

Excessive or Luxury Expenditures Policy

Purpose

The purpose of this policy is to establish parameters and internal controls governing the expenditures of Bank of Moundville (together with its subsidiaries and controlled affiliates, referred to hereafter as the Organization). Expenditures of the Organization should be customary, prudent, consistent with applicable laws and regulations, and reasonably related to the Organization's business objectives and needs. This policy identifies expenditures that are excessive or luxury expenditures, creates processes that are reasonably designed to eliminate such expenditures, and establishes accountability for compliance. Routine operating expenses, capital expenditures, and other reasonable expenses are not prohibited by this policy.

Authority

The organization has authority to provide compensation and benefits that are reasonable. This policy establishes a prohibition on expenditures that are excessive, or luxury expenditures as required by the Department of the Treasury's Emergency Capital Investment Program regulations (31 CFR Part 35), and as may be required by other statutes and regulations.

Responsibility

This policy is the responsibility of the Organization's board of directors (board). The board has approved this policy and will review compliance with this policy no less frequently than annually, and summary data on excessive or luxury expenditures will be reported to the board as part of the compliance review.

Scope

This policy applies to all employees, officers, and directors of the Organization with regard to any expenditure of the Organization. In making any expenditure on behalf of the Organization, employees, officers, and directors should consider whether the expenditure is an excessive luxury expenditure that is prohibited under this policy.

Excessive or Luxury Expenditures

"Excessive or luxury expenditures" means excessive expenditures on any of the following to the extent not reasonable or appropriate expenditures for business development, staff development, reasonable performance incentives, or other similar reasonable measures conducted in the normal course of the Organization's business operations:

1. *Entertainment or events* – This category includes fees, dues, tickets costs related to social, athletic, artistic and dining clubs, activities, celebrations or other events, and similar expenditures. Expenditures for charitable contributions and charitable events are not prohibited under this policy. Entertainment or events expenditures in an amount less than \$20,000 per instance, and \$50,000 on an annual aggregate basis per individual, are exempt from this policy.
2. *Office and facility renovations* – This category includes costs and allowances for office renovation, including expenditures related to furniture, art, office personalization, interior finishing, design and decoration, and similar expenditures. Office and facility renovations expenditures in an amount less than \$50,000 per instance, and \$100,000 on an annual aggregate basis per individual, are exempt from this policy.
3. *Aviation or other transportation services* – This category includes charter fees, tickets, slip or docking fees, vehicle installment payments, reservation and travel agent expenses, and similar expenditures associated with transportation services (e.g., airline, train, rental cars, or vans). Mileage reimbursable according to current Internal Revenue Service mileage rates is exempt from this policy. Transportation services in an amount less than \$20,000 per instance, and \$50,000 on an annual aggregate basis per individual, are exempt from this policy.

The chief executive officer may establish or delegate to an appropriate executive officer the authority to establish processes for reimbursement of reasonable travel expenditures, which processes must be reviewed by executive management no less frequently than annually.

4. *Tax gross-ups* – This category includes any reimbursement of taxes owed with respect to any compensation. This category does not apply to tax equalization agreements for employees subject to tax from a non-U.S. jurisdiction.
5. *Other similar items, activities, or events for which that Organization may reasonably anticipate incurring expenses or reimbursing an employee for incurring expenses* – Expenditures related to other items not listed in the preceding categories are exempt from this policy in an amount less than \$20,000 per instance, and together with all expenditures permitted under this policy, may not exceed \$50,000 on an annual aggregate basis per individual.

For the avoidance of doubt, reasonable capital investments in technology, equipment, and similar items that expand the long-term capability of an ECIP recipient to provide products and services to its customers and community are not excessive or luxury expenditures.

The chief executive officer may establish or delegate to an appropriate executive officer the authority to establish processes for the evaluation and approval of expenditures in the preceding categories that are not luxury or excessive expenditures and that are not otherwise exempt from this policy. These processes must be reviewed by executive management no

less frequently than annually, as well as any additional threshold expenditure amounts per item, activity, or event, or a threshold expenditure amount per employee receiving the item or participating in the activity or event under this policy. Such approvals must be reported to the board of directors (which may be in an appropriate summary form) no less frequently than annually.

Exceptions or Violations

Any exception of this policy must be promptly reported to the Organization's (i) chief executive officer, (ii) officer with primary responsibility for the Organization's compliance function, or (iii) officer designated with primary responsibility for overseeing the administration, monitoring, and compliance with this policy. Exceptions and violations must be reported to the board of directors no less frequently than annually, or more frequently as the nature and severity of violation may warrant. All employees, officers, and directors of the Organization must adhere to this policy and will be held accountable for compliance. Any employee or officer who violates this policy may be subject to disciplinary action up to and including termination of employment.

Any employee or officer that is aware of any circumstance that may indicate a violation of this policy is required to report such circumstance to their supervisor or the Organization's compliance officer or compliance group. The Organization prohibits retaliation against any employee or officer for making a good faith report of actual or suspected violations of the Organization's code of conduct, laws, regulations, or other Organization policies, including this policy. A finding of retaliation against any such employee or officer may result in disciplinary action up to and including termination. Failure to promptly report known violations by others may also be deemed a violation of the Organization's code of conduct.

Employees and officers may ask questions, raise concerns, or report instances of non-compliance with this policy and/or any of the existing underlying relevant policies by contacting Rachel Martin, Compliance Officer (Rmartin@BankofMoundville.com).

Certification

On an annual basis, the ECIP recipient will deliver to the Department of the Treasury a certification, executed by two senior executive officers (one of which must be either the ECIP recipient's principal executive officer or principal financial officer) certifying that (i) the Organization is in compliance with this policy and (ii) the approval of any expenditure requiring the prior approval of any senior executive officer of a substantially similar level or responsibility, or the board of directors (or a committee of such board), was properly obtained with respect to each such expenditure.

As Approved by the Board of Directors of The Bank of Moundville

Equal Opportunity For All – Title VI

In accordance with federal laws and U.S. Department of the Treasury policy, this organization is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. To file a complaint of discrimination, write to: U.S. Department of the Treasury, Director, Office of Civil Rights and Equal Employment Opportunity 1500 Pennsylvania Avenue, N.W., Washington, DC 20220; call (202) 622-1160 or send an email to: crcomplaints@treasury.gov

LANGUAGE ASSISTANCE PLAN FOR LIMITED ENGLISH PROFICIENT INDIVIDUALS

PURPOSE

The mission of Moundville Bancshares, Inc., and its subsidiary bank, Bank of Moundville (“Bank”), is to promote community development in its designated Target Market, a group of underserved populations and/or economically distressed communities, through the provision of responsible financial products, financial services, and development services (as defined in 12 CFR Part 1805) to the Target Market, all with a view towards improving the social and economic conditions of the Target Market.

The purpose of this Language Assistance Plan (“LAP”) is to identify our responsibilities for providing Limited English Proficient (“LEP”) individuals with meaningful access to our products and services and to establish effective guidelines, consistent with Title VI of the Civil Rights Act of 1964, for our personnel to follow when providing services to, or interacting with, LEP individuals.

ASSESSMENT

As a community bank, we interact with the public on a daily basis, primarily through our website and retail space. Using recent U.S. Census Bureau data, we have been able to determine that only 1.65% of the population within our Target Market are LEP individuals, with the predominant language among them being Spanish. As a result, the likelihood of LEP individuals interacting with the Bank is low. This is consistent with our past experience interacting with the public.

LANGUAGE ASSISTANCE SERVICES

Although there is a low volume of LEP individuals in our Target Market, we are committed to improving the accessibility of our products and services to help ensure full participation by LEP individuals. We believe that all consumers, regardless of the language they speak, should have meaningful access to our products and services. As such, we offer the following Language Assistance Services:

- Upon request, and if feasible in light of time or cost restraints, we will provide written translations of our written materials (e.g., applications, instructional forms, etc.) into Spanish.
- Upon request, and if feasible in light of time or cost restraints, we will utilize a third-party vendor such as Apple Translate, Google Translate and Microsoft Translate to provide verbal interpretation services to Spanish-speaking LEP individuals.

The Language Assistance Services discussed above will be provided free of charge, and customers are notified of these offerings through our website as well as written displays in the entry way or lobby. In addition, language identification cards will be distributed to frontline staff to be used when interacting with LEP individuals to aid in determining what language assistance services are needed.

TRAINING

We will provide guidance to employees regarding engagement with LEP individuals. We will do this through distribution of our Language Assistance Plan, staff training, and orientation sessions. The staff training and orientation will include instruction on the use of language identification cards to identify LEP individuals as well as how to access and use the third-party vendor translation and interpretation services. In addition, all staff are instructed to be watchful of LEP needs and quickly respond if they need assistance.

MONITORING

We've designated a Language Access Coordinator to implement and regularly update our Language Assistance Plan. The Language Access Coordinator will regularly review the U.S. Census Bureau ACS data along with the current Language Assistance Plan to assess the need for updates or changes to the LAP.

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