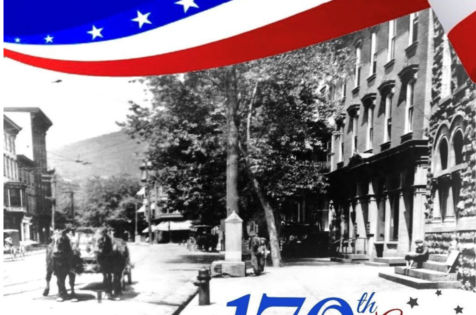
JTNB Bancorp, Inc.



170th Anniversary
Since 1855

A Bank Holding Company for

JTNB
Jim Thorpe Neighborhood Bank

2024 Annual Report

JTNB Bancorp, Inc.

Board of Directors and Principal Officers

Ronald J. Sheehan
Chairman

Craig A. Zurn
President & CEO

William P. Gardiner
Vice Chairman

Joseph T. Svetik
Treasurer

Joseph F. Arieta
Secretary

Dwight D. Eisenhauer
Director

Harry W. Hintz
Director

Kim R. Roberti
Director

Jim Thorpe Neighborhood Bank

Executive Officers

Craig A. Zurn	President & CEO
Ronald J. Sheehan	Executive Vice President & Financial Officer

Officers & Senior Management

Amy L. Behrens	Executive Assistant
Sarah A. Smith	Vice President / Compliance Officer & Deposit Processing Manager
Mary C. Marzen	Credit Administration Officer
James Lordi	Vice President of Operations & ISO Officer
Jennifer C. Karnish	Vice President & Controller
Richard Kistner	Vice President of Commercial Lending & Business Development Officer
Karen M. Vasiliou	Human Resource Officer & Administrative Assistant
Tawny Delich	Assistant Vice President of Branch & Deposit Operations

Transfer Agent & Registrar

Computershare
150 Royall Street, Suite 101
Canton, MA 02021
www.computershare.com

Annual Meeting of Shareholders

The Annual Meeting of Shareholders will be held on Wednesday, May 14, 2025 at 10:00 a.m. Eastern Time at The Inn at Jim Thorpe, Broadway Underground, 24 Broadway, Jim Thorpe Pennsylvania 18229

JTNB Bancorp, Inc.

12 Broadway
Jim Thorpe, PA 18229

April 2025

To our Shareholders:

On behalf of the Board of Directors, Officers, and Employees, I am pleased to have this opportunity to report to you on the progress and strength of your Community Bank. The accompanying statements present the financial status of the Jim Thorpe Neighborhood Bank and reflect our continued efforts and success in maintaining positive financial results and growth. We are proud to continue the tradition of being a strong, independent community bank that provides superior banking services to our communities.

Financial Snapshot

Net income for the year-ended December 31, 2024 was $1,774,000 or $1.87 per share. Earnings comparable to prior year are 22.6% higher and are mainly attributed to increased total Interest Income and increased Net Interest Income versus prior year.

Total assets at December 31, 2024, were $260.9 million, an increase of $12.7 million or 5.1% and deposits totaled $241.9 million, which increased by $11.7 million or 5.1%. The total deposit increase is attributed to the growth of our customer base and market share, enhancing core deposits in consumer, business and public funds.

Total shareholders' equity at December 31, 2024, was $18.1 million, an increase of $1.0 million or 5.4% over prior year due to increased Retained Earnings while accumulated other comprehensive income decreased which included a small increase in the unrealized loss in the investment portfolio.

Net loans outstanding totaled $126.3 million, an increase of $5.7 million or 4.7%. The net loan increase was mainly due to increased Commercial Real Estate Loans, and a modest increase in Residential Real Estate Loans. Despite a challenging rate environment that slowed demand, particularly in the residential mortgage market, we were successful in growing our loan portfolio. Though some institutions pulled back on lending due to funding challenges, JTNB remained in a good position with excess liquidity enabling us to meet the needs of our customers and take advantage of other market opportunities.

Investments totaled $87.2 million, which decreased by $5.7 million or 6.1% over the prior year. The decrease in investments was due to the maturity of securities. At this time, we opted to keep this in cash earning a higher rate of return and to fund commercial loans. Cash and Cash Equivalents totaled $37.4 million, which increased by $13.6 million or 57.1% over the prior year. Borrowed funds were $0 for year-end 2024 and $0 for year-end 2023.

Non-accrual loans totaled $14,800 which represents 0.01% of the total loan portfolio. Our credit quality remains high. JTNB's loan portfolio and asset quality remain good despite the challenges of the economic environment. Through sound business practices and sensible underwriting standards, our loan portfolio continues to perform well.

Dividends paid for 2024 totaled $0.54 per share, an approximate 4.3% yield on your investment, delivering consistent ongoing returns to our shareholders. The dividend of $0.54 per share was a 3.8% increase over the prior year regular dividend of $0.52 per share. JTNB's conservative and disciplined business philosophy enables us to continue our mission by providing a strong return for our shareholders without impairing capital.

The Jim Thorpe Neighborhood Bank continues to be "safe and sound" and is well capitalized, exceeding all regulatory requirements. Tier 1 capital to average assets was 9.14% and total capital to risk-weighted assets was 20.66% versus the 5.00% and 10.00%, respectively, required by regulators to be well capitalized.

Customer Expectation/Technology Investments

Our business is built around an unwavering focus on customer satisfaction. The future of banking success will be built around technology and the ability of community banks, in particular, to adapt this technology to customer expectation. JTNB has committed to and invested in the following projects in order to provide the latest technology services to our customers.

- **Digital Wallet –** The use of digital wallets in the U.S. is on the rise, and they're becoming an essential consideration for community banks. A report by Worldpay shows that in the United States, digital wallets accounted for 37% of all e-commerce transactions and 15% of all POS transactions in 2023. Those numbers are expected to increase by 2027 to 52% and 31%, respectively.
- **New & Enhanced Website –** Watch for our new and improved website coming this May!

Achievements & Community Commitment

Once again, **JTNB has earned a 5-Star Superior Rating** from BauerFinancial, the Nation's Premier Bank Rating Firm. To earn Bauer's Highest 5-Star Superior Rating, Jim Thorpe Neighborhood Bank must excel in areas of capital adequacy, profitability, loan quality, and more. This marks the **142nd consecutive quarter**, as of March 2025, that Jim Thorpe Neighborhood Bank has earned Bauer's recommendation of 5-Stars or 4-Stars.

As a true community bank, we take pride in reinvesting in the communities that we serve. We encourage and support our employees to participate through volunteerism and community involvement. Financial contributions were distributed to more than 200 organizations benefitting seniors, veterans, youth groups, churches, and community events as well as educational and healthcare systems to name a few. JTNB is recognized and respected for being a good corporate citizen and our staff takes great pride and passion in their services to the community.

Final Thoughts

JTNB remains true to its community bank philosophy and conservative financial principals. That has been our foundation and hallmark that has successfully sustained us for over 170 years. I am proud of the effort given and the results achieved by our dedicated team. Managing a successful community bank is an ongoing process. Each year we set our goals to enhance shareholder value and meet the needs of our customers, employees, and communities. We believe 2024 was a good year for all.

The annual meeting of JTNB Bancorp, Inc. is scheduled for Wednesday, May 14, 2025 at 10:00 a.m. at The Inn at Jim Thorpe, in the Broadway Underground Meeting Room, located at 24 Broadway, Jim Thorpe. Light refreshments will be served at 9:30 a.m. prior to commencement of the meeting. The Board of Directors thanks you, our shareholders, for your continued support and appreciates your confidence in us as we look forward to the coming year.

Very truly yours,

Craig A. Zurn
Chief Executive Officer

5-Star Jim Thorpe Neighborhood Bank
A Source of Security in an Insecure World

Jim Thorpe, Pennsylvania – March 2025: Jim Thorpe Neighborhood Bank, Jim Thorpe, PA proudly acknowledges that it has received a **5-Star Superior rating** from **BauerFinancial, Inc., the Nation's Premier Bank Rating Firm.** A 5-Star Superior Rating indicates that Jim Thorpe Neighborhood Bank is one of the strongest banks in the nation, excelling in areas of capital, loan quality, profitability and more. This marks the 142nd consecutive quarter that Jim Thorpe Neighborhood Bank has earned a recommended rating (5-Stars or 4-Stars) from Bauer.

"A lot of things are changing", reflects **Karen Dorway, president** of BauerFinancial. "Rules and regulations are being retooled, technology is advancing at lightning speed, and it is easy to feel like you're getting lost in the fray," she continues. "People don't want to feel like that at their bank. When they walk into a branch, they want to feel confident that their deposits are safe, that all rules are being followed, and that their banker understands their specific needs. That's why it is so important to have 5-Star rated (Superior) banks, like Jim Thorpe Neighborhood Bank, in our communities. We can be confident that they have our hard-earned deposits properly secured."

Since its inception in 1855, Jim Thorpe Neighborhood Bank has been meeting the specific needs of the people in the communities it serves for 170 years. You can be proud to call Jim Thorpe Neighborhood Bank your bank.

Jim Thorpe Neighborhood Bank: "A Real Community Bank®"
www.jtnb.com

Member FDIC

Bank and Credit Union data compiled from financial data for the period noted, as reported to federal regulators. The financial data obtained from these sources is consistently reliable, although; the accuracy and completeness of the data cannot be guaranteed by BauerFinancial, Inc. Since 1983, BauerFinancial has relied upon this data in its judgment and in rendering its opinion (e.g. determination of star ratings). BauerFinancial, Inc. is not a financial advisor; it is an independent bank research firm. No institution can pay for or opt out of a BauerFinancial rating. Star-ratings are all available for free at bauerfinancial.com.

BauerFinancial, Inc. P.O. Box 143520, Coral Gables, FL 33114 ★ www.bauerfinancial.com

JTNB Bancorp, Inc. and Subsidiary

Consolidated Financial Statements

December 31, 2024 and 2023

bakertilly

Independent Auditors' Report

To the Shareholders and Board of Directors of
JTNB Bancorp, Inc. and Subsidiary

Opinion

We have audited the consolidated financial statements of JTNB Bancorp, Inc. and Subsidiary (Corporation), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, shareholders' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Baker Tilly US, LLP

Milwaukee, Wisconsin
April 7, 2025

JTNB Bancorp, Inc. and Subsidiary

Consolidated Balance Sheets
December 31, 2024 and 2023

	2024	2023
Assets		
Cash and due from banks	$ 9,779,722	$ 6,390,231
Interest-bearing deposits with banks	27,577,391	17,422,221
Cash and cash equivalents	37,357,113	23,812,452
Securities available-for-sale, at fair value	29,467,916	40,084,399
Mortgage-backed securities available-for-sale, at fair value	57,731,759	52,806,579
Loans, net	126,319,881	120,561,757
Restricted equity securities	329,665	346,565
Bank-owned life insurance	4,293,200	4,480,344
Accrued interest receivable	706,993	727,305
Premises and equipment, net	1,349,332	1,397,108
Goodwill	861,746	861,746
Deferred income taxes, net	2,103,624	2,033,319
Other assets	356,689	1,070,891
Total assets	$ 260,877,918	$ 248,182,465
Liabilities and Shareholders' Equity		
Liabilities		
Deposits:		
Noninterest-bearing	$ 62,022,576	$ 58,015,223
Interest-bearing	179,892,772	172,142,253
Total deposits	241,915,348	230,157,476
Deferred Compensation Payable	13,655	53,521
Accrued Interest Payable	138,241	134,957
Other Liabilities	750,614	709,749
Total liabilities	242,817,858	231,055,703
Shareholders' Equity		
Common stock, par value $0.334; 6,000,000 shares authorized; 951,557 shares issued in 2024 and 2023; 944,363 shares outstanding in 2024 and 946,095 in 2023	317,820	317,820
Additional paid-in capital	1,864,152	1,873,907
Retained earnings	23,340,734	22,078,247
Accumulated other comprehensive loss	(7,381,908)	(7,062,398)
Treasury stock, at cost (7,194 shares in 2024 and 5,462 shares in 2023)	(80,738)	(80,814)
Total shareholders' equity	18,060,060	17,126,762
Total liabilities and shareholders' equity	$ 260,877,918	$ 248,182,465

See notes to consolidated financial statements

JTNB Bancorp, Inc. and Subsidiary

Consolidated Statements of Income
Years Ended December 31, 2024 and 2023

	2024	2023
Interest Income		
Loans	$ 5,891,098	$ 5,020,760
Taxable investments	2,536,597	2,117,202
Tax-exempt investments	200,627	205,876
Deposits with banks	1,006,353	726,966
Total interest income	9,634,675	8,070,804
Interest Expense		
NOW and money market accounts	1,172,225	628,867
Savings accounts	51,688	54,141
Time deposits	1,559,025	1,060,665
Borrowings	48	95,662
Total interest expense	2,782,986	1,839,335
Net interest income before credit to allowance for credit losses	6,851,689	6,231,469
Credit to Allowance for Credit Losses	-	(60,000)
Net interest income after credit to allowance for credit losses	6,851,689	6,291,469
Noninterest Income		
Service charges on deposit accounts	223,702	228,955
Other service charges and fees	391,589	392,077
Income on bank-owned life insurance	236,140	110,937
Gain on life insurance	7,513	169,890
Total noninterest income	858,944	901,859
Noninterest Expense		
Salaries and employee benefits	3,298,117	3,279,158
Data processing fees	316,312	329,168
Occupancy expense	262,910	278,468
Professional fees	273,214	257,653
Shares tax expense	144,913	112,897
Directors' fees and compensation expense	224,884	204,408
Computer software maintenance	202,445	192,704
Telecommunications expense	161,843	152,058
Furniture and equipment expense	104,991	120,587
FDIC assessment	115,000	123,667
Other operating expenses	515,715	483,160
Total noninterest expense	5,620,344	5,533,928
Income before income tax expense	2,090,289	1,659,400
Income Tax Expense	316,505	211,964
Net income	$ 1,773,784	$ 1,447,436
Earnings Per Share	$ 1.87	$ 1.53
Weighted Average Shares Outstanding	946,908	945,093

See notes to consolidated financial statements

JTNB Bancorp, Inc. and Subsidiary

Consolidated Statements of Comprehensive Income
Years Ended December 31, 2024 and 2023

	2024	2023
Net Income	$ 1,773,784	$ 1,447,436
Other Comprehensive (Loss) Income		
Unrealized holding (losses) gains on securities available-for-sale, net of tax of $84,933 in 2024 and $473,045 in 2023	(319,510)	1,779,551
Total other comprehensive (loss) income	(319,510)	1,779,551
Total comprehensive income	$ 1,454,274	$ 3,226,987

See notes to consolidated financial statements

JTNB Bancorp, Inc. and Subsidiary

Consolidated Statements of Shareholders' Equity
Years Ended December 31, 2024 and 2023

	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total
Balance, January 1, 2023	$ 317,820	$ 1,880,249	$ 21,090,277	$ (8,841,949)	$ (107,621)	$ 14,338,776
Net income	-	-	1,447,436	-	-	1,447,436
Other comprehensive income	-	-	-	1,779,551	-	1,779,551
Purchase of 1,990 shares	-	-	-	-	(28,855)	(28,855)
Issue of 3,590 shares through dividend reinvestment plan	-	(6,342)	-	-	55,662	49,320
Dividends declared ($0.52 per share)	-	-	(459,466)	-	-	(459,466)
Balance, December 31, 2023	317,820	1,873,907	22,078,247	(7,062,398)	(80,814)	17,126,762
Net income	-	-	1,773,784	-	-	1,773,784
Other comprehensive loss	-	-	-	(319,510)	-	(319,510)
Purchase of 18,470 shares	-	-	-	-	(195,434)	(195,434)
Sale of 13,500 shares	-	-	-	-	136,902	136,902
Issue of 3,238 shares through dividend reinvestment plan	-	(9,755)	-	-	58,608	48,853
Dividends declared ($0.54 per share)	-	-	(511,297)	-	-	(511,297)
Balance, December 31, 2024	$ 317,820	$ 1,864,152	$ 23,340,734	$ (7,381,908)	$ (80,738)	$ 18,060,060

See notes to consolidated financial statements

JTNB Bancorp, Inc. and Subsidiary

Consolidated Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
Cash Flows From Operating Activities		
Net income	$ 1,773,784	$ 1,447,436
Adjustments to reconcile net income to net cash provided by operating activities:		
Credit to allowance for credit losses	-	(60,000)
Depreciation	121,690	127,512
Net amortization (accretion) of securities and loan fees and costs	60,168	(38,762)
Deferred compensation expense	(39,866)	2,976
Deferred income taxes	14,629	12,174
Gain on life insurance	(7,513)	(169,890)
Income on bank-owned life insurance	(236,140)	(110,937)
Net change in:		
Accrued interest receivable	20,312	(44,878)
Other assets	714,202	(234,292)
Deferred compensation payable	-	(41,281)
Accrued interest payable	3,284	64,822
Other liabilities	22,169	(32,109)
Net cash provided by operating activities	2,446,719	922,771
Cash Flows From Investing Activities		
Purchases of securities available-for-sale	(4,998,140)	-
Proceeds from maturities, calls and principal repayments of securities available-for-sale	15,670,000	15,890,036
Purchases of mortgage-backed securities available-for-sale	(13,528,439)	(12,289,564)
Proceeds from principal repayments of mortgage-backed securities available-for-sale	8,072,867	4,671,257
Purchases of restricted stock	(4,000)	(59,500)
Proceeds from redemption of restricted equity securities	20,900	247,600
Proceeds from life insurance	426,915	-
Premiums paid on bank-owned life insurance	3,882	(7,429)
Net change in loans	(5,747,721)	2,143,591
Purchases of premises and equipment	(73,914)	(36,637)
Net cash (used in) provided by investing activities	(157,650)	10,559,354
Cash Flows From Financing Activities		
Net increase in deposits	11,757,872	5,105,639
Repayment of borrowings	-	(5,000,000)
Purchase of treasury stock	(195,434)	(28,855)
Sale of treasury stock	136,902	-
Dividends paid	(443,748)	(387,848)
Net cash provided by (used in) financing activities	11,255,592	(311,064)
Net increase in cash and cash equivalents	13,544,661	11,171,061
Cash and Cash Equivalents, Beginning	23,812,452	12,641,391
Cash and Cash Equivalents, Ending	$ 37,357,113	$ 23,812,452
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	$ 2,779,702	$ 1,774,513
Income taxes paid	$ 305,000	$ 179,412

See notes to consolidated financial statements

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of JTNB Bancorp, Inc. (Bancorp) and its wholly owned subsidiary, Jim Thorpe Neighborhood Bank (Bank), (collectively, the Corporation). All material intercompany transactions have been eliminated in consolidation.

Nature of Operations

The Corporation provides a full range of commercial banking services to individual and small business customers in Carbon County, Pennsylvania, and the surrounding counties. The Corporation's primary deposit products are demand deposits and interest-bearing time and savings accounts. It offers a full array of loan products to meet the needs of retail and commercial customers.

The Bank is subject to regulation by the Pennsylvania Department of Banking and Securities and its deposits are insured by the Federal Deposit Insurance Corporation. The Bancorp is subject to regulation by the Federal Reserve Board.

Significant Concentrations of Credit Risk

The Corporation grants loans to customers primarily in Carbon County and the surrounding counties of Pennsylvania. Although the Corporation has a diversified loan portfolio, a substantial portion of its debtors' ability to honor their contracts is dependent on the economic conditions in its marketplace. The Corporation does not have any significant concentrations from one industry or borrower.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Material estimates that are particularly susceptible to significant change relate to the determination of the allowance for credit losses, the valuation of investment securities and determination of credit losses thereon, and valuation of deferred tax assets.

Accounting Standard Adopted in 2024

On January 1, 2024, the Corporation adopted Accounting Standards Update (ASU) No. 2023-07, *Segment Reporting—Improvements to Reportable Segment Disclosures (Topic 280).* This ASU requires disclosure of incremental segment information on an annual basis for all public entities, including entities with one reportable segment. Such incremental disclosures include information about significant segment expenses, how chief operating decision makers (CODM) measure a segment's profit or loss, and qualitative information about how a CODM assesses segment performance. The Corporation adopted the provisions of the ASU effective January 1, 2024. As the Corporation has only one reportable segment (community banking segment), this ASU did not have a material effect on the Corporation's consolidated financial statements.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash and cash equivalents include amounts due from depository institutions and interest-bearing deposits with other banks with original maturities of less than 90 days.

Securities and Mortgage-Backed Securities

Debt securities acquired with the intent and ability to hold to maturity are classified as securities held-to-maturity and reported at amortized cost. Debt securities not classified as held-to-maturity securities are classified as securities available-for-sale and reported at fair value, with unrealized gains and losses excluded from earnings and reported in other comprehensive income (loss).

Purchase premiums and discounts are recognized in interest income using the interest method over the terms of the securities. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method. Declines in the fair value of securities below their costs that are deemed to be credit-related are reflected in earnings as realized losses.

Allowance for Credit Losses - Available-for-Sale Securities

For available-for-sale securities in an unrealized loss position, the Corporation first assesses whether it intends to sell, or it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income. For available-for-sale securities that do not meet the aforementioned criteria, the Corporation evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses (ACL) is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any impairment that has not been recorded through an allowance for credit losses is recognized in other comprehensive income (loss).

Changes in the allowance for credit losses are recorded as credit loss expense (or reversal). Losses are charged against the allowance when management believes the uncollectibility of an available-for-sale security is confirmed or when either of the criteria regarding intent or requirement to sell is met.

The Corporation made a policy election to exclude accrued interest receivable from amortized cost basis of securities available-for-sale. Accrued interest receivable on available-for-sale securities is reported as a component of accrued interest receivable on the consolidated balance sheets, totaled $368,041 at December 31, 2024 and $412,083 at December 31, 2023 and is excluded from the estimate of credit losses.

Loans

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are stated at their outstanding unpaid principal balances, net of an allowance for credit losses and any deferred fees or costs. Interest income is accrued on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, are deferred and recognized as an adjustment of the related loan yield over the contractual life of the loan using the interest method.

The loans receivable portfolio is segmented into following classes: construction real estate, commercial real estate, residential real estate, commercial, other consumer and municipal loans. The segments of the Corporation's loan portfolio are disaggregated to a level that allows management to monitor risk and performance. Common risk characteristics include loan type, collateral type, and geographic location.

Generally, the accrual of interest is discontinued when the contractual payment of principal or interest has become 90 days past due or management has serious doubts about further collectability of principal or interest, even though the loan is currently performing. A loan may remain on accrual status if it is in the process of collection and is either guaranteed or well secured. When a loan is placed on nonaccrual status, unpaid interest is reversed against interest income. Interest received on nonaccrual loans, including substandard loans, is either applied against principal or reported as interest income, according to management's judgment as to the collectability of principal. Generally, loans are restored to accrual status when the obligation is brought current, has performed in accordance with the contractual terms for a reasonable period of time (generally six months) and the ultimate collectability of the total contractual principal and interest is no longer in doubt. The past due status of all classes of loans receivable is determined based on contractual due dates for loan payments.

Allowance for Credit Losses - Loans

The allowance for credit losses is a valuation account that is recorded as a reduction of the amortized cost basis of loans to present the net amount expected to be collected on the loans. Loans are charged-off against the allowance when management believes the uncollectability of a loan balance is confirmed.

The allowance is maintained at a level considered adequate to provide for losses that can be reasonably anticipated. Management performs a quarterly evaluation of the adequacy of the allowance. The allowance is estimated using relevant available information from both internal and external sources relating to past events (including the Corporation's past credit loss experience), current conditions, and reasonable and supportable forecasts.

The allowance for credit losses is measured on a collective (pool) basis when similar characteristics exist. The Corporation has identified the following portfolio segments and measures the allowance for credit losses using the SCALE method: construction real estate, commercial real estate, residential real estate, commercial, other consumer and municipal loans. These pools of loans are evaluated for loss exposure based upon historical loss rates for each of these categories of loans, adjusted for qualitative factors.

These qualitative risk factors include:

1. Delinquency trends
2. Volume trends concerning the portfolio and terms of loans
3. Changes to lending policies and procedures, including underwriting standards and collection, charge-off and recovery practices
4. Experience, ability, and depth of lending management and staff
5. National, regional, and local economic and business conditions as well as the condition of various market segments, including the value of underlying collateral for collateral dependent loans
6. Existence and effect of any concentrations of credit and changes in the level of such concentrations
7. Quality of the Corporation's loan review system, and the degree of oversight by the Corporation's Board of Directors
8. Collateral values
9. Effect of external factors, such as competition and legal and regulatory requirements

The Corporation's ACL is calculated by collectively evaluating segmented pools of loans as well as individually evaluating loans. Loans that do not share risk characteristics are evaluated on an individual basis. Loans evaluated individually are also not included in the collective evaluation. When management determines that foreclosure is probable, or when the borrower is experiencing financial difficulty at the reporting date and repayment is expected to be provided substantially through the operation or sale of collateral, expected credit losses are based on the fair value of the collateral at the reporting date, adjusted for selling costs as appropriate. Loans that experience insignificant payment delays and payment shortfalls generally are not individually evaluated. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record and the amount of the shortfall in relation to the principal and interest owed.

The estimated fair values of substantially all of the Corporation's individually evaluated loans are measured based on the estimated fair value of the loan's collateral.

For loans secured by real estate, estimated fair values are determined primarily through third-party appraisals. When an individually evaluated loan is secured by real estate, a decision is made regarding whether an updated certified appraisal of the real estate is necessary. This decision is based on various considerations, including the age of the most recent appraisal, the loan-to-value ratio based on the original appraisal and the condition of the property. Appraised values are discounted, when necessary, to arrive at the estimated selling price of the collateral, which is considered to be the estimated fair value. The discounts also include estimated costs to sell the property.

For loans secured by nonreal estate collateral, such as accounts receivable, inventory and equipment, estimated fair values are determined based on the borrower's financial statements, inventory reports, accounts receivable agings, equipment appraisals, invoices or online pricing sources. Indications of value from these sources are generally discounted, as appropriate, based on the age of the financial information or the quality of the assets.

In addition, Federal regulatory agencies, as an integral part of their examination process, periodically review the Corporation's allowance for credit losses and may require the Corporation to recognize adjustments to the allowance based on their judgments about information available to them at the time of their examination, which may not be currently available to management at the time of their assessment. Based on management's comprehensive analysis of the loan portfolio, management believes the current level of the allowance for credit losses is adequate.

A reserve for unfunded loan commitments is provided for possible credit losses on off-balance sheet credit exposures. Off-balance sheet credit exposures primarily include undrawn portions of revolving lines of credit and standby letters of credit. The reserve for unfunded loan commitments represents management's estimate of losses inherent in its unfunded loan commitments and is recorded in other liabilities on the consolidated balance sheets.

The Corporation made a policy election to exclude accrued interest receivable from the amortized cost basis of loans. Accrued interest receivable on loans is reported as a component of accrued interest receivable on the consolidated balance sheets, totaled $321,992 and $295,193 at December 31, 2024 and 2023, respectively, and is excluded from the estimate of credit losses.

Restricted Equity Securities

Restricted equity securities consist of investments in the Federal Home Loan Bank of Pittsburgh (FHLB), the Federal Reserve Bank of Philadelphia, and the Atlantic Community Bankers Bank. Investments in these entities are restricted and carried at cost.

Management considers whether these investments are impaired based on the ultimate recoverability of the cost basis rather than by recognizing temporary declines in value. Management believes no impairment has occurred related to these investments at December 31, 2024 and 2023.

Bank-Owned Life Insurance

The Corporation is the owner and beneficiary of bank-owned life insurance policies on certain employees. The life insurance investment is carried at the cash surrender value of the underlying policies. The increase in the cash surrender value is recognized as a component of noninterest income. The policies can be liquidated, if necessary, with tax costs associated. However, the Corporation intends to hold these policies and, accordingly, the Corporation has not provided for deferred income taxes on the earnings from the increase in cash surrender value.

Premises and Equipment

Premises and equipment are stated at cost, less accumulated depreciation. Depreciation is provided on the straight-line method over the estimated useful lives of the related assets. Expenditures for maintenance and repairs are charged to expense when incurred while costs of major additions and improvements are capitalized.

Goodwill

Goodwill resulting from business combinations is generally determined as the excess of the fair value of the consideration transferred over the fair value of the assets acquired and liabilities assumed as of the acquisition date. Goodwill has an indefinite useful life and is not amortized but tested for impairment at least annually or more frequently if events and circumstances exists that indicate that a goodwill impairment test should be performed. Based on the results of the annual impairment test as of October 31, 2024, the Corporation did not recognize any impairment in 2024 and 2023.

Foreclosed Assets

Assets acquired through, or in lieu of, loan foreclosure are held for sale and are initially recorded at fair value less cost to sell at the date of foreclosure, establishing a new cost basis. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less cost to sell. Revenue and expenses from operations and changes in the valuation allowance are included in other operating expenses.

The Corporation had no foreclosed assets at December 31, 2024 and 2023. Residential real estate loans in process of foreclosure were approximately $0 at December 31, 2024 and $140,000 at December 31, 2023.

Self-Insurance

The Corporation is party to an agreement with its health insurance provider to supply coverage to its employees under a self-insurance arrangement. Under this arrangement, the Corporation is billed monthly by the provider to pay claims. To limit exposure under this arrangement, the Corporation obtained stop-loss coverage with a specific annual deductible of $50,000 per covered participant and reimbursement of claims are unlimited per covered participant over a lifetime. The stop-loss coverage also provides reimbursement up to $1,000,000 if total claims in the aggregate for the Corporation exceed approximately $648,000 during a policy year. Expense under this arrangement was $790,391 in 2024 and $779,218 in 2023 and is included in salaries and employee benefits in the consolidated statements of income.

Benefit Plans

The Corporation has a profit-sharing plan which covers substantially all employees who have attained the age of twenty-one and have completed 1,000 hours of service within one calendar year. The amount of the contribution is determined annually by the Corporation's Board of Directors. Expense under this plan was $91,204 in 2024 and $94,046 in 2023 and is included in salaries and employee benefits in the consolidated statements of income.

The Corporation has a deferred compensation plan with a director providing supplemental retirement benefits. The Corporation has recognized a liability for the present value of this obligation of $13,655 at December 31, 2024 and $53,521 at December 31, 2023. Expense of $1,184 in 2024 and $2,975 in 2023 related to this plan is included in directors' fees and compensation expense in the consolidated statements of income.

Income Taxes

Income tax accounting guidance results in two components of income tax expense: current and deferred. Current income tax expense reflects taxes to be paid or refunded for the current period by applying the provisions of the enacted tax law to the taxable income or excess of deductions over revenues. The Corporation determines deferred income taxes using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is based on the tax effects of the differences between the book and tax bases of assets and liabilities. Enacted changes in tax rates and laws are recognized in the period in which they occur. Deferred tax assets are reduced by a valuation allowance if, based on the weight of evidence available, it is more likely than not that some portion or all of a deferred tax asset will not be realized. The Corporation recognizes interest and penalties on income taxes as a component of income tax expense.

Advertising Costs

Advertising costs are expensed as incurred and were $68,103 in 2024 and $65,153 in 2023. Amounts are included in other operating expenses in the consolidated statements of income.

Earnings per Share

Earnings per share is based on the weighted average shares of common stock outstanding. The Corporation currently maintains a simple capital structure; therefore, there are no dilutive effects on earnings per share.

Comprehensive Income

Comprehensive income consists of net income and other comprehensive (loss) income. Other comprehensive (loss) income is comprised of unrealized (losses) gains on available-for-sale debt securities which are recognized as a separate component of equity, net of income taxes.

Segments

Segments are components of a company that have discrete financial information available and are regularly evaluated by a chief operating decision maker (CODM) to assess performance and decide how resources are allocated. Substantially all of the Corporation's operations occur through the Bank and involve the delivery of loan and deposit products to customers. Management makes operating decisions and assesses performance based on an ongoing review of its banking operation, which constitutes the Corporation's only operating segment for financial reporting purposes. The Corporation's one reportable segment is determined by its Chief Executive Officer, who is designated the CODM, based upon information provided about the Corporation's products and services offered, primarily community banking operations. The Corporation’s CODM manages business activities on a consolidated basis and uses consolidated net income, as reported on the consolidated statements of income, to evaluate financial performance, allocate resources, and monitor budget versus actuals. The competitive analysis along with the monitoring of budgeted versus actual results are used in assessing performance of the segment and in establishing management's compensation. The measure of segment assets is reported on the consolidated balance sheets as total assets at December 31, 2024 and 2023.

Treasury Stock

Treasury stock is recorded at cost. The subsequent disposition or sale of the treasury stock is recorded using the average cost method.

Revenue Recognition

The Corporation recognizes revenue from various sources, including loans, investment securities, bank-owned life insurance, deposit accounts and sales of assets.

Interest income on loans is accrued on the unpaid principal balance and recorded daily. Loan origination fees, net of certain direct origination costs, are deferred and recognized as an adjustment of the related loan yield using the interest method. Other loan fees, including late charges, are recognized as they occur.

Interest income on debt securities, including purchase premiums and discounts, is calculated using the interest method over the term of the securities. Dividends on equity securities are recorded when declared.

Earnings on bank-owned life insurance policies represent the increase in the cash surrender value of these policies as well as any gains resulting from settlement of the policies.

Noninterest income includes service charge, overdraft, and other deposit account fees, ATM and debit card interchange income, and other miscellaneous fees and income. Revenue is recognized when the Corporation's performance obligation is completed which is generally monthly for interchange and account service and maintenance fees or when a transaction has been completed, such as when an overdraft or an ATM transaction occurs. Other fees and income are generally transactional in nature and are recognized as they occur.

Gains or losses on sales of assets are generally recognized when the asset has been legally transferred to the buyer and the Corporation has no continuing involvement with the asset. The Corporation does not generally finance the purchase.

Subsequent Events

Subsequent events were evaluated through April 7, 2025, the date the consolidated financial statements were available to be issued.

Future Accounting Standard

During December 2023, the Financial Accounting Standards Board (FASB) issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. ASU No. 2023-09 enhances the transparency and decision usefulness of income tax disclosures. The amendments in this ASU require consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid disaggregated by jurisdiction. ASU No.2023-09 is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments in this ASU should be applied on a prospective basis. Retrospective application is permitted. The Corporation does not believe that the adoption of ASU No. 2023-09 will have a material effect on its results of operations, financial position and cash flows.

2. Securities

The amortized cost and fair values of securities are as follows at December 31:

	2024			
	Amortized Cost	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**
Securities available-for-sale:				
U.S. Treasury	$ 5,492,142	$ -	$ (83,314)	$ 5,408,828
U.S. government agencies	1,000,914	-	(15,171)	985,743
Obligations of states and political subdivisions	24,962,495	766	(1,889,916)	23,073,345
Total	$ 31,455,551	$ 766	$ (1,988,401)	$ 29,467,916
Mortgage-backed securities available-for-sale:				
Government sponsored enterprises, residential	$ 65,088,310	$ 139,099	$ (7,495,650)	$ 57,731,759

	2023			
	Amortized Cost	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**
Securities available-for-sale:				
U.S. Treasury	$ 2,974,120	$ -	$ (30,370)	$ 2,943,750
U.S. government agencies	12,008,107	-	(128,475)	11,879,632
Obligations of states and political subdivisions	27,199,459	6,220	(1,944,662)	25,261,017
Total	$ 42,181,686	$ 6,220	$ (2,103,507)	$ 40,084,399
Mortgage-backed securities available-for-sale:				
Government sponsored enterprises, residential	$ 59,649,035	$ 266,551	$ (7,109,007)	$ 52,806,579

The amortized cost and fair value of securities at December 31, 2024 by contractual maturity are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Securities Available-for-Sale	
	Amortized Cost	Fair Value
Due within 1 year	$ 3,293,397	$ 3,267,341
Due after 1 but within 5 years	17,445,433	16,713,716
Due after 5 but within 10 years	8,008,531	7,212,926
Due after 10 years	2,708,190	2,273,933
	$ 31,455,551	$ 29,467,916

	Mortgage-Backed Securities Available-for-Sale	
	Amortized Cost	Fair Value
Due within 1 year	$ -	$ -
Due after 1 but within 5 years	328,529	318,182
Due after 5 but within 10 years	3,337,632	3,089,989
Due after 10 years	61,422,149	54,323,588
	$ 65,088,310	$ 57,731,759

Securities with a carrying amount of $61,699,214 at December 31, 2024 and $64,982,257 at December 31, 2023, were pledged to secure public deposits and for other purposes required or permitted by law.

In 2024 and 2023, there were no sales of securities available-for-sale or mortgage-backed securities available-for-sale.

The following tables present gross unrealized losses and fair value of investments aggregated by investment category and length of time that individual securities have been in a continuous loss position at December 31:

	2024					
	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Securities available-for-sale:						
U.S. Treasury	$ 3,916,562	$ (80,269)	$ 1,492,266	$ (3,045)	$ 5,408,828	$ (83,314)
U.S. government agencies	985,743	(15,171)	-	-	985,743	(15,171)
Obligations of states and political subdivisions	2,714,320	(111,792)	19,251,520	(1,778,124)	21,965,840	(1,889,916)
	7,616,625	(207,232)	20,743,786	(1,781,169)	28,360,411	(1,988,401)
Mortgage-backed-securities available-for-sale:						
Government sponsored enterprises, residential	14,221,171	(230,786)	35,683,468	(7,264,864)	49,904,639	(7,495,650)
Total	$ 21,837,796	$ (438,018)	$ 56,427,254	$ (9,046,033)	$ 78,265,050	$ (9,484,051)

	2023					
	Less Than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Securities available-for-sale:						
U.S. Treasury	$ -	$ -	$ 2,943,750	$ (30,370)	$ 2,943,750	$ (30,370)
U.S. government agencies	5,914,079	(96,242)	5,965,553	(32,233)	11,879,632	(128,475)
Obligations of states and political subdivisions	6,102,186	(691,009)	16,374,361	(1,253,653)	22,476,547	(1,944,662)
	12,016,265	(787,251)	25,283,664	(1,316,256)	37,299,929	(2,103,507)
Mortgage-backed-securities available-for-sale:						
Government sponsored enterprises, residential	40,420,829	(7,109,007)	-	-	40,420,829	(7,109,007)
Total	$ 52,437,094	$ (7,896,258)	$ 25,283,664	$ (1,316,256)	$ 77,720,758	$ (9,212,514)

At December 31, 2024, 107 securities totaling $78.3 million were in an unrealized loss position. The individual losses ranged from $234 to $1.2 million and the total gross unrealized loss was $9.5 million at December 31, 2024. The primary driver behind the market value changes of these securities relate to various changes in interest rates. At December 31, 2024, there were 91 securities totaling $9.1 million in an unrealized loss position more than 12 months. The primary reason these securities have unrealized losses relates to their original purchase date and the interest rate/spreads that was in effect at that date. There has been no material negative change in credit issues in the portfolio. All securities have the explicit or implicit guarantee of the U. S. Government or relate to obligations of states and political subdivisions. The Corporation has performed an analysis of these securities as summarized in the "Allowance for Credit Losses on Available for Sale Securities" accounting policy. Management believes that unrealized losses are temporary in nature and are a result of the current interest rate environment and not a reflection of credit quality. There was no allowance for credit loss on securities recorded as of December 31, 2024 or 2023.

3. Loans, Net

The Corporation's loan portfolio is segmented to enable management to monitor risk and performance. For 2024 and 2023, the loans receivable portfolio was aligned into the following segments: Real Estate (including construction, commercial and residential), commercial, other consumer and municipal loans.

The composition of the Corporation's loan portfolio at December 31, 2024 is as follows:

Construction real estate	$ 1,163,062
Commercial real estate	52,269,388
Residential real estate	53,044,920
Commercial	2,640,193
Other consumer	2,458,434
Municipal loans	16,090,939
Total loans	127,666,936
Allowance for credit losses	(1,347,055)
Net loans	$ 126,319,881

The composition of the Corporation's loan portfolio at December 31, 2023 is as follows:

Commercial and industrial	$ 1,422,781
Commercial real estate	44,763,550
Residential mortgage	51,048,550
Home equity	3,283,567
Municipal	19,283,274
Consumer	2,110,632
Total loans	121,912,354
Allowance for credit losses	(1,350,597)
Net loans	$ 120,561,757

The following tables present the activity in the allowance for credit losses by loan segment, segregated into the amount required for loans individually evaluated for impairment and the amount required for loans collectively evaluated for potential losses as of December 31:

	2024						
	Allowance for Credit Losses						
	Beginning Balance	Charge-offs	Recoveries	Provisions (Credits)	Ending Balance	Ending Balance: Individually Evaluated for Impairment	Ending Balance: Collectively Evaluated for Impairment
Construction real estate	$ 23,284	$ -	$ -	$ -	$ 23,284	$ -	$ 23,284
Commercial real estate	605,924	-	-	-	605,924	-	605,924
Residential real estate	595,634	-	-	-	595,634	-	595,634
Commercial	48,819	-	-	-	48,819	-	48,819
Other consumer	51,920	(4,178)	636	-	48,378	-	48,378
Municipal loans	25,016	-	-	-	25,016	-	25,016
Total	$ 1,350,597	$ (4,178)	$ 636	$ -	$ 1,347,055	$ -	$ 1,347,055

	2023						
	Allowance for Credit Losses						
	Beginning Balance Prior to Adoption of ASC 326	Charge-offs	Recoveries	Provisions (Credits)	Ending Balance	Ending Balance: Individually Evaluated for Impairment	Ending Balance: Collectively Evaluated for Impairment
Construction real estate	$ 41,033	$ -	$ -	$ (17,749)	$ 23,284	$ -	$ 23,284
Commercial real estate	653,351	-	-	(47,427)	605,924	-	605,924
Residential real estate	536,168	-	89,274	(29,808)	595,634	-	595,634
Commercial	24,339	-	-	24,480	48,819	-	48,819
Other consumer	18,772	(5,348)	848	37,648	51,920	-	51,920
Municipal loans	52,160	-	-	(27,144)	25,016	-	25,016
Total	$ 1,325,823	$ (5,348)	$ 90,122	$ (60,000)	$ 1,350,597	$ -	$ 1,350,597

The following table presents the activity for a reserve for unfunded loan commitments which is provided for possible credit losses on off-balance sheet credit exposures. Off-balance sheet credit exposures primarily include undrawn portions of revolving lines of credit, commitments to originate loans and standby letters of credit. The reserve for unfunded lending commitments represents management's estimate of losses inherent in its unfunded loan commitments and is recorded in other liabilities on the consolidated balance sheets.

	Beginning Balance at December 31, 2023	Provisions	Ending Balance at December 31, 2024
Unfunded commitment reserve	$ 10,300	$ -	$ 10,300

	Beginning Balance at December 31, 2022	Provisions	Ending Balance at December 31, 2023
Unfunded commitment reserve	$ -	$ 10,300	$ 10,300

The following tables summarize information in regard to loans that were individually evaluated for impairment as December 31:

	2024		
	Loans Receivable		
	Ending Balance	Ending Balance Individually Evaluated for Impairment	Ending Balance Collectively Evaluated for Impairment
Construction real estate	$ 1,163,062	$ -	$ 1,163,062
Commercial real estate	52,269,388	753,057	51,516,331
Residential real estate	53,044,920	3,461	53,041,459
Commercial	2,640,193	14,764	2,625,429
Other consumer	2,458,434	5,285	2,453,149
Municipal loans	16,090,939	-	16,090,939
Total	$ 127,666,936	$ 776,567	$ 126,890,369

	2023		
	Loans Receivable		
	Ending Balance	Ending Balance Individually Evaluated for Impairment	Ending Balance Collectively Evaluated for Impairment
Construction real estate	$ 1,422,781	$ -	$ 1,422,781
Commercial real estate	44,763,550	58,731	44,704,819
Residential real estate	51,048,550	-	51,048,550
Commercial	3,283,567	-	3,283,567
Other consumer	2,110,632	-	2,110,632
Municipal loans	19,283,274	-	19,283,274
Total	$ 121,912,354	$ 58,731	$ 121,853,623

The following tables present nonaccrual loans by classes of the loan portfolio as of December 31:

	2024		
	Nonaccrual Loans With No Allowance	Nonaccrual Loans With an Allowance	Total Nonaccrual Loans
Commercial	$ 14,764	$ -	$ 14,764
Total	$ 14,764	$ -	$ 14,764

	2023		
	Nonaccrual Loans With No Allowance	Nonaccrual Loans With an Allowance	Total Nonaccrual Loans
Commercial real estate	$ 58,731	$ -	$ 58,731
Total	$ 58,731	$ -	$ 58,731

The following tables detail the amortized cost of collateral dependent loans by class of loans as of December 31:

	2024	2023
Commercial real estate	$ 753,057	$ 58,731
Commercial	14,764	-
Residential real estate	3,461	-
Other consumer	5,285	-
Total	$ 776,567	$ 58,731

The Corporation categorizes loans into risk rating categories. The borrower's overall financial condition, repayment sources, guarantors and value of collateral, if appropriate, are evaluated annually for commercial loans or when credit deficiencies arise, such as delinquent loan payments, for commercial and consumer loans. Credit quality risk ratings include regulatory classifications of special mention, substandard, doubtful, and loss. Loans classified as special mention have potential weaknesses that deserve management's close attention. If uncorrected, the potential weaknesses may result in deterioration of the repayment prospects. Loans classified as substandard have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They include loans that are inadequately protected by the current sound net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans classified as doubtful have all the weaknesses inherent in loans classified as substandard with the added characteristic that collection or liquidation in full, on the basis of current conditions and facts, is highly improbable. Loans classified as a loss are considered uncollectible and are charged to the allowance for credit losses. Loans not criticized or classified are rated pass.

The following tables present the classes of the loan portfolio summarized by the aggregate pass rating and the classified ratings of special mention and substandard within the Corporation's internal risk rating system as of December 31, 2024 and 2023 by year of origination:

	2024	2023	2022	2021	Prior	Revolving	Total
As of December 31, 2024							
Construction real estate:							
Pass	$ 483,127	$ 84,624	$ 427,149	$ 139,427	$ 28,735	$ -	$ 1,163,062
Special mention	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	-	-
Total	483,127	84,624	427,149	139,427	28,735	-	1,163,062
2024 gross write offs	-	-	-	-	-	-	-
Commercial real estate:							
Pass	10,650,302	7,695,642	7,213,433	5,898,000	17,805,804	2,253,150	51,516,331
Special mention	-	-	-	-	-	-	-
Substandard	-	-	753,057	-	-	-	753,057
Total	10,650,302	7,695,642	7,966,490	5,898,000	17,805,804	2,253,150	52,269,388
2024 gross write offs	-	-	-	-	-	-	-
Residential real estate:							
Pass	5,974,461	6,713,408	7,009,790	7,355,505	24,654,362	1,333,933	53,041,459
Special mention	-	-	-		-	-	-
Substandard	-	-	-	-	3,461	-	3,461
Total	5,974,461	6,713,408	7,009,790	7,355,505	24,657,823	1,333,933	53,044,920
2024 gross write offs	-	-	-	-	-	-	-
Commercial:							
Pass	20,616	-	254,800	57,716	1,799,977	492,320	2,625,429
Special mention	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	14,764	14,764
Total	20,616	-	254,800	57,716	1,799,977	507,084	2,640,193

	2024	2023	2022	2021	Prior	Revolving	Total
2024 gross write offs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Other consumer:							
Pass	950,270	705,347	293,247	256,330	226,388	21,567	2,453,149
Special mention	-	-	-	-	-	-	-
Substandard	-	-	5,285	-	-	-	5,285
Total	950,270	705,347	298,532	256,330	226,388	21,567	2,458,434
2024 gross write offs	4,178	-	-	-	-	-	4,178
Municipal loans:							
Pass	-	1,735,356	-	8,726,668	5,628,915	-	16,090,939
Special mention	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	-	-
Total	-	1,735,356	-	8,726,668	5,628,915	-	16,090,939
2024 gross write offs	-	-	-	-	-	-	-
Total loans:							
Pass	18,078,776	16,934,377	15,198,419	22,433,646	50,144,181	4,100,970	126,890,369
Special mention	-	-	-	-	-	-	-
Substandard	-	-	758,342	-	3,461	14,764	776,567
Grand total	$ 18,078,776	$ 16,934,377	$ 15,956,761	$ 22,433,646	$ 50,147,642	$ 4,115,734	$ 127,666,936
2024 gross write offs	$ 4,178	$ -	$ -	$ -	$ -	$ -	$ 4,178

	2023	2022	2021	Prior	Revolving	Total
As of December 31, 2023						
Construction real estate:						
Pass	$ 773,694	$ 447,262	$ 165,246	$ 36,579	$ -	$ 1,422,781
Special mention	-	-	-	-	-	-
Substandard	-	-	-	-	-	-
Total	773,694	447,262	165,246	36,579	-	1,422,781
2023 gross write offs	-	-	-	-	-	-
Commercial real estate:						
Pass	7,331.879	8,817,592	6,268,031	20,373,650	1,913,667	44,704,819
Special mention	-	-	-	-	-	-
Substandard	-	-	-	58,731	-	58,731
Total	7,331,879	8,817,592	6,268,031	20,432,381	1,913,667	44,763,550
2023 gross write offs	-	-	-	-	-	-
Residential real estate:						
Pass	6,014,060	8,355,965	7,980,470	28,338,391	359,664	51,048,550
Special mention	-	-	-	-	-	-

	2023	2022	2021	Prior	Revolving	Total
As of December 31, 2023						
Substandard	$ -	$ -	$ -	$ -	$ -	$ -
Total	6,014,060	8,355,965	7,980,470	28,338,391	359,664	51,048,550
2023 gross write offs	-	-	-	-	-	-
Commercial:						
Pass	-	361,325	402,551	2,041,893	477,798	3,283,567
Special mention	-	-	-	-	-	-
Substandard	-	-	-	-	-	-
Total	-	361,325	402,551	2,041,893	477,798	3,283,567
2023 gross write offs	-	-	-	-	-	-
Other consumer:						
Pass	921,238	440,895	384,574	363,925	-	2,110,632
Special mention	-	-	-	-	-	-
Substandard	-	-	-	-	-	-
Total	921,238	440,895	384,574	363,925	-	2,110,632
2023 gross write offs	-	5,348	-	-	-	5,348
Municipal loans:						
Pass	222,886	2,348,000	10,224,355	6,488,033	-	19,283,274
Special mention	-	-	-	-	-	-
Substandard	-	-	-	-	-	-
Total	222,886	2,348,000	10,224,355	6,488,033	-	19,283,274
2023 gross write offs	-	-	-	-	-	-
Total loans:						
Pass	15,263,757	20,771,039	25,425,227	57,642,269	2,751,129	121,853,421
Special mention	-	-	-	-	-	-
Substandard	-	-	-	58,933	-	58,933
Grand total	$ 15,263,757	$ 20,771,039	$ 25,425,227	$ 57,701,202	$ 2,751,129	$ 121,912,354
2023 gross write-offs	$ -	$ 5,348	$ -	$ -	$ -	$ 5,348

The performance and credit quality of the loan portfolio is also monitored by analyzing the age of the loans receivable as determined by the length of time a recorded payment is past due. The following tables present past due status of loans as of December 31:

	2024						
	30-59 Days Past Due	60-89 Days Past Due	Greater than 90 Days	Total Past Due	Current	Total Loans Receivable	Loans Receivable > 90 Days and Accruing
Construction real estate	$ -	$ -	$ -	$ -	$ 1,163,062	$ 1,163,062	$ -
Commercial real estate	233,443	-	-	233,443	52,035,945	52,269,388	-
Residential real estate	48,514	51,723	78,056	178,293	52,866,627	53,044,920	77,817
Commercial	-	14,764	-	14,764	2,625,429	2,640,193	-
Other consumer	4,526	-	5,285	9,811	2,448,623	2,458,434	5,285
Municipal loans	744,565	99,842	-	844,407	15,246,532	16,090,939	-
Total	$ 1,031,048	$ 166,329	$ 83,341	$ 1,280,718	$ 126,386,218	$ 127,666,936	$ 83,102

	2023						
	30-59 Days Past Due	60-89 Days Past Due	Greater than 90 Days	Total Past Due	Current	Total Loans Receivable	Loans Receivable > 90 Days and Accruing
Construction real estate	$ -	$ -	$ -	$ -	$ 1,422,781	$ 1,422,781	$ -
Commercial real estate	-	32,716	58,731	91,447	44,672,103	44,763,550	-
Residential real estate	91,490	-	81,453	172,943	50,875,607	51,048,550	81,453
Commercial	554,015	-	-	554,015	2,729,552	3,283,567	-
Other consumer	-	839	-	839	2,109,793	2,110,632	-
Municipal loans	-	-	-	-	19,283,274	19,283,274	-
Total	$ 645,505	$ 33,555	$ 140,184	$ 819,244	$ 121,093,110	$ 121,912,354	$ 81,453

In some cases, the Corporation may agree to modify or restructure the contractual terms of loans to borrowers experiencing financial difficulties. The Corporation may modify loans through rate reductions, extensions of maturity, interest only payments or payment modifications to better match the timing of cash flows due under the modified terms with the cash flows from the borrowers' operations. Loan modifications are intended to minimize the economic loss and to avoid foreclosure or repossession of the collateral. Loans so modified remain collectively evaluated for determination of expected credit losses, unless, during the process of evaluation, it is determined that the loan should be placed on nonaccrual status until the Corporation determines that future collection of principal and interest is reasonably assured or the loan is otherwise deemed to be collateral dependent. Any modifications of loans to borrowers experiencing financial difficulty that are classified as nonaccrual or are otherwise designated as collateral dependent are individually evaluated for determination of expected credit losses. The Corporation did not modify any loans to borrowers experiencing financial difficulties in 2024 or 2023.

4. Premises and Equipment

The following summarizes premises and equipment at December 31:

	2024	2023
Land, buildings, and improvements	$ 4,285,304	$ 4,269,428
Furniture and fixtures	3,558,795	3,500,755
Total cost	7,844,099	7,770,183
Less accumulated depreciation	6,494,767	6,373,075
Net	$ 1,349,332	$ 1,397,108

5. Deposits

Interest-bearing deposits at December 31 are as follows:

	2024	2023
NOW and money market accounts	$ 80,538,964	$ 75,112,858
Savings accounts	53,487,696	51,385,673
Time deposits	45,866,112	45,643,722
Total	$ 179,892,772	$ 172,142,253

Scheduled maturities of time deposits are as follows:

Years ending December 31:	
2025	$ 39,167,881
2026	5,299,414
2027	532,909
2028	522,144
2029	343,764
Total	$ 45,866,112

Time deposits that meet or exceed the FDIC insurance limit of $250,000 at December 31, 2024 and 2023 were approximately $13,390,000 and $15,637,000, respectively.

6. Borrowings

The Corporation has a maximum borrowing capacity with the FHLB of $70,317,030 at December 31, 2024, including a line of credit of $32,300,000. There were no borrowings under this line of credit at December 31, 2024 and 2023. Advances are secured by certain mortgage loans.

At December 31, 2024 and 2023, the Corporation has no fixed rate advances outstanding with the FHLB.

The Corporation also has a $4,000,000 unsecured line of credit agreement with the Atlantic Community Bankers Bank. There were no borrowings under this line of credit at December 31, 2024 and 2023.

7. Income Taxes

Income tax expense consists of the following:

	2024	2023
Current	$ 301,876	$ 199,790
Deferred	14,629	12,174
Total	$ 316,505	$ 211,964

The reconciliation between the expected statutory income expense of 21% and the actual tax expense is as follows for 2024 and 2023:

	2024	2023
Federal income tax at statutory rate:	$ 438,958	$ 348,474
Increase (decrease) resulting from:		
Tax-exempt income	(143,460)	(161,587)
Other items	21,007	25,077
Income tax expense	$ 316,505	$ 211,964
Effective tax rate	15.14 %	12.77 %

The components of deferred income taxes, net at December 31 are as follows:

	2024	2023
Unrealized losses on securities available-for-sale	$ 1,962,279	$ 1,877,346
Allowance for credit losses	282,882	283,627
Premises and equipment	39,773	44,644
Deferred compensation and other accrued expenses	8,606	17,121
Other	(1,098)	(608)
Prepaid expenses	(7,851)	(7,844)
Goodwill	(180,967)	(180,967)
Deferred income taxes, net	$ 2,103,624	$ 2,033,319

8. Related-Party Transactions

The Corporation has granted loans to directors, principal officers, principal shareholders and their related interests. The following table summarizes activity in these loans:

	2024	2023
Balance, January 1	$ 69,000	$ 97,000
New loans	122,000	-
Repayments	(15,000)	(28,000)
Balance, December 31	$ 176,000	$ 69,000

At December 31, 2024 and 2023, deposits from related parties totaled $1,733,487 and $731,786, respectively.

9. Contingencies and Commitments

There are no material legal proceedings to which the Corporation is a party, except proceedings which arise in the normal course of business, which in the opinion of management, will not have a material effect on the consolidated financial statements of the Corporation.

10. Dividend Restrictions

Dividends can be paid by the Bancorp from its assets, which are mainly provided by dividends received from the Bank. The Bank is subject to certain restrictions on the dividends that it may declare without prior regulatory approval. The Pennsylvania Banking Code provides that cash dividends may be declared and paid only out of accumulated net earnings as defined. Cash dividends must be approved by the Federal Reserve Bank if the total of all cash dividends declared by the Bank in any calendar year, including the proposed cash dividend, exceeds the total of the Bank's net profit for that year plus its retained net profits from the preceding two years. Under this formula, the Bank can declare dividends to the Bancorp at December 31, 2024 equal to approximately $3.2 million. In addition, dividends paid by the Bank to the Bancorp would be prohibited if the effect thereof would cause the Bank's capital to be reduced below applicable minimum capital requirements.

11. Regulatory Capital

The Bank is subject to regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weighting and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the maintenance of minimum amounts and ratios (set forth in the following tables) of total capital, Tier 1 capital (as defined in the regulations) and common equity Tier 1 capital to risk-weighted assets, and of Tier 1 capital to average assets. A capital conservation buffer of 2.50%, comprised of common equity Tier 1 capital, is also established above the regulatory minimum capital requirements and must be maintained to avoid limitations on capital distributions. Management believes, as of December 31, 2024, that the Bank meets all capital adequacy requirements to which they are subject.

As of December 31, 2024, the most recent notification from regulatory agencies categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, an institution must maintain minimum ratios as set forth in the following tables. There are no conditions or events since that notification that management believes have changed those categories. The Bank's actual capital amounts and ratios are as follows:

	2024					
	Actual		For Capital Adequacy Purposes		To be Well Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total capital (to risk-weighted assets)	$ 25,930,034	20.66 %	$ 10,040,480	≥ 8.0 %	$ 12,550,600	≥ 10.0 %
Common equity Tier 1 (to risk-weighted assets)	24,572,979	19.58	5,647,770	≥ 4.5	8,157,890	≥ 6.5
Tier 1 capital (to risk-weighted assets)	24,572,979	19.58	7,530,360	≥ 6.0	10,040,480	≥ 8.0
Tier 1 capital (to average-assets)	24,572,979	9.14	10,756,200	≥ 4.0	13,445,250	≥ 5.0

	2023					
	Actual		For Capital Adequacy Purposes		To be Well Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total capital (to risk-weighted assets)	$ 24,687,687	19.98 %	$ 9,882,800	≥ 8.0 %	$ 12,353,500	≥ 10.0 %
Common equity Tier 1 (to risk-weighted assets)	23,327,090	18.88	5,559,075	≥ 4.5	8,029,775	≥ 6.5
Tier 1 capital (to risk-weighted assets)	23,327,090	18.88	7,412,100	≥ 6.0	9,882,800	≥ 8.0
Tier 1 capital (to average-assets)	23,327,090	9.10	10,255,160	≥ 4.0	12,818,950	≥ 5.0

The Federal Reserve Bank has established capital guidelines for bank holding companies. These guidelines allow small bank holding companies, as defined, an exemption from regulatory capital requirements. The Bancorp meets the eligibility criteria and is exempt from regulatory capital requirements.

12. Fair Value Measurements and Fair Values of Financial Instruments

Fair value is defined as an exit price representing the amount that would be received to sell an asset or settle a liability in an orderly transaction between market participants. A three-level hierarchy exists for fair value measurements based upon the inputs to the valuation of an asset or liability.

Level 1 - Valuation is based on quoted prices in active markets for identical assets or liabilities;

Level 2 - Valuation is determined from quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument; and

Level 3 - Valuation is derived from model-based and other techniques in which at least one significant input is unobservable, and which may be based on the Corporation's own estimates about the assumptions that a market participant would use to value the asset or liability.

An asset's or liability's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The following table sets forth the Corporation's financial assets and liabilities measured at fair value on a recurring basis by level within the fair value hierarchy:

	2024			
	Total	Level 1	Level 2	Level 3
Securities available-for-sale:				
U.S. Treasury	$ 5,408,828	$ -	$ 5,408,828	$ -
U.S. government agencies	985,743	-	985,743	-
Obligations of states and political subdivisions	23,073,345	-	23,073,345	-
Mortgage-backed securities available-for-sale	57,731,759	-	57,731,759	-
	$ 87,199,675	$ -	$ 87,199,675	$ -

	2023			
	Total	**Level 1**	**Level 2**	**Level 3**
Securities available-for-sale:				
U.S. Treasury	$ 2,943,750	$ -	$ 2,943,750	$ -
U.S. government agencies	11,879,632	-	11,879,632	-
Obligations of states and political subdivisions	25,261,017	-	25,261,017	-
Mortgage-backed securities available-for-sale	52,806,579	-	52,806,579	-
	$ 92,890,978	$ -	$ 92,890,978	$ -

For financial assets measured at fair value on a nonrecurring basis, the fair value measurements by level within the fair value hierarchy used at December 31, 2024 and 2023 are as follows:

	2024			
	Total	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Loans individually evaluated for credit loss	$ 776,567	$ -	$ -	$ 776,567

	2023			
	Total	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Loans individually evaluated for credit loss	$ 58,731	$ -	$ -	$ 58,731

Quantitative information about Level 3 fair value measurements at December 31, 2024 and 2023 is included in the table below:

	2024			
	Quantitative Information About Level 3 Fair Value Measurements			
	Fair Value Estimate	**Valuation Techniques**	**Unobservable Inputs**	**Estimated Range**
Loans individually evaluated for credit loss	$ 776,567	Appraisal of collateral	Appraisal adjustments	5-15%
			Liquidation expenses	5-15%

	2023			
	Quantitative Information About Level 3 Fair Value Measurements			
	Fair Value Estimate	Valuation Techniques	Unobservable Inputs	Estimated Range
Loans individually evaluated for credit loss	$ 58,731	Appraisal of collateral	Appraisal adjustments	5-15%
			Liquidation expenses	5-15%

In addition to the disclosures of financial instruments recorded at fair value, GAAP requires the disclosure of the estimated fair value of all the Corporation's financial instruments. The majority of the Corporation's assets and liabilities are considered financial instruments. However, many of these instruments lack an available market. In addition, the Corporation's general practice and intent is to hold its financial instruments to maturity. The Corporation has considered the fair value measurement criteria as required under the accounting standard relating to fair value measurement as noted above. Fair value estimates have been determined based on the methodologies management considers most appropriate for each financial instrument.

The following are the carrying amounts and estimated fair values of the Corporation's financial instruments as of December 31 (in thousands):

	2024				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Financial assets:					
Cash and due from banks	$ 9,780	$ 9,780	$ 9,780	$ -	$ -
Interest-bearing deposits with banks	27,577	27,577	27,577		
Investment securities	87,200	87,200	-	87,200	-
Loans, net	126,320	118,572	-	-	118,572
Restricted stock	330	330	-	330	-
Accrued interest receivable	707	707	-	707	-
Financial liabilities:					
Deposits	241,915	213,432	-	213,432	-
Accrued interest payable	138	138	-	138	-

	2023				
	Carrying Value	Fair Value	Level 1	Level 2	Level 3
Financial assets:					
Cash and due from banks	$ 6,390	$ 6,390	$ 6,390	$ -	$ -
Interest-bearing deposits with banks	17,422	17,422	17,422	-	-
Investment securities	92,891	92,891	-	92,891	-
Loans, net	120,562	110,338	-	-	110,338
Restricted stock	347	347	-	347	-
Accrued interest receivable	727	727	-	727	-
Financial liabilities:					
Deposits	230,157	209,309	-	209,309	-
Accrued interest payable	135	135	-	135	-

A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

All investment securities are measured at fair value using quoted prices from an independent third party that provide valuation services, such as matrix pricing, for similar assets, with similar terms in actively traded markets.

13. Financial Instruments With Off-Balance-Sheet Risk

The Corporation is a party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the balance sheet. The Corporation's exposure to credit loss is represented by the contractual amounts of these commitments. The Corporation follows the same credit policies in making commitments as it does for on-balance-sheet instruments.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. 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. Unfunded commitments under lines of credit are commitments for possible future extensions of credit to existing customers. These lines of credit may or may not be collateralized and usually contain a specified maturity date and may not be drawn upon to the total extent to which the Corporation is committed.

Standby letters of credit written are conditional commitments issued by the Corporation to guarantee the performance of a customer to a third party. Those letters of credit are primarily issued to support public and private borrowing arrangements. Essentially all letters of credit issued have expiration dates within one year. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loans.

To reduce credit risk related to the use of credit-related financial instruments, the Corporation might deem it necessary to obtain collateral. The amount and nature of the collateral obtained is based on the Corporation's credit evaluation of the customer. Collateral held varies but may include cash, securities, accounts receivable, inventory, property, plant and equipment and real estate. The Corporation has not incurred any losses on its commitments in either 2024 or 2023.

Financial instruments whose contract amount represents credit risk were as follows:

	2024	2023
Commitments to extend credit	$ 18,080,000	$ 24,138,000
Standby letters of credit	19,000	442,000

1855

First Chartered Bank in Carbon County, Mauch Chunk Bank.

(The current site of the Broadway Office, formerly operated as the Savings Shoppe.)

1863

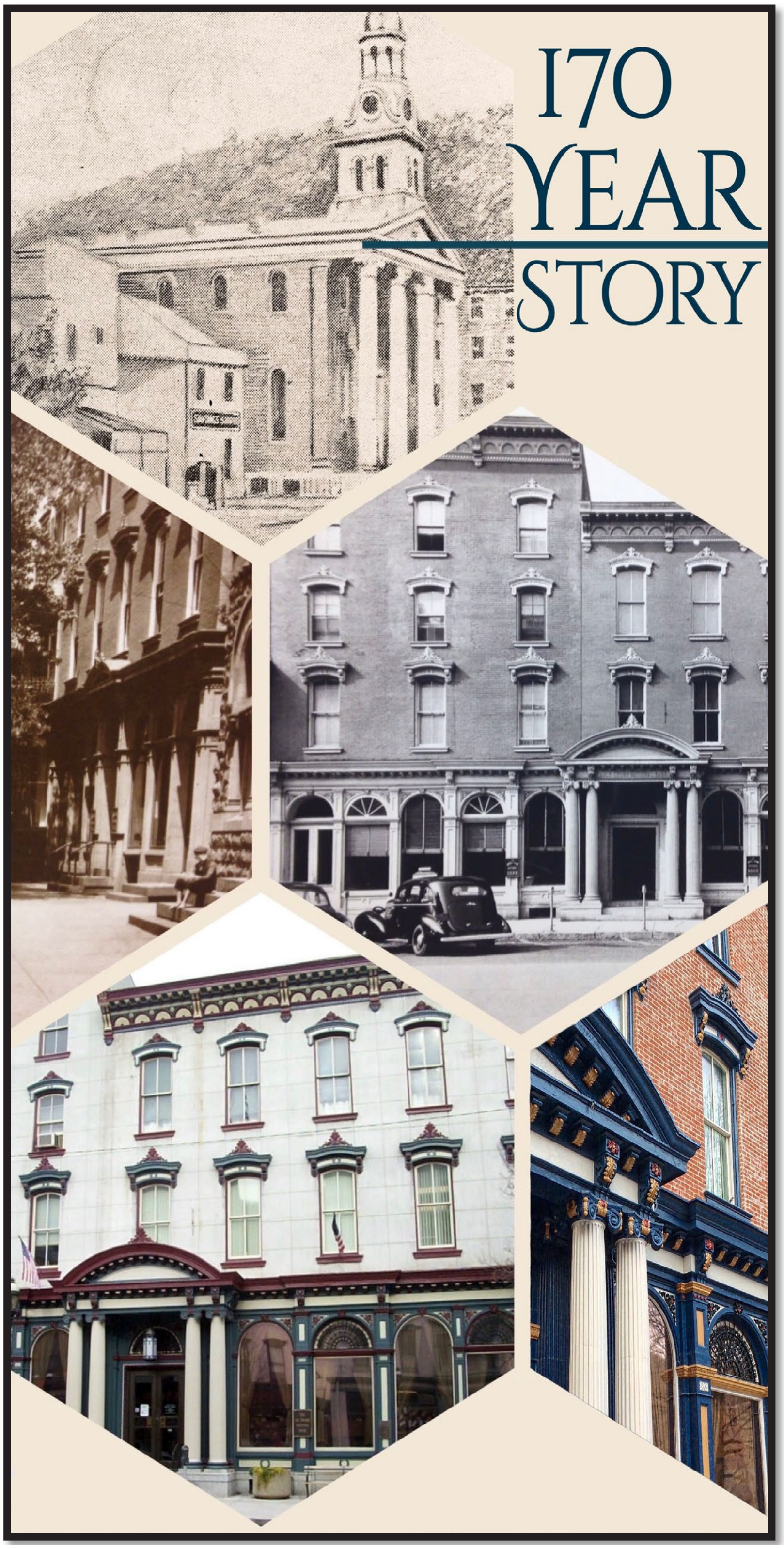
First National Bank of Mauch Chunk was organized and a new building was erected.

1902

After four decades as a prosperous bank, it consolidates with the Linderman National Bank.

1955

Mauch Chunk National Bank consolidates with Citizens National Bank of East Mauch Chunk and forms the Jim Thorpe National Bank.



1988

Jim Thorpe National Bank becomes a subsidiary company of the newly incorporated JTNB Bancorp, Inc.

1989

A new branch office is erected in Penn Forest Township.

2001

A building is purchased and an office is opened on Fourth Street, Lehighton.

2009

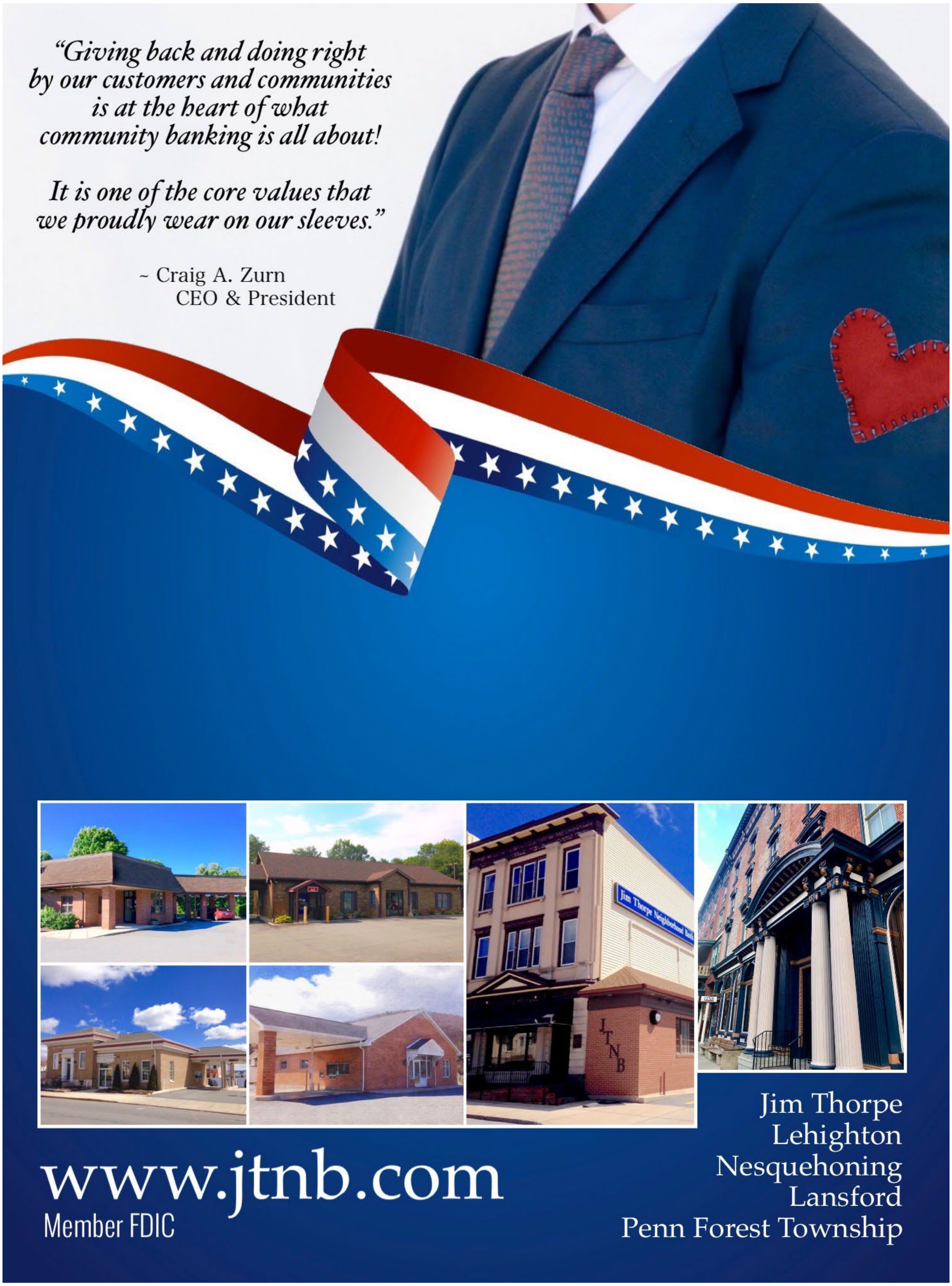
JTNB acquires the Nesquehoning Savings Bank with two offices located in Nesquehoning and Coaldale.

2011

A building is purchased in Lansford and the Coaldale Office is relocated.

2013

JTNB converts to a State-Chartered Bank and becomes the Jim Thorpe Neighborhood Bank.


"Giving back and doing right
by our customers and communities
is at the heart of what
community banking is all about!
It is one of the core values that
we proudly wear on our sleeves."
~ Craig A. Zurn
CEO & President
Jim Thorpe Neighborhood Bank
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Jim Thorpe
Lehighton
Nesquehoning
Lansford
Penn Forest Township