



The Column

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Welcome back to The Column, our quarterly newsletter.

On March 18, S&P Global Market Intelligence released their list of the best-performing large US community banks for 2024, and First Carolina Bank ranked **no. 39!**

According to S&P, the ranking was compiled by calculating scores for each company based on eight different metrics: pretax return on average assets; net interest margin; efficiency ratio; 3-year average operating revenue change; 8-quarter average deposit change; nonperforming assets and loans 90 days or more past due as a percentage of total assets; net charge-offs-to-average loans and leases ratio; and adjusted tangible common equity-to-tangible assets ratio. Each metric was subjected to caps and floors and assigned a weight, and the resulting combination was the performance score. Each bank also had to meet specific criteria to be included, leading to a pool of 208 eligible institutions.

We are honored to have been recognized and pleased for the performance this represents, as delivered by our employees for our customers and shareholders.

2024 Top 50 Community Banks

\$3B - \$10B in assets

S&P Global
Market Intelligence



**First
Carolina Bank**

**BM
Technologies, Inc.**

In our last newsletter, we shared our plans to acquire BM Technologies, Inc., one of the largest digital banking platforms in the U.S. as well as a market leader in the higher education financial disbursements and identity verification businesses. We have served as the exclusive provider of deposit accounts for its higher education disbursements program since December 2023, and in January, we

took the next step by finalizing the acquisition. As we work to integrate our teams and brands, we cannot wait to bring the First Carolina Way to a whole new group in our partner institutions and students. In addition, we are accelerating our digital banking growth strategy, which we anticipate will positively impact our customers who have been a part of our story all along. We are excited for the future, and we hope you are as well!

Our Commitment: We Do The Day-To-Day Things In Banking Extremely Well



firstcarolinabank.com



BENVENUE ELEMENTARY FINANCIAL LITERACY CLUB

At First Carolina Bank, we believe that financial education is for everyone, and we're committed to providing it for learners of all ages—from our Reidsville team partnering with local senior centers, to members of our Raleigh and Rocky Mount teams teaching sessions for first-year students at North Carolina Wesleyan University, to one of our newest endeavors of starting a Financial Literacy Club at Benvenue Elementary School in Rocky Mount.

The club started last fall when **Lank Dunton**, our Rocky Mount Market Executive and a member of the Nash County Public School Board, connected our Community Engagement Committee with Kristen Tedford, the principal at Benvenue Elementary. Dunton and the committee posed the question “How can we help you?” to Tedford, and before long, the club was born.

The students, who are in fourth and fifth grade, are picked by their teachers based on a variety of factors to participate in the club, which lasts for a full semester and meets every two weeks for 30 minutes. We are currently working with our third group of students, and we have had a variety of team members want to participate, from the branch team to the BSA and compliance teams.

Elizabeth Overton, our Executive Assistant and Community Engagement Committee co-chair, has been involved lesson planning for the club, utilizing American Bankers Association (ABA) resources and activities. During the semester's first session, our bankers ask the students what they want to learn about, so that we can make sure we tailor the content as much as possible to their interests. Topics the club has covered include savings accounts (we challenged the students to see how much they could save while they were a part of the club!), rainy day savings, wants vs. needs, and parts of a check and checkbooks—and, of course, behind the scenes of banking. The semester culminates with a field trip to the Rocky Mount office, where the students can see the concepts they've been learning about come to life.

“We're really trying to make all of this seem like something they can achieve—and even that they can become a banker one day,” Overton said. “You can be here working with us one day. We want to make it less intimidating, where they feel like, ‘I can do that!’”



Pictured above is one of the club groups on their field trip to our Rocky Mount office. After getting to see behind the scenes at the branch, students got to hear from **Ingrid Nelson**, our Managing Director - BSA/AML/CFT/OFAC (far left), **Shawn Evans**, one of our Finance Associates (second from right), and **JR Johnson**, our Managing Director - Compliance (far right) and learn about bank jobs they might not know about. Then, **Kristin Watson**, one of our Rocky Mount Universal Bankers, put the students to the test with a money counter!

The First Carolina Way

Since First Carolina Bank was established in 2012, one main concept has driven our business: **we do the day-to-day things in banking extremely well.** We are committed to providing this level of service to our customers and to each other, and we hope that you give and receive it in each interaction in our workplace.

Last year, one of our board members suggested that we supplement our commitment with core values, and it was important to us that we selected values that were genuine and meaningful to our team.

And so, we collected suggestions—all of our employees, from top to bottom, were given the opportunity to share—and we looked for common themes in addition to unique terms that we thought define our business. In your own words, what does it mean to be a First Carolina banker?

Out of nearly 70 different terms offered, four stood out: **enterprising, intentional, responsive, and considerate.**

You can read a full blog post briefly explaining each of these four words and what they mean to our Bank on the Blog page of our website, but we are also going to take time in each of this year's issues of The Column to explain one of the values in greater detail. First up—enterprising.

Enterprising

We have a **do-business attitude** and are extremely resourceful in finding ways to work with customers.

According to the Oxford Advanced Learner's Dictionary, enterprising means "**having or showing the ability to think of new projects or new ways of doing things and make them successful.**" At First Carolina Bank, we have the agility and local decision-making of a smaller institution powered by the resources and capabilities of a larger one, and these qualities uniquely position us to find ways to serve clients of all kinds—from individuals to families, from small businesses to large organizations and non-profits, from elementary schools to colleges and universities, and beyond.

Enterprising, for us, is perhaps best explained by **Rhonda Jordan**, our Senior Residential Mortgage & Professional Banking Officer. One of Jordan's favorite sayings when talking about our consumer lending product is that "**We are the Bank that fills the gap.**" By this, she means that we are capable of meeting client needs that other institutions may not accommodate, both from a product design and service level. Just ask us, and let our enterprising spirit go to work.

Introducing a new section of The Column—**Business Briefs!** Here, we will be sharing important updates for our business clients as well as testimonials from businesses for whom we have tailored lending and treasury solutions.

UIS & PWA:

Given the constantly evolving nature of technology and the widespread issue of fraud, protecting your account information is more crucial than ever. The treasury management team at First Carolina Bank is responding by implementing two key updates to your business online banking experience: **Unified Identity Service (UIS)** and **Progressive Web App (PWA)**.

UIS replaces our current multi-factor authentication system with new industry-standard authentication methods designed to defend against various online takeover threats, including credential stuffing and phishing. In addition, once you set up UIS, you will no longer need to enter a company ID to log in to business online banking, and if you have multiple profiles you are managing, you will be able to do so all under one identity.

PWAs are essentially websites that perform like downloadable apps, so **it will replace our current native mobile app** with a responsive, browser-based mobile experience. The benefit of such an experience is a significantly faster development process—once changes are made to the application, they become available on all platforms at the same time, creating instant consistency and eliminating the need to republish native apps. With a PWA, the question of “Do I have the most recent version downloaded?” is a thing of the past.

IMPORTANT DATES:

Wednesday, April 23, 2025: An email to begin UIS transition process will be sent, and the PWA will become available for use. The transition to UIS must be completed before accessing the PWA.

Friday, May 23, 2025: The PWA will become the standard access option for business online banking.

You can find additional information and FAQs about UIS and PWA in the Resource Center of your business online banking dashboard and on the Treasury Management Tools page of our website.

Testimonial:

Commenting on their relationship with First Carolina, an executive at this company said, “The First Carolina Bank team has been an integral part of our growth. We appreciate the excellent communication the team provides us, keeping us aware of new services and listening and responding to our needs. As we have grown, First Carolina Bank has provided us with services solutions that keep us competitive in our everchanging industry.

Financed **\$32 million**, including an owner-occupied real estate term loan and operating line of credit, for:

FOOD DISTRIBUTION COMPANY
\$240 million in revenue

In addition to credit facilities, First Carolina Bank provided the following **treasury services**:

- | | |
|-------------------------------|---------------------------|
| Business Online Banking | Lockbox |
| Online Wire & ACH Origination | Fraud Protection Services |

“The food industry is challenging. We appreciate that First Carolina Bank has stuck with us through the good times, and the not-so-good. We appreciate First Carolina Bank has taken the position ‘As you grow, we will grow.’ We appreciate that we have earned your trust, and you ours.”