs	39.54	33.01	43.68	53.91	61.43

Growth Rates (%)	YTD	2008Y	2007Y	2006Y	2005Y
Asset Growth Rate	-13.61	58.48	1.91	9.29	-3.65
Loan Growth Rate	7.24	16.26	0.38	10.39	1.64
Deposit Growth Rate	-31.63	70.74	7.21	9.57	-6.50

Regulatory Capital (%)	YTD	2008Y	2007Y	2006Y	2005Y
Risk Based Capital Ratio	13.55	13.27	10.49	12.02	12.81
Tier 1 Risk Based Ratio	12.30	12.01	9.24	10.76	11.55
Leverage Ratio	7.56	7.01	7.38	9.12	9.50

Asset Quality (%)	YTD	2008Y	2007Y	2006Y	2005Y
NPAs/Total Assets	0.79	0.76	1.04	0.73	0.90
Adj NPAs/Total Assets	0.79	0.76	1.04	0.73	0.90
NPAs + Lns 90+PD/Tot Assets	0.79	0.76	1.04	0.73	0.90
Adj NPAs + Lns 90+ PD/Tot Assets	0.79	0.76	1.04	0.73	0.90
NPLs/Tot Lns	1.29	1.32	1.32	0.91	1.13
Adj NPLs/ Tot Lns	1.29	1.32	1.32	0.91	1.13
Lns 90+ Days Past Due / Tot Lns	0.00	0.00	0.00	0.00	0.00
Adj Lns 90+ PD/ Tot Lns	0.00	0.00	0.00	0.00	0.00
NCOs/Avg Loans	0.00	0.00	0.00	0.00	0.00
Reserves/Loans	1.89	1.85	1.98	1.99	2.19
Reserves/NPAs	146.05	140.41	150.00	218.10	194.07
Reserves/ Adj NPAs	146.05	140.41	150.00	218.10	194.07
LLP/NCOs	NA	NA	NA	NA	NA

Yield / Cost Detail (%)	YTD	2008Y	2007Y	2006Y	2005Y
Yield on Loans and Leases	6.05	6.57	7.21	6.78	6.37
Yield on Total Secs (Debt + Eq)	3.62	4.17	4.35	3.44	3.17
Yield on Earning Assets	5.12	5.15	6.89	6.56	5.71
Cost of Int Bearing Deposits	1.14	2.88	5.74	4.60	3.18
Cost of Borrowings	0.36	2.48	5.68	5.32	2.12
Cost of Interest Bearing Liab	0.40	2.51	5.70	5.01	2.26
Cost of Funds	0.05	0.25	1.88	2.46	0.58
Yield/ Cost Spread	4.72	2.64	1.19	1.55	3.45

Balance Sheet (\$000)	YTD	2008Y	2007Y	2006Y	2005Y
Cash & Equivalents	19,099	21,005	2,614	2,855	3,610
Total Securities	5,136	6,176	4,599	3,669	2,870
Total Cash & Secs	24,235	27,181	7,213	6,524	6,480
Total Lns & Leases	41,106	40,375	34,727	34,597	31,341
Total Reserves	777	747	687	687	687
Net Lns & Leases	40,329	39,628	34,040	33,910	30,654
Trade Acct Assets	0	0	0	0	0
Goodwill & Other Intang	0	0	0	0	0
Total Assets	67,380	69,754	44,014	43,189	39,516

Total Deposits	53,046	57,601	33,737	31,467	28,718
FFunds Purch & Repos	7,697	5,659	5,356	7,067	6,381
Commercial Paper	NA	NA	NA	NA	NA
FHLB Advances	0	0	0	0	0
Other Borrowings	0	0	0	0	0
Total Other Borrowings	0	0	0	0	0
Total Liabilities	61,730	64,183	40,488	39,395	35,765
Total Equity Cap	5,650	5,571	3,526	3,794	3,750

Income Statement (\$000)	YTD	2008Y	2007Y	2006Y	2005Y
Int Inc: Total	720	2,926	2,681	2,414	2,130
Int Exp: Total	7	135	719	882	211
Net Int Inc Before Loss Prov	713	2,791	1,962	1,532	1,919
Total Prov for Losses	30	60	0	0	57
Net Int Inc after Prov	683	2,731	1,962	1,532	1,862

Noninterest Income (\$000)	YTD	2008Y	2007Y	2006Y	2005Y
Nonint Inc: Fiduciary Activities	0	0	0	0	0
Nonint Inc: Svc Chgs on Dep Acct	19	52	31	15	14
Nonint Inc: Trading Revenue	0	0	0	0	0
Nonint Inc: Oth Svc Chgs & Nil	109	2,978	830	391	249
Nonint Inc: Fees & Oth Charges	NA	NA	NA	NA	NA
Nonint Inc: Other	NA	NA	NA	NA	NA
Nonint Inc: Total	128	3,030	861	406	263

Noninterest Expense (\$000)	YTD	2008Y	2007Y	2006Y	2005Y
Nonint Exp: Gen & Admin	301	1,365	1,096	1,082	1,010
Nonint Exp: Amort of Intang	0	0	0	0	0
Nonint Exp: Other	365	1,327	1,794	798	696
Nonint Exp: Total	666	2,692	2,890	1,880	1,706

Gain (Loss) on Sale of Secs	0	0	0	0	0
Gain (Loss) on Other Assets	NA	NA	NA	NA	NA

Net Income (\$000)	YTD	2008Y	2007Y	2006Y	2005Y
Net Income before Tax/Adjust	145	3,069	-67	58	419
Income Tax	48	1,022	-44	14	117
Minority Interest	NA	NA	NA	NA	NA
Net Income before Extra Items	97	2,047	-23	44	302
Extraordinary Items	0	0	0	0	0
Net Income	97	2,047	-23	44	302

Memo	YTD	2008Y	2007Y	2006Y	2005Y
Full-time Eqv Employees (Actual)	14	14	12	10	13
Memo: Subchapter S Election? (Y/N)	No	No	No	No	No

\*Loans 90+ days past due and nonaccrual loans guaranteed by the U.S. Government, agency or sponsored entity are excluded from Adjusted Asset Quality ratios.