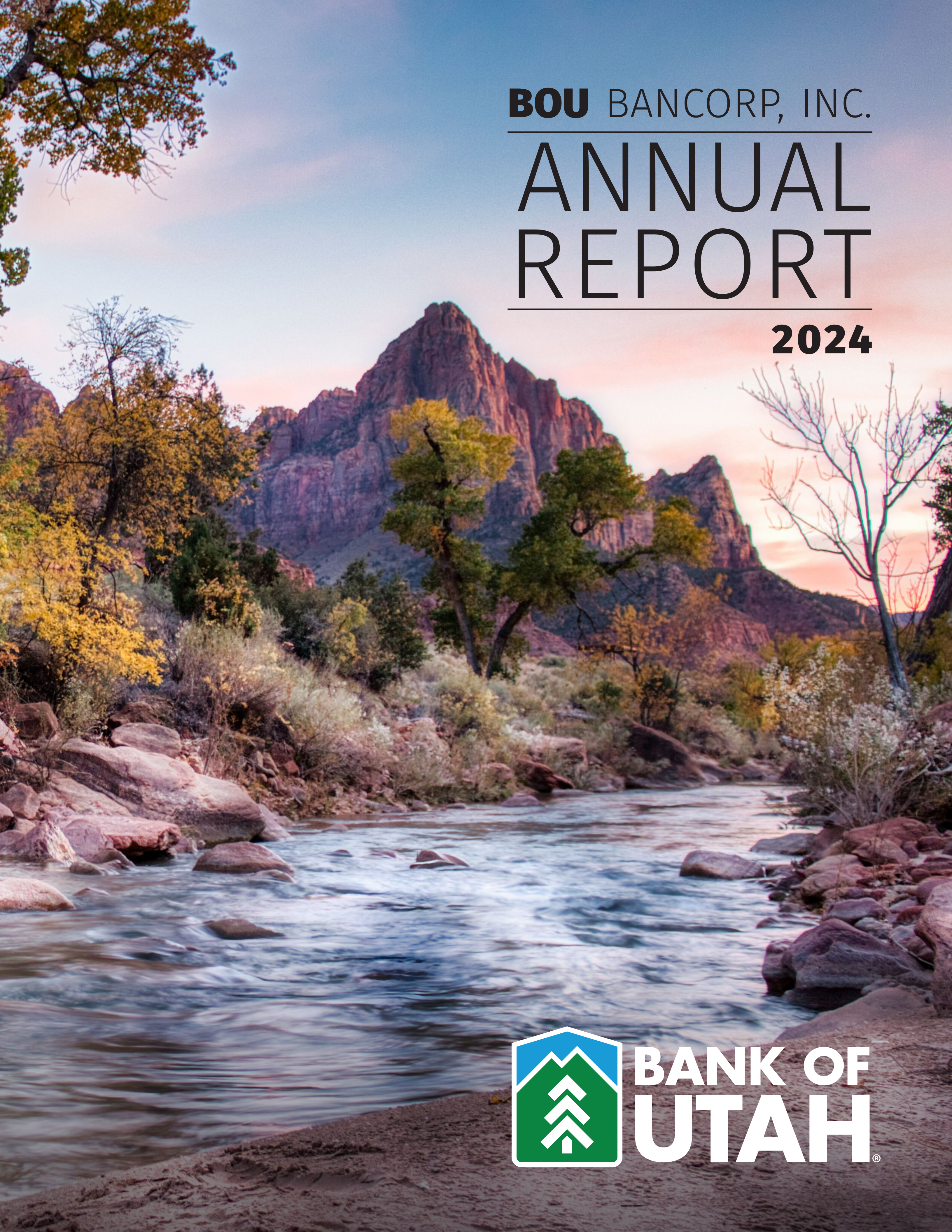
BOU BANCORP, INC.

ANNUAL REPORT

2024



BANK OF UTAH®

Our Vision

Bank of Utah will be your first choice and most trusted financial partner, providing expert guidance and personalized solutions through our team of knowledgeable professionals.

Our Mission

We strive to unlock the potential of our team members, clients and community.

We act with integrity in every decision, build trust through every interaction and exceed expectations at every opportunity.

We seek to responsibly create lasting prosperity today and for generations to come.

Our Values

Team Member Experience
Elevate the Client Experience
We Communicate
Drive Collaboration
Embrace Technology
Purposeful Growth
Express Gratitude

Contents

Letter to Shareholders

We believe that if you want to understand what truly defines a company, look to the people who show up every day, dedicated to its success.

That's why, in 2024, we turned to them — our team members — to help refine Bank of Utah's values; not to change who we are, but to articulate the principles that have always made us strong while ensuring we continue to evolve and innovate. That meant starting with a conversation.

To protect and preserve the essence of what makes Bank of Utah unique — our people, our culture and our commitment to service — we gathered team members from across the Bank for a day of discussion and collaborative exercises. Moving from station to station, they put ideas on paper, refined them and worked toward a shared vision. The result? Seven values that put into words what we've always stood for — trust, integrity and a deep commitment to those we serve — while also expanding on them to reflect how we've grown. These values honor where we've been and will continue to guide us as we move forward, adapting to meet the ever-changing needs of our clients and communities.

Throughout this report, you'll see these values in action — real moments that illustrate how they shape our decisions, strengthen relationships and drive our contributions to the community.

Purposeful Growth

Growth is often seen as a measure of success, but we know it's more than just getting bigger. True growth happens when expansion is intentional, when it creates opportunities and makes a lasting impact. That's why Purposeful Growth is one of our core values, shaping how we approach everything from lending to deposits to innovation. This focus is reflected in our financial performance over the past year.

Bank of Utah's total assets climbed 13.8 percent year over year to $3.3 billion, loans grew 15.7 percent to $2.6 billion, and average deposits rose 23.4 percent to $2.5 billion. Mortgage production also increased 23.7 percent from 2023, reaching $424.0 million. But numbers alone don't define success. What matters most is what those numbers represent — the people and businesses we support every day. Because at Bank of Utah, banking is personal.

We take the time to understand each client's unique needs, offering more than just financial solutions. Whether its structuring the right loan for a growing business, guiding homebuyers through their first mortgage or helping individuals plan for the future, we focus on building relationships — not just completing transactions — and creating experiences that make a lasting difference.

TOTAL ASSETS
$3.3B

LOANS
$2.6B

AVERAGE DEPOSITS
$2.5B

MORTGAGE PRODUCTION
$424.0M

Elevate the Client Experience

Every day, we focus on delivering expertise, service and practical resources that help our clients move forward with confidence. Whether they need strategic guidance, innovative tools or a trusted financial partner to help them adapt and grow, we provide the support that makes a difference — for today, and for the future.

That dedication was especially evident this year in our efforts to make homeownership more accessible. Through the Mortgage Rate Relief Program, a collaboration with the Federal Home Loan Bank of Des Moines, we provided $10 million in reduced-rate home loans, helping 34 families achieve their dream of homeownership. But our commitment extends far beyond mortgages. From customized lending to tailored financial guidance, we take a hands-on approach to helping individuals and businesses navigate every stage of their financial journey.

And while we don't measure success in awards, Bank of Utah was honored as a Gold Medal Winner in the GOBankingRates 2025 Best Banks by State Awards. This recognition reflects what we strive for every day — exceptional, personalized support, whether in-person or online. Because at Bank of Utah, elevating the client experience means more than simply offering products, it means making sure every client feels valued and empowered to achieve their financial goals.

Team Member Experience

At Bank of Utah, investing in our people is a top priority. In 2024, we welcomed Sean Morrison as our new SVP of Human Resources, focused on enhancing benefits and expanding programs that support our team members professionally and personally. This is part of our ongoing mission to provide our people with the resources to thrive.

Alongside these efforts, we made important leadership changes in early 2025. With Brady Fosmark leading lending, Lacey Sansavera overseeing banking channels, and Justin Nalder spearheading strategic innovation, we're strengthening our leadership team and ensuring we're well-positioned for the future.

In addition to leadership development, we launched a Bank-wide internship program in 2024, offering hands-on experience in banking, risk management, financial marketing and client service. This program, combined with our emphasis on leadership development and internal promotions, will ultimately drive success at all levels of the organization.

Putting Our Values into Action

The highlights we've shared in this message reflect only a portion of the impact our team is making every day. As you read through this report, you'll find more examples of how we're living these values — promoting meaningful growth, strengthening partnerships and ensuring Bank of Utah remains a trusted financial partner for generations to come.

Thank you for your continued trust and support as we move forward together.

Branden P Hansen
President

Benjamin F. Browning
Vice Chairman & CEO

Frank W. Browning
Chairman

Department Highlights

Great banking happens when people and technology work together. Collaboration and innovation may be distinct values, but they go hand in hand — creating better experiences for both clients and team members.

DRIVE COLLABORATION

When teams come together, clients feel the difference. In 2024, lending, deposits, treasury management and trust services worked side by side to help businesses and individuals simplify their finances. By aligning these areas, we made it easier for clients to manage cash flow, protect assets and plan for the future — all with a team that understands their full financial picture.

Commercial Lending

Powering Businesses with Smart Lending

Commercial lending experienced a strong performance in 2024, with period-end loans reaching $2.6 billion, a 15.7 percent increase over the previous year. This reflects robust business activity across Utah, as companies secured funding for expansion, equipment purchases and operational needs.

Interest and fees on loans surged 30.3 percent to $150.9 million, demonstrating the Bank's ability to support clients' financing needs while maintaining competitive pricing. Loan quality remained exceptional, with non-performing at 0.0 percent, reinforcing the Bank's disciplined credit management and trusted relationships.

These results highlight the important role Bank of Utah plays in business and economic development.

Corporate Trust

Elevating Our Leadership in Aviation and Beyond

Corporate trust services had a record-setting year, closing 27 percent more transactions than in 2023. Growth was fueled primarily by the aviation sector, where airlines and leasing companies increasingly relied on the Bank's expertise in structured financing and trust administration.

The total number of corporate trust accounts grew 5.5 percent to 3,295, reflecting rising demand for the Bank's tailored trust offerings. This ongoing growth reflects our commitment to executing complex transactions with care, accuracy and regulatory alignment.

By deepening client relationships and refining what's offered, the Bank has further solidified its position as a leader in specialized trust services worldwide.

Deposits
Strengthening Client Relationships, Building Long-Term Growth

Amid a competitive banking landscape, Bank of Utah saw average deposits grow to $2.5 billion, a 23.4 percent increase over 2023. This reflects both strong client retention and an influx of new depositors who value the Bank's trusted guidance, financial stability and tailored banking solutions.

While many institutions faced challenges in retaining deposits, Bank of Utah's strategic rate adjustments, relationship-based approach and personalized service ensured consistent progress.

These deposits play a critical role in supporting lending activities and economic development, reinforcing Bank of Utah's position as a trusted partner to businesses and individuals alike.

Mortgage Production
Rebounding and Ready for What's Next

Mortgage production saw a 23.7 percent increase in 2024, totaling $424.0 million for the year. Higher interest rates early in the year kept some homebuyers on the sidelines, but as rates began to moderate, buyer activity picked up — and the Bank was ready to meet the demand.

In Q4 alone, mortgage production climbed 8.2 percent to $120.8 million, signaling renewed confidence in the housing market. With Utah's continued population growth and strong employment trends, homeownership remains a priority for many families.

The Bank's ability to guide clients through changing market conditions and provide competitive financing solutions ensures it remains a go-to resource for homebuyers and real estate professionals in 2025 and beyond.

Personal Trust
Providing Stability and Confidence

While economic fluctuations impacted investment portfolios industry-wide, Bank of Utah's personal trust services remained steady, managing $738.2 million in assets. Even in uncertain market conditions, clients trusted the Bank's expertise to protect and grow their wealth. This stability is a testament to the Bank's disciplined approach to asset management and long-term financial planning.

To further enhance client support, new trust officers joined the team in 2024, expanding the Bank's ability to provide personalized wealth and estate planning strategies.

By prioritizing long-term security over short-term volatility, Bank of Utah continues to help clients preserve wealth for future generations while adapting to changing financial landscapes.

EMBRACE TECHNOLOGY

Technology isn't just about keeping up — it's about staying connected. By embracing cutting-edge tools, we ensure that every department, product and client experience is seamlessly linked, delivering smarter banking solutions today while preparing for the opportunities of tomorrow. This year, we completed one of the most significant system upgrades in Bank of Utah's history — enhancing security, improving efficiency and refining the client experience across online and mobile banking, loan approvals and internal operations. These advancements not only make banking more connected but also empower our team members to serve clients with greater speed and precision.

Community Connections

EXPRESS GRATITUDE

Giving back isn't just something we do — it's who we are. That's why we added "Express Gratitude" as one of our core values — because we know we're fortunate to do meaningful work in the communities we call home, and we believe in giving back in return. From volunteering and charitable drives to innovative giving campaigns, our team showed up with heart, compassion and a commitment to serve. We're inspired by the many ways our employees and community partners helped make life better for Utah families. Together, we're proving that small acts of kindness can lead to lasting impact.

One of Bank of Utah's Values, we Express Gratitude by giving back to the communities we serve. This year, we showed our appreciation for the places we call home by volunteering our time, offering financial support and using our expertise to make a meaningful impact.

We are deeply grateful for the 123 employees who dedicated 1,538 volunteer hours to 77 organizations. Of those, 95 employees completed 845 hours of CRA-qualified service across 39 organizations, supporting initiatives that strengthen our local economy and communities. Additionally, more than 30 employees served on boards and committees across Utah, offering their leadership to help organizations grow and thrive.

Feeding Families, Supporting Students

For many Utah families, access to basic needs like food and school supplies is not guaranteed. Through the Scouting for Food Drive, we helped set a new record in food donations, ensuring more families had meals on the table. Meanwhile, Stuff the Bus with United Way provided essential school supplies to students, giving them the tools to start the year with confidence.

A Treasure Hunt with a Purpose

For Chris Shane, a set of clues led to a life-changing moment. As the winner of our 2024 "Where's the Wallet" Cash Quest, Chris uncovered the $20,000 grand prize, but in keeping with the contest's mission to pay it forward, he donated $10,000 to a cause close to his heart — funding scholarships for first-generation students at Utah Valley University (UVU). His generosity ensures that, just as he uncovered a hidden prize, these students can uncover their own path to success.

Providing Warmth to Those in Need

Winter in Utah can be brutal, but thanks to Warm Bodies, Warm Souls, families facing the cold had the coats, gloves and scarves they needed to stay warm. Through the generosity of our team members, clients and community partners, we helped ensure that fewer people faced the harsh winter without protection.

The Power of Giving

One of the most impactful ways we gave back this year was through Light the World Giving Machines — a simple but powerful way to turn small donations into big change. Clients and team members came together to contribute meals, hygiene kits, medical care and other essentials, helping individuals and families in need.

We are grateful to all who contributed their time, talents and resources to help build a stronger, more connected Utah. Their generosity inspires us every day, reminding us that the heart of banking is people, relationships and the impact we make together.

Clear Communication, Confident Decisions

At Bank of Utah, we know that financial confidence starts with access to clear, reliable information. That's why we make communication a priority — whether it's through personal conversations with our clients or the financial education we provide online. In 2024, more people than ever engaged with Inside the Vault, our hub for blogs, podcasts, videos and quizzes, designed to make expert insights easily accessible.

Located in the Insights section of our website, Inside the Vault offers guidance on everything from homebuying to fraud prevention — whenever and however clients need it. In March 2024, the Insights section saw its highest traffic since launching in 2020, with 6,780 views, largely driven by our Bow Tie Economist podcast episode. Over the year, our articles and podcasts generated 35,144 total views, reinforcing the value of clear, relevant financial insights.

To make learning even easier, we introduced an RSS feed option, allowing clients to stay updated on the latest content, and implemented AI-driven categorization to help them quickly find topics that matter most.

Communication isn't just something we do; it's one of our core values. By providing meaningful, accessible resources, we're strengthening connections and helping clients make well-informed financial choices.

WE COMMUNICATE

We believe that empowered clients are informed clients. That's why we're committed to making financial knowledge accessible, timely and easy to understand. Through tools like Inside the Vault and innovative features like AI search and RSS feeds, we're helping people find the answers they need — when they need them. It's all part of our ongoing effort to build trust, strengthen relationships and support financial confidence through clear, consistent communication.

Financial Overview

Bank of Utah continued to grow in 2024, even as the financial landscape shifted. With a steady hand and a focus on both strength and stability, we navigated changing interest rates and competitive deposit markets while staying committed to our clients. Through strategic deposit initiatives and prudent lending, total assets grew to $3.3 billion. At the same time, we maintained financial strength, delivering $40.2 million in net income and ensuring we're well-positioned to support our clients and communities in the years ahead.

YEARLY COMPARISONS	YEAR END 2024	YEAR END 2023
Return on Average Assets	1.26%	1.57%
Return on Average Equity	10.22%	11.27%
Net Income	$40.2M	$40.7M
Net Interest Margin (FTE)	3.51%	4.09%
Net Interest Income (FTE)	$106.2M	$100.7M
Noninterest Income	$26.1M	$22.8M
Earnings Per Share	$1.74	$1.75
Dividends Per Share	$0.40	$0.40
Equity	$408.4M	$377.0M
Tangible Book Value Per Share	$17.32	$15.97
Total Assets	$3.3B	$2.9B

CAPITAL

With a Tier 1 leverage ratio of 12.15 percent, well above regulatory requirements, Bank of Utah maintained a strong capital position. This foundation enables us to support loan growth, strengthen client relationships and invest in opportunities that drive long-term success while ensuring stability in changing economic conditions.

RESERVE

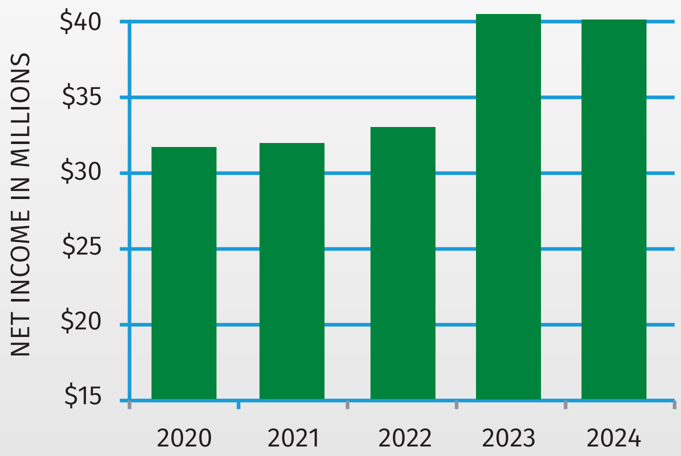
Our loan loss reserve ratio declined to 1.24 percent from 1.39 percent in 2023, reflecting strong credit quality and a stable lending environment. This disciplined approach ensures we remain well-prepared for changing economic conditions while continuing to provide smart, reliable lending.

EFFICIENCY

Smart growth remained a priority in 2024. The Bank's efficiency ratio shifted to 57.95 percent from 52.42 percent, reflecting our ongoing investment in infrastructure to support future growth. By continuing to strengthen our operational foundation, we are positioning the Bank to scale effectively and deliver long-term value.

Strength In Strategy

Bank of Utah delivered another strong financial performance in 2024, with consolidated net income totaling $40.2 million, reflecting a 1.0 percent decrease from 2023. This slight dip was driven by the ongoing competitive deposit landscape and shifting interest rate dynamics. Despite these challenges, strategic management of interest income, loan growth and disciplined expense control supported the Bank's resilience and growth.



Primary Changes to Net Income

NET INTEREST INCOME AND NET INTEREST MARGIN

Net interest income (fully taxable equivalent) increased to $106.2 million, up 5.5 percent from 2023, reflecting both loan growth and effective balance sheet management. However, net interest margin contracted to 3.51 percent, down from 4.09 percent in the prior year. This was driven by elevated funding costs as the Bank adjusted deposit rates to remain competitive, balancing client needs with financial sustainability.

GAIN ON SALE OF LOANS

The gain on sale of loans rose to $4.9 million, a 61.8 percent increase from 2023. This growth reflects an improving mortgage market, where total mortgage production increased 23.7 percent year over year, reaching $424.0 million. A stabilizing interest rate environment helped boost demand, particularly in Utah's continually expanding housing market. The Bank's newly formed SBA department also contributed to gains in overall loan growth.

INTEREST ON DEPOSITS

The competitive deposit environment led to a sharp increase in interest expense on deposits, which rose from $26.2 million in 2023 to $61.1 million in 2024. While average deposit balances grew to $2.5 billion, a 23.4 percent year-over-year increase, the higher cost of funds placed downward pressure on margins. The Bank remained focused on striking the right balance — retaining and gaining deposit relationships while optimizing funding costs.

MOSSADAMS

Report of Independent Auditors

The Board of Directors and Stockholders
BOU Bancorp, Inc., and Subsidiaries

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of BOU Bancorp, Inc., and Subsidiaries, which comprise the consolidated statement of financial condition as of December 31, 2024 and 2023, and the related consolidated statements of income, comprehensive income, retained earnings, changes in stockholders' 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 BOU Bancorp, Inc., and Subsidiaries as of December 31, 2024 and 2023, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with auditing standards generally accepted in the United States of America, Bank of Utah's internal control over financial reporting as of December 31, 2024, based on criteria established in the *Internal Control—Integrated Framework* (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) relevant to internal reporting objectives for the express purpose of meeting the regulatory requirements of Section 112 of the Federal Deposit Insurance Corporation Improvement Act (FDICIA) and our report dated March 20, 2025, expressed an unmodified opinion.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BOU Bancorp, Inc., and Subsidiaries 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 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 financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BOU Bancorp, Inc., and Subsidiaries' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the 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 auditor's 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 U.S. 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 U.S. 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.
- 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 BOU Bancorp, Inc., and Subsidiaries' 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Moss Adams LLP

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(in thousands, except share data)

Years ended December 31, 2024 and 2023

ASSETS		2024	2023
Cash and due from banks	$	24,878	19,514
Interest-bearing deposits in banks		139,490	108,926
Federal funds sold		50,773	407
Investment securities (Notes 2 and 12):			
Equity securities, at fair value		6,965	6,846
Debt securities available for sale, at fair value		188,646	233,463
Debt securities held to maturity, at amortized cost (fair value of $90,624 and $101,286 as of December 31, 2024 and 2023, respectively)		106,064	116,612
Total investment securities		301,675	356,921
Loans held for sale		7,804	3,682
Loans (Note 3)		2,644,231	2,286,005
Less allowance for credit losses (Note 4)		32,735	31,717
Net loans		2,611,496	2,254,288
Accrued interest receivable		14,743	12,381
Bank owned life insurance, net		44,548	43,156
Investment in affordable housing tax credits, net		31,591	29,169
Goodwill (Note 5)		8,903	8,903
Premises and equipment, net (Note 7)		48,329	39,935
Other assets		31,322	35,224
Total assets	$	3,315,552	2,912,506

LIABILITIES AND STOCKHOLDERS' EQUITY		2024	2023
Deposits:			
Noninterest-bearing	$	655,596	768,406
Interest-bearing (Note 9)		1,914,256	1,340,542
Total deposits		2,569,852	2,108,948
Securities sold under agreements to repurchase (Note 10)		95,527	99,081
FHLB advances and other borrowings (Note 11)		197,500	285,000
Other liabilities		44,263	42,463
Total liabilities		2,907,142	2,535,492
Commitments and contingent liabilities (Note 14)			
Common stock, $1 par value, 50,000,000 shares authorized, 17,563,021 shares issued and outstanding at December 31, 2024 and 2023, respectively.		17,563	17,563
Common stock, non-voting, $1 par value, 20,000,000 shares authorized, 5,625,611 shares issued and outstanding at December 31, 2024 and 2023, respectively.		5,626	5,626
Paid-in capital		122,025	122,025
Accumulated other comprehensive loss, net of tax		(14,207)	(14,629)
Retained earnings		277,403	246,429
Total stockholders' equity		408,410	377,014
Total liabilities and stockholders' equity	$	3,315,552	2,912,506

See accompanying footnotes

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except per share data)

Years ended December 31, 2024 and 2023

		2024	2023
INTEREST INCOME:			
Interest and fees on loans	$	150,935	115,856
Interest on investment securities		9,009	9,996
Interest and fees on loans held for sale		507	342
Interest on cash and cash equivalents		10,163	2,978
Total interest income		170,614	129,172
INTEREST EXPENSE:			
Interest on deposits		61,101	26,167
Interest on securities sold under agreements to repurchase and other borrowings		11,173	7,128
Total interest expense		72,274	33,295
Net interest income		98,340	95,877
Provision for credit losses (Note 2 & Note 4)		2,593	7,191
Net interest income after provision for credit losses		95,747	88,686
NONINTEREST INCOME:			
Service charges on deposits		674	732
Gain on sale of loans		4,914	3,036
Trust fees		16,211	14,727
Increase in cash surrender value of bank owned life insurance		1,392	1,162
Other		2,949	3,119
		26,140	22,776
NONINTEREST EXPENSES:			
Salaries and employee benefits		46,491	39,679
Net occupancy expense		3,759	3,448
Equipment expense		7,780	7,216
Professional fees and services		4,813	3,860
Advertising and business development expense		2,370	1,939
Office expense		1,792	1,657
Other		5,126	4,402
		72,131	62,201
Income before provision for income taxes		49,756	49,261
Provision for income taxes (Note 11)		9,508	8,599
Net income	$	40,248	40,662
Basic and diluted earnings per common share	$	1.74	1.75

See accompanying footnotes

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Years ended December 31, 2024 and 2023

(in thousands)

	2024	2023
Net income	$ 40,248	40,662
Other comprehensive income:		
Net change in unrealized holding loss on securities available for sale, net of tax expense of $(138) and $(1,256) as of December 31, 2024 and 2023, respectively	382	3,837
Realized loss/(gain) on sale of securities, net of tax	41	(1)
Comprehensive income	$ 40,671	44,498

See accompanying footnotes

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

Years ended December 31, 2024 and 2023

(dollars in thousands)

	Common Stock	Amount	Paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total stockholders' equity
Balances, December 31, 2022	23,309,982	$ 23,310	122,025	(18,466)	221,132	$ 348,001
Cumulative change in accounting principal, net of tax	-	-	-	-	(4,191)	(4,191)
Balance at January 1, 2023 (as adjusted)	23,309,982	23,310	122,025	(18,466)	216,941	343,810
Net income	-	-	-	-	40,662	40,662
Other comprehensive income, net of tax	-	-	-	3,836	-	3,836
Repurchase of common stock	(121,350)	(121)	-	-	(1,871)	(1,992)
Dividends paid	-	-	-	-	(9,301)	(9,301)
Balances, December 31, 2023	23,188,632	$ 23,189	122,025	(14,630)	246,431	$ 377,015
Net income	-	-	-	-	40,248	40,248
Other comprehensive income, net of tax	-	-	-	423	-	423
Dividends paid	-	-	-	-	(9,276)	(9,276)
Balances, December 31, 2024	23,188,632	$ 23,189	122,025	(14,207)	277,403	$ 408,410

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31, 2024 and 2023

(in thousands)		2024	2023
OPERATING ACTIVITIES:			
Net income	$	40,248	40,662
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization expense		3,473	2,314
Right of use asset amortization expense		1,118	852
Provision for credit losses		2,593	7,191
Provision for commitments to fund loans		200	400
Deferred income tax (benefit)/expense		(456)	(1,507)
Changes in fair value of equity investments		81	(95)
Net gain on other real estate sold		(30)	(110)
Increase in cash surrender value of bank owned life insurance		(1,392)	(1,162)
Net amortization of investment premiums and discounts		(502)	(490)
Net loss/(gain) on sale of investment securities		55	(2)
Gain on sale of loans		(4,914)	(3,036)
Proceeds from sales of loans held for sale		203,742	56,529
Origination of loans held for sale		(202,949)	(54,653)
Gain on sale or disposal of premises and equipment		(25)	(28)
Change in accrued interest receivable and other assets		15,639	(15,357)
Change in lease liability		(938)	(763)
Change in other liabilities		(6,074)	(456)
Net cash provided by operating activities		49,869	30,289
INVESTING ACTIVITIES:			
Proceeds from maturities of held to maturity securities		10,604	8,826
Proceeds from maturities of available for sale securities		42,337	48,865
Proceeds from sales of investment securities		18,636	7,550
Purchase of held to maturity securities		-	(10,220)
Purchase of available for sale securities		(15,198)	(18,781)
Purchase of equity securities		(201)	(1,807)
Net change in loans from loan originations and principal repayments		(359,807)	(530,700)
Purchase of loan pools		-	(39,528)
Purchase of bank owned life insurance		-	(5,516)
Purchase of affordable housing tax credits		(14,252)	(5,354)
Proceeds from sale of premises and equipment		20	29
Proceeds from sale of other real estate		30	1,545
Purchase of premises and equipment		(6,319)	(11,262)
Net cash used in investing activities		(324,150)	(556,353)
FINANCING ACTIVITIES:			
Net change in deposits		460,905	166,920
Net change in securities sold under agreement to repurchase		(3,554)	14,153
Proceeds from issuance of FHLB advances and other borrowings		50,000	285,000
Repayment of FHLB advances and other borrowings		(137,500)	-
Repurchase of common stock		-	(1,992)
Dividends paid to stockholders		(9,276)	(9,301)
Net cash provided by financing activities		360,575	454,780
Net change in cash and cash equivalents		86,294	(71,284)
Cash and cash equivalents, beginning of period		128,847	200,131
Cash and cash equivalents, end of period	$	215,141	128,847
Supplemental Disclosure of Cash Flow Information			
Cash paid for interest	$	76,760	35,261
Cash paid for income taxes, net of refund		4,530	10,133
Supplemental Disclosure of Non-Cash Transactions			
Lease liabilities arising from obtaining right-of-use assets	$	6,662	-
Impact of adoption of ASC 326		-	4,191
Loans provided for sales of real estate owned		-	750

See accompanying footnotes

NOTES TO CONSOLIDATED STATEMENTS

December 31, 2024 and 2023

(1) DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by BOU Bancorp, Inc. (the Corporation) in the preparation of the accompanying consolidated financial statements are as follows:

Description of Business

The Corporation is a Utah state financial holding company formed in 2000. Bank of Utah (the Bank) is a Utah state-chartered commercial bank founded in 1952, which is wholly owned by the Corporation. Utah Real Estate Management Corp. (UREM) is a Utah corporation founded in 2019 to hold certain other real estate foreclosed on by the Bank and is wholly owned by the Bank. BOU Trust Company is Utah Corporation founded in 2024 to provide additional products to our corporate trust clients and is wholly owned by the Bank. Utah Risk Management, Inc. (URM) is a Nevada captive insurance company founded in 2015, which was wholly owned by the Corporation until its dissolution in December 2023. The Corporation and its wholly-owned subsidiaries are collectively referred to as the Company. The Company, whose footprint extends across the state of Utah, focuses on providing community banking services to customers across the State of Utah, including: 1) deposits accounts for the general public; 2) loan origination, including residential mortgage loans; 3) treasury cash management products and services; 4) personal and corporate trust management services; and 5) wealth management and advisory services.

Basis of Financial Statement Presentation

The accompanying consolidated financial statements include the accounts of BOU Bancorp, Inc., Bank of Utah, Utah Real Estate Management Corp., BOU Trust Company, and Utah Risk Management, Inc. All significant intercompany balances and transactions have been eliminated in consolidation. The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of the balance sheet and revenues and expenses for the period. Actual results could significantly differ from those estimates. Certain prior year amounts have been reclassified to conform to the current financial statement presentation.

Material estimates that are particularly susceptible to significant change in the near-term relate to the determination of the allowance for credit losses, income taxes and the fair value of financial assets. While management uses available information to recognize losses on loans, future additions to the allowance may be necessary based on changes in economic conditions. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the Company's allowance for credit losses.

Business Combinations

Business combinations are accounted for using the acquisition method of accounting, which requires that assets acquired and liabilities assumed are recorded at estimated fair value at the date of the acquisition. Any difference in purchase consideration over the fair value of assets acquired and liabilities assumed results in recognition of goodwill if purchase consideration exceed net estimated fair values, or a bargain purchase gain if estimated fair values exceed purchase consideration. Expenses incurred in connection with a business combination are expensed as incurred. Changes in deferred tax asset valuation allowances and acquired tax uncertainties after the measurement period are recognized in net income.

Subsequent Events

Subsequent events are events or transactions that occur after the date of the consolidated statement of condition but before the consolidated financial statements are issued. The Company recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statements of financial condition, including the estimates inherent in the process of preparing the consolidated financial statements. The Company's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statements of financial condition but arose after the date of the consolidated statements of financial condition and before the consolidated financial statements are available to be issued. Material events arising after the date of the consolidated statements of financial condition but before the consolidated financial statements are issued are disclosed, if any.

Subsequent events have been evaluated through March 20, 2025, the date these financial statements were available to be issued.

Cash and Cash Equivalents

Cash and cash equivalents include cash, due from banks, interest bearing deposits in banks, and fed funds sold with original maturities of three months or less, some of which may be in excess of federally insured amounts.

Interest-Bearing Deposits

Interest-bearing deposits include amounts due from the Federal Reserve Bank and other depository institutions and are carried at cost.

Debt Securities

The Company classifies its investment in debt securities in two categories: held to maturity or available for sale. The Company had no trading securities during 2024 or 2023. Premiums and discounts are amortized or accreted over the expected life of the related security and recognized in interest income using the effective-interest method. Dividend and interest income are recognized when earned. Held to maturity securities are stated at cost, net of unamortized premiums and unaccredited discounts. The Company has the intent and ability to hold such securities to maturity. Investment securities classified as available for sale are recorded at fair value. Unrealized holding gains and losses on available for sale securities are reported as a component of other comprehensive income (OCI). Gains and losses on sales are recorded on the trade date and determined using the specific identification method. Realized gains and losses on available for sale securities are reported in the consolidated statements of income as other noninterest income.

Allowance for Credit Losses for Debt Securities

The Company evaluates impairment on available for sale and held to maturity debt securities at each reporting period where there has been a decline in fair value below the amortized cost basis of a security to determine whether there is a credit loss associated with the decline in fair value. The Company considers the nature of the collateral, potential future changes in collateral values, default rates, delinquency rates, third-party guarantees, credit ratings, interest rate changes since purchase, volatility of the security's fair value and historical loss information for financial assets secured with similar collateral among other factors. For available for sale securities in an unrealized loss position, the Company first assesses whether it intends to sell, or is more likely than not to be required to sell, the security before recovery of its amortized cost basis. If either of the 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 Company evaluates whether the decline in fair value has resulted from credit losses or other factors. If this assessment indicates that a credit loss exists, an allowance for credit losses is recorded.

Equity Securities

Equity securities are recorded at fair value with unrealized holding gains and losses reported in net income as a component of other noninterest income. Realized gains and losses on sales are recorded on the trade date and determined using the specific identification method and are reported in the consolidated statements of income as other noninterest income.

Federal Home Loan Bank (FHLB) Stock

FHLB of Des Moines stock is a required investment for institutions that are members of the FHLB of Des Moines. The required investment in FHLB common stock is based on a predetermined formula that includes asset size and level of borrowings and is carried at par value ($100 per share). The Company may request redemption at par value of any stock in excess of the amount the Company is required to hold. FHLB stock is restricted as to purchase, sale, and redemption. The carrying amount of FHLB stock as of December 31, 2024 and 2023 was $11.5 million and $16.2 million, respectively, and is reported on the consolidated statements of financial condition as a component of other assets.

The Bank views its investment in FHLB stock as a long-term investment. Accordingly, when evaluating for impairment, the value is determined based on the ultimate recovery of the par value rather than recognizing temporary declines in value.

Loans Held for Sale

The Company originates mortgage loans, which are sold to investors in the secondary market, generally with servicing released. Loans held for sale are carried at the lower of cost or fair market value, as determined by outstanding commitments from investors. Net unrealized losses, if any, are recorded as a valuation allowance and charged to net income. The amount of the Company's commitments to sell loans approximated the balance of loans held for sale on December 31, 2024 and 2023. Gains and losses resulting from the sale of loans are determined on the specific-identification method and reflect the extent that the sale proceeds, based on the contractual commitment entered into by the Company and investor, exceed or are less than the Company's investment in the loans.

Mortgage Servicing Rights

When mortgage loans are sold with servicing retained, servicing rights are initially recorded in gain on sale of loans at fair value based on the present value of estimated future net servicing income and the asset is tested annually for impairment. This asset is subsequently amortized as a reduction in noninterest income over the estimated life of the servicing income. The servicing asset was $13,000 and $30,000 as of December 31, 2024 and 2023, respectively, and is included in the accompanying consolidated statements of financial condition as a component of other assets.

Loans

Loans are generally recorded at cost, net of premiums or discounts on acquired loans, deferred fees and certain direct origination related costs. Discounts and premiums on amortizing purchased loans are amortized using the interest method over the remaining contractual life, adjusted for actual prepayments. Discounts and premiums on non-amortizing loans are amortized using a straight-line method over the expected life of the loan.

Loan origination fees and certain direct origination costs are deferred and amortized as an adjustment of the yields of the loans over their contractual lives, adjusted for prepayment of the loans, using the interest method. In the event loans are sold, the deferred net loan origination fees or costs are recognized as a component of the gains or losses on the sales of loans.

The accrual of interest on loans is discontinued when (1) in the opinion of management, it is probable that the Company will be unable to collect principal or interest when due according to the contractual terms of the loan agreement, or (2) when loans are contractually past due 90-days or more with respect to principal or interest, unless they are adequately collateralized and are in the process of collection. Generally, interest previously accrued but not collected is reversed and charged against income when a loan is placed on nonaccrual. Thereafter, payments received are generally applied to principal. However, based on management's assessment of the ultimate collectability of a nonaccrual loan, interest income may be recognized on a cash basis.

Nonaccrual loans are returned to an accrual status when all delinquent principal and interest becomes current in accordance with the terms of the loan agreement and when management determines that circumstances have improved to the extent that there has been a sustained period of repayment performance, generally six months.

In cases where a borrower experiences financial or legal difficulty the Company may make certain concessionary modifications to contractual terms. When principal forgiveness is provided, the amount of forgiveness is charged off against the allowance for credit losses. If a borrower on a modified accruing loan has demonstrated performance under the previous terms, is not experiencing financial difficulty and shows the capacity to continue to perform under the modified terms, the loan will remain on accrual status. Otherwise, the loan will be placed on nonaccrual status until the borrower demonstrates a sustained period of performance, which generally requires six consecutive months of payments. However, performance prior to the modification or significant events that coincide with the modification, are included in assessing whether the borrower can meet the new terms and may result in the loan being returned to accrual at the time of modification or after a shorter performance period. If the borrower's ability to meet the revised payment schedule is uncertain, the loan remains classified as a nonaccrual loan.

Loan Participations

In the normal course of business, the Company periodically sells participating interests in loans to various other banks and investors. All new participations are sold on a proportionate (pro-rata) basis with all cash flows divided proportionately among the participating interest holders in an amount subordinate to the interest of another and no party has the right to pledge or exchange the entire financial asset without the consent of all the participating interest holders. Other than standard representations and warranties, participating interests are sold without recourse. Certain participating interests sold by the Company are guaranteed by government agencies such as the Small Business Administration and U.S. Department of Agriculture. The gain or loss on sale of the participating interest in loans is the difference between the proceeds from the sale and the basis of the assets sold. The Company recognized gains from the sale of such loans of $1.1 million in 2024 and did not recognize any gains or losses from the sale of such loans in 2023.

The Company continues to service approximately $401.2 million and $389.4 million in participating interests at December 31, 2024 and 2023, respectively, that have been accounted for as transfers of assets and not included in the Company’s consolidated statements of financial condition. The Company’s retained portion of participated loans was $354.2 million and $332.4 million at December 31, 2024 and 2023, respectively. The Company recorded approximately $1.0 million and $904,000 in servicing fee income during 2024 and 2023, respectively.

The Company holds purchased participating interests in loans of $91.8 million and $99.7 million at December 31, 2024 and 2023, respectively.

Transfer of Financial Assets

Transfers of an entire financial asset, a group of entire financial assets, or a participating interest in an entire financial asset, in which the transferor surrenders control over those financial assets, are accounted for as sales. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Concentration of Credit Risk

A substantial portion of the Company’s general overall lending territory is focused in the counties where it maintains branch offices. However, the Company also extends credit into other areas where a branch office is not maintained. The ability of the Company’s debtors to honor their loan agreements is dependent upon, among other things, the general economic conditions and the real estate values in these areas.

Allowance for Credit Losses for Loans

The allowance for credit losses for loans is a valuation account that is deducted from the amortized cost basis of loans and is based on management’s estimate of expected credit losses over the contractual term of the loans. In the opinion of management, the allowance for credit losses is adequate to absorb estimated losses in the portfolio, at the balance sheet date. While management uses available information to analyze potential losses on loans, future additions to the allowance for credit losses may be necessary based on changes in economic conditions. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the Bank’s allowance for credit losses. In analyzing the adequacy of the allowance for credit losses, a comprehensive loan grading system to determine risk potential in loans is utilized together with the results of internal credit reviews.

To determine the adequacy of the allowance for credit losses for loans, the loan portfolio is segmented based on loan type. Historical loss experience factors by segment, adjusted for changes in trends and conditions, are used to determine an indicated allowance for each portfolio segment. These factors are evaluated and updated based on the composition of the specific loan segment and adjusted using reasonable and supportable forecast estimates. Other considerations include volumes and trends of delinquencies, nonaccrual loans, levels of bankruptcies, criticized and classified loan trends, expected losses on real estate secured loans, new credit products and policies, economic conditions, concentrations of credit risk, and the experience and abilities of the Company’s lending personnel. These credit quality indicators and their impact on the adequacy of the allowance were evaluated as of December 31, 2024. Loans that do not share risk characteristics are individually evaluated based on facts and circumstances of the loan to determine if a specific allowance amount may be necessary. Individually evaluated loans are evaluated using the present value of the expected cash flows or the estimated fair value of the collateral, if the loan is collateral dependent. The fair value is determined, when possible, by an appraisal of the property less estimated costs related to liquidation of the collateral. The appraisal amount may also be adjusted for current market conditions. Adjustments to reflect the present value of the expected cash flows or the estimated fair value of collateral dependent loans are a component in determining an appropriate allowance for credit losses, and as such, may result in increases or decreases to the provision for credit losses in current and future earnings.

Allowance for Credit Losses for Unfunded Lending Commitments

The Company also estimates a reserve for potential losses associated with off-balance sheet commitments and letters of credit. It is included in other liabilities in the Company's consolidated statements of financial condition, with any related provisions to the reserve included in non-interest expense in the consolidated statements of income.

In determining the reserve for unfunded lending commitments, a process similar to the one used for the allowance for credit losses for loans is employed. Based on historical experience, loss factors, adjusted for expected funding, are applied to the Company's off-balance sheet commitments and letters of credit to estimate probable losses.

Premises and Equipment

Land is carried at cost. Other premises and equipment are stated at net depreciated cost and are depreciated over their estimated useful lives that vary in term from one year to forty years. Depreciation is provided on a straight-line basis. Leasehold improvements are stated at net amortized cost. Amortization is provided on the straight-line basis over the shorter of the asset life or the lease term. Costs for maintenance and repairs are expensed as incurred.

Leases

Leases are classified as operating or finance leases at the lease commencement date. The Company leases certain locations and equipment. The Company records leases on the consolidated statements of financial condition in the form of a lease liability for the present value of future minimum payments under the lease terms and a right-of-use (ROU) asset equal to the lease liability adjusted for items such as deferred or prepaid rent, lease incentives, and any impairment of the ROU asset. The discount rate used in determining the lease liability is based upon incremental borrowing rates the Company could obtain for similar loans as of the date of commencement or renewal. The Company does not record leases on the consolidated statements of financial condition that are classified as short-term (less than one year). At lease inception, the Company determines the lease term by considering the minimum lease term and all optional renewal periods that the Company is reasonably certain to renew. Operating lease expense consists of a single lease cost allocated over the remaining lease term on a straight-line basis, variable lease payments not included in the lease liability, and any impairment of the ROU asset. Rent expense and variable lease expense are included in occupancy and equipment expense on the consolidated statements of income.

Other Real Estate

Other real estate (ORE) includes properties acquired by the Company through foreclosure or deed in lieu of foreclosure. Properties are carried at the lower of cost or estimated fair value. The value of the underlying loan is written down to the fair value of the property acquired, as determined by a recent appraisal, less reasonable selling costs, by a charge to the allowance for credit losses. Routine holding costs (net of rental income), subsequent declines in appraised value and net losses on disposal are included in non-interest expenses. Significant costs of development and improvement of ORE are capitalized. The Company held no ORE at December 31, 2024 and 2023, respectively.

Goodwill and Other Intangible Assets

Goodwill has an indefinite useful life and is not amortized but is tested for impairment annually. The Company's goodwill totaled $8.9 million at December 31, 2024 and 2023. As of December 31, 2024, the Company has identified its reporting unit as the Bank and has allocated goodwill accordingly. Additionally, management evaluated the carrying value of the Company's goodwill as of December 31, 2024 and 2023, and determined that it is more likely than not that no impairment existed. A core deposit intangible is recorded on acquired deposits and amortized over the estimated life of the deposits using an accelerated amortization method. The Company's net core deposit intangible totaled $0 and $46,000 at December 31, 2024 and 2023, respectively, and is recorded on the balance sheet as a component of other assets.

Bank Owned Life Insurance

The Company has purchased life insurance policies on certain employees. Bank owned life insurance is recorded at the amount that can be realized under the insurance contract, which is the cash surrender value, net of surrender charges.

Qualified Affordable Housing Project Investments

The Company invests in qualified affordable housing projects through investment in limited liability entities. Investments in affordable housing tax credits are recorded at cost and included in the consolidated statements of condition. The subsequent tax benefit is recognized using the proportional amortization method over the life of the tax credit, which is included in income tax expense on the consolidated statements of income. At December 31, 2024 and 2023, the balance of the investment for qualified affordable housing projects was $31.6 million and $29.2 million, respectively. The total unfunded commitments related to the investments in qualified affordable housing projects was $7.2 million and $16.8 million at December 31, 2024 and 2023, respectively. The Company recognized tax credits and other benefits of $2.6 million and amortization of $2.2 million in 2024. The Company recognized tax credits of $948,000 and amortization of $845,000 in 2023.

Comprehensive Income

Comprehensive income consists of net income and other comprehensive income or loss. Other comprehensive income or loss includes unrealized gains and losses on securities available for sale, net of taxes.

Financial Instruments

In the ordinary course of business, the Company has entered into off-balance-sheet financial instruments consisting of commitments to extend credit. Such financial instruments are recorded in the financial statements when they are funded or when related fees are incurred or received.

Fair values of financial instruments are estimated using relevant market information and other assumptions (Note 12). Fair value estimates involve uncertainties and matters of significant judgment regarding interest rates, credit risk, prepayments, and other factors, especially in the absence of broad markets for particular items. Changes in assumptions or in market conditions could significantly affect these estimates.

Advertising Costs

Advertising costs include marketing and business development costs and are expensed as incurred.

Income Taxes

Deferred income taxes are reported for temporary differences between items of income or expense reported in the consolidated financial statements and those reported for income tax purposes. Deferred taxes are estimated using the asset and liability approach. Under this method, a deferred tax asset or deferred tax liability is determined based on management's estimate of the enacted tax rates that will be in effect when the differences between the financial statement carrying amounts and tax basis of existing assets and liabilities are expected to be reported in the Company's income tax returns. The net deferred tax asset or liability is included in the consolidated statements of financial condition as a component of other assets or other liabilities. The deferred tax provision for the year is equal to the net change in the net deferred tax asset from the beginning of the year to the end of the year, less amounts applicable to the change in value related to investments available for sale. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date of such change in tax rates. In addition, tax benefits related to positions considered uncertain are recognized only if, based on the technical merits of the issue, the Company is more likely than not to sustain the position.

As of December 31, 2024, the Company has no recorded unrecognized tax benefits. The Company would recognize accrued interest and penalties related to unrecognized tax benefits within the consolidated statements of income as income tax expense. The Company files income tax returns in the U.S. Federal, Utah, Idaho, and Colorado state jurisdictions. The Company is no longer subject to examination for years before 2021 for U.S. Federal, Utah and Idaho and before 2020 for Colorado.

Earnings per Share

Basic and diluted earnings per common share are calculated by dividing net income by the average number of common shares outstanding during the year. During the years ended December 31, 2024 and 2023 there were no preferred shares outstanding and no potential common share equivalents, such as stock options or restricted share units. The calculation of earnings per common share is as follows:

(dollars in thousands, except share and per share data)

		2024	2023
Numerator			
Net income	$	40,248	40,662
Denominator			
Weighted average number of common voting shares outstanding		17,563,021	17,627,617
Weighted average number of common non-voting shares outstanding		5,625,611	5,625,611
Total weighted average number of common shares outstanding		23,188,632	23,253,228
Basic and diluted earnings per common share	$	1.74	1.75

Trust Department Assets

The Bank acts in various capacities as a trustee for customers’ assets in the Trust department. Such assets are not included in the consolidated statements of financial condition. Trust fees and expenses are reported in the consolidated statements of income when earned in accordance with applicable guidance. Total fiduciary assets under management were $1.0 billion and $1.1 billion at December 31, 2024 and 2023, respectively.

Employee Stock Ownership Plan with 401(k) Provisions

The Company has an employee stock ownership plan with 401(k) provisions (KSOP) for eligible full-time Company employees. Eligible employees may make contributions per the IRS limits and the Company generally makes a 100 percent matching contribution up to five percent of the employee’s compensation. The Company's contributions to the employee are fully vested after six years of employment and are used to purchase Company stock. KSOP participants have the right, after termination, retirement or disability, to require the Company to repurchase shares that are distributed to them by the KSOP. The participant may make a repurchase request only during a specified period each year. Such repurchase obligation payments can be made over a 5-year period, if the distribution is a total distribution of the participant’s account under the KSOP. As of December 31, 2024 and 2023 the Company had fulfilled all repurchase requests as required under the terms of the KSOP. Company contributions were approximately $1.4 million and $1.2 million for the years ended December 31, 2024 and 2023, respectively, and were used, in addition to other cash held in the KSOP, to purchase Company stock from former employees as they requested or were required to take distributions. An independent valuation of the BOU Bancorp, Inc.’s stock held by the KSOP is obtained annually. The KSOP owns shares (5.81%) of BOU Bancorp, Inc. stock, all of which are allocated at December 31, 2024.

Recent Accounting Pronouncements

In March 2023, the FASB issued ASU 2023-02, *Investments – Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method.* The amendments in the ASU permit reporting entities to elect to account for tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. This ASU also eliminates guidance specific to low income housing tax credit investments to align more closely with other equity investments in tax credit structures. The amendments in this ASU are effective for the Company for fiscal years beginning after December 15, 2024. This ASU is not expected to have a material impact on the Company’s financial condition or results of operation.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures.* The amendments in the ASU update the guidance for income tax related disclosures to provide more useful and transparent information to users. The amendments in this ASU are effective for the Company for fiscal years beginning after December 15, 2025. This ASU is not expected to have a material impact on the Company’s financial condition or results of operation.

(2) INVESTMENT SECURITIES

Equity securities consist entirely of an investment in a Community Reinvestment Act (CRA) qualified mutual fund. The fair value of equity securities at December 31, 2024 and 2023 was $7.0 million and $6.8 million, respectively. The Company recognized gross unrealized holding gains on equity securities of approximately $136,000 during the year ended December 31, 2024 and unrealized holding losses on equity securities of approximately $95,000 during the year ended December 31, 2023.

Debt securities as of December 31, 2024 are summarized as follows:

(in thousands)

	Held to Maturity				
	Amortized cost	Unrealized gain	Unrealized loss	Fair value	Allowance for credit losses
U.S. government agency	$ 12,673	-	(1,161)	11,512	-
U.S. government agency mortgage backed securities	81,759	-	(13,858)	67,901	-
States and political subdivisions	647	-	(200)	447	1
U.S. treasury securities	4,990	-	(217)	4,773	-
Corporate bonds	6,002	-	(11)	5,991	6
	$ 106,071	-	(15,447)	90,624	7

	Available for Sale			
	Amortized cost	Unrealized gain	Unrealized loss	Fair value
U.S. government agency	$ 142,932	-	(12,281)	130,651
U.S. government agency mortgage backed securities	63,626	-	(6,576)	57,050
U.S. treasury securities	948	-	(3)	945
	$ 207,506	-	(18,860)	188,646

Debt securities as of December 31, 2023 are summarized as follows:

(in thousands)

	Held to Maturity				
	Amortized cost	Unrealized gain	Unrealized loss	Fair value	Allowance for credit losses
U.S. government agency	$ 12,700	-	(1,425)	11,275	-
U.S. government agency mortgage backed securities	87,283	-	(13,337)	73,946	-
States and political subdivisions	647	-	(169)	478	1
U.S. treasury securities	4,982	-	(355)	4,627	-
Corporate bonds	11,014	-	(54)	10,960	13
	$ 116,626	-	(15,340)	101,286	14

	Available for Sale			
	Amortized cost	Unrealized gain	Unrealized loss	Fair value
U.S. government agency	$ 163,760	-	(13,029)	150,731
U.S. government agency mortgage backed securities	87,439	179	(6,549)	81,069
U.S. treasury securities	1,685	-	(22)	1,663
	$ 252,884	179	(19,600)	233,463

The proceeds from the sale of securities was $18.6 million during the year ended December 31, 2024. The gross gains on sales was $312,000 and the gross losses on sale was $367,000 on those sales. The tax provision related to these sales was a loss of $55,000. The proceeds from the sale of securities was $7.5 million during the year ended December 31, 2023. The gross gains on sales was $64,000 and the gross losses on sale was $62,000 on those sales. The tax provision related to these sales was less than $1,000.

A summary of investment securities with unrealized losses as of December 31, 2024, by the amount of unrealized losses and fair value by length of time that the securities have been in an unrealized loss position, follows:

		Held to Maturity					
		Less than 12 months		12 months or more		Total	
		Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value
U.S. government agency	$	-	-	1,161	11,512	1,161	11,512
U.S. government agency mortgage backed securities		100	6,668	13,758	61,233	13,858	67,901
States and political subdivisions		-	-	200	447	200	447
U.S. treasury securities		-	-	217	4,773	217	4,773
Corporate bonds		-	-	11	1,991	11	1,991
	$	100	6,668	15,347	79,956	15,447	86,624

		Available for Sale					
		Less than 12 months		12 months or more		Total	
		Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value
U.S. government agency	$	782	22,456	11,499	108,194	12,281	130,650
U.S. government agency mortgage backed securities		344	9,452	6,232	47,598	6,576	57,050
U.S. treasury securities		-	-	3	945	3	945
	$	1,126	31,908	17,734	156,737	18,860	188,645

A summary of investment securities with unrealized losses as of December 31, 2023, by the amount of unrealized losses and fair value by length of time that the securities have been in an unrealized loss position, follows:

	Held to Maturity					
	Less than 12 months		12 months or more		Total	
	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value
U.S. government agency	$ -	-	1,425	11,275	1,425	11,275
U.S. government agency mortgage backed securities	168	9,253	13,169	64,693	13,337	73,946
States and political subdivisions	-	-	169	478	169	478
U.S. treasury securities	-	-	355	4,627	355	4,627
Corporate bonds	-	-	54	6,960	54	6,960
	$ 168	9,253	15,172	88,033	15,340	97,286

	Available for Sale					
	Less than 12 months		12 months or more		Total	
	Unrealized losses	Fair value	Unrealized losses	Fair value	Unrealized losses	Fair value
U.S. government agency	$ 112	13,727	12,917	137,003	13,029	150,731
U.S. government agency mortgage backed securities	51	4,681	6,498	67,661	6,549	72,341
U.S. treasury securities	-	-	21	1,663	21	1,663
	$ 163	18,408	19,436	206,327	19,599	224,735

Unrealized losses on investment securities result from the current market yield on securities being higher than the book yield on the securities. Based on past experience with these types of investments and the Company's financial performance, the Company does not intend to sell the securities and it is not more likely than not that the Company will be required to sell the securities before recovery of its amortized cost basis. The Company reviews these investment securities on an ongoing basis according to the policy described in Note 1. As of December 31, 2024 there was no credit adjustment for available for sale securities and the allowance for credit losses for held to maturity securities was $7,000.

The number of investment securities in an unrealized loss position for securities held to maturity was 36 and 38 at December 31, 2024, and 2023, respectively. The number of investment securities in an unrealized loss position for securities available for sale at December 31, 2024, and 2023 was 61 and 75, respectively.

A summary of the amortized cost and fair value of investment securities as of December 31, 2024, by contractual maturity, follows:

(in thousands)

	Held to Maturity	
	Amortized cost	Fair value
Due in one year or less	$ 2,002	1,991
Due after one year through five years	19,095	18,124
Due after five years through ten years	2,568	2,161
Due after ten years	647	447
U.S. government agency mortgage backed securities	81,759	67,901
	$ 106,071	90,624

	Available for Sale	
	Amortized cost	Fair value
Due in one year or less	$ 16,078	15,759
Due after one year through five years	58,313	53,171
Due after five years through ten years	61,841	55,072
Due after ten years	7,648	7,593
U.S. government agency mortgage backed securities	63,626	57,051
	$ 207,506	188,646

U.S. government agency securities with a book value of $273.2 and $356.2 million at December 31, 2024 and 2023, respectively, were pledged to collateralize securities sold under agreements to repurchase and other borrowings. The fair value of such securities was $242.2 and $321.6 million at December 31, 2024 and 2023, respectively. (See Note 9.)
The activity in the allowance for credit losses for held to maturity securities is summarized as follows:

(in thousands)

As of December 31, 2024: Allowance for credit losses:	Balance, beginning of year	Provision for (reversal of) credit losses	Securities charged off	Recoveries on securities previously charged off	Balance, end of year
U.S. government agency	$ -	-	-	-	-
U.S. government agency mortgage backed securities	-	-	-	-	-
States and political subdivisions	1	-	-	-	1
U.S. treasury securities	-	-	-	-	-
Corporate bonds	13	(7)	-	-	6
	$ 14	(7)	-	-	7

As of December 31, 2023: Allowance for credit losses:	Balance, beginning of year	Impact of adopting ASC 326	Provision for (reversal of) credit losses	Securities charged off	Recoveries on securities previously charged off	Balance, end of year
U.S. government agency	$ -	-	-	-	-	-
U.S. government agency mortgage backed securities	-	-	-	-	-	-
States and political subdivisions	-	1	-	-	-	1
U.S. treasury securities	-	-	-	-	-	-
Corporate bonds	-	22	(9)	-	-	13
	$ -	23	(9)	-	-	14

The Company monitors the credit quality of held to maturity securities through the use of credit ratings. As of December 31, 2024, all held to maturity securities were rated AAA/AA/A or were guaranteed by the U.S. government.

(3) LOANS

The following table summarizes the composition of the loan portfolio, excluding loans held for sale, as of December 31:

(in thousands)

		2024	2023
Construction & development	$	418,276	365,183
1-4 family real estate		260,166	226,904
Commercial real estate		902,002	799,565
Commercial & industrial		195,081	164,577
States & political subdivisions		786,224	653,489
Other		86,793	79,627
		2,648,542	2,289,345
Less unearned fees, net		4,311	3,340
	$	2,644,231	2,286,005

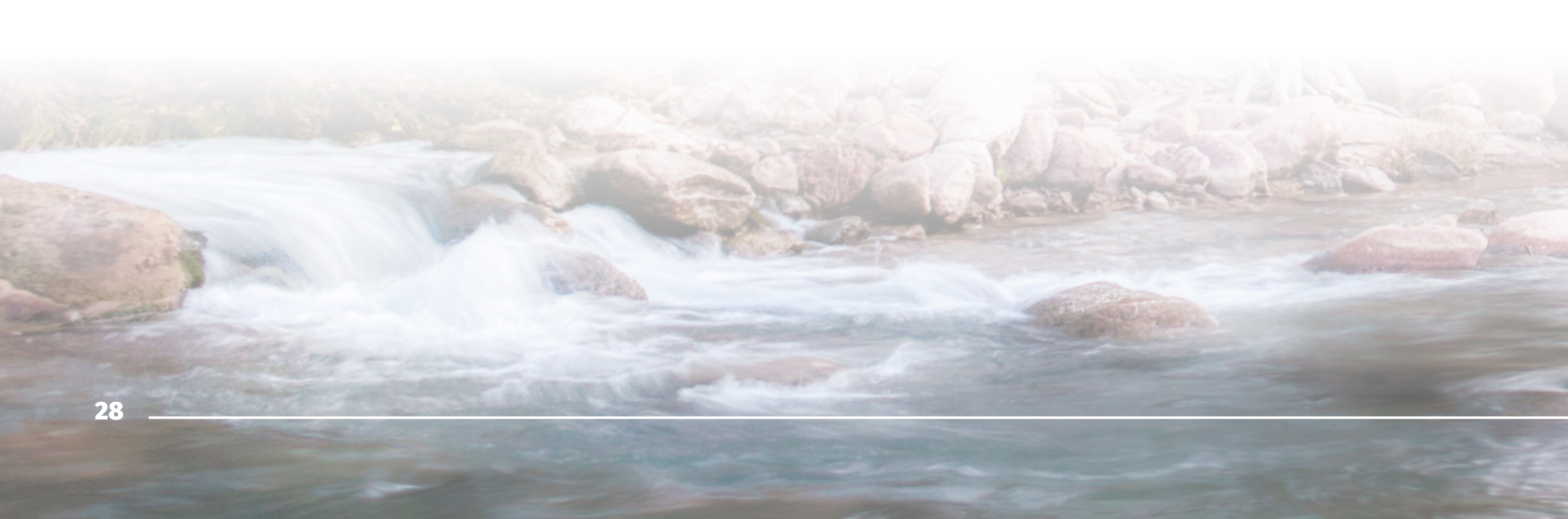
The following is a summary of each of the Company's loan classes:

Construction & development: Loans for the construction of, and secured by, commercial real estate, residential real estate, and tracts of land for development.
1-4 family real estate: Loans secured by mortgages on one-to-four-family residences, including home equity lines of credit.
Commercial real estate: Loans secured by commercial real estate, including both owner occupied and non-owner occupied properties.
Commercial & industrial: Loans to businesses that are secured primarily by accounts receivable, inventory, or personal property, plant and equipment.
States & political subdivisions: Loans made to municipalities within the State of Utah.
Other: Loan classes individually insignificant for disclosure, including multifamily, agriculture, and loans to individuals.

Loans are made by the Company in the normal course of business to directors, executive officers and principal shareholders of the Company. The terms of these loans, including interest rates and collateral, are similar to those prevailing for comparable transactions and do not involve more than a normal risk of collectability. A summary of the activity of such loans follows:

(in thousands)

		2024	2023
Balance, beginning of year	$	304	264
New loans and advances		-	90
Payments		(104)	(50)
Balance, end of year	$	200	304



(4) ALLOWANCE FOR CREDIT LOSSES FOR LOANS AND UNFUNDED LENDING COMMITMENTS

The activity in the allowance for credit losses for loans is summarized as follows:

(in thousands)

As of December 31, 2024: Allowance for credit losses:		Balance, beginning of year	Provision for (reversal of) credit losses	Loans charged off	Recoveries on loans previously charged off	Balance, end of year
Construction & development	$	6,230	599	-	-	6,829
1-4 family real estate		3,900	477	-	1	4,378
Commercial real estate		16,104	(3,144)	(13)	-	12,947
Commercial & industrial		2,846	4,391	(1,474)	-	5,763
States & political subdivisions		1,023	721	-	-	1,744
Other		1,614	(444)	(100)	4	1,074
	$	31,717	2,600	(1,587)	5	32,735

As of December 31, 2023: Allowance for credit losses:		Balance, beginning of year	Impact of adopting ASC 326	Provision for (reversal of) credit losses	Loans charged off	Recoveries on loans previously charged off	Balance, end of year
Construction & development	$	6,487	(1,222)	965	-	-	6,230
1-4 family real estate		2,198	2,010	(309)	-	1	3,900
Commercial real estate		8,095	2,273	5,736	-	-	16,104
Commercial & industrial		908	505	1,433	-	-	2,846
States & political subdivisions		1,668	929	(1,574)	-	-	1,023
Other		584	105	949	(33)	9	1,614
	$	19,940	4,600	7,200	(33)	10	31,717

The following table summarizes the allowance for credit losses for loans and outstanding loan balances, which were evaluated individually and collectively for impairment as of December 31, 2024:

(in thousands)

	Loans individually evaluated	Loans collectively evaluated	Total
Allowance for credit losses:			
Construction & development	$ -	6,828	6,828
1-4 family real estate	-	4,378	4,378
Commercial real estate	-	12,947	12,947
Commercial & industrial	3,438	2,325	5,763
States & political subdivisions	-	1,744	1,744
Other	-	1,075	1,075
	$ 3,438	29,297	32,735
Outstanding loan balances:			
Construction & development	$ -	418,276	418,276
1-4 family real estate	-	260,166	260,166
Commercial real estate	-	902,002	902,002
Commercial & industrial	3,438	191,643	195,081
States & political subdivisions	-	786,224	786,224
Other	-	86,793	86,793
	$ 3,438	2,645,104	2,648,542

The following table summarizes the allowance for credit losses and outstanding loan balances, which were evaluated individually and collectively for impairment as of December 31, 2023:

(in thousands)

	Loans individually evaluated	Loans collectively evaluated	Total
Allowance for credit losses:			
Construction & development	$ -	6,230	6,230
1-4 family real estate	-	3,900	3,900
Commercial real estate	-	16,104	16,104
Commercial & industrial	-	2,846	2,846
States & political subdivisions	-	1,023	1,023
Other	-	1,614	1,614
	$ -	31,717	31,717
Outstanding loan balances:			
Construction & development	$ -	365,183	365,183
1-4 family real estate	-	226,904	226,904
Commercial real estate	-	799,565	799,565
Commercial & industrial	-	164,577	164,577
States & political subdivisions	-	653,489	653,489
Other	-	79,627	79,627
	$ -	2,289,345	2,289,345

Loans are placed in nonaccrual status when it is determined that collection of all contractually owed amounts, including principal and interest, is unlikely. For nonaccrual loans, the Company performs an individual evaluation to determine the need for a specific reserve. The specific reserve is equal to the difference between the book value of the loan and the present value of discounted cash flows, the observable market price of the loan, or the fair value of the loan's underlying collateral, less cost to sell. Payments received on nonaccrual loans are not recognized in interest income, but are applied as a reduction to the principal outstanding.

There were no nonaccrual loans as of December 31, 2024, and 2023.

The following tables present an aging analysis of loans as of December 31, 2024 and 2023, respectively. There was one loan past due more than 90 days still accruing interest as of December 31, 2024. There were no loans past due more than 90 days still accruing interest as of December 31, 2023.

(in thousands)

As of December 31, 2024:	Accruing loans 30-59 days past due	Accruing loans 60-89 days past due	Total nonaccrual loans and loans 90 plus day past due	Total past due and nonaccrual loans	Current	Total loans
Construction & development	$ -	-	60	60	418,216	418,276
1-4 family real estate	455	-	247	702	259,464	260,166
Commercial real estate	-	-	-	-	902,002	902,002
Commercial & industrial	-	-	-	-	195,081	195,081
States & political subdivisions	-	-	-	-	786,224	786,224
Other	134	1	-	135	86,658	86,793
	$ 589	1	307	897	2,647,645	2,648,542

As of December 31, 2023:	Accruing loans 30-59 days past due	Accruing loans 60-89 days past due	Total nonaccrual loans	Total past due and nonaccrual loans	Current	Total loans
Construction & development	$ -	1,224	125	1,349	363,834	365,183
1-4 family real estate	796	-	-	796	226,108	226,904
Commercial real estate	-	-	-	-	799,565	799,565
Commercial & industrial	-	-	-	-	164,577	164,577
States & political subdivisions	-	-	-	-	653,489	653,489
Other	18	-	-	18	79,609	79,627
	$ 814	1,224	125	2,163	2,287,182	2,289,345

In addition to the past due and nonaccrual criteria, the Company also evaluates loans according to its internal risk grading system. Loans are segregated between pass, special mention, substandard accruing, and substandard non-accruing categories. The definitions of those categories are as follows:

Pass: Loans that do not fit any of the other categories listed below and for which likelihood of loss is considered to be remote.
Special mention: Loans with potential for deteriorating into a substandard classification without close supervision and monitoring. Loans remain in this category on a temporary basis and should be reclassified, depending on improvement or continued deterioration.
Substandard accruing: Loans not adequately protected by sound current net worth or adequate repayment capacity of the borrower and/or of the collateral pledged. Substandard loans have well defined weaknesses that jeopardize the liquidation of the classified debt. A potential for loss exists if the deficiencies or weaknesses are not recognized and corrected.
Substandard non-accruing: Loans where an element of loss is present and collection is considered questionable.
Loss: Loans that are considered uncollectible and of such little value that their continuance as an active bank-owned asset in not warranted. These loans are immediately charged off.

Outstanding loan balances categorized by internal risk grades as of December 31, 2024 are summarized as follows:

(in thousands)

	Pass	Special mention	Substandard accruing	Substandard non-accruing	Total
Construction & development	$ 415,034	-	3,242	-	418,276
1-4 family real estate	259,677	-	489	-	260,166
Commercial real estate	899,075	1,099	1,828	-	902,002
Commercial & industrial	186,762	2,126	6,193	-	195,081
State & political subdivisions	786,218	-	3	3	786,224
Other	86,738	-	55	-	86,793
	$ 2,633,504	3,225	11,810	3	2,648,542

Outstanding loan balances categorized by internal risk grades as of December 31, 2023 are summarized as follows:

(in thousands)

	Pass	Special mention	Substandard accruing	Substandard non-accruing	Total
Construction & development	$ 362,174	-	3,009	-	365,183
1-4 family real estate	226,834	-	70	-	226,904
Commercial real estate	787,166	-	12,399	-	799,565
Commercial & industrial	163,393	-	1,184	-	164,577
State & political subdivisions	653,489	-	-	-	653,489
Other	72,523	-	7,104	-	79,627
	$ 2,265,579	-	23,766	-	2,289,345

During 2024, the Company modified loans for borrowers experiencing financial difficulties by providing principal forgiveness. The amount of forgiveness totaled $1.5 million in 2024, which was charged-off against the allowance for credit losses. At December 31, 2024 the remaining amortized cost of such loans was $3.4 million. There were no loans modified for borrowers experiencing financial difficulties during 2023.

(5) GOODWILL AND INTANGIBLES

The following table summarizes the changes in the Company's goodwill and intangible assets as of December 31:

(in thousands)

	2024		2023	
	Goodwill	Core deposit intangible	Goodwill	Core deposit intangible
Balance, beginning of year	$ 8,903	46	8,903	154
Amortization	-	46	-	108
Balance, end of year	$ 8,903	-	8,903	46

(6) OTHER REAL ESTATE OWNED

During the years ended December 31, 2024 and 2023, there were no loans transferred to OREO.

(7) PREMISES AND EQUIPMENT

The following table summarizes premises and equipment as of December 31:

(in thousands)

	2024	2023
Land	$ 9,178	9,078
Buildings and leasehold improvements	34,362	29,661
Furniture and equipment	17,091	18,343
	60,631	57,082
Accumulated depreciation and amortization	(24,160)	(23,463)
	$ 36,471	33,619

(8) LEASES

At December 31, 2024 and 2023 premises and equipment subject to lease agreements in which the Company acts as lessor were as follows:

(in thousands)

	2024	2023
Land	$ 1,500	1,500
Buildings and leasehold improvements	5,916	5,779
Furniture and equipment	14	14
	7,430	7,293
Accumulated depreciation and amortization	(499)	(322)
	$ 6,931	6,971

The Company had operating leases at December 31, 2024 and December 31, 2023 and has recorded a right-of-use asset and lease liability at December 31:

	2024	2023
Total right-of-use assets	$ 11,859	6,316
Total lease liabilities	12,189	6,464

As of December 31, 2024 the weighted average discount rate and the weighted average term for right of use asset was 4.36% and 131 months, respectively.

The Company is obligated under certain operating lease agreements for the rental of buildings that vary in terms from one to ten years. As of December 31, 2024, the minimum annual lease commitments under noncancellable operating leases (net of sublease income) are as follows:

(in thousands)

Year ended December 31:	
2025	$ 1,210
2026	1,219
2027	1,190
2028	1,261
2029	1,314
Thereafter	8,536
	$ 14,730

The Company recorded lease expense under these agreements of approximately $1.0 million and $843,000 in the year ended December 31, 2024 and 2023, respectively. Of these amounts, $14,000 was paid to related parties in both 2024 and 2023.

(9) INTEREST-BEARING DEPOSITS

The following table summarizes interest-bearing deposits as of December 31:

(in thousands)

	2024	2023
Interest-bearing checking	$ 327,226	283,058
Insured money market	480,312	455,763
Savings accounts	306,727	246,512
Certificates of deposit	799,991	355,209
	$ 1,914,256	1,340,542

The aggregate amount of time deposits with balances of $250,000 or more was $227.5 million and $126.5 million as of December 31, 2024 and 2023, respectively.

As of December 31, 2024 and 2023 overdraft deposits totaling $6,000 and $46,900, respectively, were reclassified as loans.

A summary of the maturity of certificates of deposit as of December 31, 2024 follows:

(in thousands)

Year ended December 31:	
2025	$ 594,605
2026	135,828
2027	59,593
2028	3,185
2029	6,780
Total	$ 799,991

The Company accepts deposits from its executive officers, directors, and affiliated companies on substantially the same terms for comparable transactions with unrelated parties. The aggregate dollar amounts of these deposits were $10.8___ million and $17.4 million at December 31, 2024 and 2023, respectively.

(10) SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE

Securities sold under agreements to repurchase consists of sweep repurchase agreements that mature in less than 30 days with a weighted average interest rate of 4.09 percent and 3.75 percent at December 31, 2024 and 2023, respectively. The daily average borrowings and maximum borrowings outstanding at any month-end during 2024 did not significantly fluctuate from year-end balances.

The U.S. government securities transferred under agreements to repurchase are book entry securities delivered on behalf of depositors into the Company's pledged safekeeping account maintained at a correspondent bank. The carrying value of securities that have been sold under agreements to repurchase were $273.2 million and $356.2 million at December 31, 2024 and 2023, respectively. The fair value of the underlying pledged securities was $242.2 million and $321.6 million at December 31, 2024 and 2023, respectively.

(11) FEDERAL HOME LOAN BANK ADVANCES AND OTHER BORROWINGS

The following table summarizes Federal Home Loan Bank advances as of December 31:

(in thousands)

		2024	2023
Overnight advance	$	-	135,000
Maturities March 2025 through November 2028, fixed rate at rates from 4.13% to 5.18%, averaging 4.79%		147,500	150,000
Total	$	147,500	285,000

Each advance is payable at its maturity date, with a prepayment penalty for fixed rate advances. The advances were collateralized by $538.1 million and $457.8 million of real estate loans under a blanket lien arrangement at year-end 2024 and 2023. Based on this collateral and the Company's holdings of FHLB stock, the Company is eligible to borrow up to a total of $187.0 million at year-end 2024.

The Company had overnight outstanding advances from unsecured correspondent bank lines of credit of $50 million as of December 31, 2024 and no outstanding advances from unsecured correspondent bank lines of credit as of December 31, 2023

Payments over the next five years are as follows:

(in thousands)

Year ended December 31:		
2025	$	102,500
2026		52,500
2027		7,500
2028		35,000
2029 and thereafter		-
Total	$	197,500

(12) INCOME TAXES

The following table summarizes the provision for income tax expense for the years ended December 31:

(in thousands)

		2024	2023
Current:			
Federal	$	7,149	7,614
State		2,815	2,490
Deferred:			
Federal		(370)	(1,221)
State		(86)	(284)
Provision for income taxes	$	9,508	8,599

The following table presents a reconciliation of expected tax expense to actual income tax expense, based on the federal rate of 21 percent for the years ended December 31:

(in thousands)

		2024	2023
Expected federal tax expense	$	10,449	10,345
Increases (decreases) in taxes resulting from:			
Tax-exempt interest income		(5,079)	(3,058)
State taxes, net of federal benefit		2,232	1,752
Captive insurance		-	(291)
Bank owned life insurance		(292)	(244)
Non-deductible interest expense		2,689	885
Other		(491)	(790)
Provision for income taxes	$	9,508	8,599

Temporary differences between the amounts reported in the financial statements and the tax bases of liabilities and assets result in deferred taxes. The following table summarizes deferred tax assets and deferred tax liabilities at December 31:

(in thousands)

		2024	2023
Deferred tax assets			
Allowance for credit losses	$	8,744	8,445
Deferred compensation		1,642	1,655
Net unrealized loss on investment securities available for sale		4,653	4,791
Lease liability		3,007	1,595
Other		805	554
		18,851	17,040
Deferred tax liabilities			
Premises and equipment		2,686	2,477
Deferred loan costs		1,857	1,873
Deferred income on FHLB stock		137	214
Intangible assets		3	19
Right of use asset		2,926	1,558
Other		118	93
		7,727	6,234
Net deferred tax asset	$	11,124	10,806

Management believes that it is more likely than not that the results of future operations will generate sufficient taxable income to realize the deferred tax asset. The net deferred tax asset is included on the consolidated statements of financial condition as a component of other assets.

(13) FAIR VALUE

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. To measure fair value, a hierarchy has been established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. This hierarchy uses three levels of inputs to measure the fair value of assets and liabilities as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to valuation methodology:

Investment securities, available for sale: The Company evaluates the fair value of investment securities, available for sale on a monthly basis. Where quoted prices are available in an active market, securities are classified within level 1 of the hierarchy. Level 1 includes securities that have quoted prices in an active market for identical assets. If quoted market prices are not available, then fair values are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Company has categorized its investment in US Treasuries as Level 1 and all other investments is securities, available for sale as Level 2.

Equity securities: The Company evaluates the fair value of equity securities on a monthly basis. Where quoted prices are available in an active market, equity securities are classified within level 1 of the hierarchy. Level 1 includes equity securities that have quoted prices in an active market for identical assets. If quoted market prices are not available, then fair values are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Company has categorized its equity securities as Level 2.

There were no transfers between Level 2 and Level 3 during 2024 or 2023.

The following table summarizes financial assets measured at fair value on a recurring basis as of December 31:

(in thousands)

			2024		
Description of Financial Instrument		Fair Value	Level 1	Level 2	Level 3
Recurring:					
Investment securities, available for sale					
U.S. government agency	$	130,650	-	130,650	-
U.S. government agency mortgage backed securities		57,051	-	57,051	-
U.S. treasury		945	945	-	-
Equity securities		6,965	-	6,965	-

			2023		
Description of Financial Instrument		Fair Value	Level 1	Level 2	Level 3
Recurring:					
Investment securities, available for sale					
U.S. government agency	$	150,731	-	150,731	-
U.S. government agency mortgage backed securities		81,069	-	81,069	-
U.S treasury		1,663	1,663	-	-
Equity securities		6,845	-	6,845	-

(14) COMMITMENTS AND CONTINGENT LIABILITIES

The Company is 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 letters of credit, and involve, to varying degrees, elements of credit risk. The Company's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit is represented by the contractual amount of those instruments. The Company uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments. The reserve for unfunded lending commitments was $2.7 million and $2.5 million at December 31, 2024 and 2023, respectively.

In the normal course of business, the Company enters into commitments and contingent liabilities to extend credit under various lending agreements. Off balance-sheet loan commitments and letters of credit, upon which the reserve for unfunded lending commitments is calculated, was $639.4 million and $547.1 million as of December 31, 2024 and 2023, respectively. Commitments on letters of credit totaled $3.8 million and $3.4 million as of December 31, 2024 and 2023, respectively, and $635.6 million and $543.7 million respectively, on all other loan commitments.

The Company has lines of credit established with the FHLB of Des Moines for $1,687 million (45 percent of total bank assets), Federal Reserve Bank through the Discount Window for $616.4 million, Zions First National Bank for $15 million, JP Morgan Chase for $10 million, and Pacific Coast Bankers' Bank for $50 million. The FHLB credit line is limited to the amount of pledged collateral, which was $538.1 million as of December 31, 2024. The lines of credit are reviewed on an annual basis and market interest rates are set at the time funds are borrowed. At December 31, 2024, the Company's credit enhancement obligation as part of our participation in the FHLB Mortgage Partnership Finance program was approximately $1.5 million, which reduces the available line of credit with the FHLB by that amount. The Federal Reserve credit lines are limited to the assessed value of pledged collateral which was $911.7 million at December 31, 2024. The Company did not have any outstanding borrowings from unaffiliated banks at December 31, 2024 or 2023.

In the normal course of its business, the Company becomes involved in litigation. In the opinion of management, based upon discussion with legal counsel, liabilities, if any, arising from these proceedings are not estimable as of the date the financials are available to be issued.

(15) REGULATORY CAPITAL REQUIREMENTS

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

As of December 31, 2024, the most recent notification from the Federal Deposit Insurance Corporation categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain certain Total, Tier 1, and CET1 capital to risk-weighted assets and Tier 1 capital to quarterly average asset ratios. There are no conditions or events since that notification that management believes have changed the Banks's category.

Dividends declared by the Company in any calendar year may not, without the approval of the federal regulatory agencies, exceed net income for that year combined with net income less dividends paid for the preceding two years. At December 31, 2024, the Company had approximately $65.2 million available for payment of dividends under the aforementioned restrictions.

Capital amounts and ratios as of December 31, 2024 are summarized as follows:

(in thousands)

	Actual		Minimum capital requirement including CET1 capital conservation buffer		Minimum to be well capitalized under prompt corrective action provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Capital (to risk weighted assets)						
Consolidated	$ 445,374	17.63%	265,271	10.50%	N/A	N/A
Bank of Utah	441,201	17.45%	265,549	10.50%	252,903	10.00%
Tier 1 Capital (to risk weighted assets)						
Consolidated	413,714	16.38%	214,743	8.50%	N/A	N/A
Bank of Utah	409,541	16.19%	214,968	8.50%	202,323	8.00%
Common Equity Tier 1 Capital (to risk weighted assets)						
Consolidated	413,714	16.38%	176,847	7.00%	N/A	N/A
Bank of Utah	409,541	16.19%	177,032	7.00%	164,387	6.50%
Tier 1 Capital (to quarterly average assets)						
Consolidated	413,714	12.28%	219,046	6.50%	N/A	N/A
Bank of Utah	409,541	12.15%	219,046	6.50%	168,497	5.00%

Capital amounts and ratios as of December 31, 2023 are summarized as follows:

(in thousands)

	Actual		Minimum capital requirement including CET1 capital conservation buffer		Minimum to be well capitalized under prompt corrective action provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Capital (to risk weighted assets)						
Consolidated	$ 410,483	18.53%	232,656	10.50%	N/A	N/A
Bank of Utah	406,800	18.35%	232,747	10.50%	221,664	10.00%
Tier 1 Capital (to risk weighted assets)						
Consolidated	382,695	17.27%	188,341	8.50%	N/A	N/A
Bank of Utah	379,012	17.10%	188,414	8.50%	177,331	8.00%
Common Equity Tier 1 Capital (to risk weighted assets)						
Consolidated	382,695	17.27%	155,104	7.00%	N/A	N/A
Bank of Utah	379,012	17.10%	155,164	7.00%	144,081	6.50%
Tier 1 Capital (to quarterly average assets)						
Consolidated	382,695	13.78%	180,538	6.50%	N/A	N/A
Bank of Utah	379,012	13.66%	180,355	6.50%	138,734	5.00%

Schedule 1 **CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL CONDITION**

December 31, 2024

(in thousands)

	BOU Bancorp, Inc.	Bank of Utah	Eliminations	Consolidated
ASSETS				
Cash and due from banks	$ -	24,878	-	24,878
Interest-bearing deposits in banks	5,007	139,338	(4,855)	139,490
Federal funds sold	-	50,773	-	50,773
Investment securities:				
Equity securities, at fair value	-	6,965	-	6,965
Available for sale, at fair value	-	188,646	-	188,646
Held to maturity, at amortized cost	-	106,064	-	106,064
Total investment securities	-	301,675	-	301,675
Loans held for sale	-	7,804	-	7,804
Loans	-	2,644,231	-	2,644,231
Less allowance for credit losses	-	(32,735)	-	(32,735)
Net loans	-	2,611,496	-	2,611,496
Investment in Bank of Utah	404,236	-	(404,236)	-
Accrued interest receivable	-	14,743	-	14,743
Bank owned life insurance	-	44,548	-	44,548
Investment in affordable housing tax, net credits	-	31,591	-	31,591
Goodwill	-	8,903	-	8,903
Premises and equipment, net	-	48,329	-	48,329
Other assets	46	31,322	(46)	31,322
Total assets	$ 409,289	3,315,400	(409,137)	3,315,552
LIABILITIES AND STOCKHOLDERS' EQUITY				
Deposits:				
Noninterest-bearing	$ -	655,596	-	655,596
Interest-bearing	-	1,919,111	(4,855)	1,914,256
Total deposits	-	2,574,707	(4,855)	2,569,852
Securities sold under agreements to repurchase	-	95,527	-	95,527
FHLB advances and other borrowings	-	197,500	-	197,500
Other liabilities	879	43,430	(46)	44,263
Total liabilities	879	2,911,164	(4,901)	2,907,142
Common stock	23,189	3,656	(3,656)	23,189
Paid-in capital	122,025	117,706	(117,706)	122,025
Accumulated other comprehensive loss, net of tax	(14,207)	(14,207)	14,207	(14,207)
Retained earnings	277,403	297,081	(297,081)	277,403
Total stockholders' equity	408,410	404,236	(404,236)	408,410
	$ 409,289	3,315,400	(409,137)	3,315,552

Schedule 1 **CONSOLIDATING SCHEDULE - STATEMENT OF FINANCIAL CONDITION**

December 31, 2023

(in thousands)

	BOU Bancorp, Inc.	Bank of Utah	Eliminations	Consolidated
ASSETS				
Cash and due from banks	$ -	19,514	-	19,514
Interest-bearing deposits in banks	4,484	108,781	(4,339)	108,926
Federal funds sold	-	407	-	407
Investment securities:				
Equity securities, at fair value	-	6,846	-	6,846
Available for sale, at fair value	-	233,463	-	233,463
Held to maturity, at amortized cost	-	116,612	-	116,612
Total investment securities	-	356,921	-	356,921
Loans held for sale	-	3,682	-	3,682
Loans	-	2,286,005	-	2,286,005
Less allowance for credit losses	-	31,717	-	31,717
Net loans	-	2,254,288	-	2,254,288
Investment in Bank of Utah	373,331	-	(373,331)	-
Accrued interest receivable	-	12,381	-	12,381
Bank owned life insurance	-	43,156	-	43,156
Investment in affordable housing tax, net credits	-	29,169	-	29,169
Goodwill	-	8,903	-	8,903
Premises and equipment, net	-	39,935	-	39,935
Other assets	34	35,218	(28)	35,224
Total assets	$ 377,849	2,912,355	(377,698)	2,912,506
LIABILITIES AND STOCKHOLDERS' EQUITY				
Deposits:				
Noninterest-bearing	$ -	768,406	-	768,406
Interest-bearing	-	1,344,881	(4,339)	1,340,542
Total deposits	-	2,113,287	(4,339)	2,108,948
Securities sold under agreements to repurchase	-	99,081	-	99,081
FHLB advances	-	285,000	-	285,000
Other liabilities	835	41,656	(28)	42,463
Total liabilities	835	2,539,024	(4,367)	2,535,492
Common stock	23,189	3,656	(3,656)	23,189
Paid-in capital	122,025	117,706	(117,706)	122,025
Accumulated other comprehensive loss, net of tax	(14,629)	(14,629)	14,629	(14,629)
Retained earnings	246,429	266,598	(266,598)	246,429
Total stockholders' equity	377,014	373,331	(373,331)	377,014
	$ 377,849	2,912,355	(377,698)	2,912,506

Schedule 2

CONSOLIDATING SCHEDULE - STATEMENT OF INCOME

Year ended December 31, 2024

(in thousands)

	BOU Bancorp, Inc.	Bank of Utah	Eliminations	Consolidated
INTEREST INCOME:				
Interest and fees on loans	$ -	150,935	-	150,935
Interest on investment securities	-	9,009	-	9,009
Interest on loans held for sale	-	507	-	507
Interest on cash and cash equivalents	43	10,155	(35)	10,163
Total interest income	43	170,606	(35)	170,614
INTEREST EXPENSE:				
Interest on deposits	-	61,136	(35)	61,101
Interest on securities sold under agreement to repurchase and other borrowings	-	11,173	-	11,173
Total interest expense	-	72,309	(35)	72,274
Net interest income	43	98,297	-	98,340
Provision for credit losses	-	2,593	-	2,593
Net interest income after provision for credit losses	43	95,704	-	95,747
NONINTEREST INCOME:				
Dividend from Bank of Utah	11,149	-	(11,149)	-
Equity in undistributed income of Bank of Utah	30,483	-	(30,483)	-
Service charges on deposits	-	674		674
Gain on sale of loans	-	4,914	-	4,914
Trust fees	-	16,211	-	16,211
Cash surrender value increase of bank owned life insurance	-	1,392	-	1,392
Other	-	2,949	-	2,949
	41,632	26,140	(41,632)	26,140
NONINTEREST EXPENSES:				
Salaries and employee benefits	1,632	44,859	-	46,491
Net occupancy expense	-	3,759	-	3,759
Equipment expense	-	7,780	-	7,780
Professional fees and services	76	4,737	-	4,813
Advertising and business development expense	-	2,370	-	2,370
Office expense	-	1,792	-	1,792
Other	349	4,777	-	5,126
	2,057	70,074	-	72,131
Income before provision for income taxes	39,618	51,770	(41,632)	49,756
(Benefit from)/provision for income taxes	(630)	10,138	-	9,508
Net income	$ 40,248	41,632	(41,632)	40,248

Schedule 2

CONSOLIDATING SCHEDULE - STATEMENT OF INCOME

Year ended December 31, 2023

(in thousands)

	BOU Bancorp, Inc.	Bank of Utah	Utah Risk Management, Inc.	Eliminations	Consolidated
INTEREST INCOME:					
Interest and fees on loans	$ -	115,856	-	-	115,856
Interest on investment securities:					
Taxable	-	9,906	66	-	9,972
Tax-exempt	-	24	-	-	24
Interest on loans held for sale	-	342	-	-	342
Interest on cash and cash equivalents	77	2,871	49	(19)	2,978
Total interest income	77	128,999	115	(19)	129,172
INTEREST EXPENSE:					
Interest on deposits	-	26,186	-	(19)	26,167
Interest on securities sold under agreement to repurchase and other borrowings	-	7,128	-	-	7,128
Total interest expense	-	33,314	-	(19)	33,295
Net interest income	77	95,685	115	-	95,877
Provision for credit losses	-	7,191	-	-	7,191
Net interest income after provision for credit losses	77	88,494	115	-	88,686
NONINTEREST INCOME:					
Dividend from Bank of Utah	10,784	-	-	(10,784)	-
Equity in undistributed income of Bank of Utah	29,720	-	-	(29,720)	-
Dividend from Utah Risk Management, Inc.	-	-	-	-	-
Equity in undistributed income of Utah Risk Management, Inc.	1,474	-	-	(1,474)	-
Service charges on deposits	-	732	-	-	732
Gain on sale of loans	-	3,036	-	-	3,036
Trust fees	-	14,727	-	-	14,727
Cash surrender value increase of bank owned life insurance	-	1,162	-	-	1,162
Other	-	3,119	1,281	(1,281)	3,119
	41,978	22,776	1,281	(43,259)	22,776
NONINTEREST EXPENSES:					
Salaries and employee benefits	1,618	38,061	-	-	39,679
Net occupancy expense	11	3,437	-	-	3,448
Equipment expense	-	7,216	-	-	7,216
Professional fees and services	13	3,755	92	-	3,860
Advertising expense	-	1,939	-	-	1,939
Office expense	-	1,657	-	-	1,657
Other	339	5,535	(191)	(1,281)	4,402
	1,981	61,600	(99)	(1,281)	62,201
Income before provision for income taxes	40,074	49,670	1,495	(41,978)	49,261
(Benefit from)/provision for income taxes	(588)	9,166	21	-	8,599
Net income	$ 40,662	40,504	1,474	(41,978)	40,662

Board of Directors

Frank W. Browning
Chairman of the Board

Benjamin F. Browning
Vice Chairman, CEO

Branden P Hansen
President

Jonathan W. Browning
Secretary to the Board

Douglas L. DeFries
Banker, Retired

Tai S. Bright
Investment Advisory

Dr. Gary R. Gibbons
Physician, Retired

George E. Hall
Entrepreneur

Marlin K. Jensen
Attorney, Retired

Eugene B. Jones
Certified Public Accountant, Retired

Scott D. Nelson
Developer, Retired

Steven M. Petersen
Manufacturing, Retired

Christopher R. Sorenson
Investment Advisory

A Legacy of Leadership: Dr. Gary Gibbons Retires from Bank of Utah Board

After more than 20 years of service, Dr. Gary Gibbons is retiring from Bank of Utah's Board of Directors, leaving a lasting mark on the organization he helped guide through periods of growth, transition and opportunity.

Dr. Gibbons' path to Bank of Utah began in 1991, when he led a group of investors in purchasing Golden Spike Bank of Tremonton. The group restructured the struggling institution and renamed it First Commerce Bank. Under his leadership as board chairman, the bank grew from a single branch in Tremonton to four locations and $40 million in assets — becoming a high-performing community institution serving Cache Valley and surrounding areas.

That success caught the attention of Bank of Utah. When the two banks merged in 1999, Dr. Gibbons was invited to serve on the Bank of Utah Board of Directors. "When I joined the board, I had no idea I'd end up serving this long," he said, "but it's been a very enjoyable time. I've been impressed with how the Bank has stayed conservative while still growing and taking smart risks. Even in difficult times, there was never a moment I was concerned about the safety of the Bank."

His tenure included a brief pause from 2001 to 2004 while he and his wife, Debra, served a church mission in Mongolia, but he returned to continue what would become more than two decades of board leadership. Over the years, he served on the Audit, Risk, Loan and Compensation committees, and chaired the Loan Committee for the past five years.

"Each committee taught me something," he said. "I never realized how much goes into making sure a bank is safe and sound until I saw what the Audit Committee does. On the Loan Committee, I was struck by how deeply the Bank cares about its clients. Even during times when the economy was tight and other banks pulled back, Bank of Utah kept lending. That made an impression."

Dr. Gibbons brought a broad range of experience to the board. An ear, nose and throat (ENT) specialist, he practiced otolaryngology in Logan for over 20 years after serving in U.S. Naval hospitals during and after the Vietnam War. He also helped found Cache Valley Specialty Hospital, bringing together more than 50 physicians to invest in the project. On top of that, he ran a lodge and destination resort in Wyoming for several years. "I never claimed to be a genius businessman," he said with a laugh, "but we had a good time and built some great things."

One of the most rewarding aspects of his time on the board, he said, was watching the Bank develop its talent. "The Bank has a strong track record of mentoring and promoting team members into leadership roles. That speaks volumes."

What he'll miss most, he said, are the people. "The relationships I've had with board members and Bank leadership have been incredible. They're outstanding individuals — dedicated and values-driven. I'll really miss those interactions."

Now 83, Dr. Gibbons says it's the right time to step away. "I want to spend more time with my wife, and take life at a slower pace," he said. "I'll still be involved in my church and temple work, and I plan to relax a bit."

To those who continue leading the Bank, he offered one simple piece of advice: "Stay the course. The Bank has a strong vision and an outstanding team."

Bank of Utah President Branden Hansen shared his appreciation for Dr. Gibbons' years of service: "Gary has been a trusted voice on our board, bringing wisdom, balance and a perspective that has helped guide our growth. His experience as a physician, business owner and a member of the banking community enriched our conversations and ultimately helped us better serve our clients."

Dr. Gibbons is succeeded on the board by Kevin Johansen, who joined in January 2025 after a 36-year career at KPMG, including five years as head of the firm's National Risk Management practice. His deep knowledge of financial services will support Bank of Utah's continued momentum.

Bank of Utah extends its heartfelt thanks to Dr. Gibbons for his dedicated service and warm leadership, and welcomes Mr. Johansen as the newest member of the board.

Bank of Utah Leadership

Benjamin F. Browning
Vice Chairman, CEO

Branden P Hansen
President

Nathan L. DeFries
Executive Vice President, Chief Financial Officer

M. Brady Fosmark
Executive Vice President, Chief Lending Officer

Cari G. Fullerton
Executive Vice President, Chief Credit Officer

Justin Nalder
Executive Vice President, Chief Strategy & Innovation Officer

Lacey B. Sansavera
Executive Vice President, Chief Banking Officer

Colby J. Dustin
Senior Vice President, Chief Risk Officer

Jon W. Croasmun
Senior Vice President, Corporate Trust

Eric D. DeFries
Senior Vice President, Residential Lending

Cherie Hanson
Senior Vice President, Marketing & Communications

Sean K. Morrison
Senior Vice President, Human Resources

Dillon L Schmutz
Senior Vice President, Trust Manager

Menah C. Strong
Senior Vice President, Chief Deposit Officer

Angela Towns
Senior Vice President, Chief of Staff

(not pictured)
Colleen Schulthies
Senior Vice President, General Counsel

COMMERCIAL LENDING

Jared M. Anderson Senior Vice President, Team Leader II, Ogden Muni
Michael W. Asay Senior Vice President, Participation & Business Development
Daniel S. Boren Senior Vice President, Collections/Special Assets
Kelly D. Crane-Hale Senior Vice President, Team Leader, Orem
M. Andrew Cunningham Senior Vice President, Lending Technology Innovation Officer
Reed W. Dixon Senior Vice President, Credit Administrator II
Larry R. Hintze Senior Vice President, Team Lead, Redwood
Bryce D. Huff Senior Vice President, Team Leader City Creek
Dereck S. Jacobs Senior Vice President, Credit Administrator II
Brett Jensen Senior Vice President, SBA Team Leader & Administrator
Krista L. Lewis Senior Vice President, Team Leader, Logan
Rachel L. Phillips Senior Vice President, Loan Systems and Operations Manager
Spencer R. Richins Senior Vice President, Team Leader, Bountiful
David K. Snow Senior Vice President, Team Leader II
H. Bradley Stucki Senior Vice President, Team Leader, St. George
Michael J. Wells Senior Vice President, Team Leader, Utah Valley
Arie D. Anderson Vice President, Team Leader
Sean C. Ashby Vice President, Small Business Administration Sales Manager
Eric S. Blanchard Vice President, Relationship Manager III
Jeff Cummings Vice President, SBA Business Development Officer
Steven Drakulich Jr. Vice President, Relationship Manager
Jeremy B. Hubbard Vice President, Relationship Manager
Ran D. Jones Vice President, Portfolio Manager
Steven J. Longazo Vice President, Relationship Manager
Alan P. Lunt Vice President, Team Lead
Jack K. Mangum Vice President, Relationship Manager
Matthew F. Nelson Vice President, Team Lead, Brigham City
Jeff L. Norton Vice President, Relationship Manager II
Joseph G. Packard Vice President, Relationship Manager
Christopher A. Parker Vice President, Relationship Manager
Todd J. Penovich Vice President, Credit Analyst
Sally K. Perry Vice President, Relationship Manager
Shaun Sampson Vice President, Relationship Manager
Jared S. Taylor Vice President, Relationship Manager II
Michael G. Tulane Vice President, Relationship Manager
Brian G. Wahlen Vice President, Relationship Manager
Joel B. Bishop Assistant Vice President, Commercial Loan Underwriting Training Manager
Tiffany J. Butler Assistant Vice President, Commercial Loan Document Team Lead
Jay L. Hardinger Assistant Vice President, SBA Underwriter
Todd R. Madsen Assistant Vice President, SBA Underwriter
Nicole H. Mansfield Assistant Vice President, Portfolio Manager II
Clay Martin Assistant Vice President, Relationship Manager
Zach B. Melaney Assistant Vice President, Relationship Manager
Blake W. Ostler Assistant Vice President, Portfolio Manager III
Jared R. Peterson Assistant Vice President, Portfolio Manager II

DEPOSIT OPERATIONS

David B. Rusch Senior Vice President, Retail Banking
Melissa V. Bernson Vice President, Regional Retail Banking Manager
Susana K. Feightner Vice President, Central Operations Manager
Christopher Nehren Vice President, Regional Retail Banking Manager
Jessica H. Orme Vice President, Treasury Management Operations Manager
Haley N. Petersen Vice President, Branch Operations Manager
David P. Kuhni Assistant Vice President, Branch Manager II, Lindon and Orem
Sherri A. Webb Assistant Vice President, Branch Manager II, South Ogden

RESIDENTIAL LENDING

Kathy L. Robles Senior Vice President, Mortgage Operations
Wesley T. Barlow Vice President, Mortgage Area Manager
Michael K. Child Vice President, Residential Construction Manager
Jennifer H. Dee Vice President, Mortgage Branch Manager, Ogden
Cindee L. Himelright Vice President, Portfolio Manager, Residential Construction & Consumer
John P. Neil Vice President, Mortgage Loan Originator
Russell G. Piggott Vice President, Mortgage Branch Manager, Logan City Center
Timothy D. Roberts Vice President, Mortgage Branch Manager, City Creek
John R. Serfustini Vice President, Secondary Marketing Manager
Angela L. Vause Vice President, Mortgage Processing Manager
Katherine L. Davis Assistant Vice President, Consumer Lending Manager
Tiffany A. Flint Assistant Vice President, Mortgage Closing & Post Closing Manager
Cynthia Lee Assistant Vice President, Senior Mortgage Underwriter & Mortgage LOS Administrator

TREASURY MANAGEMENT

Jillian L. Weadock Vice President, Treasury Management Sales Manager
Trevor L. Austin Vice President, Treasury Management Specialist
Sarah V. Carver Vice President, Treasury Management Specialist
Brittany M. Heal Vice President, Treasury Management Specialist
Matthew K. Linford Vice President, Treasury Management Specialist
Jodi L. Miller Vice President, Treasury Management Specialist

PERSONAL TRUST

Brenda L. Lambert Vice President, Personal Trust Manager
Jodie K. Buckner Vice President, Senior Trust Officer
Michael D. Dustin Vice President, Trust Officer
Nichole Kennedy Vice President, Trust Officer
Kyle R. Brown Assistant Vice President, Trust Investment Analyst

CORPORATE TRUST

Michael R. Arsenault Senior Vice President, Corporate Trust Counsel
Jodie B. Curtis Senior Vice President, Senior Corporate Trust Officer, Assistant Secretary
M. Peggy Hawkins Vice President, Corporate Trust Officer
Jennifer Miller Vice President, Corporate Trust Officer
Kirk G. Peterson Vice President, Corporate Trust Officer, Administrative Manager
Joseph H. Pugsley Vice President, Corporate Trust Counsel
Carolyn M. Ibanez Assistant Vice President, Corporate Trust Officer
Sharlee M. Kuch Assistant Vice President, Corporate Trust Officer

ADMINISTRATION:

Jory B. Norton Senior Vice President, Strategic Risk Officer
Christopher J. Powell Senior Vice President, Internal Audit Manager
Jay D. Weaver Senior Vice President, Technology Officer
Chelsi L. Banks Vice President, Deposit Compliance Officer
Carl R. Behunin Vice President, BSA Officer
Laura E. Castro Vice President, Lending Compliance Officer
Megan M. Higgins Vice President, Banking Technology
Kirk A. Jolly Vice President, Controller II
Ema Jones Vice President, Project Management
Mary E. McBride Vice President, Digital Customer Experience and Sales Manager
Jonathan T. Poon Vice President, IT Security Officer
Ronald N. Ross Vice President, Data
Elizabeth N. Warner Vice President, Lending Compliance Officer
Marissa R. Garbar Assistant Vice President, Lending Compliance Officer
Megan M. Kenley Assistant Vice President, Communication and Marketing Manager
Sterling J. May Assistant Vice President, Talent & Compensation
Jonathan W. Browning Secretary to the Board

Bank of Utah Locations

BOUNTIFUL
100 South 500 West, Bountiful, UT 84010

BRIGHAM CITY
80 East 800 South, Brigham City, UT 84302

HEBER
620 West 100 South, Heber City, UT 84032

LAYTON
717 West Antelope Drive, Layton, UT 84041

LINDON
144 South State Street, Lindon, UT 84042

LOGAN
5 East 1400 North, Logan, UT 84341

LOGAN - CITY CENTER - Home Loans
45 East 200 North, Suite 102, Logan, UT 84321

OGDEN - Corporate
2605 Washington Blvd, Ogden, UT 84401

OGDEN - Ben Lomond
115 Washington Blvd, Ogden, UT 84404

OREM
1000 West 800 North, Orem, UT 84057

PRICE - Home Loans
308 East Main Street, Price, UT 84501

PROVIDENCE
121 North Gateway Drive, Providence, UT 84332

PROVO
3670 North University Avenue, Provo, UT 84604

ROY
5729 South 1900 West, Roy, UT 84067

SALT LAKE CITY - City Creek Banking Center
50 South 200 East, Salt Lake City, UT 84111

SALT LAKE CITY - Redwood Road
2309 South Redwood Road, Salt Lake City, UT 84119

SALT LAKE CITY - Corporate Trust
50 South 200 East, Salt Lake City, UT 84111

SANDY
9320 South State Street, Sandy, UT 84070

SOUTH OGDEN
4605 Harrison Blvd, South Ogden, UT 84403

ST. GEORGE -Home Loans
243 East St. George Blvd, Suite 110, St. George, UT 84770

ST. GEORGE - Banking Center
335 East St. George Blvd, Suite 103, St. George, UT 84770

TREMONTON
25 North Tremont Street, Tremonton, UT 84337

VERNAL - Uintah Basin Home Loans
1056 West Highway 40, Vernal, UT 84078


www.bankofutah.com