

Annual Disclosure Statement
December 31, 2016
FFIEC 041

Civic Bank & Trust
Nashville, TN 37203

I, the undersigned officer, attest to the correctness of this statement and declare that it has been examined by me and to the best of my knowledge and belief has been prepared in accordance with instructions issued by the appropriate Federal regulatory authority and is true and correct.

Signature

Date

Consolidated Report of Income

December 31, 2016

Dollar Amounts in Thousands

	Prior Year 2015	Current Year 2016
Interest income:		
Interest and fee income on loans:		
Loans secured by real estate:		
Loans secured by 1-4 family residential properties.....	1,613	2,927
All other loans secured by real estate.....	1,444	1,223
Commercial and industrial loans.....	853	1,280
Loans to individuals for household, family, and other personal expenditures:		
Credit cards.....	0	0
Other (includes revolving credit plans other than credit cards, automobile loans, and other consumer loans).....	116	140
Loans to foreign governments and official institutions.....	0	0
All other loans.....	0	0
Total interest and fee income on loans.....	4,026	5,570
Income from lease financing receivables.....	0	0
Interest income on balances due from depository institutions.....	5	12
Interest and dividend income on securities:		
U.S. Treasury securities and U.S. Government agency obligations (excluding mortgage-backed securities).....	303	92
Mortgage-backed securities.....	485	484
All other securities (includes securities issued by states and political subdivisions in the U.S.).....	535	307
Interest income from trading assets.....	0	0
Interest income on federal funds sold and securities purchased under agreements to resell.....	12	14
Other interest income.....	37	24
Total interest income.....	5,403	6,503
Interest expense:		
Interest on deposits:		
Transaction accounts (interest-bearing demand deposits, NOW accounts, ATS accounts, and telephone and preauthorized transfer accounts).....	137	115
Nontransaction accounts:		
Savings deposits (includes MMDAs).....	43	39
Time deposits of \$100,000 or more.....	571	621
Time deposits of less than \$100,000.....	156	257
Expense of federal funds purchased and securities sold under agreements to repurchase.....	0	0
Interest on trading liabilities and other borrowed money.....	125	219
Interest on subordinated notes and debentures.....	0	0
Total interest expense.....	1,032	1,251
Net interest income.....	4,371	5,252
Provision for loan and lease losses.....	0	135
Noninterest income:		
Income from fiduciary activities.....	0	0
Service charges on deposit accounts.....	12	21
Trading revenue.....	0	0
Fees and commissions from securities brokerage.....	0	0
Investment banking, advisory, and underwriting fees and commissions.....	0	0
Fees and commissions from annuity sales.....	0	0
Underwriting income from insurance and reinsurance activities.....	0	0
Income from other insurance activities.....	0	0
Venture capital revenue.....	0	0

Consolidated Report of Income

December 31, 2016

Dollar Amounts in Thousands

	Prior Year 2015	Current Year 2016
Noninterest income (continued):		
Net servicing fees.....	0	0
Net securitization income.....	0	0
Net gains (losses) on sales of loans and leases.....	0	0
Net gains (losses) on sales of other real estate owned.....	0	0
Net gains (losses) on sales of other assets (excluding securities).....	0	0
Other noninterest income.....	141	125
Total noninterest income.....	153	146
Realized gains (losses) on held-to-maturity securities.....	0	0
Realized gains (losses) on available-for-sale securities.....	596	24
Noninterest expense:		
Salaries and employee benefits.....	2,359	1,901
Expenses of premises and fixed assets (net of rental income) (excluding salaries and employee benefits and mortgage interest).....	617	588
Goodwill impairment losses.....	0	0
Amortization expense and impairment losses for other intangible assets.....	0	0
Other noninterest expense.....	2,027	2,053
Total noninterest expense.....	5,003	4,542
Income (loss) before income taxes and extraordinary items and other adjustments.....	117	745
Applicable income taxes.....	0	0
Income (loss) before discontinued operations.....	117	745
Discontinued operations, net of applicable income taxes.....	NA	0
Net income (loss) attributable to bank and noncontrolling (minority) interests.....	117	745
LESS: Net income (loss) attributable to noncontrolling (minority) interests.....	0	0
Net income (loss) attributable to bank.....	117	745
Memoranda		
Interest expense incurred to carry tax-exempt securities, loans, and leases acquired after August 7, 1986, that is not deductible for federal income tax purposes.....	0	0
<i>The following item is to be completed by banks with \$1 billion or more in total assets.</i>		
Income from the sale and servicing of mutual funds and annuities.....	NR	NR
Income on tax-exempt loans and leases to states and political subdivisions in the U.S.....	0	0
Income on tax-exempt securities issued by states and political subdivisions in the U.S.....	0	0
Number of full-time equivalent employees at end of current period (round to the nearest whole number).....	Number 21	Number 17
<i>The following item is to be completed by:</i>		
• banks with \$300 million or more in total assets, and		
• banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers exceeding five percent of total loans.		
Interest and fee income on loans to finance agricultural production and other loans to farmers.....	NR	NR
Trading revenue (from cash instruments and derivative instruments) (To be completed by banks that reported average trading assets of \$2 million or more for any quarter of the preceding calendar year.):		
Interest rate exposures.....	NR	NR
Foreign exchange exposures.....	NR	NR
Equity security and index exposures.....	NR	NR
Commodity and other exposures.....	NR	NR
Credit exposures.....	NR	NR

Consolidated Report of Income

December 31, 2016

Dollar Amounts in Thousands

	Prior Year 2015	Current Year 2016
Memoranda (continued)		
<i>The following two items are to be completed by banks with \$100 billion or more in total assets that are required to complete the Trading revenue items above.</i>		
Impact on trading revenue of changes in the creditworthiness of the bank's derivatives counterparties on the bank's derivative assets (included in items above).....	NR	NR
Impact on trading revenue of changes in the creditworthiness of the bank on the bank's derivative liabilities (included in items above).....	NR	NR
Net gains (losses) recognized in earnings on credit derivatives that economically hedge credit exposures held outside the trading account:		
Net gains (losses) on credit derivatives held for trading.....	0	0
Net gains (losses) on credit derivatives held for purposes other than trading.....	0	0
<i>To be completed by banks with \$300 million or more in total assets:</i>		
Credit losses on derivatives.....	NR	NR
Does the reporting bank have a Subchapter S election in effect for federal income tax purposes for the current tax year?.....	YES / NO NO	YES / NO NO
Noncash income from negative amortization on closed-end loans secured by 1-4 family residential properties.....	NR	NR
<i>The following four items are to be completed by banks that have elected to account for assets and liabilities under a fair value option.</i>		
Net gains (losses) recognized in earnings on assets and liabilities that are reported at fair value under a fair value option:		
Net gains (losses) on assets.....	NR	NR
Estimated net gains (losses) on loans attributable to changes in instrument-specific credit risk.....	NR	NR
Net gains (losses) on liabilities.....	NR	NR
Estimated net gains (losses) on liabilities attributable to changes in instrument-specific credit risk.....	NR	NR
Other-than-temporary impairment losses on held-to-maturity and available-for-sale debt securities:		
Total other-than-temporary impairment losses.....	0	0
Portion of losses recognized in other comprehensive income (before income taxes).....	0	0
Net impairment losses recognized in earnings.....	0	0
<i>The following four items are to be completed by institutions with \$1 billion or more in total assets and offer one or more consumer deposit account products.</i>		
Components of service charges on deposit accounts in domestic offices:		
Consumer overdraft-related service charges levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....	NR	NR
Consumer account periodic maintenance charges levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....	NR	NR
Consumer customer automated teller machine (ATM) fees levied on those transaction account and nontransaction savings account deposit products intended primarily for individuals for personal, household, or family use.....	NR	NR
All other service charges on deposit accounts.....	NR	NR

Consolidated Report of Income

December 31, 2016

Dollar Amounts in Thousands

	Prior Year 2015	Current Year 2016
Changes in Equity Capital		
Total bank equity capital most recently reported for the December 31, 2015 Reports of Condition and Income (i.e., after adjustments from amended Reports of Income).....	21,141	20,724
Cumulative effect of changes in accounting principles and corrections of material accounting errors.....	0	0
Balance end of previous calendar year as restated.....	21,141	20,724
Net income (loss) attributable to bank.....	117	745
Sale, conversion, acquisition, or retirement of capital stock, net (excluding treasury stock transactions).....	0	0
Treasury stock transactions, net.....	(25)	0
Changes incident to business combinations, net.....	0	0
LESS: Cash dividends declared on preferred stock.....	0	0
LESS: Cash dividends declared on common stock.....	0	0
Other comprehensive income.....	(532)	(50)
Other transactions with stockholders (including a parent holding company).....	23	170
Total bank equity capital end of current period.....	20,724	21,589
Changes in Allowance for Loan and Lease Losses		
Balance most recently reported for the December 31, 2015, Reports of Condition and Income (i.e., after adjustments from amended Reports of Income).....	1,328	1,331
Recoveries.....	3	9
LESS: Charge-offs.....	0	0
LESS: Write-downs arising from transfers of loans to a held-for-sale account.....	0	0
Provision for loan and lease losses.....	0	135
Adjustments.....	0	0
Balance end of current period.....	1,331	1,475
Memoranda		
Allocated transfer risk reserve.....	0	0
<i>The following two items are to be completed by banks that (1) together with affiliated institutions, have outstanding credit card receivables (as defined in the instructions) that exceed \$500 million as of the report date or (2) are credit card speciality banks as defined for Uniform Bank Performance Report purposes.</i>		
Separate valuation allowance for uncollectible retail credit card fees and finance charges.....	NR	NR
Amount of allowance for loan and lease losses attributable to retail credit card fees and finance charges.....	NR	NR
<i>The following item is to be completed by all banks.</i>		
Amount of allowance for post-acquisition credit losses on purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3).....	0	0

Consolidated Report of Condition

December 31, 2016

Dollar Amounts in Thousands

	Prior Year 2015	Current Year 2016
Assets		
Cash and balances due from depository institutions:		
Noninterest-bearing balances and currency and coin.....	3,204	3,982
Interest-bearing balances.....	1,078	1,080
Securities:		
Held-to-maturity securities.....	0	0
Available-for-sale securities.....	48,428	30,004
Federal funds sold and securities purchased under agreements to resell:		
Federal funds sold.....	0	4,157
Securities purchased under agreements to resell.....	0	0
Loans and lease financing receivables:		
Loans and leases held for sale.....	0	0
Loans and leases, net of unearned income.....	85,691	122,206
LESS: Allowance for loan and lease losses.....	1,330	1,474
Loans and leases, net of unearned income and allowance.....	84,361	120,732
Trading assets.....	0	0
Premises and fixed assets (including capitalized leases).....	383	345
Other real estate owned.....	1,725	870
Investments in unconsolidated subsidiaries and associated companies.....	0	0
Direct and indirect investments in real estate ventures.....	0	0
Intangible assets:		
Goodwill.....	0	0
Other intangible assets.....	0	0
Other assets.....	5,825	6,030
Total assets.....	145,004	167,200
Liabilities		
Deposits:		
In domestic offices.....	104,553	121,984
Noninterest-bearing.....	6,896	7,380
Interest-bearing.....	97,657	114,604
Federal funds purchased and securities sold under agreements to repurchase:		
Federal funds purchased.....	5,670	0
Securities sold under agreements to repurchase.....	0	0
Trading liabilities.....	0	0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases).....	12,934	22,514
Subordinated notes and debentures.....	0	0
Other liabilities.....	1,123	1,112
Total liabilities.....	124,280	145,610
Equity Capital		
Bank Equity Capital		
Perpetual preferred stock and related surplus.....	0	0
Common stock.....	2,626	2,633
Surplus (excludes all surplus related to preferred stock).....	21,696	21,858
Retained earnings.....	(3,837)	(3,090)
Accumulated other comprehensive income.....	239	189
Other equity capital components.....	0	0
Total bank equity capital.....	20,724	21,590
Noncontrolling (minority) interests in consolidated subsidiaries.....	0	0
Total equity capital.....	20,724	21,590
Total liabilities and equity capital.....	145,004	167,200

Consolidated Report of Condition

December 31, 2016

Past Due and Nonaccrual Loans, Leases, and Other Assets

Dollar Amounts in Thousands	Prior Year - 2015		Current Year - 2016	
	Past Due 90 days or more and still accruing	Nonaccrual	Past Due 90 days or more and still accruing	Nonaccrual
Loans secured by real estate:				
Construction, land development, and other land loans:				
1-4 family residential construction loans.....	0	0	0	0
Other construction loans and all land development and other land loans.....	0	0	0	0
Secured by farmland.....	0	0	0	0
Secured by 1-4 family residential properties:				
Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.....	0	0	0	0
Closed-end loans secured by 1-4 family residential properties:				
Secured by first liens.....	0	0	0	0
Secured by junior liens.....	0	0	0	0
Secured by multifamily (5 or more) residential properties.....	0	0	0	0
Secured by nonfarm nonresidential properties:				
Loans secured by owner-occupied nonfarm nonresidential properties.....	0	0	0	588
Loans secured by other nonfarm nonresidential properties.....	0	0	0	0
Loans to depository institutions and acceptances of other banks.....	0	0	0	0
Commercial and industrial loans.....	0	0	0	0
Loans to individuals for household, family, and other personal expenditures:				
Credit cards.....	0	0	0	0
Automobile loans.....	0	0	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans).....	0	0	0	0
Loans to foreign governments and official institutions.....	0	0	0	0
All other loans.....	0	0	0	0
Lease financing receivables.....	0	0	0	0
Debt securities and other assets (exclude other real estate owned and other repossessed assets).....	0	0	0	0
Loans and leases reported in items above that are wholly or partially guaranteed by the U.S. Government, excluding loans and leases covered by loss-sharing agreements with the FDIC.....	0	0	0	0
Guaranteed portion of loans and leases included in item above, excluding rebooked "GNMA loans".....	0	0	0	0
Rebooked "GNMA loans" that have been repurchased or are eligible for repurchase included in item above.....	0	0	0	0
Loans and leases reported in items above that are covered by loss-sharing agreements with the FDIC:				
Loans secured by real estate:				
Construction, land development, and other land loans:				
1-4 family residential construction loans.....	0	0	0	0
Other construction loans and all land development and other land loans.....	0	0	0	0

Consolidated Report of Condition December 31, 2016

**Past Due and Nonaccrual Loans, Leases,
and Other Assets**

Dollar Amounts in Thousands	Prior Year - 2015		Current Year - 2016	
	Past Due 90 days or more and still accruing	Nonaccrual	Past Due 90 days or more and still accruing	Nonaccrual
Secured by farmland.....	0	0	0	0
Secured by 1-4 family residential properties:				
Revolving, open-end loans secured by 1-4 family residential properties and extended under lines of credit.....	0	0	0	0
Closed-end loans secured by 1-4 family residential properties:				
Secured by first liens.....	0	0	0	0
Secured by junior liens.....	0	0	0	0
Secured by multifamily (5 or more) residential properties.....	0	0	0	0
Secured by nonfarm nonresidential properties:				
Loans secured by owner-occupied nonfarm nonresidential properties.....	0	0	0	0
Loans secured by other nonfarm nonresidential properties.....	0	0	0	0
Commercial and industrial loans.....	0	0	0	0
Loans to individuals for household, family, and other personal expenditures:				
Credit cards.....	0	0	0	0
Automobile loans.....	0	0	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans).....	0	0	0	0
All other loans and all leases.....	0	0	0	0
Portion of covered loans and leases included in items above that is protected by FDIC loss-sharing agreements.....	0	0	0	0

Consolidated Report of Condition December 31, 2016

Past Due and Nonaccrual Loans, Leases, and Other Assets

Memoranda	Dollar Amounts in Thousands	Prior Year - 2015		Current Year - 2016	
		Past Due 90 days or more and still accruing	Nonaccrual	Past Due 90 days or more and still accruing	Nonaccrual
Loans restructured in troubled debt restructurings included in items above.					
Construction, land development, and other land loans:					
1-4 family residential construction loans.....		0	0	0	0
Other construction loans and all land development and other land loans.....		0	0	0	0
Loans secured by 1-4 family residential properties.....		0	0	0	0
Secured by multifamily (5 or more) residential properties.....		0	0	0	0
Secured by nonfarm nonresidential properties:					
Loans secured by owner-occupied nonfarm nonresidential properties.....		0	0	0	0
Loans secured by other nonfarm nonresidential properties.....		0	0	0	0
Commercial and industrial loans.....		0	0	0	0
<i>The following two items are to be complete by banks with \$300 million or more in total assets:</i>					
To U.S. addressees (domicile).....		NR	NR	NR	NR
To non-U.S. addressees (domicile).....		NR	NR	NR	NR
All other loans (include loans to individuals for household, family, and other personal expenditures).....		0	0	0	0
<i>Itemize loan categories included in item above that exceed 10% of total loans restructured in troubled debt restructurings that are past due 30 days or more or in nonaccrual status:</i>					
Loans secured by farmland.....		0	0	0	0
Loans to individuals for household, family, and other personal expenditures:					
Credit cards.....		0	0	0	0
Automobile loans.....		0	0	0	0
Other (includes revolving credit plans other than credit cards and other consumer loans).....		0	0	0	0
<i>The following item is to be completed by:</i>					
• Banks with \$300 million or more in total assets					
• Banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers exceeding five percent of total loans					
Loans to finance agricultural production and other loans to farmers included in item above.....		NR	NR	NR	NR
Loans to finance commercial real estate, construction, and land development activities (not secured by real estate) included in items above.....		0	0	0	0

Consolidated Report of Condition December 31, 2016

Past Due and Nonaccrual Loans, Leases, and Other Assets

Memoranda	Dollar Amounts in Thousands	Prior Year - 2015		Current Year - 2016	
		Past Due 90 days or more and still accruing	Nonaccrual	Past Due 90 days or more and still accruing	Nonaccrual
<i>The following four items are to be complete by banks with \$300 million or more in total assets:</i>					
Loans secured by real estate to non-U.S. addressees (domicile) (included in items above).....		NR	NR	NR	NR
Loans to and acceptances of foreign banks (included in items above).....		NR	NR	NR	NR
Commercial and industrial loans to non-U.S. addressees (domicile) (included in items above).....		NR	NR	NR	NR
Leases to individuals for household, family, and other personal expenditures (included in items above).....		NR	NR	NR	NR
<i>The following item is to be completed by:</i>					
• Banks with \$300 million or more in total assets					
• Banks with less than \$300 million in total assets that have loans to finance agricultural production and other loans to farmers exceeding five percent of total loans					
Loans to finance agricultural production and other loans to farmers (included in items above).....		NR	NR	NR	NR
Loans and leases held for sale and loans measured at fair value (included in items above):					
Loans and leases held for sale.....		0	0	0	0
Loans measured at fair value:					
Fair value.....		0	0	0	0
Unpaid principal balance.....		0	0	0	0
<i>The following item is to be completed by banks with \$300 million or more in total assets:</i>					
Derivative contracts:					
Fair value of amounts carried as assets.....		NR		NR	

	Dollar Amounts in Thousands	
	Prior Year 2015	Current Year 2016
Additions to nonaccrual assets during the quarter.....	0	0
Nonaccrual assets sold during the quarter.....	0	0

Memoranda	Dollar Amounts in Thousands	Prior Year - 2015		Current Year - 2016	
		Past Due 90 days or more and still accruing	Nonaccrual	Past Due 90 days or more and still accruing	Nonaccrual
Purchased credit-impaired loans accounted for in accordance with FASB ASC 310-30 (former AICPA Statement of Position 03-3):					
Outstanding balance.....		0	0	0	0
Carrying amount in items above.....		0	0	0	0

2016 ANNUAL DISCLOSURE STATEMENT NOTICE OF AVAILABILITY

In accordance with Federal regulation, this bank will provide an Annual Disclosure Statement to our customers, shareholders, and the general public, upon request, containing the bank's financial information for the last two years. This information will be updated annually and made available on or before March 31, 2017.

To request a copy

of the Annual Disclosure Statement, please contact:

David Barnes, President/CEO
615-620-8091
Civic Bank & Trust
3325 West End Ave.
Nashville, TN 37203