



CONNECTING WITH  
OUR  
COMMUNITIES.



2020  
THIRD QUARTER  
REPORT



Central Bank & Trust Co.  
Central Insurance Services  
Central Investment Center, Inc.

# HELPING TO KEEP OUR COMMUNITIES STRONG FOR 74 YEARS



## MISSION STATEMENT

The mission of Central Bancshares is to become Kentucky's leading, high-performing, community banking company by empowering our staff to deliver consistently superior service and value to our customers, shareholders and communities. We will be successful because Central Bankers are our greatest resource and our most sustainable advantage.

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### For additional copies or information:

MARKETING  
CENTRAL BANK  
300 West Vine Street  
Lexington, KY 40507

# FINANCIAL HIGHLIGHTS

For nine months ended September 30  
(dollars in thousands, except share data)

	2020	2019	2018	2017	2016
<b>RESULTS OF OPERATIONS:</b>					
Net income	\$ 16,462	\$ 24,417	\$ 20,895	\$ 14,707	\$ 13,976
Net income per share	0.47	0.70	0.60	0.42	0.40
Cash dividends per share	0.00	0.00	0.00	0.00	0.00
Book value per share at quarter end	9.28	8.77	7.92	7.26	6.78
<b>AT SEPTEMBER 30:</b>					
Assets	\$ 3,121,608	\$ 2,702,142	\$ 2,543,960	\$ 2,350,422	\$ 2,260,969
Earning assets	3,023,573	2,590,070	2,447,282	2,248,303	2,154,988
Net loans	2,344,650	2,063,825	2,013,297	1,921,904	1,717,555
Deposits	2,529,449	2,153,725	2,068,166	1,928,626	1,877,084
Shareholders' equity	322,702	305,216	275,556	252,681	235,795
<b>PERFORMANCE RATIOS:</b>					
Return on average assets	0.74%	1.25%	1.12%	0.85%	0.84%
Return on average shareholders' equity	6.98%	11.19%	10.52%	8.01%	8.14%
Average tangible equity					
to average tangible assets	10.15%	10.74%	10.17%	10.06%	9.71%
Net charge-offs to average loans	0.05%	0.16%	0.08%	0.06%	0.10%
Allowance for loan losses as a					
percentage of quarter end loans	0.99%	0.94%	1.02%	1.12%	1.23%
Net interest margin (tax equivalent)	3.53%	4.05%	3.99%	3.95%	3.73%

## CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	September 30 2020	September 30 2019
<b>ASSETS</b>		
Cash and due from financial institutions	\$ 42,046	\$ 60,081
Interest bearing deposits with other financial institutions	385,200	239,700
Total cash and cash equivalents	<u>427,246</u>	<u>299,781</u>
Debt securities	263,426	260,202
Loans, net of unearned income	2,368,196	2,083,417
Allowance for loan losses	(23,546)	(19,592)
Loans, net	<u>2,344,650</u>	<u>2,063,825</u>
Premises and equipment, net	26,482	29,115
Federal Home Loan Bank stock	6,751	6,751
Intangible assets	14,313	14,313
Prepaid expenses and other assets	38,740	28,155
<b>Total assets</b>	<u>\$ 3,121,608</u>	<u>\$ 2,702,142</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits:		
Non-interest bearing	\$ 999,991	\$ 708,284
Interest bearing	1,529,458	1,445,441
Total deposits	<u>2,529,449</u>	<u>2,153,725</u>
Repurchase agreements	191,464	144,757
Federal funds purchased	500	500
Federal Home Loan Bank advances	30,313	50,408
Subordinated debentures	15,000	15,000
Other liabilities	32,180	32,536
Total liabilities	<u>2,798,906</u>	<u>2,396,926</u>
<b>SHAREHOLDERS' EQUITY</b>		
Common stock (voting), \$10 par value; 350,000 shares authorized;		
347,922 shares issued and outstanding	3,479	3,479
Common stock (non-voting), no par value; 34,650,000 shares authorized;		
34,444,278 shares issued and outstanding	-	-
Additional paid-in capital	6,890	6,890
Retained earnings	323,141	301,391
Unearned Employee Stock Ownership Plan shares	(2,806)	-
Accumulated other comprehensive income (loss)	(8,002)	(6,544)
Total shareholders' equity	<u>322,702</u>	<u>305,216</u>
Total liabilities and shareholders' equity	<u>\$ 3,121,608</u>	<u>\$ 2,702,142</u>

## CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except share data)

For nine months ended  
September 30                      September 30  
2020                                      2019

### INTEREST INCOME

Interest and fees on loans	\$ 76,418	\$ 80,162
Interest on debt securities	3,691	5,121
Interest on deposits with other financial institutions	1,192	2,954
	<u>81,301</u>	<u>88,237</u>

### INTEREST EXPENSE

Interest on deposits	4,657	10,696
Interest on borrowed funds	1,141	1,752
	<u>5,798</u>	<u>12,448</u>

Net interest income	75,503	75,789
Provision for loan losses	5,667	2,672
Net interest income after provision for loan losses	<u>69,836</u>	<u>73,117</u>

### OTHER INCOME

Service charges on deposit accounts	4,380	5,442
Service charges on loans	9,028	7,893
Wealth management income	11,470	10,984
Other income	5,527	5,552
	<u>30,405</u>	<u>29,871</u>

### OTHER EXPENSES

Salaries	33,188	31,111
Benefits	9,252	8,816
Occupancy and equipment	16,102	15,040
Other non-interest expenses	23,048	20,978
	<u>81,590</u>	<u>75,945</u>

Income before provision for income taxes	18,651	27,043
Provision for income taxes	2,189	2,626
<b>Net income</b>	<u>\$ 16,462</u>	<u>\$ 24,417</u>

<b>Basic earnings per share</b>	\$ 0.47	\$ 0.70
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# BOARDS OF DIRECTORS



*Luther Deaton, Jr.*  
Luther Deaton, Jr.  
Chairman, President & CEO

## Central Bancshares, Inc. and Central Bank & Trust Co. Board of Directors

**Luther Deaton, Jr.**  
*Chairman, President & CEO, Central Bancshares, Inc. and Central Bank & Trust Co.*

**Joan D. Kincaid**  
*Vice Chairman of the Board, Central Bancshares, Inc. and Central Bank & Trust Co.*

**Ulysses Lee "Junior" Bridgeman**  
*President & CEO, Bridgeman Foods Inc.*

**Michael D. Foley**  
*Retired Partner  
RFH, PLLC Certified Public Accountants*

**Wayne M. Martin**  
*VP of Development,  
Retail Division,  
Booth Energy*

**Nick Nicholson**  
*Retired, Keeneland  
Association, Inc.*

**G. Michael Ritchie**  
*Owner, MND Holdings,  
LLC*

**Paul E. Sullivan**  
*Partner, Frost Brown Todd,  
LLC*

## Advisory Boards of Directors

### Central Bank, Georgetown Advisory Board of Directors

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*Retired Superintendent,  
Scott County Board of  
Education*

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*Community Volunteer*

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*CEO, Georgetown  
Community Hospital*

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*Retired Scott County  
Judge Executive*

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*Market President*

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*Chairman, Central Bank,  
Georgetown &  
Mayor of Georgetown*

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*President, Anderson  
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*MAP Entities*

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*Owner, Ball Homes*

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*Owner, E.D. Bullard  
Company*

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*Gorman Company*

**Kevin Doyle**  
*CFO, Congleton Hacker  
Company*

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*President, Lane's End Farm*

**Crinda Francke**  
*President, ExecuTrain of  
Kentucky*

**Don Howard, Jr.**  
*President, H&W  
Management*

**John Irvin, Jr.**  
*Attorney, Kinkead & Stilz,  
PLLC*

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*President, Justice Real  
Estate*

**Louis Mulloy**  
*LTM Associates, LLC*

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*President & CEO, Rood &  
Riddle Equine Hospital*

**Bill Quenomoen**  
*CEO, Denham-Blythe  
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*President, Kentucky  
American Water Co.*

**Adolph Rupp III**  
*Rupp & Associates, Inc.*

**Kenny Schomp**  
*President & Owner,  
Lexington Truck Sales, Inc.*

**Nick Strong**  
*President, Old Colony  
Insurance*

**Bill Thomason**  
*President, Keeneland  
Association*

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University of Kentucky*

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*Chief of Police, Lexington*

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*President, Winterwood,  
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Wakefield Reutlinger  
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*Director, Capital Link  
Consultants*

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*Retired Partner  
RFH, PLLC Certified Public  
Accountants*

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*Retired, Deming, Malone,  
Livesay & Ostroff*

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*Retired, Deputy Mayor,  
Louisville Metro  
Government*

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*CEO, Delta Dental*

**Mark Wheeler**  
*Market President*

# BOARDS OF DIRECTORS

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Hometown Services

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Pastor, First Baptist Church

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Builder and Developer

**Shannon Combs**  
Partner, Combs, Parsons and  
Collins Funeral Home

**Jeff Fultz**  
Market President

**Greg Gerard**  
President, Baptist Health  
Richmond

**James Ernest Hillard**  
Owner, Middletown Industrial

**Mike Rice**  
Owner, Cars of Kentucky, Inc.

**Rita H. Smart**  
Owner, The Bennett House

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Owner, Zaxby's

**Michael D. Foley**  
Retired Partner  
RFH, PLLC Certified Public  
Accountants

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Tutt, Inc.

**Paul E. Sullivan**  
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Taylor Made Farm & Sales  
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Market President

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Senior Vice President & COO, St.  
Elizabeth Healthcare, Florence

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President & CEO  
Carlisle Enterprises

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CEO, Zalla Companies

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President, Munninghoff, Lange  
& Co.

**Greg Schrand**  
President, GSE, Inc.

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Owner, Ashley Development

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Winchester

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Director of Operations  
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Dentist

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President  
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President, Palmer  
Engineering Co.

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President, MD Consulting, Inc.

**Robert Strode**  
Retired

**Mary Jane Warner**  
Manager of Power Delivery, East  
Kentucky Power Cooperative, Inc.

# OFFICERS

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Chairman, President &  
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Vice Chairman

Susan L. Simmons  
Vice President

Ranee Leland  
Vice President &  
Corporate Secretary

Edward Barnes  
Treasurer

## Central Bank, Lexington

### ADMINISTRATION

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Chairman, President &  
CEO

Ranee Leland  
Vice President &  
Corporate Secretary

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Senior Vice President &  
Compliance Officer

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Vice President

Danny C. Noland  
Vice President

John T. Miner, Jr.  
Auditing Officer

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Executive Vice President

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Senior Vice President

Shane Anderson  
Vice President

Mark R. Fox  
Vice President

Stephen J. Mallory  
Vice President

Jeff Murphy  
Vice President

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Vice President

Susan A. Dean  
Vice President

Paul B. Drake  
Vice President

Gary Loucks  
Vice President

Jordan Owens  
Vice President

### Consumer Lending

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Vice President

### Central Bank Mortgage

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Senior Vice President

Tom Breathitt  
Vice President

Brad Fields  
Vice President

Rebecca Haddix  
Vice President

Lorraine Kinley  
Vice President

Brian W. West  
Vice President

Vina Risner  
Assistant Vice President

Bradley Sutherland  
Assistant Vice President

Lisa Hart  
Senior Mortgage  
Underwriter Officer

Chris McGaughey  
CRA Community  
Development Officer

### Corporate Services

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Senior Vice President

Joan Patterson, CTP  
Vice President

Lisa K. Vickers  
Vice President

Chris Campbell  
Assistant Vice President

Allison Carter  
Assistant Vice President

Ashley N. Rodgers  
Cash Management  
Officer

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Vice President

Michael Danhauer  
Credit Analyst Officer

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Vice President

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Vice President

Becky Mullins  
Assistant Vice President

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Vice President

LeeAnn Layne  
Vice President

Leigh M. Carr  
Assistant Vice President

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Senior Vice President

Shelia Plymale  
Senior Vice President

June Carpenter  
Assistant Vice President

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Anna Clayton  
Senior Vice President

Kevin J. Lippert  
Senior Vice President

David Hake  
Vice President

E. Sean Proffitt  
Vice President

Adrian Embree  
Technology Officer

Kyle Hamilton  
Technology Officer

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Senior Vice President

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Assistant Vice President

Gina Ensminger  
Assistant Vice President

Angela M. Friesz  
Assistant Vice President

Barbara Johnson  
Assistant Vice President

Karen Lackey  
Assistant Vice President

Philip Rochester  
Assistant Vice President

Alexandra T. Wolf  
Assistant Vice President

Sharon Bradley  
Retail Banking Officer



# OFFICERS

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*Retail Banking Officer*

Rachel Jones  
*Retail Banking Officer*

Laura M. Owens  
*Retail Banking Officer*

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*Senior Vice President*

Diane Gentry  
*Client Services Officer*

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*Senior Vice President*

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*Correspondent Banking Officer*

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*Senior Vice President*

Leslie Flynn  
*Vice President*

Alicia Jordan  
*Vice President*

Christopher Thomason  
*Vice President*

Melissa Shimfessel  
*Private Banking Officer*

## FINANCIAL PLANNING

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*Executive Vice President & CFO*

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*Senior Vice President*

Mark Kendall  
*Assistant Vice President*

Lisa A. Williamson  
*Assistant Vice President*

## ENTERPRISE RISK MANAGEMENT

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*Executive Vice President*

Beth Lakes Robinson  
*Vice President*

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*Assistant Vice President*

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### Operations

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*Executive Vice President*

Karen G. Crawley  
*Senior Vice President*

Robin Michul  
*Senior Vice President*

Harvey Sword  
*Vice President*

## Internet Banking

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*Assistant Vice President*

## Card Services

Beverly Smalley  
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*Vice President*

## Loan Services

Timothy R. Austin  
*Vice President*

Shawn Presnell  
*Vice President*

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*Vice President*

Ryan Leigh Chapman  
*Deposit Services Officer*

## Financial Intelligence & Security Unit

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*Vice President & Director of Security*

Angela D. Campbell  
*Assistant Vice President*

Alan Stewart  
*Security Officer*

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*Executive Vice President*

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*Vice President*

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*Vice President*

Sheila C. Parks  
*Vice President*

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*Assistant Vice President*

Carol Robinson  
*Trust Operations Supervisor*

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*Senior Vice President*

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*Vice President*

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*Assistant Vice President*

Anna Hovekamp  
*Assistant Vice President*

Lauren Lovely  
*Trust Officer*

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*Senior Vice President*

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*Vice President*

R. Scott King  
*Vice President*

Chris Taylor  
*Trust Officer*

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*Vice President*

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*Vice President*

Justin Whipple  
*Vice President*

Steven P. Wright  
*Vice President*

Don Yaden  
*Vice President*

Chris Harrison  
*Assistant Vice President*

Andrew Alexander  
*Commercial Insurance Officer*

Joanna Gwinn-Estill  
*Insurance Officer*

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*Executive Vice President & Senior Financial Advisor*

Jeff Fields, CRPS®  
*Vice President & Financial Advisor*

Tony Brown  
*Financial Advisor*

Deborah Fisher  
*Financial Advisor*

Thomas E. Roberts, CFP®  
*Financial Advisor*

John Saunier  
*Financial Advisor*

Jennifer Wilson  
*Financial Advisor*

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*Market President*

Jennifer J. Roberts  
*Vice President*

# OFFICERS

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*Vice President*

Jennifer Phillips  
*Assistant Vice President*

## Mortgage Lending

Ashley Weir  
*Vice President*

## CENTRAL BANK, LOUISVILLE

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*Market President*

James E. Evans II  
*Senior Vice President &  
Senior Market Lender*

Amy Sullivan  
*Senior Vice President &  
Senior Market Lender*

John Hubbuch, Jr.  
*Vice President*

Joan Strafer  
*Vice President*

## Credit Analysis

Sandra Stanley  
*Assistant Vice President*

## Mortgage Lending

Bridgette Wingate  
*Mortgage Lending Officer*

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*Vice President*

Elaine Fawbush  
*Assistant Vice President*

Clayton Rogers  
*Retail Banking Officer*

## Private Banking

Robert Slider  
*Senior Vice President*

Mary Littrell  
*Vice President*

Jim Morris  
*Vice President*

M. Trish Osborn  
*Vice President*

## Wealth Management

Bill Kaiser  
*Vice President*

Ballard "Cash" Cassidy  
*Personal Trust Officer*

## CENTRAL BANK, MADISON COUNTY

Jeff Fultz  
*Market President*

Cameron Abney  
*Senior Vice President &  
Senior Market Lender*

Ken Riley  
*Vice President*

## Retail Banking

Shawn McWilliams  
*Vice President*

Kristy Napier  
*Retail Banking Officer*

## Mortgage Lending

Donna Haney  
*Vice President*

## CENTRAL BANK, NICHOLASVILLE

Alan S. VanArsdall  
*Market President*

Jill Slone  
*Assistant Vice President*

Kathy Moore  
*Retail Banking Officer*

Brandy Osborne  
*Commercial Lending Officer*

Adam Rodgers  
*Commercial Lending Officer*

## Mortgage Lending

Monna Treadway  
*Vice President*

## CENTRAL BANK, NORTHERN KENTUCKY

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*Market President*

Brett Blackwell  
*Senior Vice President &  
Senior Market Lender*

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*Vice President*

Karen J. Homan  
*Vice President*

Amy Roberts  
*Vice President*

JB Schmidt  
*Assistant Vice President*

## Mortgage Lending

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*Vice President*

Dottie Dawson  
*Mortgage Lending Officer*

## Retail Banking

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*Vice President*

Adam Metzger  
*Vice President*

Mark Minton  
*Vice President*

Diana Webster  
*Vice President*

## Private Banking

John Finley  
*Senior Vice President*

Karen Hartig  
*Vice President*

Larry Luebbers  
*Vice President*

## Wealth Management

Jeff Augsback  
*Trust Officer*

## CENTRAL BANK, WINCHESTER

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*Market President*

Tim M. Duncan  
*Senior Vice President &  
Senior Market Lender*

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*Vice President*

Erica Parks  
*Assistant Vice President*

## Retail Banking

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*Vice President*

Deborah R. Banks  
*Retail Banking Officer*

Crystal Hunt  
*Retail Banking Officer*

# OFFICERS

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## Mortgage Lending

**Paula Beebe**  
*Vice President*

**Lee Coleman**  
*Vice President*



[centralbank.com](http://centralbank.com)

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Central Bank & Trust Co. is a wholly owned subsidiary of Central Bancshares, Inc.



EQUAL HOUSING

**LENDER**

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